

SCHEDULE D

SUMMARY OF ADJUSTMENTS TO OPERATING INCOME

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

Forecasted Test Period: FOR THE TWELVE MONTHS ENDED: NOVEMBER 2005

Base Period: FOR THE TWELVE MONTHS ENDED: JULY 2004

Schedule	Description
D-1	Summary of Adjustments to Operating Income
D-2.1	Detailed Adjustments
D-2.2	Detailed Adjustments
D-2.3	Detailed Adjustments
D-2.4	Detailed Adjustments
D-3	Summary of Jurisdictional Factors
D-4	Jurisdictional Statistics
D-5	Explanation of Change in Jurisdictional Procedures

For electronic version, see [KAW_APP_EX37D_043004.pdf](#)

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO **OPERATING** INCOME ACCOUNTS
FOR THE **TWELVE** MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL — UPDATED — REVISED
WORKPAPER REFERENCE **NO(S):** SCH D-2.1/D-2.2 (TOTAL COMPANY)

SCHEDULE D-1
Page 1 of 19

Witness Responsible: **M.A. Miller, S. A. Valentine**

Line No.	Account Number	Description	Base Period	Ad. D-1 Sch D-2.1	Ad. D-2 Sch D-2.2	Ad. D-3 Sch D-2.2	Total Adjustments
1		Water Revenues					
2	461100	Residential - Billed	\$ 23,492,953	\$ (376,888)	\$ -	\$ -	(\$376,888)
3	461110	Residential - Unbilled	\$ 67,951	\$ (67,951)	\$ -	\$ -	(67,951)
4	461200	Commercial - Billed	\$ 11,014,843	\$ (469,317)	\$ -	\$ -	(469,317)
5	461210	Commercial - Unbilled	\$ 80,463	\$ (80,463)	\$ -	\$ -	(80,463)
6	461300	Industrial - Billed	\$ 1,497,592	\$ 62,607	\$ -	\$ -	82,607
7	461310	Industrial - Unbilled	\$ 34,339	\$ (34,339)	\$ -	\$ -	(34,339)
8	461400	Miscellaneous - Billed	\$ 10,336	\$ 5,572	\$ -	\$ -	5,572
9	461410	Miscellaneous - Water Sales Billed Unmetered	\$ -	\$ -	\$ -	\$ -	0
10	462000	Private Fire - Billed	\$ 844,721	\$ (5,721)	\$ -	\$ -	(5,721)
11	462100	Private Fire - Unbilled	\$ -	\$ -	\$ -	\$ -	0
12	463000	Public Fire - Billed	\$ 1,835,565	\$ (33,390)	\$ -	\$ -	(33,390)
13	463100	Public Fire - Unbilled	\$ -	\$ -	\$ -	\$ -	0
14	464200	OPA - Billed	\$ 3,396,558	\$ (267,435)	\$ -	\$ -	(267,435)
15	464210	OPA - Unbilled	\$ 15,645	\$ (15,645)	\$ -	\$ -	(15,645)
16	466000	Sales for Resale - Billed	\$ 847,567	\$ (71,597)	\$ -	\$ -	(71,597)
17	466100	Sales for Resale - Unbilled	\$ 41,775	\$ (41,775)	\$ -	\$ -	(41,775)
18		Total Water Revenues	43,180,308	(1,376,342)	0	0	(1,376,342)
19							
20		Sewer Revenues					
21	461000	Residential - Billed	19,013	(19,013)	0	0	(19,013)
22	461010	Residential - Billed Surcharge	0	0	0	0	0
23	461020	Commercial - Billed	734	(734)	0	0	(734)
24	461030	Commercial - Unbilled	0	0	0	0	0
25	462210	Industrial - Billed	829	(829)	0	0	(829)
26	462110	Industrial - Unbilled	0	0	0	0	0
27		Total Sewer Revenues	20,576	(20,576)	0	0	(20,576)
28							
29							
30		OTHER OPERATING REVENUES					
31	471100	Reconnection Charges	23,280	0	(23,280)	0	(23,280)
32	471200	Other Miscellaneous Service Revenues	141,371	0	(105,258)	0	(105,258)
33	472000	Rents from Water Property	104,338	0	(21,598)	0	(21,598)
34	474100	Billing & Collection Services	749,953	0	31,723	0	31,723
35	474300	Other water Revenues	26,696	0	187,531	0	187,531
36		AFUOC	0	0	0	470,940	470,940
37		TOTAL OTHER OPERATING REVENUES	1,045,638	0	69,118	470,940	540,058
38							
39		TOTAL OPERATING REVENUES	\$44,246,522	(\$1,396,918)	\$69,118	\$470,940	\$0
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1
Page 2 of 19
Witness Responsible: M.A. Miller/ S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.1/D-2.2 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D-2.2	Adj. D-3 Sch D-2.2	Total Adjustments
1							
2							
3		Revenues from Water/Wastewater	\$ 23,579,917	(\$463,852)	\$0	\$0	\$0
4		Residential	11,096,040	(550,514)	0	0	(\$463,852)
5		Commercial	1,532,760	47,439	0	0	(550,514)
6		Industrial	3,412,203	(283,080)	0	0	47,439
7		Other Public Authority (OPA)	889,342	(113,372)	0	0	(283,080)
8		Sales for Resale (OWU)	10,336	5,572	0	0	(113,372)
9		Miscellaneous	844,721	(5,721)	0	0	5,572
10		Private Fire Service	1,835,565	(33,390)	0	0	(5,721)
11		Public Fire Service					(33,390)
12							
13		Total Water/Wastewater Revenues	43,200,884	(1,396,918)	0	0	0
14		Other Operating Revenues	1,045,638	0	69,118	470,940	0
15							
16		Total Operating Revenues	\$44,246,522	(\$1,396,918)	\$69,118	\$470,940	\$0
17							
18		TAX RATE					
19		State Income Tax Impact	8.25%	(\$115,246)	\$5,702	\$38,853	\$0
20		Federal Income Tax Impact	35.00%	(\$448,665)	\$22,196	\$151,230	\$0
21		Net Operating Income Impact		(\$563,911)	\$27,898	\$190,083	\$0
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FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED RE / SED
PAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

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Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
			Col1	Col2	Col3	Col4	Col5	Col6	Col7	Col8	Col9	Col10	
		SOURCE OF SUPPLY EXP (SS)											
2	600000	Operation Supervision 8 Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	operation Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
4	601200	OperationLabor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
5	602000	Purchased Water	\$340,297	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
6	603100	Miscellaneous Expenses	\$10,862	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
7	603120	Amort Misc Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
8	603200	MiscellaneousLabor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
9	604000	Rents	\$2,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
10	610000	Maint Supervision & Engineering Ord	\$1,965	(\$1,965)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(1,965)
11	610010	Maint Supervision & Engineering Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
12	611100	Maint Struc & Improv-Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
13	611110	Maint Struc & Improv-Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
14	611200	Maint Struc & Improv-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
15	611210	Maint Struc & Improv-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
16	612100	Maint Col & Imp Res-MaterialsOrd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
17	612110	Maint Col & Imp Res-MaterialsPrg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
18	612120	Amort Col & Imp Res	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
19	612200	Maint Col & Imp Res-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
20	612210	Maint Col & Imp Res-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
21	613100	Maint Lake, River 8 Other Intakes-MatOrd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
22	613110	Maint Lake, River 8 Other Intakes-Mat Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
23	613120	Amort Lake, River & Other Intakes	\$21,946	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
24	613200	Maint Lake, River 8 Other Intakes-LabOrd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
25	613210	Maint Lake, River 8 Other Intakes-LabPrg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
26	616100	Maint Supply Mains-Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
27	616110	Maint Supply Mains-Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	616200	Maint Supply Mains-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29	616210	Maint Supply Mains-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	\$220,934	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
34													
35													
36		TOTAL SS EXPENSES	598,404	(1,965)	0	0	0	0	0	0	0	0	(1,965)
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KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

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FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1
Page 4 of 19
Witness Responsible: M.A. Miller/ S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
		PUMPING EXPENSES											
1		Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	620200	Operation Sup & Eng-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	620300	Power Production Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	622100	Power Production Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	622200	Power Production Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	623110	Power Purchased for Pumping-Elec	\$1,066,532	\$0	\$856,109	\$0	\$0	\$0	\$0	\$0	\$0	\$0	856,109
7	623120	Power Purchased for Pumping-Elec Adj	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	623210	Power Purchased for Pumping-Other	\$972,975	\$0	(\$972,975)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(972,975)
9	624200	Pumping Labor-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	624300	Pumping Labor-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	624500	Pumping Expenses-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	624600	Pumping Expenses-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	626200	Misc Pumping Labor-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	626300	Misc Pumping Labor-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	626500	Misc Pumping Expenses-Electric	\$3,618	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	626600	Misc Pumping Expenses-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	627200	Rents-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	627300	Rents-Other	\$8,034	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	630200	Maint Sup & Eng-Electric Ord	\$54,692	\$113,588	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	113,588
20	630210	Maint Sup & Eng-Electric Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	630300	Maint Sup & Eng-Other Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	630310	Maint Sup & Eng-Other Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	631100	Maint Pumping Struc & Improv-Material Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	631110	Maint Pumping Struc & Improv-Material Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	631200	Maint Pumping Struc & Improv-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	631210	Maint Pumping Struc & Improv-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	632100	Maint Power Production Equip-Mat Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	632110	Maint Power Production Equip-Mat Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	632200	Maint Power Production Equip-Lab Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	632210	Maint Power Production Equip-Lab Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	633200	Maint Pumping Equip-Material-Electric Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	633210	Maint Pumping Equip-Material-Electric Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	633300	Maint Pumping Equip-Material-Other Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	633310	Maint Pumping Equip-Material-Other Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	633500	Maint Pumping Equip-Labor-Electric Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	633510	Maint Pumping Equip-Labor-Electric Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	633600	Maint Pumping Equip-Labor-Other Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	633610	Maint Pumping Equip-Labor-Other Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39		TOTAL PUMPING EXPENSES	2,105,851	113,588	(116,866)	0	0	0	0	0	0	0	(3,278)

KENTUCKY-AMERICAN WATER COMPANY
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FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X ECA ED PERIOD
TYPE OF FILING: X ORIGINAL UPI TED REVISI D
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL CO IPANY)

SCHEDULE D-1

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Witness Responsible: MA. Milled S. A. *Valentine*

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		WATER TREATMENT EXPENSES (WT)											
2	640000	Operation Supervision 8 Engineering		\$374,088	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$374,086
3	641110	chemicals-Carbon		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
4	641100	General Chemicals	1,359,190	\$0	\$0	(\$138,054)	\$0	\$0	\$0	\$0	\$0	\$0	(138,054)
5	641200	Softening Chemicals		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
6	642100	General WT Labor	1,333,567	(\$478,771)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(478,771)
7	642200	Softening Labor	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
8	642300	General WT Expenses	232,810	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
9	642390	General WT Administration	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
10	642400	Softening Expenses	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
11	643100	Misc Expenses	54,538	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
12	643190	Misc Expenses - Service Co	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
13	643200	Misc Labor	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
14	643300	Waste Disposal Expenses	146,607	\$0	\$0	\$0	\$8,393	\$0	\$0	\$0	\$0	\$0	8,393
15	643310	Amort Waste Disposal Expenses	21,062	\$0	\$0	\$0	\$63,934	\$0	\$0	\$0	\$0	\$0	63,934
16	644000	Rents	20,272	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
17	650000	Maint Supervision & Engineering Ord	118,160	(\$6,929)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(6,929)
18	650010	Maint Supervision 8 Engineering Prg	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
19	651100	Maint WT Struc & Improvements-Mat Ord	188,788	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
20	651110	Maint WT Struc 8 Improvements-Mat Prg	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
21	651120	Amort WT Structures	162,454	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
22	651200	Maint WT Struc & Improvements-Labor Ord	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
23	651210	Maint WT Struc 8 Improvements-Labor Prg	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
24	652100	Maint General WT Equipment-Mat Ord	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
25	652110	Maint General WT Equipment-Mat Prg	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
26	652200	Maint Softening Equipment-Materials	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
27	652300	Maint General WT Equipment-Labor Ord	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	652310	Maint General WT Equipment-Labor Prg	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29													
30		TOTAL WT EXPENSES	3,636,448	(111,612)	0	(138,054)	72,327	0	0	0	0	0	(177,339)
31													
32													
33													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1
Page 6 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
TRANS & DIST EXPENSES (T&D)													
2	660000	Operation Supervision & Engineering	\$0	\$444,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$444,800
3	661100	Storage Facilities - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	661200	Storage Facilities - Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	662100	T&D Lines - Expenses	\$15,541	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	662200	T&D Lines - Labor	\$1,129,290	(\$607,785)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$607,785)
7	663100	Meter Expenses-Remove and Reset-Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	663200	Meter Expenses-Remove and Reset-Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	663300	Meter Expenses-Misc Meter Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	663400	Meter Expenses-Misc Meter Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	664100	Customer Installation - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	664200	Customer Installation - Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	665100	Maps and Records - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	665190	Maps and Records - Expenses Computer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	665200	Maps and Records - Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	665300	Misc Expenses	\$276,522	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$47,984
17	665400	Misc Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	666000	Rentals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	670000	Maint Supervision & Engineering Ord	\$5,034	(\$16,597)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$16,597)
20	670010	Maint Supervision & Engineering Prg	\$16,597	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	671100	Maint Struct & Improvements-Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	671110	Maint Struct & Improvements-Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	671200	Maint Struct & Improvements-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	671210	Maint Struct & Improvements-Labor Prg	\$16,306	(\$18,306)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$18,306)
25	672100	Maint Res & Standpipes - Materials Ord	\$979	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	672110	Maint Res & Standpipes - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	672120	Maint Res & Standpipes - Labor Ord	\$190,177	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	672200	Amort Res & Standpipes	\$5,403	(\$5,403)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,403)
29	672210	Maint Res & Standpipes - Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	673100	Maint T&D Mains - Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	673110	Maint T&D Mains - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	673120	Amort T&D Mains	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	673200	Maint T&D Mains - Labor Ord	\$213,888	\$366,041	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$366,041
34	673210	Maint T&D Mains - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	675100	Maint Services - Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	675110	Maint Services - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	675200	Maint Services - Labor Ord	\$208,186	(\$208,186)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	675210	Maint Services - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	676100	Maint Meter - Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	676110	Maint Meter - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	676200	Maint Meter - Labor Ord	\$30,073	\$102,523	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$102,523
42	676210	Maint Meter - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	676300	Maint Meter Installation - Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	676310	Maint Meter Installation - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	676400	Maint Meter Installation - Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	676410	Maint Meter Installation - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200400403
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PEWOD
TYPE OF FILING: X ORIGINAL UPDATED RM SED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULED-I
Page 7 of 15

Witness Responsible: MA. Milled S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		TRANS E. DIST EXPENSES (T&D) (Cont'd)											
2	677100	Maint Hydrants - Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
3	677110	Maint Hydrants - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
4	677200	Maint Hydrants - Labor Ord	\$92,564	(\$59,083)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(59,083)
5	677210	Maint Hydrants - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
6	678100	Maint Other T&D Plant - Materials Ord	\$333,046	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
7	678110	Maint Other T&D Plant - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
8	678200	Maint Other T&D Plant - Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
9	678210	Maint Other T&D Plant - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
10													
11													
12		TOTAL T&D EXPENSES	2,533,606	47,988	0	0	0	0	0	0	0	0	47,988
13													
14		CUSTOMER ACCOUNTS EXPENSE (CA)											
15	901000	Supervision	\$0	\$85,667	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85,687
16	902100	Meter Reading Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
17	902190	Meter Reading Mgt Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
18	902200	Meter Reading Labor	\$0	\$613,707	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	613,707
19		CUST RECORDS & COLLECTION EXPENSES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
20	903100	Contracts and Orders - Expenses	\$43,494	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
21	903200	Contracts and Orders - Labor	\$1,013,468	(\$746,576)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(746,576)
22	903300	Collecting - Expenses	\$186,177	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
23	903400	Collecting - Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
24	903510	Billing & Accounting - Computers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
25	903520	Billing & Accounting - Other Expenses	\$421,027	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
26	903600	Billing & Accounting Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
27	904000	Uncollectible Accounts	\$186,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	905100	Misc Expenses	\$15,209	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29	905200	Misc Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
30													
31		TOTAL CA EXPENSES	1,865,675	152,818	0	0	0	0	0	0	0	0	152,818
32													
33		CUSTOMER SERVICE EXPENSES											
34	907100	Cust Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and Information - Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	0
37													
38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40													
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	0
42													
43													
44													
45													
46													
47													
48													
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1
Page 8 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
ADMINISTRATIVE & GENERAL EXP(A&G)													
2	920000	Salaries	\$864,535	(\$184,984)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$184,984)
3	920500	Incentive Plan Expense	\$17,656	\$211,490	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	211,490
4	921100	Expenses of Employees	\$81,334	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	921110	Dues for Clubs - Taxable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	921200	Misc Office Expenses	\$284,366	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	923100	Service Company Charges	\$3,027,903	\$0	\$0	\$0	\$0	\$772,507	\$0	\$0	\$0	\$0	772,507
8	923190	Service Company Charges - Out Agency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	923200	Auditing Services	\$26,220	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	923300	Legal Services	\$98,308	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	923400	Engineering Services	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	923500	Other Services - Current	\$895,967	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	924000	Property Insurance	\$185,350	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	925110	Workers Compensation	\$59,118	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(42,712)
15	925120	Workers Comp Cap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,147	\$0	5,147
16	925130	Workers Comp Cap (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	925140	Workers Comp Cap (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	925200	Injuries and Damages - Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	925300	Injuries and Damages - Expenses	\$2,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	925310	Injuries and Damages - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	925400	General Liability	\$243,735	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EMPLOYEE PENSIONS & BENEFITS													
22	926100	Accrued OPEB Expense	\$676,860	\$0	\$0	\$0	\$0	\$0	\$121,874	\$0	\$0	\$0	121,874
24	926110	Group Insurance Expense	\$882,859	\$0	\$0	\$0	\$0	\$0	\$42,814	\$0	\$0	\$0	42,814
25	926120	Other Grp Insurance Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	926130	Group Ins Cap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	926140	Group Ins Cap (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	926150	Group Ins Reimb	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	926160	Group Ins Cap (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	926170	Group Ins Pretax Contribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	926200	Other Welfare & Educational Expenses	\$118,173	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	926210	Educational Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	926220	ESQP Contribution Expense	\$53,940	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	926250	401-K Contributions Expense	\$66,042	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	926260	401-K Cap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	926270	401-K Cap (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	926280	401-K Cap (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	926300	Suppl Pen Pay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	926330	OPEB Expense Cap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	926340	OPEB Expense Cap (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	926360	OPEB Expense Cap (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
42	926370	FAS '112 Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	926400	Pension Plan Payments - Current	\$961,536	\$0	\$0	\$0	\$0	\$0	\$0	(\$68,243)	\$0	\$0	(68,243)
44	926600	Other Pension Plan Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	926700	Pension Plan Prms - Union	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	926800	Pensions - Capitalized - (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	926900	Pensions - Capitalized - (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$155,433)	\$0	\$0	(155,433)
48	926910	Pensions - Capitalized - (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
49			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
50			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1
Page 9 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
		REGULATORY COMMERCIAL EXPENSES											
2	928100	Amort Expense of Rate Proceedings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$218,568	\$0	\$218,568
3	928110	Amort Serv Study Exp Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	928200	Tax Savings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	928300	Amort of Other Regulatory Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	928400	Other Regulatory Expenses - Current	\$19,712	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,712
7	930200	Amort Misc Charges	\$187,704	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$8,000)	\$0	(\$8,000)
8	930210	Misc General Expenses Current	\$440,257	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$440,257
9	930220	Amort Orig Cost Study	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	930230	Misc General Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	930240	Misc Gen Exp - Community Relations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	930250	Amort Plant Expansion Study	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	930260	Meals & Travel Expenses - Taxable	\$15,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,207
14	930270	Donations	\$30	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30
15	930290	Data Processing Communication Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	930300	Research & Development Expenses	\$24,184	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,184
17	930390	Research & Development Exp - Ser Co	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	930500	Non-deductible Penalties	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	930510	Lobbying Expenses	\$353,047	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$353,047
20	930600	Transportation Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	930610	Transportation Cap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	930620	Transportation Cap (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	930630	Transportation Cap (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	930880	Misc Gen Exp - Company Dues	\$31,270	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,270
25	930890	Misc Gen Exp - Other	\$169,096	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$169,096
26	930980	Misc General Exp-Taxable Co Dues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	931000	Rents	\$38,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38,100
28	932100	Maint A&G Struc & Improv-Material Ord	\$55,502	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,502
29	932110	Maint A&G Struc & Improv-Material Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	932120	Amort A&G Struc & Improv	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	932200	Maint A&G Struc & Improv-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	932210	Maint A&G Struc & Improv-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	932300	Maint A&G Office Furniture-Material Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	932310	Maint A&G Office Furniture-Material Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	932400	Maint A&G Office Furniture-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	932410	Maint A&G Office Furniture-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	932500	Maint A&G Communication Equip-Material	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	932600	Maint A&G Comm Equip-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	932610	Maint A&G Comm Equip-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	932700	Maint A&G Misc Property-Material Ord	\$22,386	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,386
41	932710	Maint A&G Misc Property-Material Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
42	932800	Maint A&G Misc Property-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	932810	Maint A&G Misc Property-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	932810	Total A & G Expenses	9,923,027	26,496	0	0	0	772,507	164,588	(223,676)	210,568	61,051	1,011,634
45		Total O & M Expenses	\$20,663,011	\$227,313	(\$116,866)	(\$138,054)	\$72,327	\$772,507	\$164,588	(\$223,676)	\$210,568	\$61,051	\$1,029,857

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1
Page 10 of 19
Witness Responsible: M.A. Miller/ S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

Line No.	Line Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1	08	Operation Labor Expenses	\$5,117,330	\$227,313	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$227,313
2	24	Maintenance Labor Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
3	4	Total Labor	\$5,117,330	\$227,313	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$227,313
7		Total Operation Expenses	\$18,708,965	(\$40,371)	(\$116,866)	(\$138,054)	\$72,327	\$772,507	\$164,688	(\$223,676)	\$210,568	\$61,051	\$762,174
8		Total Maintenance Expenses	\$1,954,046	\$267,683	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	267,683
11		Total O & M Expenses	\$20,663,011	\$227,312	(\$116,866)	(\$138,054)	\$72,327	\$772,507	\$164,688	(\$223,676)	\$210,568	\$61,051	\$1,029,857
16	08	Labor	\$5,117,330	\$227,312	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$227,312
17	09	Purchased Water	\$340,297	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
18	10	Fuel and Power	\$2,039,507	\$0	(\$116,866)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(116,866)
19	20	Chemicals	\$1,359,190	\$0	\$0	(\$138,054)	\$0	\$0	\$0	\$0	\$0	\$0	(138,054)
20	11	Waste Disposal	\$166,669	\$0	\$0	\$0	\$72,327	\$0	\$0	\$0	\$0	\$0	72,327
21	12	Management Fees	\$3,027,803	\$0	\$0	\$0	\$0	\$772,507	\$0	\$0	\$0	\$0	772,507
22	13	Group Insurance	\$1,559,719	\$0	\$0	\$0	\$0	\$0	\$164,688	\$0	\$0	\$0	164,688
23	14	Pension	\$951,536	\$0	\$0	\$0	\$0	\$0	\$0	(\$223,676)	\$0	\$0	(223,676)
24	15	Regulatory Expense	\$19,712	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$210,568	\$0	210,568
25	16	Insurance Other than Group	\$488,203	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$61,051	61,051
26	17	Customer Accounting	\$652,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
27	18	Rents	\$73,840	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	19	General Office Expense	\$380,937	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29	20	Miscellaneous	\$3,080,829	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
30	21	Other Maintenance	\$1,195,232	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
32		Total O & M Expenses	\$20,663,011	\$227,312	(\$116,866)	(\$138,054)	\$72,327	\$772,507	\$164,688	(\$223,676)	\$210,568	\$61,051	\$1,029,857
34	8.25%	State Income Tax Impact		(\$18,753)	\$9,641	\$11,389	(\$5,967)	(\$63,732)	(\$13,567)	\$18,453	(\$17,372)	(\$5,037)	(\$84,963)
36	35.00%	Federal Income Tax Impact		(\$86,123)	\$44,278	\$52,305	(\$27,403)	(\$292,684)	(\$52,396)	\$84,745	(\$79,779)	(\$23,131)	(\$390,187)
38		Net Operating Income Impact		(\$122,436)	\$62,947	\$74,360	(\$38,957)	(\$416,091)	(\$68,705)	\$120,478	(\$113,417)	(\$32,863)	(\$554,707)

KENTUCKY-AMERICAN WATERCOMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED RE ID
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULED-1
Page 11 of 19
Witness Responsible: MA. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3 Col2	Adj D-14 Sch D-2.3 Col3	Adj D-15 Sch D-2.3 Col4	Adj D-16 Sch D-2.3 Col5	Adj D-17 Sch D-2.3 Col6	Adj D-18 Sch 02.3 Col7	Total Adjustments	Grand Total Adjustments
1		SOURCE OF SUPPLY EXPENSES (\$\$)	Col1	Col2	Col3	Col4	Col5	Col6	Col7		
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	340,297	0	0	0	0	0	0	0	0
6	603100	Miscellaneous Expenses	10,862	0	0	0	0	0	0	0	0
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0
9	604000	Rents	2,400	0	0	0	0	0	0	0	0
10	610000	Maint Supervision & Engineering Ord	1,965	(1,965)	0	0	0	0	0	0	(1,965)
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0
12	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other intakes-Mat Ord	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other intakes-Mat Prg	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other Intakes	21,946	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0
26	616100	Maint Supply Mains-Materials Ord	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source plant-Mat Ord	220,934	0	0	0	0	0	0	0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0
34											
35											
36		TOTALSSEXPNSES	596,404	(1,965)	0	0	0	0	0	0	(1,965)
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KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103
 SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
 FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1
 Page 12 of 19
 Witness Responsible: M.A. Miller, S. A. Valentine

