

Kentucky American Water
Allocation of Direct and Common Costs
Case No. 2004-00103

Office Cost	O&M Labor	PIT	Incentive	Test Year Amount
		54.45%	8.81%	
7,591	86,634	47,172	7,630	149,026
3,239	44,677	24,327	3,935	76,177
2,733	6,427	3,500	566	13,225
2,429	7,678	4,181	676	14,963
2,429	61,419	33,443	5,409	102,700
2,429	52,771	28,734	4,647	88,581
2,429	46,416	25,274	4,088	78,206
2,915	54,017	29,412	4,757	91,101
2,429	50,010	27,230	4,404	84,074
2,429	37,394	20,361	3,293	63,477
3,036	63,835	34,758	5,622	107,251
3,239	62,970	34,287	5,546	106,041
2,915	70,594	38,438	6,217	118,164
2,024	34,668	18,877	-	55,569
2,024	49,714	27,069	-	78,807
44,288	729,224	397,062	56,789	1,227,364

AVERAGE CUSTOMERS					
111,114	1,930	344	70	5,129	118,587

AMOUNT ALLOCATED					
Central	Tri-Village	Elk Lake	BGS	Pineville	Total
139,635	2,425	432	88	6,446	149,026
71,376	1,240	221	45	3,295	76,177
12,960	225	40	-	-	13,225
14,663	255	45	-	-	14,963
100,640	1,748	312	-	-	102,700
86,805	1,508	269	-	-	88,581
76,638	1,331	237	-	-	78,206
85,360	1,483	264	54	3,940	91,101
82,337	1,430	255	52	-	84,074
62,166	1,080	192	39	-	63,477
102,457	-	-	65	4,729	107,251
103,915	1,805	322	-	-	106,041
115,723	2,010	358	73	-	118,164
54,421	945	168	34	-	55,569
77,179	1,341	239	49	-	78,807
1,186,275	18,825	3,355	498	18,410	1,227,364

O&M EXPENSES	ACCOUNT / DESCRIPTION	Test Year Amount
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120103 CORP - Customer Service

Customer Accounting:	570100.15 Uncollectib	250,581
	575100.15 Bank Serv	142,809
	575200.15 Collection	30,693
	575420.15 Forms CA	67,518
	575660.15 Postage CA	387,638
	Total	879,239

AMOUNT ALLOCATED					
Central	Tri-Village	Elk Lake	BGS	Pineville	Total

245,556	4,265	760	-	-	250,581
139,945	2,431	433	-	-	142,809
30,077	522	93	-	-	30,693
66,164	1,149	205	-	-	67,518
379,864	6,598	1,176	-	-	387,638
861,606	14,966	2,667	-	-	879,239

120105 CORP - Admin & Gen

Management Fees:	534000 Contract Svc-Mgmt Fe	
Detail:	Belleville Lab - (prev. line 21)	177,526
	Call Center	774,346
	Corporate	659,103
	ITS	763,477
	Shared Services	417,441
	Southeast Region	749,395
	Total	3,541,289

173,858	3,020	538	110	-	177,526
758,817	13,180	2,349	-	-	774,346
645,885	11,219	2,000	-	-	659,103
748,166	12,995	2,316	-	-	763,477
408,817	7,101	1,266	258	-	417,441
734,366	12,756	2,274	-	-	749,395
3,469,909	60,271	10,743	367	-	3,541,289

Regulatory Expense:	566700 Regulatory Comm Exp	24,528
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24,036	417	74	-	-	24,528
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General Office:	575280.16 Dues/Mem	6,587
	575340.16 Employee Ex	18,720
	575342.16 Empl Exp Co	9,361
	575350.16 Meals & Tra	3,297
	575351.16 Meals & Tra	3,297
	Total	41,262

6,172	107	19	4	285	6,587
17,540	305	54	11	810	18,720
8,771	152	27	6	405	9,361
3,089	54	10	2	143	3,297
3,089	54	10	2	143	3,297
38,662	672	120	24	1,785	41,262

