

**KENTUCKY-AMERICAN WATER COMPANY**  
**TAX BASIS WATER PROPERTY - DEPRECIATION EXPENSE**  
Case No. 2004-00103  
For the Year 2004

TWENTY-FIVE YEAR PROPERTY	Jan-2004	Feb-2004	Mar-2004	Apr-2004	May-2004	Jun-2004	Jul-2004	Aug-2004	Sep-2004	Oct-2004	Nov-2004	Dec-2004	2004
WATER PROPERTY	540,709	1,155,148	1,194,192	187,136	107,406	220,965	1,664,552	367,202	106,796	934,092	357,367	1,352,600	8,188,165
BONUS DEPRECIATION	270,354	577,574	597,096	93,568	53,703	110,483	892,276	183,601	53,398	467,046	178,684	676,300	4,094,083
N.D.B. (LINES-8 @100%)	270,355	577,574	597,096	93,568	53,703	110,482	892,276	183,601	53,398	467,046	178,683	676,300	4,094,082
ACCUMULATED		847,929	1,445,025	1,538,593	1,592,296	1,702,778	2,535,054	2,718,655	2,772,053	3,239,099	3,417,782	4,094,082	
REGULAR DEPRECIATION	5,407	11,551	11,942	1,871	1,074	2,210	16,646	3,672	1,088	9,341	3,574	13,526	
ACCUM DEPRECIATION	5,407	16,958	28,900	30,771	31,845	34,055	50,701	54,373	55,441	64,782	68,356	81,882	

SEVEN YEAR PROPERTY	75	6,488	6,488	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	10,543
OFFICE FURN. & FIX.	75	6,488	6,488	5,271	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	10,543
N.D.B. (LINES 17-19 @100%)	75	6,488	6,488	5,271	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	10,543
ACCUMULATED	75	6,563	13,051	18,322	23,594	28,866	34,138	39,410	44,682	49,954	55,226	60,498	65,769
DEPRECIATION	11	927	927	753	753	753	753	753	753	753	753	753	1,507
ACCUM DEPRECIATION	11	938	1,865	2,618	3,371	4,124	4,877	5,630	6,383	7,136	7,889	8,642	9,396

FIVE YEAR PROPERTY	0	0	0	0	0	0	0	0	0	0	0	0	0
LIGHT TRUCKS	0	0	0	0	0	0	0	0	0	0	0	0	0
CARS	0	0	0	0	0	0	0	0	0	0	0	0	0
HEAVY TRUCKS	0	3,731	35,360	0	21,086	0	0	0	0	0	0	0	0
COMMUNICATION EQUIPMENT	0	3,120	3,120	0	0	0	0	0	0	0	0	0	0
N.D.B. (LINES 17-19 @100%)	0	6,851	38,480	0	36,901	0	0	0	0	0	0	0	0
ACCUMULATED	0	6,851	45,331	45,331	82,232	82,232	82,232	82,232	82,232	82,232	82,232	82,232	82,232
DEPRECIATION	0	1,370	7,696	0	7,696	0	0	0	0	0	0	0	0
ACCUM DEPRECIATION	0	1,370	9,066	9,066	16,446	16,446	16,446	16,446	16,446	16,446	16,446	16,446	16,446

THREE YEAR PROPERTY	16,684	6,153	6,153	0	396,105	0	0	0	0	0	0	0	526,239
SOFTWARE	16,684	6,153	6,153	0	396,105	0	0	0	0	0	0	0	526,239
N.D.B. (LINES 17-19 @100%)	16,684	6,153	6,153	0	396,105	0	0	0	0	0	0	0	526,239
ACCUMULATED	16,684	22,837	28,990	28,990	425,095	425,095	425,095	425,095	425,095	425,095	425,095	425,095	951,334
DEPRECIATION	5,561	2,051	2,051	0	132,022	0	0	0	0	0	0	0	175,395
ACCUM DEPRECIATION	5,561	7,612	9,663	9,663	141,685	141,685	141,685	141,685	141,685	141,685	141,685	141,685	317,080

