

**KENTUCKY-AMERICAN WATER COMPANY
PINEVILLE WATER AND SEWER COMMISSION O&M AGREEMENT
MONTHLY
2003**

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
PINEVILLE 168 Revenues													
Management Fees - Water	87,397	87,397	87,397	83,793	86,496	86,496	90,593	90,593	90,593	90,593	90,593	90,593	1,062,534
Management Fees - Sewer	18,828	18,828	18,828	19,840	19,081	19,081	19,850	19,850	19,850	19,850	19,850	19,850	233,586
Local O&M Additional Billing													4,200
Maintenance & Repair Limit - Water	9,042	9,042	9,042	9,042	9,042	9,042	9,042	9,042	9,042	9,042	9,042	9,042	108,504
Maintenance & Repair Limit - Sewer	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	20,256
Local M&R Additional Billing - Water	(6,857)	2,415	254	731	1,685	1,833	3,614	2,085	13,736	1,661	4,497	5,764	31,418
Local M&R Additional Billing - Sewer	119,571	116,672	92,879	91,833	122,478	105,968	149,678	107,887	109,749	168,517	132,379	128,396	1,446,007
Total	116,955	116,955	116,955	114,363	116,307	125,072	122,388	121,173	121,173	121,173	144,173	202,523	1,539,210
Pineville expenses paid by PUC													
Water O&M	95,378	89,514	72,797	72,872	89,830	71,046	114,195	80,890	78,535	91,706	79,304	98,672	1,034,739
Sewer O&M	14,876	9,861	10,784	11,040	14,299	21,669	18,384	12,034	12,172	15,758	13,499	16,489	170,865
Water M&R	16,174	14,882	9,044	7,190	16,664	11,420	13,485	12,878	5,306	59,392	35,079	7,471	208,985
Sewer M&R	(6,857)	2,415	254	731	1,685	1,833	3,614	2,085	13,736	1,661	4,497	5,764	31,418
Total	119,571	116,672	92,879	91,833	122,478	105,968	149,678	107,887	109,749	168,517	132,379	128,396	1,446,007
Miscellaneous Invoice Total	(2,616)	283	24,076	22,530	(6,171)	19,104	(27,290)	13,286	11,424	(47,344)	11,794	74,127	93,203
Expenses incurred by KAWC													
8 Labor (1)	3,400.54	5,975.26	2,470.64	663.62	654.02								21,857.44
14 Group Insurance	970.01	679.08	267.27	34.59				437.94	1,022.79	3,789.69	1,180.12	2,262.82	2,344.04
15 Pensions	426.04	754.46	316.22	239.92								393.04	1,736.64
17 Ins Other Than group	23.41	41.67	17.54	2.37									84.99
20 Gen Office Expense	37.22	88.60	62.45		214.12				235.26	514.74	202.82	539.60	1,894.81
21 Miscellaneous	467.66	3,568.92	724.88	10,868.40	6,613.47	6,573.90	11,446.21	6,130.98	19,875.00	5,116.80	4,603.28	10,966.15	86,955.65
29 General Taxes	169.82	510.60	924.15	298.06	49.68			33.78	78.35	289.00	89.24	176.98	2,619.66
48 M&J Expenses	5,817.02	8,861.44	10,279.54		6,681.27		5,551.93						37,191.20
Total (2)	11,311.72	20,480.03	15,052.69	12,106.96	14,212.56	6,573.90	16,998.14	6,602.70	21,211.40	9,710.23	6,075.46	14,338.59	154,684.43
Net Operating Income	(13,927.72)	(20,197.03)	9,013.31	10,423.04	(20,383.56)	12,550.10	(44,288.14)	6,883.30	(9,787.40)	(57,054.23)	5,718.54	59,788.41	(61,481.43)
28 Amortization of deferred charges (3)	1,259.45	1,259.45	1,259.45	1,259.45	1,259.45	1,259.45	1,259.45	1,259.45	1,259.45	1,259.45	1,259.45	1,259.45	15,113.40
Net income	(15,187.17)	(21,456.48)	7,753.86	9,163.59	(21,643.01)	11,270.65	(45,547.59)	5,423.85	(11,046.85)	(58,313.68)	4,459.09	56,528.96	(76,594.83)
CONTRACT SUMMARY - O&M COMPONENT													
O&M Revenues													
Management Fees - Water	87,397.00	87,397.00	87,397.00	83,793.00	86,496.00	86,496.00	90,593.00	90,593.00	90,593.00	90,593.00	90,593.00	90,593.00	1,062,534.00
Management Fees - Sewer	18,828.00	18,828.00	18,828.00	19,840.00	19,081.00	19,081.00	19,850.00	19,850.00	19,850.00	19,850.00	19,850.00	19,850.00	233,586.00
Local O&M Additional Billing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,200.00
Total O&M Revenue	106,225.00	106,225.00	106,225.00	103,633.00	105,577.00	105,577.00	110,443.00	110,443.00	110,443.00	110,443.00	110,443.00	110,443.00	1,300,320.00
O&M Expenses													
Paid from Pineville - Water	95,378.00	89,514.00	72,797.00	72,872.00	89,830.00	71,046.00	114,195.00	80,890.00	78,535.00	91,706.00	79,304.00	98,672.00	1,034,739.00
Paid from Pineville - Sewer	14,876.00	9,861.00	10,784.00	11,040.00	14,299.00	21,669.00	18,384.00	12,034.00	12,172.00	15,758.00	13,499.00	16,489.00	170,865.00
Paid by KAW	11,311.72	20,480.03	15,052.69	12,106.96	14,212.56	6,573.90	16,998.14	6,602.70	21,211.40	9,710.23	6,075.46	14,338.59	154,684.43
Total O&M Expenses	121,565.72	119,855.03	98,643.69	96,018.96	118,341.56	99,288.90	149,577.14	99,526.70	111,918.40	117,174.23	98,878.46	129,499.59	1,360,288.43
Net Income from O&M	(15,340.72)	(13,630.03)	7,581.31	7,614.04	(12,764.56)	6,288.10	(39,134.14)	10,916.30	(1,475.40)	(6,731.23)	11,564.54	(14,856.59)	(59,968.43)
CONTRACT SUMMARY - M&R COMPONENT													
M&R Billing													
Maintenance & Repair Limit - Water	9,042.00	9,042.00	9,042.00	9,042.00	9,042.00	9,042.00	9,042.00	9,042.00	9,042.00	9,042.00	9,042.00	9,042.00	108,504.00
Maintenance & Repair Limit - Sewer	1,688.00	1,688.00	1,688.00	1,688.00	1,688.00	1,688.00	1,688.00	1,688.00	1,688.00	1,688.00	1,688.00	1,688.00	20,256.00
Local M&R Additional Billing - Water	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,200.00
Local M&R Additional Billing - Sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	103,474.00
Total M&R Billed	10,730.00	10,730.00	10,730.00	10,730.00	10,730.00	10,730.00	10,730.00	10,730.00	10,730.00	10,730.00	10,730.00	10,730.00	238,890.00
M&R Expenditures													