DATA: X, BASE PERIOD, X, FORECASTED PERIOD
 TYPE OF FILING: X, ORIGINAL, UPDATED, REVISED
 WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
		PUMPING EXPENSES									
1	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0
3	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0
4	622200	Power Production Labor	0	0	0	0	0	0	0	0	0
5	623110	Power Purchased for Pumping-Elec	1,066,532	0	0	0	0	0	0	0	856,109
6	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0	0	0	0
7	623210	Power Purchased for Pumping-Other	972,975	0	0	0	0	0	0	0	(972,975)
8	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	0
9	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0
10	624500	Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0
11	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0
12	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0
13	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0
14	626300	Misc Pumping Labor-Other	3,618	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	8,034	0	0	0	0	0	0	0	0
19	630200	Maint Sup & Eng-Electric Ord	54,692	113,588	0	0	0	0	0	0	113,588
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Improv-Material Ord	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
26	631210	Maint Pumping Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0
39		TOTAL PUMPING EXPENSES	2,105,851	113,588	(116,866)	0	0	0	0	0	(3,278)

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULED 4
Page 13 of 19

Witness Responsible: MA. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
		WATER TREATMENT EXPENSES (WT)									
2	640000	Operation Supervision & Engineering	\$0	\$374,088	\$0	\$0	\$0	\$0	\$0	\$0	\$374,088
3	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0
4	641100	General Chemicals	1,359,190	0	0	(138,054)	0	0	0	0	(138,054)
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0
6	642100	General WT Labor	1,333,567	(478,771)	0	0	0	0	0	0	(478,771)
7	642200	Softening Labor	0	0	0	0	0	0	0	0	0
8	642300	General WT Expenses	232,810	0	0	0	0	0	0	0	0
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0
10	642400	Softening Expenses	0	0	0	0	0	0	0	0	0
11	643100	Misc Expenses	54,538	0	0	0	0	0	0	0	0
12	643190	Misc Expenses -Service Co	0	0	0	0	0	0	0	0	0
13	643200	Misc Labor	0	0	0	0	0	0	0	0	0
14	643300	Waste Disposal Expenses	145,607	0	0	0	8,393	0	0	0	8,393
15	643310	Amort Waste Disposal Expenses	21,062	0	0	0	63,934	0	0	0	63,934
16	644000	Rents	20,272	0	0	0	0	0	0	0	0
17	650000	Maint Supervision & Engineering Ord	118,160	(6,929)	0	0	0	0	0	0	(6,929)
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0
19	651100	Maint WT Struc & Improvements-Mat Ord	188,788	0	0	0	0	0	0	0	0
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0
21	651120	Amort WT Structures	162,454	0	0	0	0	0	0	0	0
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0
29											
30		TOTAL WT EXPENSES	3,636,448	(111,612)	0	(138,054)	72,327	0	0	0	(177,339)
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KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103
 SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
 FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1
 Page 14 of 19
 Witness Responsible: M.A. Miller/ S. A. Valentine

DATA: X_ BASE PERIOD_X_ FORECASTED PERIOD
 TYPE OF FILING: X_ ORIGINAL ___ UPDATED ___ REVISED
 WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
		TRANS & DIST EXPENSES (T&D)									
1	660000	Operation Supervision & Engineering	\$0	\$444,800						\$0	\$444,800
2	661100	Storage Facilities - Expenses	0	0						0	0
3	661200	Storage Facilities - Labor	0	0						0	0
4	662100	T&D Lines - Expenses	15,541							0	0
5	662200	T&D Lines - Labor	1,129,290	(607,785)						0	(607,785)
6	663100	Meter Expenses-Remove and Reset-Exp	0	0						0	0
7	663200	Meter Expenses-Remove and Reset-Labor	0	0						0	0
8	663300	Meter Expenses-Misc Meter Exp	0	0						0	0
9	663400	Meter Expenses-Misc Meter Labor	0	0						0	0
10	664100	Customer Installation - Expenses	0	0						0	0
11	664200	Customer Installation - Labor	0	0						0	0
12	665100	Maps and Records - Expenses	0	0						0	0
13	665190	Maps and Records - Expenses Computer	0	0						0	0
14	665200	Maps and Records - Labor	0	47,984						0	47,984
15	665300	Misc Expenses	276,522	0						0	276,522
16	665400	Misc Labor	0	0						0	0
17	666000	Rents	5,034							0	5,034
18	670000	Maint Supervision & Engineering Ord	16,597	(16,597)						0	(16,597)
19	670010	Maint Supervision & Engineering Prg	0	0						0	0
20	671100	Maint Struct & Improvements-Materials Ord	0	0						0	0
21	671110	Maint Struct & Improvements-Materials Prg	0	0						0	0
22	671200	Maint Struct & Improvements-Labor Ord	18,306	(18,306)						0	(18,306)
23	671210	Maint Struct & Improvements-Labor Prg	0	0						0	0
24	672100	Maint Res & Standpipes - Materials Ord	979	0						0	979
25	672110	Maint Res & Standpipes - Materials Prg	0	0						0	0
26	672120	Maint Res & Standpipes - Labor Ord	190,177	(5,403)						0	184,774
27	672200	Maint Res & Standpipes - Labor Prg	5,403	0						0	5,403
28	673100	Maint T&D Mains - Materials Ord	0	0						0	0
29	673110	Maint T&D Mains - Materials Prg	0	0						0	0
30	673120	Maint T&D Mains - Labor Ord	213,889	366,041						0	580,041
31	673200	Maint T&D Mains - Labor Prg	0	0						0	0
32	673210	Maint T&D Mains - Materials Ord	0	0						0	0
33	673210	Maint T&D Mains - Materials Prg	0	0						0	0
34	675100	Maint Services - Labor Ord	206,186	(206,186)						0	0
35	675100	Maint Services - Labor Prg	0	0						0	0
36	675110	Maint Services - Materials Ord	0	0						0	0
37	675200	Maint Services - Labor Prg	0	0						0	0
38	675210	Maint Meter - Materials Ord	0	0						0	0
39	676100	Maint Meter - Materials Prg	0	0						0	0
40	676110	Maint Meter - Labor Ord	30,073	102,523						0	132,596
41	676200	Maint Meter - Labor Prg	0	0						0	0
42	676210	Maint Meter Installation - Materials Ord	0	0						0	0
43	676300	Maint Meter Installation - Materials Prg	0	0						0	0
44	676400	Maint Meter Installation - Labor Ord	0	0						0	0
45	676400	Maint Meter Installation - Labor Prg	0	0						0	0
46	676410	Maint Meter Installation - Labor Prg	0	0						0	0
47											
48											
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: BASE PERIOD FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED REVIS D
 WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1
 Page 15 of 19

Witness Responsible: M.A. Milled S. A. Valentine

Line No	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Gland Total Adjustments
		TRANS & DIST EXPENSES(T&D)(Cont'd)									
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0
3	677110	Maint Hydrants - Materials Pro	0	0	0	0	0	0	0	0	0
4	677200	Maint Hydrants - Labor Ord	92,564	(59,083)	0	0	0	0	0	0	(59,083)
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0
6	678100	Maint other T&D Plant - Materials Ord	333,045	0	0	0	0	0	0	0	0
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0	0	0	0
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0	0	0	0
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0
10											
11											
12		TOTAL T&D EXPENSES	2,533,606	47,988	0	0	0	0	0	0	47,988
13											
14		CUSTOMER ACCOUNTS EXPENSE (CA)									
15	901000	Supervision	\$0	\$85,687	\$0	\$0	\$0	\$0	\$0	\$0	\$85,687
16	902100	Meter Reading Expenses	0	0	0	0	0	0	0	0	0
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0
18	902200	Meter Reading Labor	0	813,707	0	0	0	0	0	0	813,707
19		CUST RECORDS & COLLECTION EXPENSES									
20	903100	Contracts and Orders - Expenses	43,494	0	0	0	0	0	0	0	0
21	903200	Contracts and Orders - Labor	1,013,468	(746,576)	0	0	0	0	0	0	(746,576)
22	903300	Collecting - Expenses	186,177	0	0	0	0	0	0	0	0
23	903400	Collecting - Salaries	0	0	0	0	0	0	0	0	0
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0
25	903520	Billing & Accounting - Other Expenses	421,027	0	0	0	0	0	0	0	0
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0	0	0	0
27	904000	Uncollectible Accounts	186,300	0	0	0	0	0	0	0	0
28	905100	Misc Expenses	15,209	0	0	0	0	0	0	0	0
29	905200	Misc Salaries	0	0	0	0	0	0	0	0	0
30											
31		TOTAL CA EXPENSES	1,865,675	152,818	0	0	0	0	0	0	152,818
32											
33		CUSTOMER SERVICE EXPENSES									
34	907100	Cust Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0	0	0	0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0
37											
38		SALES PROMOTION EXPENSES									
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40											
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0
42											
43											
44											
45											
46											
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48											
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103

SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1
Page 16 of 19
Witness Responsible: M.A. Miller/ S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
ADMINISTRATIVE & GENERAL EXP(A&G)											
1	920000	Salaries	\$864,535	(\$184,994)	\$0	\$0	\$0	\$0	\$0	\$0	(\$184,994)
2	920500	Incentive Plan Expense	17,656	211,490	0	0	0	0	0	0	211,490
3	921100	Expenses of Employees	81,334	0	0	0	0	0	0	0	0
4	921110	Dues for Clubs - Taxable	0	0	0	0	0	0	0	0	0
5	921120	Misc Office Expenses	284,396	0	0	0	0	0	0	0	0
6	923100	Service Company Charges	3,027,803	0	0	772,507	0	0	0	772,507	772,507
7	923190	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0
8	923200	Auditing Services	26,220	0	0	0	0	0	0	0	0
9	923300	Legal Services	98,308	0	0	0	0	0	0	0	0
10	923400	Engineering Services	600	0	0	0	0	0	0	0	0
11	923400	Engineering Services - Current	895,967	0	0	0	0	0	0	0	0
12	923500	Other Services - Current	185,350	0	0	0	0	0	0	0	0
13	924000	Property Insurance	59,118	0	0	0	0	0	0	0	0
14	925110	Workers Compensation	0	0	0	0	0	0	0	0	0
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages - Expenses	2,100	0	0	0	0	0	0	0	0
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0
21	925400	General Liability	243,735	0	0	0	0	0	0	0	0
EMPLOYEE PENSIONS & BENEFITS											
22	926100	Accrued OPEB Expense	676,860	0	0	0	0	0	121,874	0	121,874
23	926110	Group Insurance Expense	882,859	0	0	0	0	0	42,814	0	42,814
24	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0
25	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0
26	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0
27	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0
28	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0
29	926170	Group Ins Pretax Contribution	0	0	0	0	0	0	0	0	0
30	926200	Other Welfare & Educational Expenses	118,173	0	0	0	0	0	0	0	0
31	926210	Educational Expenses	0	0	0	0	0	0	0	0	0
32	926220	ESOP Contribution Expense	53,940	0	0	0	0	0	0	0	0
33	926250	401-K Contributions Expense	86,042	0	0	0	0	0	0	0	0
34	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0
35	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0
36	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0
37	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0
38	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0
39	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0
40	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0
41	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0
42	926400	Pension Plan Payments - Current	961,536	0	0	0	0	0	0	0	0
43	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0
44	926700	Pension Plan Pmts - Union	0	0	0	0	0	0	0	0	0
45	926800	Pensions - Capitalized - (A&B)	0	0	0	0	0	0	0	0	0
46	926900	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	0	0
47	926910	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	0
48	926910	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	0
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1
Page 17 of 19
Witness Responsible: M.A. Millier, S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT									
2		REGULATORY COMMISSION EXPENSES									
3	928100	Amort Expense of Rate Proceedings	0	0	0	0	0	0	0	0	218,568
4	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0	0	0	0
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0
7	928400	Other Regulatory Expenses - Current	19,712	0	0	0	0	0	0	0	(8,000)
8	930200	Amort Misc Charges	187,704	0	0	0	0	0	0	0	0
9	930210	Misc General Expenses Current	440,257	0	0	0	0	0	0	0	0
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0
14	930260	Meals & Travel Expenses - Taxable	15,207	0	0	0	0	0	0	0	0
15	930270	Donations	30	0	0	0	0	0	0	0	0
16	930290	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0
17	930300	Research & Development Expenses	24,184	0	0	0	0	0	0	0	0
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0
20	930510	Lobbying Expenses	0	0	0	0	0	0	0	0	0
21	930600	Transportation Expenses	353,047	0	0	0	0	0	0	0	0
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0
25	930880	Misc Gen Exp - Company Dues	31,270	0	0	0	0	0	0	0	0
26	930890	Misc Gen Exp - Other	169,096	0	0	0	0	0	0	0	0
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0
28	931000	Rents	36,100	0	0	0	0	0	0	0	0
29	932100	Maint A&G Struc & Improv-Material Ord	55,502	0	0	0	0	0	0	0	0
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0
32	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0
41	932700	Maint A&G Misc Property-Material Ord	22,366	0	0	0	0	0	0	0	0
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0
45		Total A & G Expenses	9,923,027	26,496	0	0	0	772,507	164,688	(223,676)	210,568
46		Total O & M Expenses	\$20,663,011	\$227,313	(\$116,866)	(\$138,054)	\$72,327	\$772,507	\$164,688	(\$223,676)	\$210,568
47											\$61,051
48											\$1,090,908
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2008

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: X ORIGINAL — UPDATED — RMSED
 WORKPAPER REFERENCE **NO(S):** SCH D-2.3 (TOTAL COMPANY)

SCHEDULED-1
Page 18 of 19
 Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.4	Total Adjustments	Grand Total Adjustments	
1												
2	08	Operation Labor Expenses	\$5,117,330	\$0	\$0	\$0	\$0	(\$979)	\$0	\$0	(\$079)	\$226,334
3	24	Maintenance Labor Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
4												
5		Total Labor	<u>\$5,117,330</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$979)</u>	<u>\$0</u>		<u>(\$979)</u>	<u>\$226,334</u>
6												
7												
8		Total Operation Expenses	<u>\$18,706,965</u>	<u>(\$130,030)</u>	<u>537,598</u>	<u>(\$32,331)</u>	<u>(\$102,625)</u>	<u>5166.084</u>	<u>511,477</u>		<u>(\$49,827)</u>	<u>5712,347</u>
9		Total Maintenance Expenses	<u>1,594,648</u>	<u>287,688</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>287,688</u>	<u>538,386</u>
10												
11		Total O & M Expenses	<u>\$20,663,011</u>	<u>\$137,653</u>	<u>\$37,598</u>	<u>(\$32,331)</u>	<u>(\$102,625)</u>	<u>\$166,084</u>	<u>\$11,477</u>		<u>\$217,856</u>	<u>\$1,247,733</u>
12												
13												
14												
15												
16												
17	08	Labor	\$5,117,330	0	0	0	0	(979)	0	0	(979)	\$226,333
18	09	Purchased Water	340,297	0	0	0	0	0	11,477	0	11,477	11,477
19	10	Fuel and Power	2,039,507	0	0	0	0	0	0	0	0	(116,866)
20	11	Chemicals	1,359,190	0	0	0	0	0	0	0	0	(138,054)
21	12	Waste Disposal	166,669	0	0	0	0	0	0	0	0	72,327
22	13	Management Fees	3,027,803	0	0	0	0	0	0	0	0	772,507
23	14	Group insurance	1,559,719	0	0	0	0	0	0	0	0	164,688
24	15	Pension	961,536	0	0	0	0	0	0	0	0	(223,676)
25	16	Regulatory Expense	19,712	0	0	0	0	0	0	0	0	210,568
26	17	Insurance Other than Group	488,203	0	0	0	0	0	0	0	0	61,061
27	18	Customer Accounting	852,207	137,653	0	0	0	0	0	0	137,653	137,653
28	19	Rents	73,840	0	37,598	0	0	0	0	0	37,598	37,598
29	20	General Office Expense	380,937	0	0	(32,331)	0	0	0	0	(32,331)	(32,331)
30	21	Miscellaneous	3,080,829	0	0	0	(101,956)	0	0	0	(101,956)	(101,956)
31	25	Other Maintenance	1,195,232	0	0	0	(669)	167,063	0	0	166,394	166,394
32												
33		Total O & M Expenses	<u>\$20,663,011</u>	<u>\$137,653</u>	<u>\$37,598</u>	<u>(\$32,331)</u>	<u>(\$102,625)</u>	<u>\$166,084</u>	<u>\$11,477</u>		<u>\$217,856</u>	<u>\$1,247,733</u>
34												
35		State Income Tax Impact	8.25%	(\$11,356)	(\$3,102)	\$2,667	\$8,467	(\$13,702)	(\$947)		(\$17,973)	(\$102,936)
36												
37		Federal Income Tax Impact	35.00%	(\$52,153)	(\$14,245)	\$12,249	\$38,882	(\$62,925)	(\$4,348)		(\$82,540)	(\$472,727)
38												
39		Net Operating Income Impact		(\$74,144)	(\$20,251)	\$17,415	\$55,276	(\$89,457)	(\$6,182)		(\$117,343)	(\$672,050)
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DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

Line No.	Account Number	Description	Period	Sch D-2.4	Sch D-2.4	Sch D-2.4	Sch D-2.4	Adj	Adj	Adj	Total
			Base	D-19	D-20	D-21	D-24				
1	403000	Depreciation	\$7,036,970	\$28,792	\$0	\$0	\$0	\$0	\$0	\$0	\$28,792
2	403100	Depreciation - CIAC	(\$948,915)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	948,915
3			\$6,088,055	\$977,707	\$0	\$0	\$0	\$0	\$0	\$0	\$977,707
4											
5											
6		State Income Tax Impact	8.25%	(\$80,661)	\$0	\$0	\$0	\$0	\$0	\$0	(\$80,661)
7		Federal Income Tax Impact	35.00%	(\$370,429)	\$0	\$0	\$0	\$0	\$0	\$0	(\$370,429)
8		Net Operating Income Impact		\$422,298	\$0	\$0	\$0	\$0	\$0	\$0	\$422,298
9											
10		AMORTIZATION EXPENSE									
11	404100	Amortization Lim Term Ut Plant	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	404110	Amortization Franchise Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	404430	Amortization Regulatory Asset - AFUDC	\$12,864	\$12,864	\$0	\$0	\$0	\$0	\$0	\$0	12,864
14	406000	Amortization Utility Plant Acquisition Adj	\$21,611	(\$8,363)	\$0	\$0	\$0	\$0	\$0	\$0	(\$8,363)
15	407000	Amortization Property Losses	\$653,382	\$2,796	\$0	\$0	\$0	\$0	\$0	\$0	2,796
16		TOTAL AMORTIZATION	\$687,857	\$7,297	\$0	\$0	\$0	\$0	\$0	\$0	\$7,297
17											
18		State Income Tax Impact	8.25%	(\$602)	\$0	\$0	\$0	\$0	\$0	\$0	(\$602)
19		Federal Income Tax Impact	35.00%	(\$2,765)	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,765)
20		Net Operating Income Impact		\$0	(\$3,930)	\$0	\$0	\$0	\$0	\$0	(\$3,930)
21											
22											
23											
24		TAXES, OTHER THAN INCOME									
25	408100	Real & Personal Property Taxes	\$2,111,251	\$112,422	\$0	\$0	\$0	\$0	\$0	\$0	\$112,422
26	408110	Gross Income & Receipts Taxes	\$83,672	(\$5,168)	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,168)
27	408120	Invested Capital Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	408030	Other General Taxes	(\$201)	\$201	\$0	\$0	\$0	\$0	\$0	\$0	201
29	408140	FUTA	\$3,369	\$10,466	\$0	\$0	\$0	\$0	\$0	\$0	10,466
30	408150	FUTA Capitalized - (A Work Order)	\$0	(\$10,375)	\$0	\$0	\$0	\$0	\$0	\$0	(\$10,375)
31	408040	FUTA Capitalized - (H Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	408050	FUTA Capitalized - (C & R Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	408160	FICA	\$427,970	\$74,618	\$0	\$0	\$0	\$0	\$0	\$0	\$74,618
34	408170	FICA Capitalized - (A Work Order)	\$0	(\$99,222)	\$0	\$0	\$0	\$0	\$0	\$0	(\$99,222)
35	408060	FICA Capitalized - (H Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	408070	FICA Capitalized - (C & R Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	408180	SUTA	\$2,252	\$7,690	\$0	\$0	\$0	\$0	\$0	\$0	\$7,690
38	408190	SUTA Capitalized - (A Work Order)	\$0	(\$6,485)	\$0	\$0	\$0	\$0	\$0	\$0	(\$6,485)
39	408060	SUTA Capitalized - (H Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	408090	SUTA Capitalized - (C & R Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	408220	Environmental Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
42			\$2,628,313	\$84,147	\$0	\$0	\$0	\$0	\$0	\$0	\$84,147
43											
44		State Income Tax Impact	8.25%	\$0	(\$9,942)	\$0	\$0	\$0	\$0	\$0	(\$9,942)
45		Federal Income Tax Impact	35.00%	\$0	(\$27,022)	\$0	\$0	\$0	\$0	\$0	(\$27,022)
46		Net Operating Income Impact		\$0	(\$50,183)	\$0	\$0	\$0	\$0	\$0	(\$50,183)
47											
48											
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (TOTAL COMPANY)

SCHEDULE D-2.1
Page 1 of 3
Witness Responsible: S.A. Valentine

Line No	Purpose and Description of Adjustment	Workpaper Reference	Amount
		<u>Billed Revenues Adjustment D-1</u>	
1			
2	To adjust Residential billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
3		RESIDENTIAL	
4		Forecasted Amount	W/P-2 \$23,116,065
5		Base Period Amount	<u>23,492,953</u>
6		Pro Forma Adjustment	<u>(\$376,888)</u>
7	To adjust Commercial billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
8		COMMERCIAL	
9		Forecasted Amount	W/P-2 \$10,545,526
10		Base Period Amount	<u>11,014,843</u>
11		Pro Forma Adjustment	<u>(\$469,317)</u>
12	To adjust Industrial billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
13		INDUSTRIAL	
14		Forecasted Amount	W/P-2 \$1,580,199
15		Base Period Amount	<u>1,497,592</u>
16		Pro Forma Adjustment	<u>\$82,607</u>
17	To adjust Other Public Authority billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
18		OTHER PUBLIC AUTHORITY	
19		Forecasted Amount	W/P-2 \$3,129,123
20		Base Period Amount	3,396,558
21		Pro Forma Adjustment	<u>(\$267,435)</u>
22	To adjust Sales For Resale (OWU) billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
23		SALES FOR RESALE (OWU)	
24		Forecasted Amount	W/P-2 \$775,970
25		Base Period Amount	<u>847,567</u>
26		Pro Forma Adjustment	<u>(\$71,597)</u>
27	To adjust Public Fire Service billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
28		PUBLIC FIRE SERVICE	
29		Forecasted Amount	W/P-2 \$1,802,175
30		Base Period Amount	<u>1,835,565</u>
31		Pro Forma Adjustment	<u>(\$33,390)</u>
32	To adjust Private Fire Service billed revenue for the change in billing determinants at present rates for the forecasted test period.		
33		PRIVATE FIRE SERVICE	
34		Forecasted Amount	W/P-2 \$839,000
35		Base Period Amount	<u>844,721</u>
36		Pro Forma Adjustment	<u>(\$5,721)</u>
37	To adjust Miscellaneous billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
38		MISCELLANEOUS	
39		Forecasted Amount	W/P-2 \$15,908
40		Base Period Amount	<u>10,336</u>
41		Pro Forma Adjustment	<u>\$5,572</u>
42			
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.	Total Billed Water Revenue Adjustment	<u>(\$1,136,169)</u>
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
N P E OF FILING: X ORIGINAL — UPDATED — R M S E D
WORKPAPER REFERENCE **NO(S): W/P-2** (TOTAL COMPANY)

SCHEDULE **D-2.1**
Page 2 of 3
Witness Responsible: **S.A. valentine**

Line No.	Purpose and Description of Adjustment	Billed Revenues Adjustment D-1	Workpaper Reference	Amount
1		RESIDENTIAL		
2	To eliminate the net change in Residential water unbilled accrued utility revenues recorded during the base period.	Forecasted Amount	W/P-2	\$0
4		Base Period Amount		67,951
5		Pro Forma Adjustment		<u>(\$67,951)</u>
6				
7	To eliminate the net change in Commercial water unbilled accrued utility revenues recorded during the base period	COMMERCIAL		
8		Forecasted Amount	W/P-2	\$0
9		Base Period Amount		80,463
10		Pro Forma Adjustment		<u>(\$80,463)</u>
11				
12				
13	To eliminate the net change in Industrial water unbilled accrued utility revenues recorded during the base period.	INDUSTRIAL		
14		Forecasted Amount	W/P-2	\$0
15		Base Period Amount		34,339
16		Pro Forma Adjustment		<u>(\$34,339)</u>
17				
18	To eliminate the net change in Other Public Authority water unbilled accrued utility revenues recorded during the base period	OTHER PUBLIC AUTHORITY		
19		Forecasted Amount	W/P-2	\$0
20		Base Period Amount		15,645
21		Pro Forma Adjustment		<u>(\$15,645)</u>
22				
23	To eliminate the net change in Sales for Resale (OWU) water unbilled accrued utility revenues recorded during the base period	SALES FOR RESALE (OWU)		
24		Forecasted Amount	W/P-2	\$0
25		Base Period Amount		41,775
26		Pro Forma Adjustment		<u>(\$41,775)</u>
27				
28		PUBLIC FIRE SERVICE		
29		Forecasted Amount	W/P-2	\$0
30		Base Period Amount		0
31		Pro Forma Adjustment		<u>\$0</u>
32				
33		PRIVATE FIRE SERVICE		
34		Forecasted Amount	W/P-2	\$0
35		Base Period Amount		0
36		Pro Forma Adjustment		<u>\$0</u>
37				
38		MISCELLANEOUS		
39		Forecasted Amount	W/P-2	\$0
40		Base Period Amount		0
41		Pro Forma Adjustment		<u>\$0</u>
42				
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.	Total Unbilled Water Revenue Adjustment		<u>(\$240,173)</u>
44				
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KENTUCKY-AMERICAN WATERCOMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2008