REAL PROPERTY	-7,971	0	21,086	0	421,082	0	386,755	0	0	0	0	0	820,952
BUILDINGS	-7,971	0	21,086	0	421,082	0	386,755	0	0	0	0	0	820,952
ACCUMULATED	-7,971	-7,971	13,115	13,115	434,197	434,197	820,952	820,952	820,952	820,952	820,952	820,952	820,952
DEPRECIATION	-186	0	429	0	6,758	0	4,552	0	0	0	0	0	0
ACCUM DEPRECIATION	-186	-186	233	233	6,991	6,991	11,543	11,543	11,543	11,543	11,543	11,543	11,543

TOTAL ACCUM. DEPR.	281,137	874,610	1,494,751	1,590,943	1,792,833	1,906,079	2,760,306	2,948,332	3,003,551	3,480,691	3,663,702	4,530,430
LESS: PROV. YEAR TO DATE	0	23,428	100,808	240,203	390,285	565,578	757,078	1,090,950	1,482,426	1,847,707	2,392,035	3,027,869
REMAINING PERIODS	281,137	851,182	1,393,943	1,350,740	1,402,348	1,340,501	2,003,228	1,857,382	1,541,125	1,632,984	1,271,667	1,502,561
MONTHLY PROV (LINE 54/LINE 56)	12	11	10	9	8	7	6	5	4	3	2	1
ON CURRENT ADDITIONS	23,428	77,380	139,394	150,082	175,294	191,500	333,871	371,476	385,281	544,328	635,833	4,530,430

DEPRECIATION ON PROPERTY @	623,174	623,174	623,174	623,174	623,174	623,174	623,174	623,174	623,174	623,174	623,174	623,174	7,478,088
UPIS Prior to 2004	623,174	623,174	623,174	623,174	623,174	623,174	623,174	623,174	623,174	623,174	623,174	623,174	7,478,088
2004 Additions - Reg.	23,428	77,380	139,394	150,082	175,294	191,500	333,871	371,476	385,281	544,328	635,833	1,502,561	4,530,430
2004 Additions in 2005	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL DEPRECIATION	646,602	700,554	762,568	773,256	798,468	814,674	987,045	994,650	1,008,455	1,167,502	1,259,007	1,212,735	12,008,518
ACCUMULATED	646,602	1,347,156	2,109,725	2,882,981	3,681,448	4,496,122	5,453,168	6,447,818	7,456,273	8,623,775	9,882,768	12,008,518	

Accum Depr on 2004 Additions	23,428	100,808	240,203	390,285	565,578	757,078	1,090,950	1,462,426	1,847,707	2,392,035	3,027,869	4,530,430
Numeric Month	1	2	3	4	5	6	7	8	9	10	11	12

Total Tax Basis Additions 10,108,452

**KENTUCKY-AMERICAN WATER COMPANY**  
**TAX BASIS WATER PROPERTY - DEPRECIATION EXPENSE**  
 Case No. 2004-00103  
 For the Year 2005

TWENTY-FIVE YEAR PROPERTY	Jan-2005	Feb-2005	Mar-2005	Apr-2005	May-2005	Jun-2005	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005	Dec-2005	2005
WATER PROPERTY	556,281	94,046	395,768	311,248	409,075	733,613	1,844,480	225,960	309,704	1,033,242	2,859,447	0	8,772,864
BONUS DEPRECIATION													
N.D.B. (LINE-8 @100%)	556,281	94,046	395,768	311,248	409,075	733,613	1,844,480	225,960	309,704	1,033,242	2,859,447	0	8,772,864
ACCUMULATED	556,281	650,327	1,046,095	1,357,343	1,766,418	2,500,031	4,344,511	4,570,471	4,880,175	5,913,417	8,772,864	8,772,864	0
DEPRECIATION	11,126	1,881	7,915	6,225	8,182	14,872	36,890	4,519	6,194	20,665	57,189	0	0
ACCUM DEPRECIATION	11,126	13,007	20,922	27,147	35,329	50,001	86,891	91,410	87,604	118,269	175,458	175,458	0

SEVEN YEAR PROPERTY	Jan-2005	Feb-2005	Mar-2005	Apr-2005	May-2005	Jun-2005	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005	Dec-2005	2005
OFFICE FURN. & FIX.	15,815	527	6,115	6,431	8,118	10,965	14,972	4,428	3,479	3,374	4,006	0	78,230
N.D.B. (LINES 17-19 @100%)	15,815	527	6,115	6,431	8,118	10,965	14,972	4,428	3,479	3,374	4,006	0	78,230
ACCUMULATED	15,815	16,342	22,457	28,888	37,008	47,971	62,943	67,371	70,690	74,224	76,230	76,230	0
DEPRECIATION	2,280	75	874	919	1,160	1,567	2,139	633	487	482	572	0	0
ACCUM DEPRECIATION	2,280	2,355	3,209	4,128	5,288	6,855	8,994	9,627	10,124	10,608	11,178	11,178	0