Miscellaneous:	575240.16 Co Dues/Mem	6,386
	575242.16 Co Dues Ded	5,959
	575244.16 Co Dues Ded	20,400
	Total	32,745

5,984	104	19	4	276	6,386
5,583	97	17	4	258	5,959
19,114	332	59	12	882	20,400
30,682	533	95	19	1,416	32,745

120113 CORP-Info System

Customer Accounting:	575740.15 Telephone C	79,793
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78,193	1,358	242	-	-	79,793
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		PIT	Incentive	Test Year Amount	AMOUNT ALLOCATED					
Office Cost	O&M Labor	54.45%	8.81%		Central	Tri-Village	Elk Lake	BGS	Pineville	Total
Total				79,793	78,193	1,358	242	-	-	79,793
Maintenance Expense:	620000.23	Mat and Sup		35,625	34,911	606	108	-	-	35,625
Total				35,625	34,911	606	108	-	-	35,625
120118 CORP-Human Resou										
General Office:	575280.16	Dues/Member		349	342	6	1	-	-	349
	575340.16	Employee Ex		3,137	3,074	53	10	-	-	3,137
	575350.16	Meals & Tra		259	254	4	1	-	-	259
	575351.16	Meals & Tra		259	254	4	1	-	-	259
Total				4,004	3,924	68	12	-	-	4,004
Miscellaneous:	504610.16	Employee Aw		9,246	9,061	157	28	-	-	9,246
	504670.16	Training AG		25,703	25,188	437	78	-	-	25,703
	575000.16	Misc Oper A		998	978	17	3	-	-	998
Total				35,947	35,226	612	109	-	-	35,947
120119 CORP-Loss Control										
Ins Other Than Group:	557000.16	Ins Gen Lia		253,877	248,785	4,321	770	-	-	253,877
	558000	Insurance Workman's		67,595	66,239	1,151	205	-	-	67,595
	559000.16	Ins Other O		201,267	197,231	3,426	611	-	-	201,267
Total				522,739	512,255	8,898	1,586	-	-	522,739
General Office:	575280.16	Dues/Member		400	392	7	1	-	-	400
	575340.16	Employee Ex		1,430	1,401	24	4	-	-	1,430
	575342.16	Empl Exp Co		2,270	2,224	39	7	-	-	2,270
	575350.16	Meals & Tra		470	461	8	1	-	-	470
	575351.16	Meals & Tra		470	461	8	1	-	-	470
Total				5,040	4,939	86	15	-	-	5,040
Miscellaneous:	504640.16	Safety Ince		8,700	8,526	148	26	-	-	8,700
	575490.16	Injuries an		4,200	4,116	71	13	-	-	4,200
Total				12,900	12,641	220	39	-	-	12,900
120121 CORP-Communiati										
General Office:	575280.16	Dues/Member		1,618	1,585	28	5	-	-	1,618
	575340.16	Employee Ex		381	373	6	1	-	-	381
	575342.16	Empl Exp Co		302	295	5	1	-	-	302
	575350.16	Meals & Tra		108	105	2	0	-	-	108
	575351.16	Meals & Tra		108	105	2	0	-	-	108
Total				2,515	2,464	43	8	-	-	2,515
Miscellaneous:	575030.16	Advertising		134,704	132,003	2,293	409	-	-	134,704
	575220.16	Community R		2,050	2,009	35	6	-	-	2,050
Total				136,754	134,011	2,328	415	-	-	136,754
120122 CORP-Gov't Relat										
General Office:	575340.16	Employee Ex		291	285	5	1	-	-	291
	575342.16	Empl Exp Co		101	99	2	0	-	-	101
	575350.16	Meals & Tra		132	129	2	0	-	-	132
	575351.16	Meals & Tra		132	129	2	0	-	-	132
	575741.16	Cell Phone		420	412	7	1	-	-	420
Total				1,076	1,054	18	3	-	-	1,076
TOTALS					6,430,787	109,920	19,592	909	21,611	6,582,819
					97.69%	1.67%	0.30%	0.01%	0.33%	100.00%