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED RMSE D
WORKPAPER REFERENCE NO(S): WIP-2(TOTAL COMPANY)

SCHEDULE D-2.1
Page 3 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Billed Revenues Adjustment D-1	Workpaper Reference	Amount
2	To eliminate Residential billed sewer revenue for forecasted test period.	RESIDENTIAL		
3		Forecasted Amount	WIP-2	\$0
4		Base Period Amount		<u>19,013</u>
5		Pro Forma Adjustment		<u>(\$19,013)</u>
6				
7	To eliminate Commercial billed sewer revenue for the forecasted test period.	COMMERCIAL		
8		Forecasted Amount	WIP-2	\$0
9		Base Period Amount		<u>734</u>
10		Pro Forma Adjustment		<u>(\$734)</u>
11				
12	To eliminate Industrial billed sewer revenue for the forecasted test period	INDUSTRIAL		
13		Forecasted Amount	WIP-2	\$0
14		Base Period Amount		<u>829</u>
15		Pro Forma Adjustment		<u>(\$829)</u>
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43	The purpose of each adjustment is to eliminate the sewer revenue for the forecasted test period.	Total Sewer Revenue Adjustment		<u>(20,576)</u>
44				
45		Total Revenue Adjustment		<u>(\$1,396,918)</u>
46				
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (TOTAL COMPANY)

SCHEDULE **D-2.2**
Page **I** of **I**
Witness Responsible: **S.A. Valentine**

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	To adjust Reconnection Fees which was forecast under other revenues.		
3			
4			
5			
6			
7	To adjust Returned Check Charges for the forecasted test period level of bad checks and		
8	reflect other miscellaneous service revenues forecasted under other revenue		
9			
10			
11			
12	To adjust for all other revenues for more current information. This includes an adjustment for billing		
13	and collecting for landfill services for the Lexington-Fayette Urban County Government and the		
14	reconnection fees.		
15			
16			
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21			
22	To reflect AFUDC above the line based on the overall rate of return and qualifying CWIP.		
23	This includes the gross-up of the equity piece of AFUDC per SFAS 109.		
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43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

DATA: X_ BASE PERIOD X_ FORECASTED PEWOD
N P E OF FILING: X_ ORIGINAL — UPDATED — REVISED
WORKPAPER REFERENCE NO(S): **W/P-3** (TOTAL COMPANY)

SCHEDULE D-2.3

Page 1 of 2

Witness Responsible: SA Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Labor Adjustment D-4</u>	
2	Labor expense is being adjusted to reflect an increase due to union wage contracts and an increase of 3% for	Forecasted Amount	55,343,663
3	non-union employees to become effective April 1, 2004 and 2005.	Base Period Amount	5,117,330
4		Pro Forma Adjustment	<u>526,333</u>
5			
6		<u>Fuel & Power Adjustment D-5</u>	
7	Fuel and Power expense is being adjusted to reflect the forecasted sales.	Forecasted Amount	\$1,922,641
8		Base Period Amount	<u>2,039,507</u>
9		Pro Forma Adjustment	<u>(\$116,866)</u>
10			
11		<u>Chemicals Adjustment D-6</u>	
12	Chemical expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment	Forecasted Amount	\$1,221,136
13	for contracted chemical prices made to the forecast.	Base Period Amount	<u>1,359,190</u>
14		Pro Forma Adjustment	<u>(\$138,054)</u>
15			
16		<u>Waste Disposal Adjustment D-7</u>	
17	Waste Disposal expense reflects two year amortization of the lagoon cleaning	Forecasted Amount	\$238,996
18	along with other normal recurring waste disposal expenses	Base Period Amount	<u>166,669</u>
19		Pro Forma Adjustment	<u>\$72,327</u>
20			
21		<u>Management Fees Adjustment D-8</u>	
22	Management Fees expense reflects the forecasted charges from the Service Company for services rendered during	Forecasted Amount	\$3,800,310
23	the forecasted period including costs from the Southeast Region Service Company office, Shared Services Center,	Base Period Amount	<u>3,027,803</u>
24	and the Customer Call Center.	Pro Forma Adjustment	<u>\$772,507</u>
25			
26		<u>Group Insurance Adjustment D-9</u>	
27	Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with:	Forecasted Amount	\$1,724,407
28	FAS 106.	Base Period Amount	<u>1,559,719</u>
29		Pro Forma Adjustment	<u>\$164,688</u>
30			
31		<u>Pensions Adjustment D-10</u>	
32	Pension Expense reflects the forecasted level based on FAS 87 pension costs.	Forecasted Amount	\$737,860
33		Base Period Amount	<u>961,536</u>
34		Pro Forma Adjustment	<u>(\$223,676)</u>
35			
36		<u>Regulatory Expense Adjustment D-11</u>	
37	Regulatory Expense reflects a three year amortization of the cost of the current filing.	Forecasted Amount	\$230,280
38		Base Period Amount	<u>19,712</u>
39		Pro Forma Adjustment	<u>\$210,568</u>
40			
41			
42			
43			
44		<u>Insurance Other than Group Adjustment D-12</u>	
45		Forecasted Amount	\$549,254
46	Insurance Other than Group expense reflects the Company's forecasted cost for liability insurance worker's	Base Period Amount	<u>489,203</u>
47	compensation and property insurance based upon the most recent actual bills.	Pro Forma Adjustment	<u>\$61,051</u>
48			
49	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
50			

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-2.4

Page 1 of 1

Witness Responsible: M.A. Milled. S. A. Valentine

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-4 & W/P-5 (TO COMPANY)

Line No	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	Depreciation expense reflects an increase due to an increased level of Utility Plant in Service.		
3		<u>Depreciation Expense, Adjustment D-19</u>	
4		Forecasted Amount	W/P-4-1
5		Base Period Amount	\$7,065,762
6		Pro Forma Adjustment	<u>6,088,055</u>
7			<u>\$977,707</u>
8	Amortization expense reflects the amortization of UPAA, Property Losses and Regulatory Asset on the equity gross-up of AFUDC.		
9		<u>Amortization Expense, Adjustment D-20</u>	
10		Forecasted Amount	W/P-4-1
11		Base Period Amount	\$695,154
12		Pro Forma Adjustment	<u>687,857</u>
13			<u>\$7,297</u>
14	General Taxes represent Property Taxes, Payroll Taxes, PSC Fees and other miscellaneous taxes that are calculated to be expenses for the forecasted test period. This also includes the allocation of property tax from Central Division to Tri Village and Elk Lake.		
15		<u>General Taxes Expense, Adjustment D-21</u>	
16		Forecasted Amount	W/P-5
17		Base Period Amount	\$2,712,460
18		Pro Forma Adjustment	<u>2,628,313</u>
19			<u>\$84,147</u>
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32	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF JURISDICTIONAL FACTORS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

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

SCHEDULED-3
Page 1 of 1
Witness Responsible: S.A. Valentine

Line No	Acct	Account Title	Jurisdictional Factor	Description of Factor and/or method of Allocation
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4				NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.
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KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

JURISDICTIONAL STATISTICS

FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-4
Page 1 of 1

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

Line No.	Description	Statistic Total Company	Adjusted Total Company	Statistic for Jurisdiction	Jurisdictional Ratio
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

EXPLANATION OF CHANGE IN JURISDICTIONAL PROCEDURES
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

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

Line No.	Account No.	Description	Procedure Approved in Prior Case	Rational for Change
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2001.00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: X ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE NO(S): **SCH D-2.1/D-2.2 (CENTRAL DIVISION)**

SCHEDULE **D-1C**
 Page 1 of 19

Witness Responsible: **M A Miller, S. A. Valentino**

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. 0 2 Sch D-2.2	Adj. D-3 Sch 03.2	Total Adjustments
1		Water Revenues					
2	461100	Residential - Billed	\$ 22,730,759	(490,298)	\$ 0	\$ 0	(\$490,298)
3	461110	Residential - Unbilled	67,951	(67,951)	0	0	(67,951)
4	461200	Commercial - Billed	10,958,927	(443,413)	0	0	(443,413)
5	461210	Commercial - Unbilled	80,463	(80,463)	0	0	(80,463)
6	461300	Industrial - Billed	1,497,592	82,607	0	0	82,607
7	461310	Industrial - Unbilled	34,339	(34,339)	0	0	(34,339)
8	461400	Miscellaneous - Billed	9,523	6,385	0	0	6,385
9	461410	Miscellaneous - water Sales Billed Unmeters	0	0	0	0	0
10	462000	Private Fire - Billed	844,721	(5,721)	0	0	(5,721)
11	462100	Private Fire - Unbilled	0	0	0	0	0
12	463000	Public Fire - Billed	1,835,565	(33,390)	0	0	(33,390)
13	463100	Public Fire - Unbilled	0	0	0	0	0
14	464200	OPA - Billed	3,386,603	(265,515)	0	0	(265,515)
15	464210	OPA - Unbilled	15,645	(15,645)	0	0	(15,645)
16	466000	sales for Resale - Billed	847,567	(76,253)	0	0	(76,253)
17	466100	Sales for Resale - Unbilled	41,775	(41,775)	0	0	(41,775)
18		Total Water Revenues	42,351,430	(1,465,771)	0	0	(1,465,771)
19							
20		Sewer Revenues					
21	461000	Residential - Billed	19,013	(19,013)	0	0	(19,013)
22	461010	Residential - Billed Surcharge	0	0	0	0	0
23	461020	Commercial - Billed	734	(734)	0	0	(734)
24	461030	Commercial - Unbilled	0	0	0	0	0
25	462210	Industrial - Billed	829	(829)	0	0	(829)
26	462110	Industrial - Unbilled	0	0	0	0	0
27		Total Sewer Revenues	20,576	(20,576)	0	0	(20,576)
28							
29							
30		OTHER OPERATING REVENUES					
31	471100	Reconnection Charges	22,316	0	(22,316)	0	(22,316)
32	471200	Other Miscellaneous Service Revenues	140,771	0	(104,658)	0	(104,658)
33	472000	Rents from Water Property	104,338	0	(21,598)	0	(21,598)
34	474100	Billing & Collection Services	749,953	0	31,723	0	31,723
35	474300	Other Water Revenues	28,696	0	187,531	0	187,531
36		AFUDC	0	0	0	470,940	470,940
37		TOTAL OTHER OPERATING REVENUES	1,044,074	0	70,882	470,940	541,622
38							
39		TOTAL OPERATING REVENUES	\$43,416,080	(\$1,486,347)	\$70,662	\$470,940	\$0
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KENTUCKY-AMERICAN WATERCOMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.1/D-2.2 (CENTRAL DIVISION)

SCHEDULE MC
Page 2 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D-2.2	Adj. D-3 Sch D-2.2						Total Adjustments
1												
2												
3		<u>Revenues from Water/Wastewater</u>										
4		Residential	\$ 22,817,723	(\$577,262)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$577,262)
5		Commercial	11,040,124	(524,610)	0	0	0	0	0	0	0	(524,610)
6		Industrial	1,532,760	47,439	0	0	0	0	0	0	0	47,439
7		Other Public Authority (OPA)	3,402,248	(281,160)	0	0	0	0	0	0	0	(251,160)
8		Sales for Resale (OWU)	559,342	(118,028)	0	0	0	0	0	0	0	(118,025)
9		Miscellaneous	9,523	6,385	0	0	0	0	0	0	0	6,385
10		Private Fire Service	544,721	15,721	0	0	0	0	0	0	0	(5,721)
11		Public Fire Service	1,835,585	(33,390)	0	0	0	0	0	0	0	(33,390)
12												
13		Total Water/Wastewater Revenues	42,372,006	11,486,347	0	0	0	0	0	0	0	(1,486,347)
14		Other Operating Revenues	1,044,074	0	70,652	470,940	0	0	0	0	0	541,622
15												
16		Total Operating Revenues	<u>\$43,416,050</u>	<u>(\$1,486,347)</u>	<u>\$70,652</u>	<u>\$470,940</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$944,725)</u>
17												
18		<u>TAX RATE</u>										
19		State Income Tax Impact	8.25%	(\$122,624)	\$5,831	\$38,853	\$0	\$0	\$0	\$0	\$0	(\$77,940)
20		Federal Income Tax Impact	35.00%	(\$477,303)	\$22,698	\$151,230	\$0	\$0	\$0	\$0	\$0	(\$303,375)
21		Net Operating Income Impact		<u>(\$886,420)</u>	<u>\$42,153</u>	<u>\$280,857</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$563,410)</u>
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: X ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

SCHEDULED-1C
 Page 3 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
			Col1	Col2	Col3	Col4	Col5	Col6	Col7	Col8	Col9	Col10	
1		SOURCE OF SUPPLY EXP (\$\$)											
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	61,278	0	0	0	0	0	0	0	0	0	0
6	603100	Miscellaneous Expenses	10,862	0	0	0	0	0	0	0	0	0	0
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0	0	0
9	604000	Rents	2,400	0	0	0	0	0	0	0	0	0	0
10	610000	Maint Supervision & Engineering Ord	1,965	(1,965)	0	0	0	0	0	0	0	0	(1,965)
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
12	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0	0	0
19	612200	Maint Col a Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other Intakes	21,946	0	0	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0	0	0
26	614120	Amort Def Exp Wells a Springs	0	0	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
28	616200	Main1 Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
29	616210	Maint supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	220,934	0	0	0	0	0	0	0	0	0	0
31	617110	Maint Misc water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
34													
35													
36		TOTALSSEXENSES	319,385	(1,965)	0	0	0	0	0	0	0	0	(1,965)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C
Page 4 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
		PUMPING EXPENSES											
1			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	620200	Operation Sup & Eng-Electric	0	0	0	0	0	0	0	0	0	0	0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0	0	0
4	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0	0	0
5	622200	Power Production Labor	0	0	0	0	0	0	0	0	0	0	0
6	623110	Power Purchased for Pumping-Elec	1,086,532	0	856,109	0	0	0	0	0	0	0	856,109
7	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0	0	0	0	0	0
8	623210	Power Purchased for Pumping-Other	972,975	0	(972,975)	0	0	0	0	0	0	0	(972,975)
9	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	3,618	0	0	0	0	0	0	0	0	0	3,618
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	8,034	0	0	0	0	0	0	0	0	0	8,034
19	630200	Maint Sup & Eng-Electric Ord	54,314	113,966	0	0	0	0	0	0	0	0	113,966
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Improv-Material Ord	0	0	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
26	631210	Maint Pumping Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0	0	0
39		TOTAL PUMPING EXPENSES	2,105,473	113,966	(116,866)	0	0	0	0	0	0	0	12,900

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

SCHEDULE D-1C
Page 5 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D2.3	Adj D-6 Sch D2.3	Adj D-7 Sch D2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D2.3	Adj D-12 Sch D2.3	Total Adjustments
.		WATER TREATMENT EXPENSES(WT)											
2	640000	Operation Supervision & Engineering	\$0	5374,088	\$0	\$0	\$0	\$0	\$0	\$0	50	\$0	5374.088
3	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0	0	0
4	641100	General Chemicals	1,358,500	0	0	(138,204)	0	0	0	0	0	0	(138,204)
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0	0	0
6	642100	General WT Labor	1,333,008	(478,212)	0	0	0	0	0	0	0	0	(475,212)
7	642200	Softening Labor	0	0	0	0	0	0	0	0	0	0	0
8	642300	General WT Expenses	232,464	0	0	0	0	0	0	0	0	0	0
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0	0	0
10	642400	Softening menses	0	0	0	0	0	0	0	0	0	0	0
11	643100	Misc Expenses	54,335	0	0	0	0	0	0	0	0	0	0
12	643190	Misc Expenses - Service Co	0	0	0	0	0	0	0	0	0	0	0
13	643200	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
14	643300	Waste Disposal Expenses	145,607	0	0	0	8,393	0	0	0	0	0	8,393
15	643310	Amort waste Disposal menses	21,062	0	0	0	63,934	0	0	0	0	0	63,934
16	644000	Rents	0	0	0	0	0	0	0	0	0	0	0
17	650000	Maint Supervision & Engineering Ord	118,160	(6,929)	0	0	0	0	0	0	0	0	(6,929)
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
19	651100	Maint WT Struc & Improvements-Mat Ord	188,788	0	0	0	0	0	0	0	0	0	0
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
21	651120	Amort WT Structures	162,454	0	0	0	0	0	0	0	0	0	0
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0	0	0
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30		TOTAL WT EXPENSES	3,634,673	1,111,053	0	1136,204	72,327	0	0	0	0	0	1,176,830

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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C
Page 6 of 19
Witness Responsible: M.A. Miller/ S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D)											
2	660000	Operation Supervision & Engineering	\$0	\$345,929	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$345,929
3	661100	Storage Facilities - Expenses	0	0	0	0	0	0	0	0	0	0	0
4	661200	Storage Facilities - Labor	0	0	0	0	0	0	0	0	0	0	0
5	662100	T&D Lines - Expenses	12,950	0	0	0	0	0	0	0	0	0	0
6	662200	T&D Lines - Labor	1,047,767	(597,656)	0	0	0	0	0	0	0	0	(597,656)
7	663100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0	0	0
8	663200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0	0	0
9	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0	0	0
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0	0	0
11	664100	Customer Installation - Expenses	0	0	0	0	0	0	0	0	0	0	0
12	664200	Customer Installation - Labor	0	0	0	0	0	0	0	0	0	0	0
13	665100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0	0	0
14	665190	Maps and Records - Expenses Computer	0	0	0	0	0	0	0	0	0	0	0
15	665200	Maps and Records - Labor	0	47,984	0	0	0	0	0	0	0	0	47,984
16	665300	Misc Expenses	232,018	0	0	0	0	0	0	0	0	0	0
17	665400	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
18	666000	Rents	4,758	0	0	0	0	0	0	0	0	0	0
19	670000	Maint Supervision & Engineering Ord	15,848	(15,848)	0	0	0	0	0	0	0	0	(15,848)
20	670010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
23	671200	Maint Struct & Improvements-Labor Ord	18,306	(18,306)	0	0	0	0	0	0	0	0	(18,306)
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes - Materials Ord	979	0	0	0	0	0	0	0	0	0	0
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
27	672120	Amort Res & Standpipes	180,177	0	0	0	0	0	0	0	0	0	0
28	672200	Maint Res & Standpipes - Labor Ord	5,403	(5,403)	0	0	0	0	0	0	0	0	(5,403)
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0	0	0	0	0	0
33	673200	Maint T&D Mains - Labor Ord	191,511	0	0	0	0	0	0	0	0	0	0
34	673210	Maint T&D Mains - Labor Prg	0	388,419	0	0	0	0	0	0	0	0	388,419
35	675100	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
36	675110	Maint Services - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
37	675200	Maint Services - Labor Ord	188,756	(188,756)	0	0	0	0	0	0	0	0	(188,756)
38	675210	Maint Services - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
41	676200	Maint Meter - Labor Ord	30,073	0	0	0	0	0	0	0	0	0	0
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
43	676300	Maint Meter Installation - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
44	676310	Maint Meter Installation - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

SCHEDULE D-1C
Page 7 of 19

Witness Responsible: M A Miller, B A Valentine

Line No	Account Number	Description	Base Period	Adj D 4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj 0-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D11 Sch D-2.3	Adj 0-12 Sch D-2.3	Total Adjustments
.		TRANS & DIST EXPENSES (T&D) (Cont'd)											
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
4	677200	Maint Hydrants - Labor Ord	92,564	(59,063)	0	0	0	0	0	0	0	0	(59,083)
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
6	678100	Maint Other T&D Plant - Materials Ord	328,863	0	0	0	0	0	0	0	0	0	0
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
8	678200	Maint Other TBD Plant - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
10													
11													
12		TOTAL TBD EXPENSES	2,359,971	(197)	0	0	0	0	0	0	0	0	(197)
13													
14		CUSTOMER ACCOUNTS EXPENSE (CA)											
15	901000	Supervision	\$0	585,687	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$65,687
16	902100	Meter Reading Expenses	0	0	0	0	0	0	0	0	0	0	0
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0	0	0
18	902200	Meter Reading Labor	0	609,314	0	0	0	0	0	0	0	0	809,314
19		CUST RECORDS & COLLECTION EXPENSES											
20	903100	Contracts and Orders - Expenses	43,221	0	0	0	0	0	0	0	0	0	0
21	903200	Contracts and Orders - Labor	988,813	(750,492)	0	0	0	0	0	0	0	0	(750,492)
22	903300	Collecting - Expenses	186,177	0	0	0	0	0	0	0	0	0	0
23	903400	Collecting - Salaries	0	0	0	0	0	0	0	0	0	0	0
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0	0	0
25	903520	Billing & Accounting - Other Expenses	419,470	0	0	0	0	0	0	0	0	0	0
26	903600	Billing & Accounting salaries	0	0	0	0	0	0	0	0	0	0	0
27	904000	Uncollectible Accounts	186,300	0	0	0	0	0	0	0	0	0	0
28	905100	Misc Expenses	13,945	0	0	0	0	0	0	0	0	0	0
29	905200	Misc Salaries	0	0	0	0	0	0	0	0	0	0	0
30													
31		TOTAL CA EXPENSES	1,837,926	144,509	0	0	0	0	0	0	0	0	144,509
32													
33		CUSTOMER SERVICE EXPENSES											
34	907100	Cust Service and information-Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and information-Salaries	0	0	0	0	0	0	0	0	0	0	0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	0
37													
38		SALES PROMOTION EXPENSES											
39	910100	sales Promotion - Expenses	50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40													
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	0
42													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X, BASE PERIOD, X, FORECASTED PERIOD
TYPE OF FILING: X, ORIGINAL, X, UPDATED, X, REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

SCHEDULE D-1C
Page 8 of 19
Witness Responsible: M. A. Miller, S. A. Valentino

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1	920000	Salaries	\$837,683	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	920500	Incentive Plan Expense	13,743	(\$168,142)	0	0	0	0	0	0	0	0	(\$168,142)
3	921100	Expenses of Employees	80,436	215,403	0	0	0	0	0	0	0	0	215,403
4	921130	Dues for Clubs - Dead	0	0	0	0	0	0	0	0	0	0	0
5	921200	Misc Office Expenses	271,079	0	0	0	0	0	0	0	0	0	0
6	923100	Service Company Charges	3,027,803	0	0	0	0	748,836	0	0	0	0	748,836
7	923180	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0	0	0
8	923200	Auditing Services	26,220	0	0	0	0	0	0	0	0	0	0
9	923300	Legal Services	98,308	0	0	0	0	0	0	0	0	0	0
10	923400	Engineering Services	600	0	0	0	0	0	0	0	0	0	0
11	923500	Other Services - Current	866,792	0	0	0	0	0	0	0	0	0	0
12	924000	Property Insurance	185,350	0	0	0	0	0	0	0	0	0	0
13	925110	Workers Compensation	59,237	0	0	0	0	0	0	0	0	0	0
14	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
15	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0	0	0
16	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
17	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0	0	0
18	925300	Injuries and Damages - Expenses	2,100	0	0	0	0	0	0	0	0	0	0
19	925320	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0	0	0
20	925310	General Liability	243,735	0	0	0	0	0	0	0	0	0	0
21	925400	Accrued OPEB Expense	678,595	0	0	0	0	0	0	0	0	0	0
22	926100	Group Insurance Expense	884,022	0	0	0	0	0	0	0	0	0	0
23	926110	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0	0	0
24	926120	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
25	926130	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0	0	0
26	926140	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
27	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0	0	0
28	926160	Group Ins Pre-tax Contribution	0	0	0	0	0	0	0	0	0	0	0
29	926170	Other Welfare & Educational Expenses	118,173	0	0	0	0	0	0	0	0	0	0
30	926200	Educational Expenses	0	0	0	0	0	0	0	0	0	0	0
31	926210	ESOP Contribution Expense	53,540	0	0	0	0	0	0	0	0	0	0
32	926220	401-K Contributions Expense	65,632	0	0	0	0	0	0	0	0	0	0
33	926250	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
34	926260	401-K Cap (H)	0	0	0	0	0	0	0	0	0	0	0
35	926270	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
36	926280	Suppl Pen Pay	0	0	0	0	0	0	0	0	0	0	0
37	926290	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
38	926300	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
40	926340	FAS 112 Cost	0	0	0	0	0	0	0	0	0	0	0
41	926350	Pension Plan Payments - Current	963,675	0	0	0	0	0	0	0	0	0	0
42	926370	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Prmts - Union	0	0	0	0	0	0	0	0	0	0	0
44	926500	Pensions - Capitalized - (A&B)	0	0	0	0	0	0	0	0	0	0	0
45	926700	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	0	0	0	0
46	926800	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	0	0	0
47	926900		0	0	0	0	0	0	0	0	0	0	0
48	926910		0	0	0	0	0	0	0	0	0	0	0
49			0	0	0	0	0	0	0	0	0	0	0
50			0	0	0	0	0	0	0	0	0	0	0