FIVE YEAR PROPERTY	Jan-2005	Feb-2005	Mar-2005	Apr-2005	May-2005	Jun-2005	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005	Dec-2005	2005
LIGHT TRUCKS	0	0	0	15,815	31,629	15,815	0	0	0	0	0	0	63,259
CARS	0	21,086	0	0	0	0	0	0	0	0	0	0	21,086
HEAVY TRUCKS	0	0	36,901	36,901	36,901	0	0	0	0	0	0	0	110,703
COMMUNICATION EQUIPMENT	0	316	4,428	4,639	5,799	5,272	2,109	3,163	2,109	527	316	0	28,678
N.D.B. (LINES 17-19 @100%)	0	21,402	41,329	57,355	74,329	21,087	2,109	3,163	2,109	527	316	0	223,726
ACCUMULATED	0	21,402	62,731	120,086	194,415	215,502	217,611	220,774	222,883	223,410	223,726	223,726	0
DEPRECIATION	0	4,280	8,266	11,471	14,866	4,217	422	633	422	105	63	0	0
ACCUM DEPRECIATION	0	4,280	12,546	24,017	38,883	43,100	43,522	44,155	44,577	44,682	44,745	44,745	0

THREE YEAR PROPERTY	Jan-2005	Feb-2005	Mar-2005	Apr-2005	May-2005	Jun-2005	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005	Dec-2005	2005
SOFTWARE	0	0	0	0	0	0	0	0	0	0	0	0	0
N.D.B. (LINES 17-19 @100%)	0	0	0	0	0	0	0	0	0	0	0	0	0
ACCUMULATED	0	0	0	0	0	0	0	0	0	0	0	0	0
DEPRECIATION	0	0	0	0	0	0	0	0	0	0	0	0	0
ACCUM DEPRECIATION	0	0	0	0	0	0	0	0	0	0	0	0	0

REAL PROPERTY	Jan-2005	Feb-2005	Mar-2005	Apr-2005	May-2005	Jun-2005	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005	Dec-2005	2005
BUILDINGS	0	0	0	0	0	0	0	0	0	0	0	0	0
ACCUMULATED	0	0	0	0	0	0	0	0	0	0	0	0	0
DEPRECIATION	0	0	0	0	0	0	0	0	0	0	0	0	0
ACCUM DEPRECIATION	0	0	0	0	0	0	0	0	0	0	0	0	0

TOTAL ACCUM. DEPR.	13,386	19,622	36,677	55,292	79,500	99,956	153,008	158,793	165,906	187,158	244,982	244,982	0
LESS: PROV. YEAR TO DATE	0	1,116	2,798	5,070	8,968	17,785	29,523	50,104	71,842	95,358	125,958	185,470	0
SUBTOTAL	13,386	18,507	33,879	50,222	70,532	82,171	123,486	108,689	94,064	91,800	119,024	59,512	0
REMAINING PERIODS	12	11	10	9	8	7	6	5	4	3	2	1	0
MONTHLY PROV.(LINE 54/LINE 56)	1,116	1,682	3,388	5,580	8,816	11,739	20,581	21,738	23,516	30,600	59,512	59,512	247,780
ON CURRENT ADDITIONS													

DEPRECIATION ON PROPERTY @	Jan-2005	Feb-2005	Mar-2005	Apr-2005	May-2005	Jun-2005	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005	Dec-2005	2005
UPIS Prior to 2004	604,914	604,914	604,914	604,914	604,914	604,914	604,914	604,914	604,914	604,914	604,914	604,914	7,258,968
2005 Additions	1,116	1,682	3,388	5,580	8,816	11,739	20,581	21,738	23,516	30,600	59,512	59,512	247,780
2004 Additions in 2005	54,175	54,175	54,175	54,175	54,175	54,175	54,175	54,175	54,175	54,175	54,175	54,175	650,100
TOTAL DEPRECIATION	660,205	660,771	662,477	664,669	667,905	670,828	679,670	680,827	682,605	689,689	718,601	718,601	8,156,848
ACCUMULATED	660,205	1,320,976	1,983,453	2,648,122	3,316,027	3,986,855	4,666,525	5,347,352	6,029,957	6,719,646	7,438,247	8,156,848	0