KAW_R_PSCDR2#63_062504

KENTUCKY-AMERICAN WATER COMPANY
PINEVILLE WATER AND SEWER COMMISSION O&M AGREEMENT
MONTHLY
2003

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
PINEVILLE 168													
Paid from Pineville - Water	16,174.00	14,882.00	9,044.00	7,190.00	16,664.00	11,420.00	13,485.00	12,878.00	5,306.00	59,392.00	35,079.00	7,471.00	206,985.00
Paid from Pineville - Sewer	(6,857.00)	2,415.00	254.00	731.00	1,685.00	1,833.00	3,614.00	2,085.00	13,736.00	1,661.00	4,497.00	5,764.00	31,418.00
Paid by KAW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total M&R Expenditures	9,317.00	17,297.00	9,298.00	7,921.00	18,349.00	13,253.00	17,099.00	14,963.00	19,042.00	61,053.00	39,576.00	13,235.00	240,403.00
Net M&R Payable(Receivable)	1,413.00	(6,567.00)	1,432.00	2,809.00	(7,619.00)	6,242.00	(5,154.00)	(4,233.00)	(8,312.00)	(50,323.00)	(5,846.00)	74,645.00	(1,513.00)

Net Cash Flow on Contract (13,927.72) (20,197.03) 9,013.31 10,423.04 (20,383.56) 12,530.10 (44,288.14) 6,683.30 (9,787.40) (57,054.23) 5,718.54 59,788.41 (61,481.43)

KENTUCKY AMERICAN WATER
BLUEGRASS STATION MGT CONTRACT
BLUEGRASS STATION DIVISION INCOME STATEMENT

KAW_R_PSCDR2#63_062504

LINE		2004												Total for 12 mos ended 04/2004	
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr		
	Revenues	7,166.67	7,166.67	7,166.67	7,166.67	7,166.67	7,166.67	7,166.67	7,166.67	7,166.67	7,166.67	7,166.67	7,166.67	7,166.67	86,000.04
	O&M Expense														
8	Labor	2,796.00	3,172.00	2,658.00	2,138.00	2,737.00	2,636.00	1,915.55	2,719.94	3,379.00	2,791.00	2,826.85	766.00	30,535.34	
12	Waste Disposal		450.00		900.00									1,350.00	
14	Group Insurance	(2.00)	101.00					249.76	288.00	587.00	474.00	480.29	119.00	2,297.05	
15	Pensions		116.00											116.00	
17	Ins Other than Grp		6.00											6.00	
20	General Office Expense	3,042.00	3,389.00	1,858.00	6,916.00	20.00	28.00	(0.30)	2,111.00	173.00	27.00	32.03	106.00	385.73	
21	Miscellaneous					5,546.00	4,868.00	2,535.04	2,111.00	9,056.00	3,488.00	7,154.05	3,335.00	53,298.09	
		5,836.00	7,234.00	4,516.00	9,954.00	8,303.00	7,532.00	4,700.05	5,118.94	13,195.00	6,780.00	10,493.22	4,326.00	87,988.21	
29	General Taxes	213.00	235.00	205.00	165.00	211.00	203.00	167.88	138.00	223.00	233.00	215.16		2,209.04	
	Total Expense	6,049.00	7,469.00	4,721.00	10,119.00	8,514.00	7,735.00	4,867.93	5,256.94	13,418.00	7,013.00	10,708.38	4,326.00	90,197.25	
	Net Income	1,117.67	(302.33)	2,445.67	(2,952.33)	(1,347.33)	(568.33)	2,298.74	1,909.73	(6,251.33)	153.67	(3,541.71)	2,840.67	(4,197.21)	

KAW_R_PSCDR2#63_062804
 Kentucky River Authority Leak Detection Billings - 12 months ending May 31, 2004

Service Dates	Utility	Amount Billed	Sub ledger	Expenses
7/16/03 - 7/22/03	City of Jackson	2,101.44	50034220	2,565.85
11/13/03-11/19/03	City of Hazard	2,278.63	50041374	5,975.13
12/8/03-12/11/03	City of Hazard	2,073.63	50041374	see above
12/15/03-12/16/03	City of Hazard	1,543.06	50041374	see above
12/8/03 - 12/8/03	Not identified	853.96	50044206	811.82
1/13/04-1/14/04	City of Jackson	1,733.99	50045786	830.84
Total		10,584.71		10,183.64