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C
Page 9 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
ADMINISTRATIVE & GENERAL EXP(A&G) - CONT													
REGULATORY COMMISSION EXPENSES													
2	928100	Amort Expense of Rate Proceedings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$218,404	\$0	\$218,404
3	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0	0	0	0	0	0
4	928200	Tax Savings	0	0	0	0	0	0	0	0	0	0	0
5	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0	0	0
6	928400	Other Regulatory Expenses - Current	19,712	0	0	0	0	0	0	0	(8,000)	0	(8,000)
7	928500	Amort Misc Charges	187,704	0	0	0	0	0	0	0	0	0	0
8	930200	Misc General Expenses Current	440,197	0	0	0	0	0	0	0	0	0	0
9	930210	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0	0	0
10	930220	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0	0	0
11	930230	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0	0	0
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0	0	0
13	930250	Meals & Travel Expenses - Taxable	15,182	0	0	0	0	0	0	0	0	0	0
14	930260	Donations	30	0	0	0	0	0	0	0	0	0	0
15	930270	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0	0	0
16	930300	Research & Development Expenses	24,184	0	0	0	0	0	0	0	0	0	0
17	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0	0	0
18	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0	0	0
19	930510	Lobbying Expenses	0	0	0	0	0	0	0	0	0	0	0
20	930610	Transportation Expenses	363,776	0	0	0	0	0	0	0	0	0	0
21	930600	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
22	930610	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
23	930620	Transportation Cap (H)	0	0	0	0	0	0	0	0	0	0	0
24	930630	Misc Gen Exp - Company Dues	31,270	0	0	0	0	0	0	0	0	0	0
25	930880	Misc Gen Exp - Other	169,096	0	0	0	0	0	0	0	0	0	0
26	930890	Rents	24,859	0	0	0	0	0	0	0	0	0	0
27	931000	Maint A&G Struc & Improv-Material Ord	55,502	0	0	0	0	0	0	0	0	0	0
28	932100	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	0
29	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	0
30	932120	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
31	932200	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
32	932210	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0	0	0
33	932300	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0	0	0
34	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0	0	0
35	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
36	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
37	932420	Maint A&G Communication Equip-Material Ord	0	0	0	0	0	0	0	0	0	0	0
38	932500	Maint A&G Comm Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
39	932600	Maint A&G Misc Property-Material Ord	0	0	0	0	0	0	0	0	0	0	0
40	932610	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0	0	0
41	932700	Maint A&G Misc Property-Labor Ord	22,386	0	0	0	0	0	0	0	0	0	0
42	932710	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
45		Total A & G Expenses	9,859,621	57,261	0	0	0	748,836	107,130	(249,202)	210,404	49,414	923,843
46		Total O & M Expenses	\$20,117,049	\$202,621	(\$116,866)	(\$138,204)	\$72,327	\$748,836	\$107,130	(\$249,202)	\$210,404	\$49,414	\$886,360
47													
48													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF **ADJUSTMENTS TO OPERATING INCOME ACCOUNTS**
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): **SCH D-2.3 (CENTRAL DIVISION)**

SCHEDULE **D-1C**
Page 10 of 15

Witness Responsible: **M. A. Miller/ S. A. Valentine**

Line No.	Line Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
2	08	Operation Labor Expenses	\$4,938,893	\$202,521	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$202,521
3	24	Maintenance Labor Expenses	0	0	0	0	0	0	0	0	0	0	0
5		Total Labor	\$4,938,893	\$202,521	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$202,521
8		Total Operation Expenses	\$18,208,120	(\$106,097)	(\$116,866)	(\$138,204)	\$72,327	\$748,836	\$107,130	(\$249,202)	\$210,404	\$49,414	\$577,742
9		Total Maintenance Expenses	1,908,929	308,618	0	0	0	0	0	0	0	0	308,618
11		Total O & M Expenses	\$20,117,049	\$202,521	(\$116,866)	(\$138,204)	\$72,327	\$748,836	\$107,130	(\$249,202)	\$210,404	\$49,414	\$886,360
17	08	Labor	\$4,938,893	\$202,521	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$202,521
18	09	Purchased Water	61,278	0	0	0	0	0	0	0	0	0	0
19	10	Fuel and Power	2,039,507	0	(116,866)	0	0	0	0	0	0	0	(116,866)
20	11	Chemicals	1,358,500	0	0	(138,204)	0	0	0	0	0	0	(138,204)
21	12	Waste Disposal	166,669	0	0	0	72,327	0	0	0	0	0	72,327
22	13	Management Fees	3,027,803	0	0	0	0	748,836	0	0	0	0	748,836
23	14	Group Insurance	1,562,617	0	0	0	0	0	107,130	0	0	0	107,130
24	15	Pension	963,675	0	0	0	0	0	0	(249,202)	0	0	(249,202)
25	16	Regulatory Expense	19,712	0	0	0	0	0	0	0	210,404	0	210,404
26	17	Insurance Other than Group	488,322	0	0	0	0	0	0	0	0	49,414	49,414
27	18	Customer Accounting	849,113	0	0	0	0	0	0	0	0	0	0
28	19	Rents	60,321	0	0	0	0	0	0	0	0	0	0
29	20	General Office Expense	366,697	0	0	0	0	0	0	0	0	0	0
30	21	Miscellaneous	3,022,892	0	0	0	0	0	0	0	0	0	0
31	25	Other Maintenance	1,191,050	0	0	0	0	0	0	0	0	0	0
33		Total O & M Expenses	\$20,117,049	\$202,521	(\$116,866)	(\$138,204)	\$72,327	\$748,836	\$107,130	(\$249,202)	\$210,404	\$49,414	\$886,360
35		State Income Tax Impact	8.25%	(\$16,708)	\$9,641	\$11,402	(\$5,967)	(\$61,779)	(\$8,838)	\$20,559	(\$17,358)	(\$4,077)	(\$73,125)
37		Federal Income Tax Impact	35.00%	(\$76,730)	\$44,278	\$52,362	(\$27,403)	(\$283,715)	(\$40,589)	\$94,416	(\$79,717)	(\$18,722)	(\$335,820)
39		Net Operating Income Impact		(\$109,093)	\$62,917	\$74,440	(\$38,957)	(\$403,342)	(\$57,703)	\$134,227	(\$113,329)	(\$26,615)	(\$477,415)

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C
Page 11 of 19
Witness Responsible: M.A. Milliori, S.A. Valentine

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

Line No.	Account Number	Description	Base Period Col1	Adj D-13 Sch D-2.3 Col2	Adj D-14 Sch D-2.3 Col3	Adj D-15 Sch D-2.3 Col4	Adj D-16 Sch D-2.3 Col5	Adj D-17 Sch D-2.3 Col6	Adj D-18 Sch D-2.3 Col7	Total Adjustments	Grand Total Adjustments
SOURCE OF SUPPLY EXPENSES (SS)											
1			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	600000	Operation Supervision & Engineering	0	0	0	0	0	0	0	0	0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	61,278	0	0	0	0	0	10,722	10,722	10,722
6	603100	Miscellaneous Expenses	10,862	0	0	0	9,868	0	0	9,868	9,868
7	603120	Amort. Misc Expenses	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0
9	604000	Rents	2,400	0	2,400	0	0	0	0	2,400	2,400
10	610000	Maint Supervision & Engineering Ord	1,965	0	0	0	0	0	0	0	(1,965)
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0
12	611000	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other Intakes	21,946	0	0	0	0	(21,946)	0	(21,946)	(21,946)
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0
26	614120	Amort Def Exp Wlls & Springs	0	0	0	0	0	17,304	0	17,304	17,304
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	220,934	0	0	0	0	0	0	0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0
34											
35			319,385	0	2,400	0	9,868	69,925	10,722	0	90,950
36		TOTAL SS EXPENSES									
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2W5

DATA: X BASE PERIOD X FORECASTED PER WD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

SCHEDULEM C
Page 12 of 19
Witness Responsible: M A Miller, S. A Valentine

Line No.	Account Number	Description	Base Period	Adj	Adj	Adj	Adj	Adj	Adj	Total Adjustments	Grand Total Adjustments
				D-13 Sch D-2.3	D-14 Sch D-2.3	D-15 Sch D-2.3	D-16 Sch D-2.3	D-17 Sch D-2.3	D-18 Sch D-2.3		
1		PUMPING EXPENSES									
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0
4	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0
5	622200	Power Production Labor	0	0	0	0	0	0	0	0	0
6	623110	Power Purchased for Pumping-Elec	1,066,532	0	0	0	0	0	0	0	856,109
7	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0	0	0	0
8	623210	Power Purchased for Pumping-Other	972,975	0	0	0	0	0	0	0	(972,975)
9	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	500	0	0	500	500
12	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	3,618	0	0	0	(1,218)	0	0	(1,218)	(1,218)
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	8,034	0	5,626	0	0	0	0	5,626	5,626
19	630200	Maint Sup 6 Eng-Electric Ord	54,314	0	0	0	0	0	0	0	113,966
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup 8 Eng-Other Prg	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Inprov-Material Ord	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Inprov-Material Prg	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & Inprov-Labor Ord	0	0	0	0	0	0	0	0	0
26	631210	Main Pumping Struc & Inprov-Labor Prg	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0
39		TOTAL PUMPING EXPENSES	2,105,473	0	5,626	0	(718)	0	0	0	4,908

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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

Page 13 of 19
Witness Responsible: M A Miller, S. A. Valentine

Line No	Account Number	Description	Base	Adj	Adj	Adj	Adj	Adj	Adj	Total Adjustments	Grand	
			Period	D-13 Sch D-2.3	014 Sch D-2.3	D-15 Sch D-2.3	D-16 Sch D-2.3	D-17 Sch D-2.3	D-18 Sch D-2.3		Total Adjustments	
1		WATER TREATMENT EXPENSES (WT)										
2	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$374,088	
3	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0	
4	641100	General Chemicals	1,358,500	0	0	0	0	0	0	0	(138,204)	
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0	
6	642100	General WT Labor	1,333,008	0	0	0	0	0	0	0	(478,212)	
7	642200	Softening Labor	0	0	0	0	0	0	0	0	0	
8	642300	General WT Expenses	232,484	0	0	0	(88,776)	0	0	(88,776)	(88,776)	
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0	
10	642400	Softening Expenses	0	0	0	0	0	0	0	0	0	
11	643100	Misc Expenses	54,338	0	0	0	87,929	0	0	87,929	87,929	
12	643190	Misc Expenses-Service Co	0	0	0	0	0	0	0	0	0	
13	643200	Misc Labor	0	0	0	0	0	0	0	0	0	
14	643300	waste Disposal Expenses	145,807	0	0	0	0	0	0	0	8,393	
15	643310	Amort Waste Disposal Expenses	21,062	0	0	0	0	0	0	0	63,934	
16	644000	Rents	0	0	21,143	0	0	0	0	21,143	21,143	
17	650000	Maint Supervision & Engineering Ord	118,160	0	0	0	0	0	0	0	(6,929)	
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	
19	651100	Maint WT Struc & Improvements-Mat Ord	188,788	0	0	0	0	(52,024)	0	(52,024)	(52,024)	
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0	
21	651120	Amort WT Structures	162,454	0	0	0	0	(21,646)	0	(21,646)	(21,646)	
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	99,867	0	99,867	99,867	
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0	
26	652200	Maint softening Equipment-Materials	0	0	0	0	0	0	0	0	0	
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0	
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	
29												
30		TOTAL WT EXPENSES	3,634,673	0	21,143	0	(847)	26,197	0	0	46,493	(130,437)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C
 Page 14 of 19
 Witness Responsible: M.A. Milleri, S. A. Valentine

DATA: X_ BASE PERIOD, X_ FORECASTED PERIOD
 TYPE OF FILING: X_ ORIGINAL, UPDATED, REVISED
 WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total
TRANS & DIST EXPENSES (T&D)											
1	660000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$346,929
2	661100	Storage Facilities - Expenses	0	0	0	0	0	0	0	0	0
3	661200	Storage Facilities - Labor	0	0	0	0	0	0	0	0	0
4	662100	T&D Lines - Expenses	12,950	0	0	(4,037)	0	0	0	(4,037)	(4,037)
5	662200	T&D Lines - Labor	1,047,767	0	0	0	0	0	0	0	(597,656)
6	663100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0
7	663200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0
8	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0
9	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0
10	664100	Customer Installation - Expenses	0	0	0	0	0	0	0	0	0
11	664200	Customer Installation - Labor	0	0	0	0	0	0	0	0	0
12	665100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0
13	665190	Maps and Records - Expenses Computer	0	0	0	0	0	0	0	0	0
14	665200	Maps and Records - Labor	0	0	0	0	0	0	0	0	0
15	665300	Misc Expenses	232,018	0	0	51,121	0	0	0	51,121	47,984
16	665400	Misc Labor	0	0	0	0	0	0	0	0	51,121
17	666000	Rents	4,756	404	0	0	0	0	0	404	404
18	666000	Rents	15,848	0	0	0	0	0	0	0	(15,848)
19	670000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0
20	670010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	0	0
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0	0	0	0
23	671200	Maint Struct & Improvements-Labor Ord	18,306	0	0	0	0	0	0	0	(18,306)
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes - Materials Ord	979	0	0	0	0	0	0	0	0
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	(979)	0	(979)	0
27	672120	Amort Res & Standpipes	190,177	0	0	0	0	40,631	0	40,631	40,631
28	672200	Maint Res & Standpipes - Labor Ord	5,403	0	0	0	0	0	0	0	(5,403)
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0
32	673120	Amort T&D Mains	191,511	0	0	0	0	0	0	0	388,419
33	673200	Maint T&D Mains - Labor Ord	0	0	0	0	0	0	0	0	0
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0
35	675100	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0
36	675110	Maint Services - Materials Prg	188,756	0	0	0	0	0	0	0	(188,756)
37	675200	Maint Services - Labor Ord	0	0	0	0	0	0	0	0	0
38	675210	Maint Services - Labor Prg	0	0	0	0	0	0	0	0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0
41	676200	Maint Meter - Labor Ord	30,073	0	0	0	0	0	0	0	102,523
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0
43	676300	Maint Meter Installation - Materials Ord	0	0	0	0	0	0	0	0	0
44	676310	Maint Meter Installation - Materials Prg	0	0	0	0	0	0	0	0	0
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0	0	0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0	0	0	0
47			0	0	0	0	0	0	0	0	0
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF A WUSTMENT STS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER SO. 2W5

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

SCHEDULE D-1C
Page 15 of 19
Witness Responsible: M. A. Miller, S. A. Valentine

Line No	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj 0-16 Sch D-2.3	Adj 0-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments	
		TRANS & DIST EXPENSES (T&D) (Cont'd)										
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0		0	0	
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0		0	0	
4	677200	Maint Hydrants - Labor Ord	92,564	0	0	0	0	0		0	(59,083)	
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0		0	0	
6	678100	Maint Omer T&D Plant- Materials Ord	328,863	0	0	0	0	57,031		57,031	57,031	
7	678110	Maint Other T&D Plant- Materials Prg	0	0	0	0	0	0		0	0	
8	678200	Maint Omer T&D Plant - Labor Ord	0	0	0	0	0	0		0	0	
9	678210	Maint Other T&D Plant- Labor Prg	0	0	0	0	0	0		0	0	
10												
11												
12		TOTAL T&D EXPENSES	2,359,971	0	404	0	47,084	96,683	0	0	144,171	143,974
13												
14		CUSTOMER ACCOUNTS EXPENSE (CA)										
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$85,687	
16	002100	Meter Reading Expenses	0	0	0	0	0	0		0	0	
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0		0	0	
18	902200	Meter Reading Labor	0	0	0	0	0	0		0	609,314	
19		CUST RECORDS & COLLECTION EXPENSES										
20	903100	Contracts and Orders - Expenses	43,221	(34,658)	0	0	0	0		134,658	(34,658)	
21	903200	Contracts and Orders - Labor	988,813	0	0	0	0	0		0	(750,492)	
22	903300	Collecting - Expenses	186,177	(13,834)	0	0	0	0		(13,834)	(13,834)	
23	903400	Collecting - Salaries	0	0	0	0	0	0		0	0	
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0		0	0	
25	903520	Billing & Accounting - Other Expenses	419,470	115,046	0	0	0	0		115,046	116,046	
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0		0	0	
27	904000	Uncollectible Accounts	186,300	59,896	0	0	0	0		59,896	59,696	
28	905100	Misc Expenses	13,945	2,263	0	0	0	0		2,263	2,263	
29	906200	Misc Salaries	0	0	0	0	0	0		0	0	
30												
31		TOTAL CA EXPENSES	1,837,926	128,713	0	0	0	0	0	0	128,713	273,222
32												
33		CUSTOMER SERVICE EXPENSES										
34	907100	Cust Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0		0	0	
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	
37												
38		SALES PROMOTION EXPENSES										
39	910100	Sales Promotion - Expenses	50	\$0	\$0	\$0	\$0	\$0		\$0	\$0	
40												
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	
42												
43												
44												
45												
46												
47												
48												
49												
50												

KENTUCKY-AMERICAN WATERCOMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNT#8
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C
Page 16 of 19

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

Witness Responsible: M A Miller/ S. A. Valentine

Line No	Account Number	Description	Base Period	Act	Adj	Adj	Adj	Adj	Adj	Total Adjustments	Grand Total Adjustments
				B 13 Sch D-2.3	D-14 Sch D-2.3	B 15 Sch D-2.3	B 15 Sch D-2.3	D-17 Sch D-2.3	D-18 Sch D-2.3		
1		ADMINISTRATIVE & GENERAL EXP(A&G)									
2	920000	Salaries	\$837,683	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$158,142)
3	920500	Incentive Plan Expense	13,743	0	0	0	0	0	0	0	215,403
4	921100	Expenses of Employees	80,436	0	0	263	0	0	0	263	263
5	921130	Dues for Clubs - Ded	0	0	0	25,238	0	0	0	25,238	25,238
6	921200	Misc Office Expenses	271,079	0	0	(39,557)	0	0	0	(39,557)	(39,557)
7	923100	Service Company Charges	3,027,803	0	0	0	0	0	0	0	748,636
8	923190	Service company Charges - Out Agency	0	0	0	0	0	0	0	0	0
9	923200	Auditing Services	28,220	0	0	0	(2,535)	0	0	(2,535)	(2,535)
10	923300	Legal Services	98,308	0	0	0	(34,123)	0	0	(34,123)	(34,123)
11	923400	Engineering Services	600	0	0	0	1,700	0	0	1,700	1,700
12	923500	Other Services - Current	885,792	0	0	0	(439,185)	0	0	1439,185	(439,185)
13	924000	Property Insurance	185,350	0	0	0	0	0	0	0	(45,703)
14	925110	Workers compensation	59,237	0	0	0	0	0	0	0	3,680
15	925120	workers Comp cap (A&B)	0	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages- Expenses	2,100	0	0	0	2,072	0	0	2,072	2,072
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0
21	925400	General Liability	243,735	0	0	0	0	0	0	0	91,437
22		EMPLOYEE PENSIONS & BENEFITS									
23	926100	Accrued OPEB Expense	618,595	0	0	0	0	0	0	0	94,821
24	926110	Group Insurance Expense	884,022	0	0	0	0	0	0	0	12,309
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0
30	926170	Group Ins Pretax Contribution	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educational Expenses	118,173	0	0	0	(2,385)	0	0	(2,385)	(2,385)
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	53,540	0	0	0	(17,036)	0	0	(17,036)	(17,036)
34	926250	401-K Contributions Expense	85,632	0	0	0	(9,277)	0	0	(9,277)	(9,277)
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0
43	928400	Pension Plan Payments- Current	963,675	0	0	0	0	0	0	0	(98,695)
44	926600	Omer Pension Plan Expenses	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Pmts - Union	0	0	0	0	0	0	0	0	0
46	926800	Pensions- Capitalized - (A&B)	0	0	0	0	0	0	0	0	(150,507)
47	928900	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	0	0
48	926910	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	0
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
N P E O F FILING: X ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

SCHEDULE D-1C
Page 17 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Lins No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments		
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
2		REGULATORY COMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	0	0	0	0	0	0	0	0	218,404		
4	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0	0	0	0		
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0		
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0		
7	928400	Other Regulatory menses-current	19,712	0	0	0	0	0	0	0	(8,000)		
8	930200	Amort Misc Charger	187,704	0	0	0	(74,808)	0	0	(74,808)	(74,808)		
9	930210	Misc General Expenses Current	440,197	0	0	0	346,772	0	0	346,772	346,772		
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0		
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0		
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0		
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0		
14	930260	Meals & Travel Expenses - Taxable	15,182	0	0	(6,686)	0	0	0	(6,686)	(6,686)		
15	930270	Donations	30	0	0	0	(30)	0	0	(30)	(30)		
16	930290	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0		
17	930300	Research & Development Expenses	24,184	0	0	0	(7,797)	0	0	(7,797)	(7,797)		
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0		
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0		
20	930510	Lobbying Expenses	0	0	0	0	0	0	0	0	0		
21	930600	Transportation Expenses	353,776	0	0	0	60,912	0	0	60,912	60,912		
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0		
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0		
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0		
25	930880	Misc Gen Exp - Company Dues	31,270	0	0	0	(171)	0	0	(171)	(171)		
26	930890	Misc Gen Exp - Other	169,096	0	0	0	5,632	0	0	5,632	5,632		
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0		
28	931000	Rents	24,869	0	2,466	0	0	0	0	2,466	2,466		
29	932100	Maint A&G Struc & Improv-Material Ord	55,502	0	0	0	0	(35,392)	0	(35,392)	(35,392)		
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0		
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0		
32	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0		
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0		
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0		
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0		
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0		
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0		
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0		
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0		
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0		
41	932700	Maint A&G Misc Property-Material Ord	22,386	0	0	0	0	2,613	0	2,613	2,613		
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0		
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0		
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0		
45		Total A & G Expenses	9,859,621	0	2,466	(20,742)	(170,259)	(32,779)	0	0	(221,314)	702,529	
46													
47		Total O & M Expenses	\$20,117,049	\$128,713	\$32,039	(\$20,742)	(\$114,872)	\$160,026	\$10,722	\$0	\$0	\$195,886	\$1,082,246
48													
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF **ADJUSTMENTS TO OPERATING INCOME ACCOUNTS**
FOR THE TWELVE MONTHS ENDED: NOVEMBER, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
N P E O F FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): **SCH D-23 (CENTRAL DIVISION)**

SCHEDULE **D-1C**

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Witness Responsible: **M A Miller, S. A. Valentine**

Line No	Account Number	Description	Base	Adj 0 1 3	Adj D-14	Adj 5 1 5	Adj 5 1 8	Adj 5 1 7	Adj D-18	Total	Grand Total
1											
2	08	operation Labor Expenses	\$4,938,893	\$0	\$0	\$0	\$0	(\$979)	\$0	(\$979)	\$201,542
3	24	Maintenance Labor Expenses	0	0	0	0	0	0	0	0	0
5		Total Labor	\$4,938,893	\$0	\$0	\$0	\$0	(\$979)	\$0	(\$979)	\$201,542
8		Total Operation Expenses	\$18,208,120	\$128,713	\$32,039	(\$20,742)	(\$114,872)	\$0	\$10,722	\$35,860	\$613,602
9		Total Maintenance Expenses	1,908,929	0	0	0	0	160,026	0	160,026	468,644
11		Total O & M Expenses	\$20,117,049	\$128,713	\$32,039	(\$20,742)	(\$114,872)	\$160,026	\$10,722	\$195,886	\$1,082,246
17	08	Labor	\$4,938,893	\$0	\$0	\$0	\$0	(\$979)	\$0	(\$979)	\$201,542
18	09	Purchased Water	61,278	0	0	0	0	0	10,722	10,722	10,722
19	10	Fuel and Power	2,039,507	0	0	0	0	0	0	0	(116,866)
20	11	Chemicals	1,358,500	0	0	0	0	0	0	0	(138,204)
21	12	Waste Disposal	166,669	0	0	0	0	0	0	0	72,327
22	13	Management Fees	3,027,803	0	0	0	0	0	0	0	748,836
23	14	Group Insurance	1,562,617	0	0	0	0	0	0	0	107,130
24	15	Pension	963,675	0	0	0	0	0	0	0	(249,202)
25	16	Regulatory Expense	19,712	0	0	0	0	0	0	0	210,404
26	17	Insurance Other than Group	488,322	0	0	0	0	0	0	0	49,414
27	18	Customer Accounting	849,113	128,713	0	0	0	0	0	128,713	128,713
28	19	Rents	60,321	0	32,039	0	0	0	0	32,039	32,039
29	20	General Office Expense	366,697	0	0	(20,742)	0	0	0	(20,742)	(20,742)
30	21	Miscellaneous	3,022,892	0	0	0	(114,872)	0	0	(114,872)	(114,872)
31	25	Other Maintenance	1,191,050	0	0	0	0	161,005	0	161,005	161,005
33		Total O & M Expenses	\$20,117,049	\$128,713	\$32,039	(\$20,742)	(\$114,872)	\$160,026	\$10,722	\$195,886	\$1,082,246
35		State Income Tax Impact	8.25%	(\$10,619)	(\$2,643)	\$1,711	\$9,477	(\$13,202)	(\$885)	(\$16,161)	(\$89,285)
37		Federal Income Tax Impact	35.00%	(\$48,766)	(\$12,139)	\$7,859	\$43,522	(\$60,630)	(\$4,062)	(\$74,216)	(\$410,036)
39		Net Operating Income Impact		(\$69,328)	(\$17,257)	\$11,172	\$61,873	(\$86,194)	(\$5,775)	(\$105,509)	(\$582,925)

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULED-1C

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

Page 19 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

Line No	Account Number	Description	Base Period	Adj D-19 Sch D.2.4	Adj D-20 Sch D.2.4	Adj D-21 Sch D.2.4					Total Adjustment	
1	403000	Depreciation	\$6,990,702	(\$39,728)	\$0	\$0						(\$39,728)
2	403100	Depreciation - CIAC	(944,987)	944,987								944,987
3			\$6,045,715	\$905,259	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$905,259
4												
5												
6		State Income Tax Impact	8.25%	(\$74,684)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$74,684)
7		Federal Income Tax Impact	35.00%	(\$342,980)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$342,980)
8		Net Operating Income Impact		\$457,392	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$457,392
9												
10		AMORTIZATION EXPENSE										
11	404100	Amortization Lim Term Ut Plant	\$0	\$0	\$0	\$0						\$0
12	404110	Amortization Franchise Expense	0	0	0	0						0
13	404430	Amortization Regulatory Asset - AFUDC	12,864	0	12,864	0						12,864
14	408000	Amortization Utility Plant Acquisition Adj	21,611	0	(8,363)	0						(8,363)
15	407000	Amortization Property Losses	653,382	0	2,796	0						2,796
16		TOTAL AMORTIZATION	\$687,857	\$0	\$7,297	\$0						\$7,297
17												
18		State Income Tax Impact	8.25%	\$0	(\$802)	\$0	\$0	\$0	\$0	\$0	\$0	(\$602)
19		Federal Income Tax Impact	35.00%	\$0	(\$2,765)	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,765)
20		Net Operating Income Impact		\$0	(\$3,930)	\$0						(\$3,930)
21												
22												
23												
24		TAXES OTHER THAN INCOME										
25	408100	Real & Personal Property Taxes	\$2,111,251	\$0	\$0	\$68,242						\$68,242
26	408110	Gross Income & Receipts Taxes	83,672	0	0	(5,168)						(5,168)
27	408120	Invested Capital Tax	0	0	0	0						0
28	408030	Other General Taxes	(201)	0	0	201						201
29	408140	FUTA	3,266	0	0	10,145						10,145
30	408150	FUTA Capitalized - (A Work Order)	0	0	0	(10,375)						(10,375)
31	408040	FUTA Capitalized - (H Work Order)	0	0	0	0						0
32	408050	FUTA Capitalized - (C & R Work Order)	0	0	0	0						0
33	408160	FICA	422,032	0	0	65,014						65,014
34	408170	FICA Capitalized - (A Work Order)	0	0	0	(99,222)						(99,222)
35	408060	FICA Capitalized - (H Work Order)	0	0	0	0						0
36	408070	FICA Capitalized - (C & R Work Order)	0	0	0	0						0
37	408180	SUTA	2,047	0	0	7,590						7,590
38	408190	SUTA Capitalized - (A Work Order)	0	0	0	(6,485)						(6,485)
39	408080	SUTA Capitalized - (H Work Order)	0	0	0	0						0
40	408090	SUTA Capitalized - (C & R Work Order)	0	0	0	0						0
41	408220	Environmental Tax	0	0	0	0						0
42			\$2,622,067	\$0	\$0	\$29,942	\$0	\$0	\$0	\$0	\$0	\$29,942
43												
44		State Income Tax Impact	8.25%	\$0	\$0	(\$2,470)	\$0	\$0	\$0	\$0	\$0	(\$2,470)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$9,615)	\$0	\$0	\$0	\$0	\$0	(\$9,615)
46		Net Operating Income Impact		\$0	\$0	(\$17,857)	\$0	\$0	\$0	\$0	\$0	(\$17,857)
47												
48												
49												
50												

