

JOURNAL ENTRY

Document Type JE

Reverse or Void (R/V) _____

Document Number/Co 9663/00012

Batch Number 36543

Explanation Acq. of Tri-Village

G/L Date 11/30/01

Entered By djn 12/4/01

Approved [Signature]

Control Total \$4,324,951.83

Hyd
PC
OF
2200

2200
2200
2200

2200

| Business Unit | Object | Subsidiary | Asset Subledger | T | Amount |
|---------------|--------|------------|-----------------|---|-----------------------------|
| 123000 | 101000 | 303200 | 12006132 | | 12,389. ⁰⁰ |
| 123000 | 101000 | 311200 | 12006103 | | 126,875. ⁰⁰ |
| 123000 | 101000 | 320100 | 12006104 | | 51,538. ⁰⁰ |
| 123000 | 101000 | 333000 | 12006106 | | 60,264. ⁰⁰ |
| 123000 | 101000 | 335000 | 12006108 | | 18,018. ⁰⁰ |
| 123000 | 101000 | 340201 | 12006133 | | 5,821.79 |
| 123000 | 101000 | 340100 | 12006109 | | 2,563. ¹⁶ |
| 123000 | 101000 | 340302 | 12006134 | | 5,906. ⁹⁵ |
| 123000 | 101000 | 340500 | 12006135 | | 5,166. ¹⁰ |
| 123000 | 101000 | 341100 | 12006136 | | 9,500. ⁰⁰ |
| 123000 | 101000 | 341200 | 12006137 | | 5,000. ⁰⁰ |
| 123000 | 101000 | 341400 | 12006138 | | 2,500. ⁰⁰ |
| 123000 | 101000 | 343000 | 12006110 | | 4,566. ⁰⁰ |
| 123000 | 101000 | 345000 | 12006111 | | 35,704. ⁰⁰ |
| 123000 | 101000 | 346100 | 12006112 | | 2,718. ⁰⁰ |
| 123000 | 101000 | 304100 | 12006101 | | 38,882. ⁰⁰ |
| 123000 | 101000 | 33000 | 12006139 | | 888,384. ⁵⁹ |
| 123000 | 101000 | 331100 | 12006184 | | 1,735,536. ⁰⁰ |
| 123000 | 101000 | 331200 | 12006190 | | 782,433. ⁰⁰ |
| 123000 | 108105 | | | | (834,073. ⁰⁰) |
| 123000 | 114100 | acq adj | | | 222,197. ²⁴ |
| 120200 | 101000 | 348000 | 12005915 | | (1,807,999. ⁸³) |
| 123000 | 271110 | CIAC | | | (1,682,879. ⁰⁰) |
| 123000 | 101000 | 334120 | 12006107 | | 308,989. ⁰⁰ |

REMARKS:

KENTUCKY AMERICAN WATER COMPANY
JOURNAL ENTRY
TO RECORD ACQUISITION OF
ELK LAKE WATER COMPANY

1 Journal entry to Record Purchase including deferred acquisition costs:

| Account | Description | Debit | Credit | Notes |
|---------|-------------------------|-------------------------|-----------------------------------|--------|
| 104000 | Utility Plant Purchased | \$ 99,992.00 | | Note 3 |
| 131312 | Cash | 99,521.10 | 99,992.00 99,521.10 | |

2 Journal entry to Record Assets Original Cost, Accumulated Depreciation, CIAC and Acquisition Adjustment:

| Account | Description | Debit | Credit | Notes |
|---------------|--|--------------------------|-------------------------------------|--------|
| 101000.303300 | Land and Land Rights-Pumping | \$ 750.00 | | Note 1 |
| 101000.303500 | Land and Land Rights-T & D | \$ 1,250.00 | | |
| 101000.304100 | SS Structures | \$ 27,734.00 | | |
| 101000.309000 | Supply Mains | \$ 14,520.00 | | |
| 101000.311200 | Electric Pumping Equipment | \$ 15,100.00 | | |
| 101000.320100 | Water Treatment Equipment | \$ 7,618.00 | | |
| 101000.330100 | Distribution Reservoirs and Standpipes | \$ 30,749.00 | | |
| 101000.331100 | Transmission and Distribution Mains | \$ 151,048.00 | | |
| 101000.334100 | Meters and Meter Installations | \$ 56,623.00 | | |
| 101000.335000 | Hydrants | \$ 13,900.00 | | |
| 101000.339100 | Other Plant and Equipment | \$ 3,838.00 | | |
| 101000.341100 | Transportation Equipment | \$ 7,445.00 | | |
| 101000.348000 | Other Tangible Plant | \$ 500.00 | | |
| 108105 | Accumulated Depreciation | | \$ 172,680.00 178,216.00 | Note 2 |
| 104000 | Utility Plant Purchased | | \$ 99,992.00 99,521.10 | Note 3 |
| 271110 | CIAC | | \$ 165,835.00 | |
| 114100 | Acquisition Adjustment | \$ 107,432.00 | 112,497.10 | |
| Note 4 | | Totals | \$ 436,507.00 443,572.10 | |
| | | | \$ 436,507.00 443,572.10 | |

Notes:

(1) Total land value on Elk Lake books is \$50,000. Based on current market information provided to KAWC from Elk Lake

Adj. per Michael A. Mill