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FDR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: BASE PERIOD 1ST PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKP/ PER REFER NO(S): W/P-2 (CENTRAL DIVISION)

SCHEDULE D-2.1C
Page 1 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1		<u>Billed Revenues Adjustment D-1</u>	
2	To adjust Residential billed water revenue for the change in billing determinants at present rates for the forecasted test period.	RESIDENTIAL	
3		Forecasted Amount	W/P-2 \$22,240,461
4		Base Period Amount	<u>22,730,759</u>
5		Pro Forma Adjustment	<u>(\$490,298)</u>
6			
7	To adjust Commercial billed water revenue for the change in billing determinants at present rates for the forecasted test period.	COMMERCIAL	
8		Forecasted Amount	W/P-2 \$10,515,514
9		Base Period Amount	<u>10,958,927</u>
10		Pro Forma Adjustment	<u>(\$443,413)</u>
11			
12	To adjust Industrial billed water revenue for the change in billing determinants at present rates for the forecasted test period.	INDUSTRIAL	
13		Forecasted Amount	W/P-2 \$1,580,189
14		Base Period Amount	<u>1,497,592</u>
15		Pro Forma Adjustment	<u>\$82,607</u>
16			
17	To adjust Other Public Authority billed water revenue for the change in billing determinants at present rates for the forecasted test period.	OTHER PUBLIC AUTHORITY	
18		Forecasted Amount	W/P-2 \$3,121,088
19		Base Period Amount	<u>3,386,603</u>
20		Pro Forma Adjustment	<u>(\$265,515)</u>
21			
22	To adjust Sales For Resale (OWU) billed water revenue for the change in billing determinants at present rates for the forecasted test period.	SALES FOR RESALE (OWU)	
23		Forecasted Amount	W/P-2 \$771,314
24		Base Period Amount	<u>847,567</u>
25		Pro Forma Adjustment	<u>(\$76,253)</u>
26			
27	To adjust Public Fire Service billed water revenue for the change in billing determinants at present rates for the forecasted test period.	PUBLIC FIRE SERVICE	
28		Forecasted Amount	W/P-2 \$1,802,175
29		Base Period Amount	<u>1,835,565</u>
30		Pro Forma Adjustment	<u>(\$33,390)</u>
31			
32	To adjust Private Fire Service billed revenue for the change in billing determinants at present rates for the forecasted test period.	PRIVATE FIRE SERVICE	
33		Forecasted Amount	W/P-2 \$839,000
34		Base Period Amount	<u>844,721</u>
35		Pro Forma Adjustment	<u>(\$5,721)</u>
36			
37	To adjust Miscellaneous billed water revenue for the change in billing determinants at present rates for the forecasted test period.	MISCELLANEOUS	
38		Forecasted Amount	W/P-2 \$15,908
39		Base Period Amount	<u>9,523</u>
40		Pro Forma Adjustment	<u>\$6,385</u>
41			
42			
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.	Total Billed Water Revenue Adjustment	<u>(\$1,225,598)</u>
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

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

SCHEDULE D-2.1C
Page 2 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Billed Revenues Adjustment D-1</u>	
2	To eliminate the net change in Residential water unbilled accrued utility revenues recorded during the base period.	RESIDENTIAL	
3		Forecasted Amount	\$0
4		Base Period Amount	<u>67,951</u>
5		Pro Forma Adjustment	<u>(\$67,951)</u>
6			
7	To eliminate the net change in Commercial water unbilled accrued utility revenues recorded during the base period.	COMMERCIAL	
8		Forecasted Amount	\$0
9		Base Period Amount	<u>80,463</u>
10		Pro Forma Adjustment	<u>(\$80,463)</u>
11			
12	To eliminate the net change in Industrial water unbilled accrued utility revenues recorded during the base period.	INDUSTRIAL	
13		Forecasted Amount	\$0
14		Base Period Amount	<u>34,339</u>
15		Pro Forma Adjustment	<u>(\$34,339)</u>
16			
17	To eliminate the net change in Other Public Authority water unbilled accrued utility revenues recorded during the base period.	OTHER PUBLIC AUTHORITY	
18		Forecasted Amount	\$0
19		Base Period Amount	<u>15,645</u>
20		Pro Forma Adjustment	<u>(\$15,645)</u>
21			
22	To eliminate the net change in Sales for Resale (OWU) water unbilled accrued utility revenues recorded during the base period.	SALES FOR RESALE (OWU)	
23		Forecasted Amount	\$0
24		Base Period Amount	<u>41,775</u>
25		Pro Forma Adjustment	<u>(\$41,775)</u>
26			
27		PUBLIC FIRE SERVICE	
28		Forecasted Amount	\$0
29		Base Period Amount	<u>0</u>
30		Pro Forma Adjustment	<u>\$0</u>
31			
32		PRIVATE FIRE SERVICE	
33		Forecasted Amount	\$0
34		Base Period Amount	<u>0</u>
35		Pro Forma Adjustment	<u>\$0</u>
36			
37		MISCELLANEOUS	
38		Forecasted Amount	\$0
39		Base Period Amount	<u>0</u>
40		Pro Forma Adjustment	<u>\$0</u>
41			
42			
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.	Total Unbilled Water Revenue Adjustment	<u>(\$240,173)</u>
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-2.1C
Page 3 of 3
Witness Responsible: S.A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL P-2 (CENTRAL DIVISION)

Line No.	Purpose and Description of Adjustment	Billed Revenues Adjustment D-1	Worksheet Reference	Amount
1		RESIDENTIAL		
2	To eliminate Residential billed sewer revenue for forecasted test period.	Forecasted Amount	W/P-2	\$0
3		Base Period Amount		19,013
4		Pro Forma Adjustment		<u>(\$19,013)</u>
5				
6		COMMERCIAL		
7	To eliminate Commercial billed sewer revenue for the forecasted test period.	Forecasted Amount	W/P-2	\$0
8		Base Period Amount		734
9		Pro Forma Adjustment		<u>(\$734)</u>
10				
11		INDUSTRIAL		
12	To eliminate Industrial billed sewer revenue for the forecasted test period.	Forecasted Amount	W/P-2	\$0
13		Base Period Amount		829
14		Pro Forma Adjustment		<u>(\$829)</u>
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43	The purpose of each adjustment is to eliminate the sewer revenue for the forecasted test period.	Total Sewer Revenue Adjustment		<u>(20,576)</u>
44		Total Revenue Adjustment		<u>(\$1,486,347)</u>
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-2.2C
Page 1 of 1
Witness Responsibility: S.A. Valentine

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): WIP-2 (CENTRAL DIVISION)

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1			
2	To adjust Reconnection Fees which was forecast under other revenues.		
3			
4			
5			
6			
7	To adjust Returned Check Charges for the forecasted test period level of bad checks and reflect other miscellaneous service revenues forecasted under other revenues		
8			
9			
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11			
12	To adjust for all other revenues for more current information. This includes an adjustment for billing and collecting for landfill services for the Lexington-Fayette Urban County Government and the reconnection fees.		
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22	To reflect AFUDC above the line based on the overall rate of return and qualifying CWIP.		
23	This includes the gross-up of the equity piece of AFUDC per SFAS 109.		
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43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.		
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KENTUCKY-AMERICAN WATERCOMPANY
CASE NO: **2004-00103**
DETAILED ADJUSTMENTS
FORTHETWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: BASE PERIOD ED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-3 (CENTRAL DIVISION)

SCHEDULE D-23C
Page 1 of 2
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Labor Adjustment D-4</u>	
2	Labor expense is being adjusted to reflect an increase due to union wage contracts and an increase of 3% for non-union employees to become effective April 1, 2004 and 2005.	Forecasted Amount	\$5,140,435
3		Base Period Amount	<u>4,938,893</u>
4		Pro Forma Adjustment	<u>\$201,542</u>
5			
6		<u>Fuel & Power Adjustment D-5</u>	
7	Fuel and Power expense is being adjusted to reflect the forecasted sales.	Forecasted Amount	\$1,922,641
8		Base Period Amount	<u>2,039,507</u>
9		Pro Forma Adjustment	<u>(\$116,866)</u>
10			
11		<u>Chemicals Adjustment D-6</u>	
12	Chemical expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment for contracted chemical prices made to the forecast.	Forecasted Amount	\$1,220,296
13		Base Period Amount	<u>1,358,500</u>
14		Pro Forma Adjustment	<u>(\$138,204)</u>
15			
16		<u>Waste Disposal Adjustment D-7</u>	
17	Waste Disposal expense reflects two year amortization of the lagoon cleaning along with other normal recurring waste disposal expenses.	Forecasted Amount	\$238,996
18		Base Period Amount	166,668
19		Pro Forma Adjustment	<u>172,327</u>
20			
21		<u>Management Fees Adjustment D-8</u>	
22	Management Fees expense reflects the forecasted charges from the Service Company for services rendered during the forecasted period including costs from the Southeast Region Service Company office, Shared Services Center, and the Customer Call Center.	Forecasted Amount	\$3,776,639
23		Base Period Amount	<u>3,027,803</u>
24		Pro Forma Adjustment	<u>\$746,836</u>
25			
26		<u>Group Insurance Adjustment D-9</u>	
27	Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with FAS 106.	Forecasted Amount	\$1,669,747
28		Base Period Amount	<u>1,562,617</u>
29		Pro Forma Adjustment	<u>\$107,130</u>
30			
31		<u>Pensions Adjustment D-10</u>	
32	Pension Expense reflects the forecasted level based on FAS 87 pension costs.	Forecasted Amount	\$714,473
33		Base Period Amount	<u>863,675</u>
34		Pro Forma Adjustment	<u>(\$249,202)</u>
35			
36		<u>Regulatory Expense Adjustment D-11</u>	
37	Regulatory Expense reflects a three year amortization of the cost of the current filing.	Forecasted Amount	\$230,116
38		Base Period Amount	<u>19,712</u>
39		Pro Forma Adjustment	<u>\$210,404</u>
40			
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43			
44		<u>Insurance Other than Group Adjustment D-12</u>	
45	Insurance Other than Group expense reflects the Company's forecasted cost for liability insurance, worker's compensation and property insurance based upon the most recent actual bills.	Forecasted Amount	\$537,736
46		Base Period Amount	<u>488,322</u>
47		Pro Forma Adjustment	<u>\$49,414</u>
48			
49	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
50			

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): WIP-3 (CENTRAL DIVISION)

SCHEDULE D-2.3C
Page 2 of 2
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1			
2	Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this function, as well as allocations made from Central Division to Tri Village and Elk Lake.	WIP-3-10	\$977,826
3			849,113
4			<u>\$128,713</u>
5			
6			
7	Rent expense reflects all leases and rental agreements that the company has entered into or is forecasted to enter into during the forecasted test period.	WIP-3-11	\$92,360
8			60,321
9			<u>\$32,039</u>
10			
11			
12	General Office expense reflects all expenses related to the Company's office including telephone, employee expenses, supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	WIP-3-12	\$346,955
13			366,697
14			<u>(\$20,742)</u>
15			
16			
17	Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village and Elk Lake.	WIP-3-13	\$2,908,020
18			3,022,892
19			<u>(\$114,872)</u>
20			
21			
22	Maintenance expense reflect the costs of maintaining the property and assets of the Company. These expenses include amortizations of prior and forecasted deferred maintenance projects. It also includes normal maintenance of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	WIP-3-14	\$1,352,055
23			1,191,050
24			<u>\$161,005</u>
25			
26			
27	Purchased Water represents water purchased from the Winchester Municipal System, Georgetown Municipal System, and Owen Water & Sewer.	WIP-3-15	\$72,000
28			61,278
29			<u>\$10,722</u>
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The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-4 & W/P-5 (CENTRAL DIVISION)

SCHEDULE D-24C

Page 1 of 1

Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Depreciation Expense Adjustment D-19</u>	
2	Depreciation expense reflects an increase due to an increased level of Utility Plant in Service.	Forecasted Amount	W/P-4-1 \$6,950,874
3		Base Period Amount	<u>6,045,715</u>
4		Pro Forma Adjustment	<u>\$905,259</u>
5			
6		<u>Amortization Expense Adjustment D-20</u>	
7	Amortization expense reflects the amortization of UPAA, Property Losses and Regulatory Asset on the equity gross-up of AFUDC.	Forecasted Amount	W/P-4-1 \$695,154
8		Base Period Amount	<u>687,857</u>
9		Pro Forma Adjustment	<u>\$7297</u>
10			
11		<u>General Taxes Expense Adjustment D-21</u>	
12	General Taxes represent Property Taxes, Payroll Taxes, PSC Fees and other miscellaneous taxes that are calculated to be expenses for the forecasted test period. This also includes the allocation of property tax from Central Division to Tri Village and Elk Lake.	Forecasted Amount	W/P-5 \$2,652,009
13		Base Period Amount	<u>2,622,067</u>
14		Pro Forma Adjustment	<u>\$29,942</u>
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32	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF JURISDICTIONAL FACTORS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

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

SCHEDULE D-3C
Page 1 of 1
Witness Responsible: S.A. Valentine

Line No.	Acct	Account Title	Jurisdictional Factor	Description of Factor and/or method of Allocation
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

JURISDICTIONAL STATISTICS

FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

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

SCHEDULE D-4C
 Page 1 of 1

Line No.	Description	Statistic Total Company	Adjustment	Adjusted Total Company	Statistic for Jurisdiction	Jurisdictional Ratio
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
EXPLANATION OF CHANGE IN JURISDICTIONAL PROCEDURES
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-5C
Page 1 of 1

DATA: X_ BASE PERIOD_ X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL_ UPDATED_ REVISED
WORKPAPER REFERENCE NO(S):: (CENTRAL DIVISION)

Line No.	Account No.	Description	Procedure Approved in Prior Case	Rational for Change
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1T
Page 1 of 19
Witness Responsible: M.A. Millar, S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2-1/D-2-2 (TRIVILLAGE)

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2-1	Adj. D-2 Sch D-2-2	Adj. D-3 Sch D-2-2	Total Adjustments
1		Water Revenues					
2	461100	Residential - Billed	\$ 717,690	\$64,666	\$0	\$0	\$64,666
3	461110	Residential - Unbilled	0	0	0	0	0
4	461200	Commercial - Billed	55,916	(25,904)	0	0	(25,904)
5	461210	Commercial - Unbilled	0	0	0	0	0
6	461300	Industrial - Billed	0	0	0	0	0
7	461310	Industrial - Unbilled	0	0	0	0	0
8	461400	Miscellaneous - Billed	813	(813)	0	0	(813)
9	461410	Miscellaneous - Water Sales Billed Unmetered	0	0	0	0	0
10	462000	Private Fire - Billed	0	0	0	0	0
11	462100	Private Fire - Unbilled	0	0	0	0	0
12	463000	Public Fire - Billed	0	0	0	0	0
13	463100	Public Fire - Unbilled	0	0	0	0	0
14	464200	OPA - Billed	9,955	(1,920)	0	0	(1,920)
15	464210	OPA - Unbilled	0	0	0	0	0
16	466000	Sales for Resale - Billed	0	4,656	0	0	4,656
17	466100	Sales for Resale - Unbilled	0	0	0	0	0
18		Total Water Revenues	784,374	40,665	0	0	40,665
19							
20		Sewer Revenues					
21	461000	Residential - Billed	0	0	0	0	0
22	461010	Residential - Billed Surcharge	0	0	0	0	0
23	461020	Commercial - Billed	0	0	0	0	0
24	461030	Commercial - Unbilled	0	0	0	0	0
25	462210	Industrial - Billed	0	0	0	0	0
26	462110	Industrial - Unbilled	0	0	0	0	0
27		Total Sewer Revenues	0	0	0	0	0
28							
29							
30		OTHER OPERATING REVENUES					
31	471100	Reconnection Charges	964	0	(964)	0	(964)
32	471200	Other Miscellaneous Service Revenues	600	0	(600)	0	(600)
33	472000	Rents from Water Property	0	0	0	0	0
34	474100	Billing & Collection Services	0	0	0	0	0
35	474300	Other Water Revenues	0	0	0	0	0
36		AFUDC	0	0	0	0	0
37		TOTAL OTHER OPERATING REVENUES	1,564	0	(1,564)	0	(1,564)
38							
39		TOTAL OPERATING REVENUES	\$785,938	\$40,665	(\$1,564)	\$0	\$39,121
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: X ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE NO(S): SCH D-2.1/D-2.2 (TRI VILLAGE)

SCHEDULE D-1T
 Page 2 of 18
 Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D-2.2	Adj. D-3 Sch D-2.2	Total Adjustments
1							
2		Revenues from Water/Wastewater	\$717,690	\$64,666	\$0	\$0	\$64,666
3		Residential	55,916	(25,904)	0	0	(25,904)
4		Commercial	0	0	0	0	0
5		Industrial	9,955	(1,920)	0	0	(1,920)
6		Other Public Authority (OPA)	0	4,656	0	0	4,656
7		Sales for Resale (OWU)	813	(813)	0	0	(813)
8		Miscellaneous	0	0	0	0	0
9		Private Fire Service	0	0	0	0	0
10		Public Fire Service	0	0	0	0	0
11							
12		Total Water/Wastewater Revenues	784,374	40,685	0	0	40,685
13		Other Operating Revenues	1,564	0	(1,564)	0	(1,564)
14							
15		Total Operating Revenues	\$785,938	\$40,685	(\$1,564)	\$0	\$55,121
16							
17		TAX RATE					
18		State Income Tax Impact	8.25%	\$3,357	(\$129)	\$0	\$3,227
19		Federal Income Tax Impact	35.00%	\$13,065	(\$502)	\$0	\$12,563
20		Net Operating Income Impact		\$24,263	(\$923)	\$0	\$23,331
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-08103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1T
Page 3 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

DATA: X_ BASE PERIOD, X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL, ___ UPDATED, ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

Line No.	Account Number	Description	Base Period Col1	Adj D-4 Col2	Adj D-5 Col3	Adj D-6 Col4	Adj D-7 Col5	Adj D-8 Col6	Adj D-9 Col7	Adj D-10 Col8	Adj D-11 Col9	L-1-L Sch D-2.3 Col10	Total Adjustments
1		SOURCE OF SUPPLY EXP (SS)											
2	600000	Operation Supervision & Engineering	0	0	0	0	0	0	0	0	0	0	0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	262,278	0	0	0	0	0	0	0	0	0	0
6	603100	Miscellaneous Expenses	0	0	0	0	0	0	0	0	0	0	0
7	603120	Annort Misc Expenses	0	0	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0	0	0
9	604000	Rents	0	0	0	0	0	0	0	0	0	0	0
10	610000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0	0	0
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
12	611100	Maint Struc. & Improv-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc. & Improv-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc. & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc. & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
18	612120	Annort Col & Imp Res	0	0	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
23	613120	Annort Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0	0	0
26	614120	Maint Supply Mains-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
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			262,278	0	0	0	0	0	0	0	0	0	0
		TOTAL SS EXPENSES											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00703
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X, BASE PERIOD X, FORECASTED PERIOD
TYPE OF FILING: X, ORIGINAL, UPDATED, REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI-VILLAGE)

SCHEDULE D-1T
Page 4 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		PUMPING EXPENSES										
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0	0
4	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0	0
5	622200	Power Production Labor	0	0	0	0	0	0	0	0	0	0
6	623110	Power Purchased for Pumping-Elec	0	0	0	0	0	0	0	0	0	0
7	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0	0	0	0	0
8	623210	Power Purchased for Pumping-Other	0	0	0	0	0	0	0	0	0	0
9	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	0	0	0	0	0	0	0	0	0	0
19	630200	Maint Sup & Eng-Electric Ord	318	(318)	0	0	0	0	0	0	0	(318)
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Improv-Material Ord	0	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0
26	631210	Maint Pumping Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0	0
39	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0	0
40		TOTAL PUMPING EXPENSES	318	(318)	0	0	0	0	0	0	0	(318)

KENTUCKY-AMERICAN WATERCOMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NUMBER: **SCH D-2.3 (TRI VILLAGE)**

SCHEDULE D-1T
Page 5 of 19

Witness Responsible: **M.A. Miller, S. A. Valentine**

Line No	Account Number	Description	Bare Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Mi D-8 Sch D-2.3	Adj DP Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		WATER TREATMENT EXPENSES(WT)											
2	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0	0	0
4	641100	General Chemicals	580	0	0	260	0	0	0	0	0	0	260
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0	0	0
6	642100	General WT Labor	470	(470)	0	0	0	0	0	0	0	0	(470)
7	642200	Softening Labor	0	0	0	0	0	0	0	0	0	0	0
8	642300	General WT Expenses	274	0	0	0	0	0	0	0	0	0	0
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0	0	0
10	642400	Softening Expenses	0	0	0	0	0	0	0	0	0	0	0
11	643100	Misc Expenses	168	0	0	0	0	0	0	0	0	0	0
12	643190	Misc Expenses - Service Co	0	0	0	0	0	0	0	0	0	0	0
13	643200	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
14	643300	waste Disposal Expenses	0	0	0	0	0	0	0	0	0	0	0
15	643310	Amort Waste Disposal Expenses	0	0	0	0	0	0	0	0	0	0	0
16	644000	Rents	0	0	0	0	0	0	0	0	0	0	0
17	650000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0	0	0
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
19	651100	Maint WT Struc & Improvements-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
21	651120	Amort WT Structures	0	0	0	0	0	0	0	0	0	0	0
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0	0	0
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
29													
30		TOTAL W EXPENSES	1,492	(470)	0	260	0	0	0	0	0	0	(210)

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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1T
Page 6 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

Line No.	Account Number	Description	Base PerIOD	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		TRANS & DIBT EXPENSES (T&D)											
2	660000	Operation Supervision & Engineering	\$0	\$55,127	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,127
3	661100	Storage Facilities - Expenses	0	0	0	0	0	0	0	0	0	0	0
4	661200	Storage Facilities - Labor	0	0	0	0	0	0	0	0	0	0	0
5	662100	T&D Lines - Expenses	2,176	0	0	0	0	0	0	0	0	0	2,176
6	662200	T&D Lines - Labor	66,479	2,915	0	0	0	0	0	0	0	0	2,915
7	663100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0	0	0
8	663200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0	0	0
9	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0	0	0
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0	0	0
11	664100	Customer Installation - Expenses	0	0	0	0	0	0	0	0	0	0	0
12	664200	Customer Installation - Labor	0	0	0	0	0	0	0	0	0	0	0
13	665100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0	0	0
14	665190	Maps and Records - Expenses Computer	0	0	0	0	0	0	0	0	0	0	0
15	665200	Maps and Records - Labor	0	0	0	0	0	0	0	0	0	0	0
16	665300	Misc Expenses	37,364	0	0	0	0	0	0	0	0	0	37,364
17	665400	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
18	666000	Rents	278	0	0	0	0	0	0	0	0	0	278
19	670000	Maint Supervision & Engineering Ord	629	(629)	0	0	0	0	0	0	0	0	0
20	670010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
23	671200	Maint Struct & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
27	672120	Amort Res & Standpipes	0	0	0	0	0	0	0	0	0	0	0
28	672200	Maint Res & Standpipes - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0	0	0	0	0	0
33	673200	Maint T&D Mains - Labor Ord	18,798	(18,798)	0	0	0	0	0	0	0	0	0
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
35	675100	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
36	675110	Maint Services - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
37	675200	Maint Services - Labor Ord	14,642	(14,642)	0	0	0	0	0	0	0	0	0
38	675210	Maint Services - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
41	676200	Maint Meter - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
43	676300	Maint Meter Installation - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
44	676310	Maint Meter Installation - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-23 (TRI VILLAGE)

SCHEDULE D-1T
Page 7 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D) (Cont'd)											
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
4	677200	Maint Hydrants - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
6	678100	Maint Other T&D Plant - Materials Ord	3,513	0	0	0	0	0	0	0	0	0	0
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
10													
11													
12		TOTAL T&D EXPENSES	145,689	23,973	0	0	0	0	0	0	0	0	23,973
13													
14		CUSTOMER ACCOUNTS EXPENSE (CA)											
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	902100	Meter Reading Expenses	0	0	0	0	0	0	0	0	0	0	0
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0	0	0
18	902200	Meter Reading Labor	0	3,728	0	0	0	0	0	0	0	0	3,728
19		CUST RECORDS & COLLECTION EXPENSES											0
20	903100	contracts and Orders - Expenses	273	0	0	0	0	0	0	0	0	0	0
21	903200	Contracts and Orders - Labor	24,655	3,916	0	0	0	0	0	0	0	0	3,916
22	903300	Collecting - Expenses	0	0	0	0	0	0	0	0	0	0	0
23	903400	Collecting - Salaries	0	0	0	0	0	0	0	0	0	0	0
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0	0	0
25	903520	Billing & Accounting - Mher Expenses	1,557	0	0	0	0	0	0	0	0	0	0
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0	0	0	0	0	0
27	904000	Uncollectible Accounts	0	0	0	0	0	0	0	0	0	0	0
28	905100	Misc Expenses	1,264	0	0	0	0	0	0	0	0	0	0
29	905200	Misc Salaries	0	0	0	0	0	0	0	0	0	0	0
30													
31		TOTAL CA EXPENSES	27,749	7,644	0	0	0	0	0	0	0	0	7,644
32													
33		CUSTOMER SERVICE EXPENSES											
34	907100	Curl Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0	0	0	0	0	0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	0
37													
38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40													
41		TOTAL SALES PROMOTION M P	0	0	0	0	0	0	0	0	0	0	0
42													
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KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD, _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL, ___ UPDATED, ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T
Page 8 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

Line No	Account Number	Description	Base Period	Adj D-4	Adj D-5	Adj D-6	Adj D-7	Adj D-8	Adj D-9	Adj D-10	Adj D-11	Adj D-12	Total Adjustments
		ADMINISTRATIVE & GENERAL EXP(A&G)											
1	920000	Salaries	\$26,852	(\$26,852)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$26,852)
2	920500	Incentive Plan Expense	3,913	(3,913)	0	0	0	0	0	0	0	0	(3,913)
3	921100	Expenses of Employees	888	0	0	0	0	0	0	0	0	0	0
4	921130	Dues for Clubs - Dead	0	0	0	0	0	0	0	0	0	0	0
5	921200	Misc Office Expenses	13,317	0	0	0	0	0	0	0	0	0	0
6	923100	Service Company Charges	0	0	0	20,090	0	0	0	0	0	0	20,090
7	923190	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0	0	0
8	923200	Auditing Services	0	0	0	0	0	0	0	0	0	0	0
9	923300	Legal Services	0	0	0	0	0	0	0	0	0	0	0
10	923400	Engineering Services	0	0	0	0	0	0	0	0	0	0	0
11	923500	Other Services - Current	10,175	0	0	0	0	0	0	0	0	0	0
12	924000	Property Insurance	(119)	0	0	0	0	0	0	0	0	0	0
13	925110	Workers Compensation	0	0	0	0	0	0	0	0	0	0	0
14	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
15	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0	0	0
16	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
17	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0	0	0
18	925300	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0	0	0
19	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0	0	0
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0	0	0
21	925400	General Liability	0	0	0	0	0	0	0	0	0	0	0
22		EMPLOYEE PENSIONS & BENEFITS											
23	926100	Accrued OPEB Expense	(1,371)	0	0	0	0	0	0	0	0	0	0
24	926110	Group Insurance Expense	(1,140)	0	0	0	0	0	21,157	0	0	0	21,157
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	24,070	0	0	0	24,070
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
30	926170	Group Ins Pretax Contribution	0	0	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educational Expenses	0	0	0	0	0	0	0	0	0	0	0
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	400	0	0	0	0	0	0	0	0	0	0
34	926250	401-K Contributions Expense	410	0	0	0	0	0	0	0	0	0	0
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments - Current	(1,690)	0	0	0	0	0	0	23,814	0	0	23,814
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Pmts - Unltn	0	0	0	0	0	0	0	0	0	0	0
46	926800	Pensions - Capitalized - (A&B)	0	0	0	0	0	0	0	(3,849)	0	0	(3,849)
47	926900	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	0	0	0	0
48	926910	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	0	0	0
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-4T
Page 9 of 19
Witness Responsible: M.A. Miller, S. A. Valerthe

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
REGULATORY & GENERAL EXP(A&G) - CONT													
1		REGULATORY COMMISSION EXPENSES											
2	928100	Amort Expense of Rate Proceedings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$139	\$0	\$139
3	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0	0	0	0	0	0
4	928200	Tax Savings	0	0	0	0	0	0	0	0	0	0	0
5	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0	0	0
6	928400	Other Regulatory Expenses - Current	0	0	0	0	0	0	0	0	0	0	0
7	928400	Other Regulatory Expenses - Current	0	0	0	0	0	0	0	0	0	0	0
8	930200	Amort Misc Charges	0	0	0	0	0	0	0	0	0	0	0
9	930210	Misc General Expenses Current	60	0	0	0	0	0	0	0	0	0	60
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0	0	0
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0	0	0
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0	0	0
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0	0	0
14	930260	Meals & Travel Expenses - Taxable	25	0	0	0	0	0	0	0	0	0	25
15	930270	Donations	0	0	0	0	0	0	0	0	0	0	0
16	930280	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0	0	0
17	930300	Research & Development Expenses	0	0	0	0	0	0	0	0	0	0	0
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0	0	0
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0	0	0
20	930510	Lobbying Expenses	(728)	0	0	0	0	0	0	0	0	0	(728)
21	930600	Transportation Expenses	0	0	0	0	0	0	0	0	0	0	0
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0	0	0
25	930880	Misc Gen Exp - Company Dues	0	0	0	0	0	0	0	0	0	0	0
26	930890	Misc Gen Exp - Other	0	0	0	0	0	0	0	0	0	0	0
27	930880	Misc General Exp-Taxable CO Dues	0	0	0	0	0	0	0	0	0	0	0
28	931000	Rents	13,241	0	0	0	0	0	0	0	0	0	13,241
29	932100	Maint A&G Struc & Improv-Material Ord	0	0	0	0	0	0	0	0	0	0	0
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	0
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0	0	0
32	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0	0	0
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0	0	0
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0	0	0
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
41	932700	Maint A&G Misc Property-Material Ord	0	0	0	0	0	0	0	0	0	0	0
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0	0	0
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
45		Total A & G Expenses	64,242	(30,765)	0	0	0	20,090	45,227	19,965	139	10,994	65,650
46		Total O & M Expenses	\$501,978	\$64	\$0	\$260	\$0	\$20,090	\$45,227	\$19,965	\$139	\$10,994	\$96,740
47													
48													
49													
50													

KENTUCKY-AMERICAN WATER WHPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCHD-2.3 (TRI VILLAGE)

SCHEDULE D-4T
Page 11 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base	Adj	Adj	Adj	Adj	Adj	Adj	Total Adjustments	Grand Total Adjustments
			Period	D-13 Sch D-2.3	D-14 Sch D-2.3	D-15 Sch D-2.3	D-16 Sch D-2.3	D-17 Sch D-2.3	D-18 Sch D-2.3		
			Col1	Col2	Col3	Col4	Col5	Col6	Col7		
1		SOURCE OF SUPPLY EXPENSES (SS)									
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	262,278	0	0	0	0	0	1,194	1,194	1,194
6	603100	Miscellaneous Expenses	0	0	0	0	0	0	0	0	0
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0
9	604000	Rents	0	0	0	0	0	0	0	0	0
10	610000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0
12	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intaker-Lab Ord	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0
26	616100	Maint Supply Mains-Materials Ord	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	0	0	0	0	0	0	0	0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc water source Plant-Labor Ord	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0
34											
35											
36		TOTAL SS EXPENSES	262,278	0	0	0	0	0	1,194	0	1,194
37											
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1T
Page 12 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
PUMPING EXPENSES											
1			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	620200	Operation Sup & Eng-Electric	0	0	0	0	0	0	0	0	0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0
4	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0
5	622200	Power Production Labor	0	0	0	0	0	0	0	0	0
6	623110	Power Purchased for Pumping-Elec	0	0	0	0	0	0	0	0	0
7	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0	0	0	0
8	623210	Power Purchased for Pumping-Other	0	0	0	0	0	0	0	0	0
9	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	0	0	0	0	0	0	0	0	0
19	630200	Maint Sup & Eng-Electric Ord	318	0	0	0	0	0	0	0	(318)
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Improv-Material Ord	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
26	631210	Maint Pumping Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0
39		TOTAL PUMPING EXPENSES	318	0	0	0	0	0	0	0	(318)
40			0	0	0	0	0	0	0	0	0
41			0	0	0	0	0	0	0	0	0
42			0	0	0	0	0	0	0	0	0
43			0	0	0	0	0	0	0	0	0
44			0	0	0	0	0	0	0	0	0
45			0	0	0	0	0	0	0	0	0
46			0	0	0	0	0	0	0	0	0
47			0	0	0	0	0	0	0	0	0
48			0	0	0	0	0	0	0	0	0
49			0	0	0	0	0	0	0	0	0
50			0	0	0	0	0	0	0	0	0

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1T
Page 13 of 18
Witness Responsible: M.A. Miller, S. A. Valerithe

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

Line No	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
WATER TREATMENT EXPENSES (WT)											
1	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0
3	641100	General Chemicals	580	0	0	0	0	0	0	0	260
4	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0
5	642100	General WT Labor	470	0	0	0	0	0	0	0	(470)
6	642200	Softening Labor	0	0	0	0	0	0	0	0	0
7	642300	General WT Expenses	274	0	0	0	(274)	0	0	(274)	(274)
8	642390	General WT Administration	0	0	0	0	0	0	0	0	0
9	642400	Softening Expenses	0	0	0	0	0	0	0	0	0
10	643100	Misc Expenses	168	0	0	0	(168)	0	0	(168)	(168)
11	643190	Misc Expenses - Service Co	0	0	0	0	0	0	0	0	0
12	643200	Misc Labor	0	0	0	0	0	0	0	0	0
13	643300	Waste Disposal Expenses	0	0	0	0	0	0	0	0	0
14	643310	Amort Waste Disposal Expenses	0	0	0	0	0	0	0	0	0
15	644000	Rents	0	0	0	0	0	0	0	0	0
16	650000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0
17	650010	Maint Supervision & Engineering Prtg	0	0	0	0	0	0	0	0	0
18	651100	Maint WT Struc & Improvements-Mat Ord	0	0	0	0	0	0	0	0	0
19	651110	Maint WT Struc & Improvements-Mat Prtg	0	0	0	0	0	0	0	0	0
20	651120	Amort WT Structures	0	0	0	0	0	0	0	0	0
21	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0
22	651210	Maint WT Struc & Improvements-Labor Prtg	0	0	0	0	0	0	0	0	0
23	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0
24	652110	Maint General WT Equipment-Mat Prtg	0	0	0	0	0	0	0	0	0
25	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0
26	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0
27	652310	Maint General WT Equipment-Labor Prtg	0	0	0	0	0	0	0	0	0
28											
29											
30		TOTAL WT EXPENSES	1,492	0	0	0	(442)	202	0	(240)	(450)
31											
32											
33											
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-0103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI/VILLAGE)

SCHEDULE D-4T
Page 14 of 19
Witness Responsible: M.A. Miller, S.A. Valentine

Line No.	Account Number	Description	Base Period	Adjustments												Grand Total
				Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	
TRANS & INST EXPENSES (T&D)																
1			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,127
2	680000	Operation Supervision & Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	681100	Storage Facilities - Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	681200	Storage Facilities - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	682100	T&D Lines - Expenses	2,176	0	0	0	0	0	0	0	0	0	0	0	470	470
6	682200	T&D Lines - Labor	68,479	0	0	0	0	0	0	0	0	0	0	0	0	2,915
7	683100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	683200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	683300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	683400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	684100	Customer Installation - Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	684200	Customer Installation - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	685100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	685190	Maps and Records - Expenses Computer	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	685200	Maps and Records - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	685300	Misc Expenses	37,384	0	0	0	0	0	0	0	0	0	0	0	4,596	4,596
17	686400	Misc Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	686000	Rents	278	0	0	0	0	0	0	0	0	0	0	0	0	0
19	670000	Maint Supervision & Engineering Ord	629	0	0	0	0	0	0	0	0	0	0	0	0	(100)
20	670010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	(629)
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	671200	Maint Struct & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	672120	Amort Res & Standpipes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28	672200	Maint Res & Standpipes - Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	673200	Maint T&D Mains - Labor Ord	18,798	0	0	0	0	0	0	0	0	0	0	0	0	(18,798)
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	675100	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	675110	Maint Services - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	675200	Maint Services - Labor Ord	14,642	0	0	0	0	0	0	0	0	0	0	0	0	(14,642)
38	675210	Maint Services - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
41	676200	Maint Meter - Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	676300	Maint Meter Installation - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	676310	Maint Meter Installation - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47																
48																
49																
50																

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T
Page 15 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments	
1		TRANS & DIST EXPENSES (T&D) (Cont'd)										
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0	
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0	0	0	0	
4	677200	Maint Hydrants - Labor Ord	0	0	0	0	0	0	0	0	0	
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0	
6	678100	Maint Other T&D Plant - Materials Ord	3,513	0	0	0	0	(3,513)	0	(3,513)	(3,513)	
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0	0	0	0	
8	678200	Maint other T&D Plant - Labor Ord	0	0	0	0	0	0	0	0	0	
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0	
10												
11												
12		TOTAL T&D EXPENSES	145,899	0	(100)	0	5,066	5,820	0	0	10,786	34,760
13												
14		CUSTOMER ACCOUNTS EXPENSE (CA)										
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0				
16	902100	Meter Reading Expenses	0	0	0	0	0	0				
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0				
18	902200	Meter Reading Labor	0	0	0	0	0	0			3,728	
19		CUST RECORDS & COLLECTION EXPENSES										
20	903100	Contracts and orders - Expenses	273	(273)	0	0	0	0		(273)	(273)	
21	903200	Contracts and Orders - Labor	24,655	0	0	0	0	0		0	3,916	
22	903300	Collecting - Expenses	0	985	0	0	0	0		985	985	
23	903400	Collecting - Salaries	0	0	0	0	0	0		0	0	
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0		0	0	
25	903520	Billing & Accounting - Other Expenses	1,557	4,390	0	0	0	0		4,390	4,390	
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0		0	0	
27	904000	Uncollectible Accounts	0	3,956	0	0	0	0		3,956	3,956	
28	905100	Misc Expenses	1,264	(1,264)	0	0	0	0		(1,264)	(1,264)	
29	905200	Misc Salaries	0	0	0	0	0	0		0	0	
30												
31		TOTAL CA EXPENSES	27,749	7,794	0	0	0	0	0	0	7,794	15,438
32												
33		CUSTOMER SERVICE EXPENSES										
34	907100	Curt Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0		0	0	
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	
37												
38		SUES PROMOTION EXPENSES										
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	
40												
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	
42												
43												
44												
45												
46												
47												
48												
49												
50												

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVERSED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRIVILLAGE)

SCHEDULE D-1T
Page 16 of 19
Witness Responsible: M.A. Millerr, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G)									
2	920000	Salaries	\$26,852	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$26,852)
3	920500	Incentive Plan Expense	3,813	0	0	0	0	0	0	0	(3,913)
4	921100	Expenses of Employees	898	0	0	(678)	0	0	0	(678)	(678)
5	921130	Dues for Clubs - Dec	0	0	0	49	0	0	0	49	49
6	921200	Misc Office Expenses	13,317	0	0	(11,004)	0	0	0	(11,004)	(11,004)
7	923100	Service Company Charges	0	0	0	0	0	0	0	0	20,090
8	923180	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0
9	923200	Auditing Services	0	0	0	0	0	0	0	0	0
10	923300	Legal Services	0	0	0	0	0	0	0	0	0
11	923400	Engineering Services	0	0	0	0	0	0	0	0	0
12	923500	Other Services - Current	10,175	0	0	(725)	0	0	0	(725)	(725)
13	924000	Property Insurance	0	0	0	0	0	0	0	0	2,824
14	925110	Workers Compensation	0	0	0	0	0	0	0	0	1,391
15	925120	Workers Comp Cap (A&B)	(119)	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0
20	925310	Injuries and Damages - Expenses	0	0	0	0	24	0	0	24	24
21	925400	General Liability	0	0	0	0	0	0	0	0	0
22		EMPLOYEE PENSIONS & BENEFITS									
23	926100	Accrued OPEB Expense	(1,371)	0	0	0	0	0	0	0	6,779
24	926110	Group Insurance Expense	(1,140)	0	0	0	0	0	0	0	21,157
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	24,070
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0
30	926170	Group Ins Pretax Contribution	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educational Expenses	0	0	0	0	198	0	0	198	198
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0
33	926220	ESSOP Contributions Expense	400	0	0	0	0	0	0	0	0
34	926250	401-K Contributions Expense	410	0	0	0	573	0	0	367	367
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0
39	926320	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments - Current	(1,660)	0	0	0	0	0	0	0	0
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	23,814
45	926700	Pension Plan Prints - Union	0	0	0	0	0	0	0	0	0
46	926800	Pensions - Capitalized - (A&B)	0	0	0	0	0	0	0	0	0
47	926900	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	0	0
48	926910	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	(3,849)
49			0	0	0	0	0	0	0	0	0
50			0	0	0	0	0	0	0	0	0

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00183
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
 TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
 WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

SCHEMULE D-4T
 Page 17 of 19
 Witness Responsible: M.J. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
REGULATORY & GENERAL EXP(A&G) - CONT											
1		REGULATORY COMMISSION EXPENSES									
2	928100	Amort Expense of Rate Proceedings	0	0	0	0	0	0	0	0	139
3	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0	0	0	0
4	928200	Tax Savings	0	0	0	0	0	0	0	0	0
5	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0
6	928400	Other Regulatory Expenses - Current	0	0	0	0	0	0	0	0	0
7	928400	Other Regulatory Expenses - Current	0	0	0	0	0	0	0	0	0
8	930200	Amort Misc Charges	0	0	0	0	0	0	0	0	1,107
9	930210	Misc General Expenses Current	60	0	0	1,107	0	0	0	1,107	0
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0
14	930260	Meals & Travel Expenses - Taxable	25	(3)	0	0	0	0	0	(3)	(3)
15	930270	Donations	0	0	0	0	0	0	0	0	0
16	930280	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0
17	930300	Research & Development Expenses	0	0	0	0	0	0	0	0	0
18	930350	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0
20	930510	Lobbying Expenses	(729)	0	0	0	0	0	0	0	0
21	930600	Transportation Expenses	0	0	0	0	729	0	0	729	0
22	930810	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0
23	930820	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0
25	930850	Misc Gen Exp - Company Dues	0	0	0	0	178	0	0	178	178
26	930850	Misc Gen Exp - Other	0	0	0	0	764	0	0	764	764
27	930960	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0
28	931000	Rent	13,241	0	0	0	0	0	0	0	5,659
29	932100	Maint A&G Struc & Improv-Material Ord	0	0	0	0	0	0	0	0	0
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0
32	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0
41	932700	Maint A&G Misc Property-Material Ord	0	0	0	0	0	0	0	0	0
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0
45		Total A & G Expenses	64,242	0	5,659	(11,636)	3,235	0	0	(2,742)	62,908
46		Total O & M Expenses	\$501,978	\$7,794	\$5,659	(\$11,636)	\$7,859	\$6,022	\$1,194	\$0	\$16,792
47										\$0	\$113,532
48											
49											
50											

KENTUCKY-AMERICAN WATER WMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVEMONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
 N P E OF FILING: X_ ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE(S): SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T

Page 19 of 19
 Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-19 Sch D-2.4	Adj D-20 Sch D-2.4	Adj D-21 Sch D-2.4					Total Adjustment	
1	403000	Depreciation	\$46,266	\$61,206	\$0	\$0					\$61,206	
2	403100	Depreciation - CIAC	(3,928)	3,928							3,928	
3			\$42,340	\$65,134	\$0	\$0	\$0	\$0	\$0	\$0	\$65,134	
4												
5												
6		State Income Tax Impact	8.25%	(\$5,374)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,374)
7		Federal Income Tax Impact	35.00%	(\$24,678)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$24,678)
8		Net Operating Income Impact		(\$31,154)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$31,154)
9												
10		AMORTIZATION EXPENSE										
11	404100	Amortization Lim T e n Ut Plant	\$0	\$0	\$0	\$0					\$0	
12	404110	Amortization Franchise Expense	0	0	0	0					0	
13	404430	Amortization Regulatory Asset - AFUDC	0	0	0	0					0	
14	406000	Amortization Utility Plant Acquisition Adj	0	0	0	0					0	
15	407000	Amortization Property Losses	0	0	0	0					0	
16		TOTAL AMORTIZATION	\$0	\$0	\$0	\$0					\$0	
17												
18		State Income Tax Impact	8.25%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19		Federal Income Tax Impact	35.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20		Net Operating Income Impact		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21												
22												
23												
24		TAXES, OTHER THAN INCOME										
25	408100	Real & Personal Property Taxes	\$0	\$0	\$0	\$41,567					\$41,567	
26	408110	Gross Income & Receipts Tax	0	0	0	0					0	
27	408120	Invested Capital Tax	0	0	0	0					0	
28	408130	Other General Taxes	0	0	0	0					0	
29	408140	FUTA	103	0	0	229					229	
30	408150	FUTA Capitalized - (A Work Order)	0	0	0	0					0	
31	408040	FUTA Capitalized - (H Work Order)	0	0	0	0					0	
32	408050	FUTA Capitalized - (C & R Work Order)	0	0	0	0					0	
33	408160	FICA	5,938	0	0	6,211					6,211	
34	408170	FICA Capitalized - (A Work Order)	0	0	0	0					0	
35	408060	FICA Capitalized - (H Work Order)	0	0	0	0					0	
36	408070	FICA Capitalized - (C & R Work Order)	0	0	0	0					0	
37	408180	SUTA	205	0	0	33					33	
38	408190	SUTA Capitalized - (A Work Order)	0	0	0	0					0	
39	408080	SUTA Capitalized - (H Work Order)	0	0	0	0					0	
40	408090	SUTA Capitalized - (C & R Work Order)	0	0	0	0					0	
41	408220	Environmental Tax	0	0	0	0					0	
42			\$6,246	\$0	\$0	\$48,040	\$0	\$0	\$0	\$0	\$48,040	
43												
44		State Income Tax Impact	8.25%	\$0	\$0	(\$3,963)	\$0	\$0	\$0	\$0	\$0	(\$3,963)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$15,427)	\$0	\$0	\$0	\$0	\$0	(\$15,427)
46		Net Operating income Impact		\$0	\$0	(\$28,650)	\$0	\$0	\$0	\$0	\$0	(\$28,650)
47												
48												
49												
50												

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: BASE PERIOD FORECASTED PERIOD
 N P E O F FILING: ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE(S): W/P-2 (TRI VILLAGE)

SCHEDULE D-2.1T
 Page 1 of 3
 Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper REFERENCE	AMOUNT
1			
2	To adjust Residential billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
3			
4			
5			
6			
7	To adjust Commercial billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
8			
9			
10			
11			
12			
13			
14			
15			
16			
17	To adjust Other Public Authority billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
18			
19			
20			
21			
22	To adjust Sales For Resale (OWU) billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37	To adjust Miscellaneous billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
38			
39			
40			
41			
42			
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.		
44			
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103

FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): WIP-2 (TRI VILLAGE)

SCHEDULE D-2.1T
Page 2 of 3
Witness Responsible: S.A. Valentin

Line No.	Purpose and Description of Adjustment	Reference	Amount
Billed Revenues Adjustment D-1			
1	RESIDENTIAL		
2	Forecasted Amount	WIP-2	\$0
3	Base Period Amount		0
4	Pro Forma Adjustment		\$0
5			
6			
7	COMMERCIAL		
8	Forecasted Amount	WIP-2	\$0
9	Base Period Amount		0
10	Pro Forma Adjustment		\$0
11			
12	INDUSTRIAL		
13	Forecasted Amount	WIP-2	\$0
14	Base Period Amount		0
15	Pro Forma Adjustment		\$0
16			
17	OTHER PUBLIC AUTHORITY		
18	Forecasted Amount	WIP-2	\$0
19	Base Period Amount		0
20	Pro Forma Adjustment		\$0
21			
22	SALES FOR RESALE (OWU)		
23	Forecasted Amount	WIP-2	\$0
24	Base Period Amount		0
25	Pro Forma Adjustment		\$0
26			
27	PUBLIC FIRE SERVICE		
28	Forecasted Amount	WIP-2	\$0
29	Base Period Amount		0
30	Pro Forma Adjustment		\$0
31			
32	PRIVATE FIRE SERVICE		
33	Forecasted Amount	WIP-2	\$0
34	Base Period Amount		0
35	Pro Forma Adjustment		\$0
36			
37	MISCELLANEOUS		
38	Forecasted Amount	WIP-2	\$0
39	Base Period Amount		0
40	Pro Forma Adjustment		\$0
41			
42	Total Unbilled Water Revenue Adjustment		\$0
43			
44			
45			
46			
47			
48			
49			
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS

FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (TRI VILLAGE)

SCHEDULE D-2.1T
Page 3 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1	Lead Revenues Adjustment D-1		
2	RESIDENTIAL		
3	Forecasted Amount	W/P-2	\$0
4	Base Period Amount		0
5	Pro Forma Adjustment		\$0
6			
7	COMMERCIAL		
8	Forecasted Amount	W/P-2	\$0
9	Base Period Amount		0
10	Pro Forma Adjustment		\$0
11			
12	INDUSTRIAL		
13	Forecasted Amount	W/P-2	\$0
14	Base Period Amount		0
15	Pro Forma Adjustment		\$0
16			
17	RESIDENTIAL		
18	Forecasted Amount	W/P-2	\$0
19	Base Period Amount		0
20	Pro Forma Adjustment		\$0
21			
22	COMMERCIAL		
23	Forecasted Amount	W/P-2	\$0
24	Base Period Amount		0
25	Pro Forma Adjustment		\$0
26			
27	INDUSTRIAL		
28	Forecasted Amount	W/P-2	\$0
29	Base Period Amount		0
30	Pro Forma Adjustment		\$0
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43	Total Sewer Revenue Adjustment		0
44			
45	Total Revenue Adjustment		\$40,685
46			
47			
48			
49			
50			

The purpose of each adjustment is to eliminate the sewer revenue for the forecasted test period.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103

FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATE: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): WIP-2 (TRIVILLAGE)

SCHEDULE D-2.2T

Page 1 of 1

Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1	Other Revenues Adjustment D-2		
2	To adjust Reconnection Fees for the forecasted test period.		
3			\$0
4			564
5			(\$964)
6			
7	To adjust Returned Check Charges for the forecasted test period level of bad checks.		
8			\$0
9			600
10			(\$600)
11			
12			
13			\$0
14			0
15			\$0
16			
17			(\$1,564)
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
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31			
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The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):: **W/P-3 (TRIVILLAGE)**

SCHEDULE D-2.3T
Page 1 of 2
Witness Responsible: **S.A. Valentine**

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	Labor expense is being adjusted to reflect an increase due to union wage contracts and an increase of 3% for	<u>Labor Adjustment D-4</u>	
3	non-union employees to become effective April 1, 2004 and 2005.	Forecasted Amount	\$158,820
4		Base Period Amount	158,756
5		Pro Forma Adjustment	<u>\$84</u>
6			
7		<u>Fuel & Power Adjustment D-5</u>	
8		Forecasted Amount	\$0
9		Base Period Amount	<u>0</u>
10		Pro Forma Adjustment	<u>\$0</u>
11			
12	chemical expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment	<u>Chemicals Adjustment D-6</u>	
13	for contracted chemical prices made to the forecast.	Forecasted Amount	\$840
14		Base Period Amount	<u>580</u>
15		Pro Forma Adjustment	<u>\$260</u>
16			
17		<u>Waste Disposal Adjustment D-7</u>	
18		Forecasted Amount	\$0
19		Base Period Amount	<u>0</u>
20		Pro Forma Adjustment	<u>\$0</u>
21			
22	Management Fees expense reflects the forecasted charges from the Service Company for services rendered during	<u>Management Fees Adjustment D-8</u>	
23	the forecasted period including costs from the Southeast Region Service Company office, Shared Services Center	Forecasted Amount	\$20,090
24	and the Customer Call Center.	Base Period Amount	<u>0</u>
25		Pro Forma Adjustment	<u>\$20,090</u>
26			
27	Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with	<u>Group Insurance Adjustment D-9</u>	
28	FAS 106.	Forecasted Amount	\$42,716
29		Base Period Amount	<u>(2,511)</u>
30		Pro Forma Adjustment	<u>\$45,227</u>
31			
32	Pension Expense reflects the forecasted level based on FAS 87 pension costs.	<u>Pensions Adjustment D-10</u>	
33		Forecasted Amount	\$19,275
34		Base Period Amount	<u>(1,690)</u>
35		Pro Forma Adjustment	<u>\$19,965</u>
36			
37	Regulatory Expense reflects a three year amortization of the cost of the current filing	<u>Regulatory Expense Adjustment D-11</u>	
38		Forecasted Amount	\$139
39		Base Period Amount	<u>0</u>
40		Pro Forma Adjustment	<u>\$139</u>
41			
42			
43			
44			
45		<u>Insurance Other than Group Adjustment D-12</u>	
46	Insurance Other than Group expense reflects the Company's forecasted cost for liability insurance, worker's	Forecasted Amount	\$10,875
47	compensation and property insurance based upon the most recent actual bills.	Base Period Amount	<u>(119)</u>
48		Pro Forma Adjustment	<u>\$10,994</u>
49	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
50			

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2005

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

SCHEDULE D-2.3T
Page 2 of 2
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Customer Accounting Adjustment D-13</u>	
2	Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this	Forecasted Amount	\$10,888
3	function, as well as allocations made from Central Division to Tri Village and Elk Lake.	W/P-3-10	<u>3,084</u>
4		Base Period Amount	<u>\$7,794</u>
5		Pro Forma Adjustment	<u><u> </u></u>
6			
7		<u>Rents Adjustment D-14</u>	
8	Rent expense reflects all leases and rental agreements that the company has entered into or is forecasted to enter into	Forecasted Amount	\$19,078
9	during the forecasted test period.	W/P-3-11	<u>13,519</u>
10		Base Period Amount	<u>\$5,559</u>
11		Pro Forma Adjustment	<u><u> </u></u>
12		<u>General Office Expense Adjustment D-15</u>	
13	General Office expense reflects all expenses related to the Company's office including telephone, employee expenses,	Forecasted Amount	\$2,604
14	supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	W/P-3-12	<u>14,240</u>
15		Base Period Amount	<u>(\$11,636)</u>
16		Pro Forma Adjustment	<u><u> </u></u>
17		<u>Miscellaneous Expenses Adjustment D-16</u>	
18	Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed	Forecasted Amount	\$58,177
19	adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village	W/P-3-13	<u>50,318</u>
20	and Elk Lake.	Base Period Amount	<u>\$7,859</u>
21		Pro Forma Adjustment	<u><u> </u></u>
22		<u>Maintenance Expense Adjustment D-17</u>	
23	Maintenance expense reflect the costs of maintaining the property and assets of the Company. These expenses	Forecasted Amount	\$9,535
24	include amortizations of prior and forecasted deferred maintenance projects. It also includes normal maintenance	W/P-3-14	<u>3,513</u>
25	of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	Base Period Amount	<u>\$6,022</u>
26		Pro Forma Adjustment	<u><u> </u></u>
27		<u>Purchased Water Expense Adjustment D-18</u>	
28	Purchased Water represents water purchased from the Winchester Municipal System, Georgetown Municipal	Forecasted Amount	\$263,472
29	System, and Owen Water & Sewer.	W/P-3-15	<u>262,278</u>
30		Base Period Amount	<u>\$1,194</u>
31		Pro Forma Adjustment	<u><u> </u></u>
32			
33			
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42			
43	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

DETAILED ADJUSTMENTS

FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: X ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE NO(S): W/P-4 & W/P-5 (TRI VILLAGE)

SCHEDULE D-24T

Page 1 of 1

Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1	Depreciation expense reflects an increase due to an increased level of Utility Plant in Service.		
2		W/P-4-1	\$107,474
3			42,340
4			\$65,134
5			
6			
7			
8			
9			
10			
11			
12	General Taxes represent Property Taxes, Payroll Taxes, PSC Fees and other miscellaneous taxes that are calculated to be expenses for the forecasted test period. This also includes the allocation of property tax from Central Division to Tri Village and Elk Lake.		
13			
14			
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32	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF JURISDICTIONAL FACTORS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

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

SCHEDULE D-3T
Page 1 of 1
Witness Responsible: S.A. Valentine

Line No.	Acct.	Account Title	Jurisdictional Factor	Description of Factor and/or method of Allocation
2				
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
JURISDICTIONAL STATISTICS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-4T
Page 1 of 1

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

No.	Description	Statistic Company	Adjusted Company	Statistic for Jurisdiction	Jurisdictional Ratio
1					
2					
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-06183

EXPLANATION OF CHANGE IN JURISDICTIONAL PROCEDURES
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

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

SCHEDULE D-ST
Page 1 of 1

Line No.	Account No.	Description	Procedure Approved in Prior Case	Rational for Change
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2008

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCHD-2.1/D-2.2 (ELK LAKE)

SCHEDULED-1E
Page 1 of 19

Witness Responsible: MA. Milled S. A. Valentine

Line No.	Account Number	Description	Bare Period	Adj. D-1 Sch D-2.1	Ad. D-2 Sch D-2.2	Ad. D-3 Sch 02.2	Total Adjustments
		<u>Water Revenues</u>					
2	461100	Residential - Billed	\$44,504	\$40,744	\$0	\$0	\$48,744
3	461110	Residential - Unbilled	0	0	0	0	0
4	461200	Commercial - Billed	0	0	0	0	0
5	461210	Commercial - Unbilled	0	0	0	0	0
6	461300	Industrial - Billed	0	0	0	0	0
7	461310	Industrial - Unbilled	0	0	0	0	0
8	461400	Miscellaneous - Billed	0	0	0	0	0
9	461410	Miscellaneous - Water Sales Billed Unmetered	0	0	0	0	0
10	462000	Private Fire - Billed	0	0	0	0	0
11	462100	Private Fire - Unbilled	0	0	0	0	0
12	463000	Public Fire - Billed	0	0	0	0	0
13	463100	Public Fire - Unbilled	0	0	0	0	0
14	464200	OPA - Billed	0	0	0	0	0
15	464210	OPA - Unbilled	0	0	0	0	0
16	466000	Sales for Resale - Billed	0	0	0	0	0
17	466100	Sales for Resale - Unbilled	0	0	0	0	0
18		Total Water Revenues	44,504	48,744	0	0	48,744
19							
20		<u>Sewer Revenues</u>					
21	461000	Residential - Billed	0	0	0	0	0
22	461010	Residential - Billed Surcharge	0	0	0	0	0
23	461020	Commercial - Billed	0	0	0	0	0
24	461030	Commercial - Unbilled	0	0	0	0	0
25	462210	Industrial - Billed	0	0	0	0	0
26	462110	Industrial - Unbilled	0	0	0	0	0
27		Total Sewer Revenues	0	0	0	0	0
28							
29							
30		<u>OTHER OPERATING REVENUES</u>					
31	471100	Reconnection Charges	0	0	0	0	0
32	471200	Other Miscellaneous Service Revenues	0	0	0	0	0
33	472000	Rents from Water Property	0	0	0	0	0
34	474100	Billing & Collection Services	0	0	0	0	0
35	474300	Other Water Revenues	0	0	0	0	0
36		AFUDC	0	0	0	0	0
37		TOTAL OTHER OPERATING REVENUES	0	0	0	0	0
38							
39		TOTAL OPERATING REVENUES	\$44,504	\$48,744	\$0	\$0	\$0
40							
41							
42							
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45							
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1E
Page 3 of 19
Witness Responsibility: M.A. Miller, S. A. Valentin

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

Line No.	Account Number	Description	Base Period Col1	Adj D-4 Col2	Adj D-5 Col3	Adj D-6 Col4	Adj D-7 Col5	Adj D-8 Col6	Adj D-9 Col7	Adj D-10 Col8	Adj D-11 Col9	Adj D-12 Col10	Total Adjustments
SOURCE OF SUPPLY EXP (SS)													
1	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	601100	Operation Expenses	0	0	0	0	0	0	0	0	0	0	0
3	601200	Operation Labor	0	0	0	0	0	0	0	0	0	0	0
4	602000	Purchased Water	16,741	0	0	0	0	0	0	0	0	0	0
5	603100	Miscellaneous Expenses	0	0	0	0	0	0	0	0	0	0	0
6	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0	0	0
7	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0	0	0
8	604000	Rents	0	0	0	0	0	0	0	0	0	0	0
9	610000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0	0	0
10	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
11	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
12	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
13	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
14	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
15	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
16	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
17	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0	0	0
18	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
19	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
20	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
21	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
22	613120	Amort Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0	0	0
23	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
24	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0	0	0
25	616100	Maint Supply Mains-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
26	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
27	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
28	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
29	617100	Maint Misc Water Source Plant-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
30	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
31	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
32	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
33													
34													
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41													
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			16,741	0	0	0	0	0	0	0	0	0	0
TOTAL SS EXPENSES													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1E
Page 4 of 19
Witness Responsible: M.A. Millier, S. A. Valentine

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
		PUMPING EXPENSES											
1	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0	0	0
3	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0	0	0
4	622200	Power Production Labor	0	0	0	0	0	0	0	0	0	0	0
5	623110	Power Purchased for Pumping-Elec	0	0	0	0	0	0	0	0	0	0	0
6	623120	Power Purchased for Pumping-Elec-Adj	0	0	0	0	0	0	0	0	0	0	0
7	623210	Power Purchased for Pumping-Other	0	0	0	0	0	0	0	0	0	0	0
8	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	0
9	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	0
10	624500	Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0	0
11	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	0
12	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	0
13	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	0
14	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0	0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	0	0	0	0	0	0	0	0	0	0	0
19	630200	Maint Sup & Eng-Electric Ord	60	(60)	0	0	0	0	0	0	0	0	(60)
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Improv-Material Ord	0	0	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
26	631210	Maint Pumping Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0	0	0
39		TOTAL PUMPING EXPENSES	60	(60)	0	0	0	0	0	0	0	0	(60)
40													
41													
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44													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE D-1E

Page 5 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		WATER TREATMENT EXPENSES (WT)											
2	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0	0	0
4	641100	General Chemicals	110	0	0	(110)	0	0	0	0	0	0	(110)
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0	0	0
6	642100	General WT Labor	89	(89)	0	0	0	0	0	0	0	0	(89)
7	642200	Softening Labor	0	0	0	0	0	0	0	0	0	0	0
8	642300	General WT Expenses	52	0	0	0	0	0	0	0	0	0	0
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0	0	0
10	642400	Softening Expenses	0	0	0	0	0	0	0	0	0	0	0
11	643100	Misc Expenses	32	0	0	0	0	0	0	0	0	0	0
12	643190	Misc Expenses - Service Co	0	0	0	0	0	0	0	0	0	0	0
13	643200	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
14	643300	Waste Disposal Expenses	0	0	0	0	0	0	0	0	0	0	0
15	643310	Amort Waste Disposal Expenses	0	0	0	0	0	0	0	0	0	0	0
16	644000	Rents	0	0	0	0	0	0	0	0	0	0	0
17	650000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0	0	0
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
19	651100	Maint WT Struc & Improvements-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
21	651120	Amort WT Structures	0	0	0	0	0	0	0	0	0	0	0
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0	0	0
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
29													
30		TOTAL WT EXPENSES	263	(89)	0	(110)	0	0	0	0	0	0	(199)
31													
32													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL UPDATED REVISIED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE D-1E

Page 6 of 19

Witness Responsible: MA. Miller, S. A. Valerline

Line No.	Account Number	Description	Bare Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D2.3	Adj D-6 Sch B2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch B2.3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D)											
2	660000	Operation Supervision & Engineering	\$0	\$43,743	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$43,743
3	661100	Storage Facilities - Expenses	0	0	0	0	0	0	0	0	0	0	0
4	661200	Storage Facilities - Labor	0	0	0	0	0	0	0	0	0	0	0
5	662100	T&D Lines - Expenses	415	0	0	0	0	0	0	0	0	0	0
6	662200	T&D Lines - Labor	13,044	(13,044)	0	0	0	0	0	0	0	0	(13,044)
7	663100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0	0	0
8	663200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0	0	0
9	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0	0	0
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0	0	0
11	664100	Customer Installation - Expenses	0	0	0	0	0	0	0	0	0	0	0
12	664200	Customer Installation - Labor	0	0	0	0	0	0	0	0	0	0	0
13	665100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0	0	0
14	665190	Maps and Records - Expenses Computer	0	0	0	0	0	0	0	0	0	0	0
15	665200	Maps and Records - Labor	0	0	0	0	0	0	0	0	0	0	0
16	665300	Misc Expenses	7,120	0	0	0	0	0	0	0	0	0	0
17	665400	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
18	666000	Rents	0	0	0	0	0	0	0	0	0	0	0
19	670000	Maint Supervision & Engineering Ord	120	(120)	0	0	0	0	0	0	0	0	(120)
20	670010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
23	671200	Maint Struct & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
27	672120	Amort Res & Standpipes	0	0	0	0	0	0	0	0	0	0	0
28	672200	Maint Res & Standpipes - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0	0	0	0	0	0
33	673200	Maint T&D Mains - Labor Ord	3,580	(3,580)	0	0	0	0	0	0	0	0	(3,580)
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
35	675100	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
36	675110	Maint Services - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
37	675200	Maint Services - Labor Ord	2,788	(2,788)	0	0	0	0	0	0	0	0	(2,788)
38	675210	Maint Services - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
41	676200	Maint Meter - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
43	676300	Maint Meter Installation - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
44	676310	Maint Meter Installation - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
47													
48													
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
Page 7 of 19
Witness Responsible: MA. Miller/ S. A. Valertine

Line No.	Account Number	Description	Base Period	Ad D-4 Sch D-2.3	Adj D-5 Sch D2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D:2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch U2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D) (Cont'd)											
2	677100	Maint Hydrants - Materials Old	0	0	0	0	0	0	0	0	0	0	0
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
4	677200	Maint Hydrants - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
6	678100	Maint Other T&D Plant - Materials Ord	689	0	0	0	0	0	0	0	0	0	0
7	678110	Maint Other T&D Plant- Materials Prg	0	0	0	0	0	0	0	0	0	0	0
8	678200	Maint Other TRD Plant - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
9	678210	Maint Other T&D Plant- Labor Prg	0	0	0	0	0	0	0	0	0	0	0
10													
11													
12		TOTAL T&D EXPENSES	27,736	24,211	0	0	0	0	0	0	0	0	24,211
13													
14		CUSTOMER ACCOUNTS EXPENSE (CA)											
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	902100	Meter Reading Expenses	0	0	0	0	0	0	0	0	0	0	0
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0	0	0
18	902200	Meter Reading Labor	0	665	0	0	0	0	0	0	0	0	665
19		CUST RECORDS & COLLECTION EXPENSES											
20	903100	Contracts and Orders - Expenses	0	0	0	0	0	0	0	0	0	0	0
21	903200	Contracts and Orders - Labor	0	0	0	0	0	0	0	0	0	0	0
22	903300	Collecting - Expenses	0	0	0	0	0	0	0	0	0	0	0
23	903400	Collecting - Salaries	0	0	0	0	0	0	0	0	0	0	0
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0	0	0
25	903520	Billing & Accounting - Other Expenses	0	0	0	0	0	0	0	0	0	0	0
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0	0	0	0	0	0
27	904000	Uncollectible Accounts	0	0	0	0	0	0	0	0	0	0	0
28	905100	Misc Expenses	0	0	0	0	0	0	0	0	0	0	0
29	905200	Misc Salaries	0	0	0	0	0	0	0	0	0	0	0
30													
31		TOTAL CA EXPENSES	0	665	0	0	0	0	0	0	0	0	665
32													
33		CUSTOMER SERVICE EXPENSES											
34	907100	Cust Service and Information - Expenses	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0	0	0	0	0	0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	0
37													
38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40													
41		TOTAL SALES PROMOTION U P	0	0	0	0	0	0	0	0	0	0	0
42													
43													
44													
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48													
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00163
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1E
Page 8 of 19
Witness Responsible: M.A. Miller/ S. A. Valentine

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL _X_ UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G)											
2	920000	Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	920500	Incentive Plan Expense	0	0	0	0	0	0	0	0	0	0	0
4	921100	Expenses of Employees	0	0	0	0	0	0	0	0	0	0	0
5	921130	Dues for Clubs - Died	0	0	0	0	0	0	0	0	0	0	0
6	921200	Misc Office Expenses	0	0	0	0	0	0	0	0	0	0	0
7	923100	Service Company Charges	0	0	0	0	0	3,581	0	0	0	0	3,581
8	923160	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0	0	0
9	923200	Auditing Services	0	0	0	0	0	0	0	0	0	0	0
10	923300	Legal Services	0	0	0	0	0	0	0	0	0	0	0
11	923400	Engineering Services	0	0	0	0	0	0	0	0	0	0	0
12	923500	Other Services - Current	0	0	0	0	0	0	0	0	0	0	0
13	924000	Property Insurance	0	0	0	0	0	0	0	0	0	167	167
14	925110	Workers Compensation	0	0	0	0	0	0	0	0	0	75	75
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0	0	0
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0	0	0
21	925400	General Liability	0	0	0	0	0	0	0	0	0	401	401
22		EMPLOYEE PENSIONS & BENEFITS											
23	926100	Accrued OPEB Expense	(364)	0	0	0	0	0	0	0	0	0	5,896
24	926110	Group Insurance Expense	(23)	0	0	0	0	0	0	0	0	0	6,435
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0	0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
30	926170	Group Ins Pretax Contribution	0	0	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educational Expenses	0	0	0	0	0	0	0	0	0	0	0
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	0	0	0	0	0	0	0	0	0	0	0
34	926250	401-K Contributions Expense	0	0	0	0	0	0	0	0	0	0	0
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments - Current	(449)	0	0	0	0	0	0	6,638	0	0	6,638
44	926800	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Pmts - Union	0	0	0	0	0	0	0	0	0	0	0
46	926800	Pensions - Capitalized - (A&B)	0	0	0	0	0	0	0	0	0	0	0
47	926800	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	(1,077)	0	0	(1,077)
48	926900	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	0	0	0
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004.00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: X ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE D-1E
 Page 9 of 19
 Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Bare Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch L-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch L-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
2		REGULATORY COMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25	\$0	\$25
4	928110	Amort Serv study Exp Cost	0	0	0	0	0	0	0	0	0	0	0
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0	0	0
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0	0	0
7	928400	Other Regulatory Expenses - Current	0	0	0	0	0	0	0	0	0	0	0
8	930200	Amort Misc Charges	0	0	0	0	0	0	0	0	0	0	0
9	930210	Misc General Expenses Current	0	0	0	0	0	0	0	0	0	0	0
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0	0	0
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0	0	0
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0	0	0
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0	0	0
14	930260	Meals & Travel Expenses - Taxable	0	0	0	0	0	0	0	0	0	0	0
15	930270	Donations	0	0	0	0	0	0	0	0	0	0	0
16	930290	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0	0	0
17	930300	Research & Development Expenses	0	0	0	0	0	0	0	0	0	0	0
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0	0	0
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0	0	0
20	930510	Lobbying Expenses	0	0	0	0	0	0	0	0	0	0	0
21	930600	Transportation Expenses	0	0	0	0	0	0	0	0	0	0	0
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0	0	0
25	930880	Misc Gen Exp - Company Dues	0	0	0	0	0	0	0	0	0	0	0
26	930890	Misc Gen Exp - Other	0	0	0	0	0	0	0	0	0	0	0
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0	0	0
28	931000	Rents	0	0	0	0	0	0	0	0	0	0	0
29	932100	Maint A&G Struc & Improv-Material Ord	0	0	0	0	0	0	0	0	0	0	0
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	0
31		Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0	0	0
32	-----	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0	0	0
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0	0	0
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0	0	0
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
41	932700	Maint A&G Misc Property-Material Ord	0	0	0	0	0	0	0	0	0	0	0
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0	0	0
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
45		Total A & G Expenses	(839)	0	0	0	0	3,581	12,331	5,561	25	643	22,141
46													
47		Total O & M Expenses	\$43,984	\$24,727	\$0	(\$110)	\$0	\$3,581	\$12,331	\$5,561	525	\$643	546,758
48													
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE D-1E
Page 10 of 19

Witness Responsible: M. A. Miller/ S. A. Valentine

Line No.	Line Number	Description	Base Period	A41 D-4 Sch D-2.3	Adi D-5 Sch 02.3	Adi D-6 Sch D-2.3	Adi D-7 Sch 02.3	Adi D-8 Sch D-2.3	Adj D-9 Sch b 2.3	Adi D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adi D-12 Sch D-2.3	Total Adjustments
1													
2	08	Operation Labor Expenses	\$19,681	\$24,727	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
3	24	Maintenance Labor Expenses	0	0	0	0	0	0	0	0	0	0	0
4													
5		Total Labor	\$19,681	\$24,727	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
6													
7													
8		Total Operation Expenses	\$36,767	\$31,275	\$0	(\$110)	\$0	\$3,581	\$12,331	\$5,561	\$25	\$643	\$53,306
9		Total Maintenance Expenses	7,217	(6,548)	0	0	0	0	0	0	0	0	(6,548)
10													
11		Total O & M Expenses	\$43,984	\$24,727	\$0	(\$110)	\$0	\$3,581	\$12,331	\$5,561	\$25	\$643	\$46,758
12													
13													
14													
15													
16													
17	08	Labor	\$19,681	\$24,727	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
18	09	Purchased Water	16,741	0	0	0	0	0	0	0	0	0	0
19	10	Fuel and Power	0	0	0	0	0	0	0	0	0	0	0
20	11	Chemicals	110	0	0	(110)	0	0	0	0	0	0	(110)
21	12	Waste Disposal	0	0	0	0	0	0	0	0	0	0	0
22	13	Management Fees	0	0	0	0	0	3,581	0	0	0	0	3,581
23	14	Group Insurance	(387)	0	0	0	0	0	12,331	0	0	0	12,331
24	15	Pension	(449)	0	0	0	0	0	0	5,561	0	0	5,561
25	16	Regulatory Expense	0	0	0	0	0	0	0	0	25	0	25
26	17	Insurance Other than Group	0	0	0	0	0	0	0	0	0	643	643
27	18	Customer Accounting	0	0	0	0	0	0	0	0	0	0	0
28	19	Rents	0	0	0	0	0	0	0	0	0	0	0
29	20	General Office Expense	0	0	0	0	0	0	0	0	0	0	0
30	21	Miscellaneous	7,619	0	0	0	0	0	0	0	0	0	0
31	25	other Maintenance	869	0	0	0	0	0	0	0	0	0	0
32													
33		Total O & M Expenses	\$43,984	\$24,727	\$0	(\$110)	\$0	\$3,581	\$12,331	\$5,561	\$25	\$643	\$46,758
34													
35		State Income Tax Impact	8.25%	(\$2,040)	\$0	\$9	\$0	(\$295)	(\$1,017)	(\$459)	(\$2)	(\$53)	(\$3,858)
36													
37		Federal Income Tax Impact	35.00%	(\$9,358)	\$0	\$42	\$0	(\$1,357)	(\$4,672)	(\$2,107)	(\$9)	(\$243)	(\$17,715)
38													
39		Net Operating Income Impact		(\$13,319)	\$0	\$59	\$0	(\$1,929)	(\$6,642)	(\$2,995)	(\$14)	(\$347)	(\$25,185)
40													
41													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE D-1E
Page 11 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
			Col1	Col2	Col3	Col4	Col5	Col6	Col7		
1		SOURCE OF SUPPLY EXPENSES (SS)									
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	16,741	0	0	0	0	0	(439)	(439)	(439)
6	603100	Miscellaneous Expenses	0	0	0	0	0	0	0	0	0
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0
9	604000	Rents	0	0	0	0	0	0	0	0	0
10	610000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0
12	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0
26	616100	Maint Supply Mains-Mateti& Ord	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc water source Plant-Mat Ord	0	0	0	0	0	0	0	0	0
31	617110	Maint Misc water source Plant-Mat Prg	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0
34											
35											
36		TOTAL SS EXPENSES	16,741	0	0	0	0	0	(439)	0	(439)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
Page 12 of 19
Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Balance Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj 0-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		PUMPING EXPENSES									
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0		0	0
4	622100	Power Production Expenses	0	0	0	0	0	0		0	0
5	622200	Power Production Labor	0	0	0	0	0	0		0	0
6	623110	Power Purchased for Pumping-Elec	0	0	0	0	0	0		0	0
7	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0		0	0
8	623210	Power Purchased for pumping-other	0	0	0	0	0	0		0	0
9	624200	Pumping Labor-Electric	0	0	0	0	0	0		0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0		0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0		0	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0		0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0		0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0		0	0
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0		0	0
16	626600	Misc pumping Expenses-Other	0	0	0	0	0	0		0	0
17	627200	Rents-Electric	0	0	0	0	0	0		0	0
18	627300	Rents-Other	0	0	0	0	0	0		0	0
19	630200	Maint Sup & Eng-Electric Ord	60	0	0	0	0	0		0	(60)
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0		0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0		0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0		0	0
23	631100	Maint Pumping Struc & Inprov-Material Ord	0	0	0	0	0	0		0	0
24	631110	Maint Pumping Struc & Inprov-Material Prg	0	0	0	0	0	0		0	0
25	631200	Maint Pumping Struc & Inprov-Labor Ord	0	0	0	0	0	0		0	0
26	631210	Maint Pumping Struc & Inprov-Labor Prg	0	0	0	0	0	0		0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0		0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0		0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0		0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0		0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0		0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0		0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0		0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0		0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0		0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0		0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0		0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0		0	0
39		TOTAL PUMPING EXPENSES	60	0	0	0	0	0	0	0	(60)

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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
N P E O F F I L I N G : X_ ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE D-1E
Page 13 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Bale Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch 02.3	Adj 016 Sch D-2.3	Adj 017 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments	
		WATER TREATMENT EXPENSES (WT)										
2	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	
3	641110	Chemicals-Carbon	0	0	0	0	0	0		0	0	
4	641100	General Chemicals	110	0	0	0	0	0		0	(110)	
5	641200	Softening Chemicals	0	0	0	0	0	0		0	0	
6	642100	General WT Labor	89	0	0	0	0	0		0	(89)	
7	642200	Softening Labor	0	0	0	0	0	0		0	0	
8	642300	General WT Expenses	52	0	0	0	(52)	0		(52)	(52)	
9	642390	General WT Administration	0	0	0	0	0	0		0	0	
10	642400	Softening Expenses	0	0	0	0	0	0		0	0	
11	643100	Misc Expenses	32	0	0	0	(32)	0		(32)	(32)	
12	643190	Misc Expenses- Service Co	0	0	0	0	0	0		0	0	
13	643200	Misc Labor	0	0	0	0	0	0		0	0	
14	643300	Waste Disposal Expenses	0	0	0	0	0	0		0	0	
15	643310	Amort Waste Disposal Expenses	0	0	0	0	0	0		0	0	
16	644000	Rents	0	0	0	0	0	0		0	0	
17	650000	Maint Supervision & Engineering Ord	0	0	0	0	0	0		0	0	
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0		0	0	
19	651100	Maint WT Struc & Improvements-Mat Ord	0	0	0	0	0	36		36	36	
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0		0	0	
21	651120	Amort WT Structures	0	0	0	0	0	0		0	0	
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0		0	0	
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0		0	0	
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0		0	0	
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0		0	0	
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0		0	0	
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0		0	0	
28	652310	Maint General WT Equipment-labor Prg	0	0	0	0	0	0		0	0	
29												
30		TOTAL WT EXPENSES	283	0	0	0	(84)	36	0	0	(48)	12471
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1E
Page 14 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

Line No.	Account Number	Description	Base Period	Adjustments												Grand Total Adjustments
				Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3		
TRANS & DIST EXPENSES (T&D)																
1	680000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
2	681100	Storage Facilities - Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	681200	Storage Facilities - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	
4	682100	T&D Lines - Expenses	415	0	0	0	0	0	0	0	0	0	0	0	94	
5	682200	T&D Lines - Labor	13,044	0	0	0	0	0	0	0	0	0	0	0	(13,044)	
6	683100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	
7	683200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	
8	683300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	
9	683400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	
10	684100	Customer Installation - Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	
11	684200	Customer Installation - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	
12	685100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	
13	685150	Maps and Records - Expenses Computer	0	0	0	0	0	0	0	0	0	0	0	0	0	
14	685200	Maps and Records - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	
15	685300	Misc Expenses	7,120	0	0	0	0	0	0	0	0	0	0	0	3,663	
16	685400	Misc Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	
17	686000	Rents	120	0	0	0	0	0	0	0	0	0	0	0	(120)	
18	687000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	687010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
20	687100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
21	687110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
22	687120	Maint Struct & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	687121	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	687210	Maint Res & Standpipes - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
25	687211	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
26	687212	Maint Res & Standpipes - Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
27	687213	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
28	687310	Amort T&D Mains - Materials Ord	3,560	0	0	0	0	0	0	0	0	0	0	0	(3,560)	
29	687311	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
30	687312	Maint T&D Mains - Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
31	687313	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
32	687320	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
33	687321	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
34	687322	Maint T&D Mains - Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
35	687323	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
36	687510	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
37	687511	Maint Services - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
38	687512	Maint Services - Labor Ord	2,788	0	0	0	0	0	0	0	0	0	0	0	(2,788)	
39	687513	Maint Services - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
40	687610	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
41	687611	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
42	687612	Maint Meter - Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
43	687613	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
44	687630	Maint Meter Installation - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
45	687631	Maint Meter Installation - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
46	687640	Maint Meter Installation - Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	
47	687641	Maint Meter Installation - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	
48																
49																
50																

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1E
Page 15 of 19
Witness Responsible: M.A. Millerr, S. A. Valentine

DATA: X_ BASE PERIOD, X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL, UPDATED, REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

Line No.	Account Number	Description	Base Period	Adj D-13		Adj D-14		Adj D-15		Adj D-16		Adj D-17		Adj D-18		Total Adjustments	Grand Total Adjustments
				Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3				
TRANS & DIST EXPENSES (T&D) (Cont'd)																	
1			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	677200	Maint Hydrants - Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	678100	Maint Other T&D Plant - Materials Ord	669	0	0	0	0	0	(669)	0	0	0	0	0	0	(669)	(669)
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10																	
11																	
12			27,736	0	0	0	0	0	3,088	0	0	0	0	0	0	3,088	27,299
13																	
14																	
15	901000	CUSTOMER ACCOUNTS EXPENSE (CA)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	902100	Supervision	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	902190	Meter Reading Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	902200	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0	0	0	0	0	0	665
19																	
20	903100	CUST RECORDS & COLLECTION EXPENSES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	903200	Contracts and Orders - Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	903300	Contracts and Orders - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	903400	Collecting - Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	903510	Collecting - Salaries	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	903520	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	903600	Billing & Accounting - Other Expenses	0	540	0	0	0	0	0	0	0	0	0	0	0	540	540
27	904000	Billing & Accounting Salaries	0	432	0	0	0	0	0	0	0	0	0	0	0	432	432
28	905100	Uncollectible Accounts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	905200	Misc Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30																	
31			0	1,146	0	0	0	0	0	0	0	0	0	0	0	1,146	1,811
32																	
33																	
34	907100	CUSTOMER SERVICE EXPENSES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and Information - Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36		Cust Service and Information - Salaries	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38																	
39	910100	SALES PROMOTION EXPENSES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40		Sales Promotion - Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL X_ UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE D-1E
Page 16 of 19

Witnesses: M.A. Millard, S. A. Valeriano

Line No.	Account Number	Description	Base Period	Adj D-19 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G)									
2	920000	Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	920500	Incentive Plan Expense	0	0	0	0	0	0	0	0	0
4	921100	Expenses of Employes	0	0	36	0	0	0	0	36	36
5	921130	Dues for Clubs - Dead	0	0	8	0	0	0	0	8	8
6	921200	Misc Office Expenses	0	0	0	0	0	0	0	0	0
7	923100	Service Company Charges	0	0	0	0	0	0	0	0	0
8	923190	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	3,561
9	923200	Auditing Services	0	0	0	0	0	0	0	0	0
10	923300	Legal Services	0	0	0	0	0	0	0	0	0
11	923400	Engineering Services	0	0	0	0	0	0	0	0	0
12	923600	Other Services - Current	0	0	0	0	0	0	0	0	0
13	924000	Property Insurance	0	0	0	0	0	0	0	0	0
14	925110	Workers Compensation	0	0	0	0	0	0	0	0	167
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	75
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0
20	925310	Injuries and Damages - Expenses	0	0	0	0	4	0	0	4	4
21	925400	General Liability	0	0	0	0	0	0	0	0	0
22		EMPLOYEE PENSIONS & BENEFITS									401
23	926100	Accrued OPEB Expense	(364)	0	0	0	0	0	0	0	5,896
24	926110	Group Insurance Expense	(23)	0	0	0	0	0	0	0	6,435
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0
30	926170	Group Ins Pre-tax Contribution	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educational Expenses	0	0	0	0	35	0	0	35	35
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	0	0	0	0	136	0	0	136	136
34	926250	401-K Contributions Expense	0	0	0	0	1,029	0	0	1,029	1,029
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments - Current	(449)	0	0	0	0	0	0	0	6,638
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Prmts - Union	0	0	0	0	0	0	0	0	0
46	926800	Pensions - Capitalized - (A&B)	0	0	0	0	0	0	0	0	0
47	926900	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	0	0
48	926910	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	(1,077)
49			0	0	0	0	0	0	0	0	0
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERI
TYPE OF FILING: X_ ORIGINAL UPDATED REVIS
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
Page 18 of 19
Witness Responsible: M.A. Miller/, S. A. Valertine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-18 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.4	Total Adjustments	Grand Total Adjustments
2	08	Operation Labor Expenses	\$19,581	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
3	24	Maintenance Labor Expenses	0	0	0	0	0	0	0	0	0
4		Total Labor	\$19,581	\$0	\$0	\$0	\$0	\$0	50	\$0	\$24,727
8		Total Operation Expenses	\$36,767	\$1,146	\$0	\$47	\$5,057	\$0	(\$439)	\$5,811	\$59,117
9		Total Maintenance Expenses	7,217	0	0	0	(669)	36	0	(633)	(7,181)
11		Total O & M Expenses	\$43,984	\$1,146	\$0	\$47	\$4,388	\$36	(\$439)	\$5,178	\$51,938
17	08	Labor	\$19,681	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
18	09	Purchased water	16,741	0	0	0	0	0	(439)	(439)	(439)
19	10	Fuel and Power	0	0	0	0	0	0	0	0	0
20	11	Chemicals	110	0	0	0	0	0	0	0	(110)
21	12	Waste Disposal	0	0	0	0	0	0	0	0	0
22	13	Management Fees	0	0	0	0	0	0	0	0	3,581
23	14	Group Insurance	(387)	0	0	0	0	0	0	0	12,331
24	15	Pension	(449)	0	0	0	0	0	0	0	5,561
25	16	Regulatory Expense	0	0	0	0	0	0	0	0	25
26	17	Insurance Other than Group	0	0	0	0	0	0	0	0	643
27	18	Customer Accounting	0	1,146	0	0	0	0	0	1,146	1,146
28	19	Rents	0	0	0	0	0	0	0	0	0
29	20	General Office Expense	0	0	0	47	0	0	0	47	47
30	21	Miscellaneous	7,619	0	0	0	5,057	0	0	5,057	5,057
31	25	Other Maintenance	669	0	0	0	(669)	36	0	(633)	(633)
32		Total O & M Expenses	\$43,984	\$1,146	\$0	\$47	\$4,388	\$36	(\$439)	\$5,178	\$51,938
35		State Income Tax Impact	8.25%	(\$95)	\$0	(\$4)	(\$362)	(\$3)	\$36	(\$427)	(\$4,285)
37		Federal Income Tax Impact	35.00%	(\$434)	\$0	(\$18)	(\$1,663)	(\$14)	\$168	(\$1,962)	(\$19,677)
39		Net Operating Income Impact		(\$617)	\$0	(\$25)	(\$2,363)	(\$19)	\$237	(\$2,789)	(\$27,974)

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR M E TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
Page 19 of 19

Witness Responsible: MA Miller, S.A. Valentine

Line No	Account Number	Description	Base Period	Ad D-19 Sch D-2.4	Adj D-20 Sch D-2.4	Adj D-21 Sch D-2.4						Total Adjustment
1	403000	Depreciation	\$0	\$7,314	\$0	\$0						57,314
2	403100	Depreciation - CIAC	0	0								0
3			\$0	\$7,314	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,314
4												
5												
6		State Income Tax Impact	8.25%	(\$603)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$603)
7		Federal Income Tax Impact	35.00%	(\$2,771)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,771)
8		Net operating Income Impact		(\$3,940)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,940)
9												
10		AMORTIZATION EXPENSE										
11	404100	Amortization Lim Term Ut Plant	\$0	\$0	\$0	\$0						\$0
12	404110	Amortization Franchise Expense	0	0	0	0						0
13	404430	Amortization Regulatory Asset - AFUDC	0	0	0	0						0
14	408000	Amortization Utility Plant Acquisition Adj	0	0	0	0						0
15	407000	Amortization Property Losses	0	0	0	0						0
16		TOTAL AMORTIZATION	\$0	\$0	\$0	\$0						\$0
17												
18		state Income Tax Impact	8.25%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19		Federal Income Tax Impact	35.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20				\$0	\$0	\$0						\$0
21		Net operating Income impact										
22												
23												
24		TAXES, OTHER THAN INCOME										
25	408100	Real & Personal Property Taxes	\$0	\$0	\$0	\$2,613						\$2,613
26	408110	Gross Income & Receipts Taxes	0	0	0	0						0
27	408120	Invested Capital Tax	0	0	0	0						0
28	408130	Other General Taxes	0	0	0	0						0
29	408140	FUTA	0	0	0	92						92
30	408150	FUTA Capitalized - (A Work Order)	0	0	0	0						0
31	408040	FUTA Capitalized - (H Work Order)	0	0	0	0						0
32	408050	FUTA Capitalized - (C & R Work Order)	0	0	0	0						0
33	408180	FICA	0	0	0	3,393						3,393
34	408170	FICA Capitalized - (A Work Order)	0	0	0	0						0
35	408060	FICA Capitalized - (H Work Order)	0	0	0	0						0
36	408070	FICA Capitalized - (C & R Work Order)	0	0	0	0						0
37	408180	SUTA	0	0	0	67						67
38	408190	SUTA Capitalized - (A Work Order)	0	0	0	0						0
39	408080	SUTA Capitalized - (H Work Order)	0	0	0	0						0
40	408090	SUTA Capitalized - (C & R Work Order)	0	0	0	0						0
41	408220	Environmental Tax	0	0	0	0						0
42			\$0	\$0	\$0	\$6,165	\$0	\$0	\$0	\$0	\$0	\$6,165
43												
44		state Income Tax Impact	8.25%	\$0	\$0	(\$509)	\$0	\$0	\$0	\$0	\$0	(\$509)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$1,980)	\$0	\$0	\$0	\$0	\$0	(\$1,980)
46		Net operating Income Impact		\$0	\$0	(\$3,676)	\$0	\$0	\$0	\$0	\$0	(\$3,676)
47												
48												
49												
50												

KENTUCKY-AMERICAN WATER COMPANY
CASE NO 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
N P E O F FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (ELK LAKE)

SCHEDULED-2.1E
Page 2 of 3
Witness Responsible: **S.A. Valertine**

Line	Workpaper	Amount
1	<u>Billed Revenues, Adjustment D-1</u>	
2	RESIDENTIAL	
3	Forecasted Amount	\$0
4	Base Period Amount	<u>0</u>
5	Pro Forma Adjustment	<u>\$0</u>
6		
7	COMMERCIAL	
8	Forecasted Amount	\$0
9	Base Period Amount	<u>0</u>
10	Pro Forma Adjustment	<u>\$0</u>
11		
12	INDUSTRIAL	
13	Forecasted Amount	\$0
14	Base Period Amount	<u>0</u>
15	Pro Forma Adjustment	<u>\$0</u>
16		
17	OTHER PUBLIC AUTHORITY	
18	Forecasted Amount	\$0
19	Base Period Amount	<u>0</u>
20	Pro Forma Adjustment	<u>\$0</u>
21		
22	SALES FOR RESALE (O W)	
23	Forecasted Amount	\$0
24	Base Period Amount	<u>0</u>
25	Pro Forma Adjustment	<u>\$0</u>
26		
27	PUBLIC FIRE SERVICE	
28	Forecasted Amount	\$0
29	Base Period Amount	<u>0</u>
30	Pro Forma Adjustment	<u>\$0</u>
31		
32	PRIVATE FIRE SERVICE	
33	Forecasted Amount	\$0
34	Base Period Amount	<u>0</u>
35	Pro Forma Adjustment	<u>\$0</u>
36		
37	MISCELLANEOUS	
38	Forecasted Amount	\$0
39	Base Period Amount	<u>0</u>
40	Pro Forma Adjustment	<u>\$0</u>
41		
42		
43	Total Unbilled Water Revenue Adjustment	<u>\$0</u>
44		
45		
46		
47		
48		
49		
50		

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (ELK LAKE)

SCHEDULE D-2.1E
Page 3 of 3
Witness Responsible: S.A. Valentine

LINE No	Purpose and Description of Adjustment	Workpaper Reference	Amount
	<u>Billed Revenue Adjustment D-1</u>		
1			
2	RESIDENTIAL		
3	Forecasted Amount	W/P-2	\$0
4	Base Period Amount		<u>0</u>
5	Pro Forma Adjustment		<u>\$0</u>
6			
7	COMMERCIAL		
8	Forecasted Amount	W/P-2	\$0
9	Base Period Amount		<u>0</u>
10	Pro Forma Adjustment		<u>\$0</u>
11			
12	INDUSTRIAL		
13	Forecasted Amount	W/P-2	\$0
14	Base Period Amount		<u>0</u>
15	Pro Forma Adjustment		<u>\$0</u>
16			
17	RESIDENTIAL		
18	Forecasted Amount	W/P-2	\$0
19	Base Period Amount		<u>0</u>
20	Pro Forma Adjustment		<u>\$0</u>
21			
22	COMMERCIAL		
23	Forecasted Amount	W/P-2	\$0
24	Base Period Amount		<u>0</u>
25	Pro Forma Adjustment		<u>\$0</u>
26			
27	INDUSTRIAL		
28	Forecasted Amount	W/P-2	\$0
29	Base Period Amount		<u>0</u>
30	Pro Forma Adjustment		<u>\$0</u>
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43	Total Sewer Revenue Adjustment		<u>0</u>
44	Total Revenue Adjustment		<u>\$48,744</u>
45			
46			
47			
48			
49			
50			

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

DETAILED ADJUSTMENTS

FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
 TYPE OF FILING: __X__ ORIGINAL ___ UPDATED ___ REVISED
 WORKPAPER REFERENCE NO(S): WIP-2 (ELK LAKE)

SCHEDULE D-2.2E

Page 1 of 1

Witness Responsible: S.A. Valentino

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1	Other Revenues Adjustment D-2		
2	RECONNECTION FEES		
3	Forecasted Amount	WIP-2	\$0
4	Base Period Amount		0
5	Pro Forma Adjustment		\$0
6			
7	OTHER MISC SERV REVENUES		
8	Forecasted Amount	WIP-2	\$0
9	Base Period Amount		0
10	Pro Forma Adjustment		\$0
11			
12	OTHER REVENUES		
13	Forecasted Amount	WIP-2	\$0
14	Base Period Amount		0
15	Pro Forma Adjustment		\$0
16			
17	Total Other Revenue Adjustment		\$0
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43	AFUDC Adjustment D-3		
44	AFUDC ABOVE THE LINE		
45	Forecasted Amount	WIP-2	\$0
46	Base Period Amount		0
47	Pro Forma Adjustment		\$0
48			
49			
50			

The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-3 (ELK LAKE)

SCHEDULE D-2.3E
Page 1 of 2
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	Labor expense is being adjusted to reflect an increase due to union wage contracts and an increase of 3% for non-union employees to become effective April 1, 2004 and 2005.	<u>Labor Adjustment D-4</u>	
3		Forecasted Amount	\$44,408
4		Base Period Amount	<u>18,661</u>
5		Pro Forma Adjustment	<u>\$24,727</u>
6			
7	Fuel & Power expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment for contracted chemical prices made to the forecast	<u>Fuel & Power Adjustment D-5</u>	
8		Forecasted Amount	\$0
9		Base Period Amount	<u>0</u>
10		Pro Forma Adjustment	<u>\$0</u>
11			
12	chemical expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment for contracted chemical prices made to the forecast	<u>Chemicals Adjustment D-6</u>	
13		Forecasted Amount	\$0
14		Base Period Amount	<u>110</u>
15		Pro Forma Adjustment	<u>(\$110)</u>
16			
17	Waste Disposal expense reflects the forecasted charges from the Service Company for services rendered during the forecasted period including costs from the Southeast Region Service company office, Shared Services Center, and the Customer Call Center	<u>Waste Disposal Adjustment D-7</u>	
18		Forecasted Amount	\$0
19		Base Period Amount	<u>0</u>
20		Pro Forma Adjustment	<u>\$0</u>
21			
22	Management Fees expense reflects the forecasted charges from the Service Company for services rendered during the forecasted period including costs from the Southeast Region Service company office, Shared Services Center, and the Customer Call Center	<u>Management Fees Adjustment D-8</u>	
23		Forecasted Amount	\$3,581
24		Base Period Amount	<u>0</u>
25		Pro Forma Adjustment	<u>\$3,581</u>
26			
27	Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with FAS 106	<u>Group Insurance Adjustment D-9</u>	
28		Forecasted Amount	\$11,944
29		Base Period Amount	<u>(387)</u>
30		Pro Forma Adjustment	<u>\$12,331</u>
31			
32	Pension Expense reflects the forecasted level based on FAS 87 pension costs	<u>Pensions Adjustment D-10</u>	
33		Forecasted Amount	\$5,112
34		Base Period Amount	<u>(449)</u>
35		Pro Forma Adjustment	<u>\$5,561</u>
36			
37	Regulatory Expense reflects a three year amortization of the cost of the current filing	<u>Regulatory Expense Adjustment D-11</u>	
38		Forecasted Amount	\$25
39		Base Period Amount	<u>0</u>
40		Pro Forma Adjustment	<u>\$25</u>
41			
42	Insurance Other than Group expense reflects the Company's forecasted cost for liability insurance, worker's compensation and property insurance based upon the most recent actual bills.	<u>Insurance Other than Group Adjustment D-12</u>	
43		Forecasted Amount	\$643
44		Base Period Amount	<u>0</u>
45		Pro Forma Adjustment	<u>\$643</u>
46			
47			
48			
49	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
50			

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL UPDATED REV SED
WORKPAPER REFERENCE NO(S): W/P-3 (ELK LAKE)

SCHEDULED-2.3E
Page 2 of 2
Witness Responsible: S.A. Valerline

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Customer Accounting Adjustment D-13</u>	
2	Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this function, as well as allocations made from Central Division to Tri Village and Elk Lake.	Forecasted Amount	\$1,146
3		Base Period Amount	<u>0</u>
4		Pro Forma Adjustment	<u><u>\$1,146</u></u>
5			
6		<u>Rents Adjustment D-14</u>	
7		Forecasted Amount	\$0
8		Base Period Amount	<u>0</u>
9		Pro Forma Adjustment	<u><u>\$0</u></u>
10			
11		<u>General Office Expense Adjustment D-15</u>	
12	General Office expense reflects all expenses related to the Company's office including telephone, employee expenses, supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	Forecasted Amount	\$47
13		Base Period Amount	<u>0</u>
14		Pro Forma Adjustment	<u><u>\$47</u></u>
15			
16		<u>Miscellaneous Expenses Adjustment D-16</u>	
17	Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village and Elk Lake.	Forecasted Amount	\$12,676
18		Base Period Amount	<u>7,619</u>
19		Pro Forma Adjustment	<u><u>\$5,057</u></u>
20			
21		<u>Maintenance Expense Adjustment D-17</u>	
22	Maintenance expense reflect the costs of maintaining the property and assets of the Company. These expenses include amortizations of prior and forecasted deferred maintenance projects. It also includes normal maintenance of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	Forecasted Amount	\$36
23		Base Period Amount	<u>669</u>
24		Pro Forma Adjustment	<u><u>(\$633)</u></u>
25			
26		<u>Purchased water Expense, Adjustment D-18</u>	
27	Purchased Water represents water purchased from the Winchester Municipal System Georgetown Municipal System, and Owen Water & Sewer.	Forecasted Amount	\$16,302
28		Base Period Amount	<u>16,741</u>
29		Pro Forma Adjustment	<u><u>(\$439)</u></u>
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43	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period		
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KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

DETAILED ADJUSTMENTS

FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: X ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE NO(S): W/P-4 & W/P-5 (ELK LAKE)

SCHEDULE D-24E
 Page 1 of 1

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	Depreciation expense reflects an increase due to an increased level of Utility Plant in Service.	W/P-4-1	\$7,314
3			0
4			\$7,314
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12	General Taxes represent Property Taxes, Payroll Taxes, PSC Fees and other miscellaneous taxes that are calculated to be expenses for the forecasted test period. This also includes the allocation of property tax from Central Division to Tri Village and Elk Lake.		
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32	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF JURISDICTIONAL FACTORS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

ATA: BASE PERIOD FORECAST
(P/E OF FILING: ORIGINAL UPDA
ORKPAPER REFERENCE NO(S): (ELK L
PERIOD
REVISED
SCHEDULE D-3E
Page 1 of 1
Witness Responsible: S.A. Valertine

Line No.	Accl.	Account Title	Jurisdictional Factor	Description of Factor and/or method of Allocation
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

JURISDICTIONAL STATISTICS

FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

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

SCHEDULE D-4E
 Page Tot 1

Line No.	Description	Statistic Total Company	Adjustment	Adjusted Total Company	Statistic for Jurisdiction	Jurisdictional Ratio
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