Accum Depr on 2005 Additions	1,116	2,798	6,186	11,766	20,582	32,321	52,902	74,640	98,166	128,756	188,268	247,780	0
Numeric Month	1	2	3	4	5	6	7	8	9	10	11	12	0

Total Tax Basis Additions 10,230,374

**KENTUCKY-AMERICAN WATER COMPANY  
TAX BASIS WATER PROPERTY - DEPRECIATION EXPENSE Years 2 & 3  
Case No. 2004-00103**

	2004 UPIS Additions		2005 UPIS Additions		
	2005	2006	2006	2006	2007
	2nd Year	3rd Year	2nd Year	2nd Year	3rd Year
<b>TWENTY YEAR PROPERTY</b>					
WATER PROPERTY					
UPIS Additions	4,094,082	4,094,082	8,772,864	8,772,864	8,772,864
Depreciation Rate	4.000%	4.000%	4.000%	4.000%	4.000%
Tax Dep Expense	163,763	163,763	350,915	350,915	350,915
<b>SEVEN YEAR PROPERTY</b>					
OFFICE FURN. & FIX.					
UPIS Additions	65,769	65,769	78,230	78,230	78,230
Depreciation Rate	24.490%	17.490%	24.490%	24.490%	17.490%
Tax Dep Expense	16,107	11,503	19,159	19,159	13,682
<b>FIVE YEAR PROPERTY</b>					
LIGHT TRUCKS					
CARS					
HEAVY TRUCKS					
COMMUNICATION EQUIPMENT					
UPIS Additions	82,232	82,232	223,726	223,726	223,726
Depreciation Rate	32.000%	19.200%	32.000%	32.000%	19.200%
Tax Dep Expense	26,314	15,789	71,592	71,592	42,955
<b>THREE YEAR PROPERTY</b>					
Software					
UPIS Additions	951,334	951,334	0	0	0
Depreciation Rate	44.450%	14.810%	44.450%	44.450%	14.810%
Tax Dep Expense	422,868	140,893	0	0	0
<b>REAL PROPERTY</b>					
BUILDINGS					
UPIS Additions	820,952	820,952	1,155,554	1,155,554	1,155,554
Depreciation Rate	2.564%	2.564%	2.564%	2.564%	2.564%
Tax Dep Expense	21,049	21,049	29,628	29,628	29,628
Annual Depreciation	650,101	352,997	471,294	471,294	437,180
Monthly Depreciation	54,175	29,416	39,275	39,275	36,432

**COMPANY: KENTUCKY-AMERICAN WATER COMPANY**  
**Tax Depreciation Rates**  
**Half Year Convention**  
**Case No. 2004-00103**

Year 1	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
25 Yr Water Property	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
7 Year Property	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%
5 Year Property	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
3 Year Property	33.33%	33.33%	33.33%	33.33%	33.33%	33.33%	33.33%	33.33%	33.33%	33.33%	33.33%	33.33%
Real Property	2.461%	2.247%	2.033%	1.819%	1.605%	1.391%	1.177%	0.963%	0.749%	0.535%	0.321%	0.107%
Bonus Depreciation	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
<b>Year 2</b>												
25 Yr Water Property	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
7 Year Property	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%
5 Year Property	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%
3 Year Property	44.45%	44.45%	44.45%	44.45%	44.45%	44.45%	44.45%	44.45%	44.45%	44.45%	44.45%	44.45%
Real Property	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%
<b>Year 3</b>												
25 Yr Water Property	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
7 Year Property	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%
5 Year Property	19.20%	19.20%	19.20%	19.20%	19.20%	19.20%	19.20%	19.20%	19.20%	19.20%	19.20%	19.20%
3 Year Property	14.810%	14.81%	14.81%	14.81%	14.81%	14.81%	14.81%	14.81%	14.81%	14.81%	14.81%	14.81%
Real Property	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%

Kentucky-American Water Company UPIS Additions per Construction File Case No. 2004-00103		27,509,043	Jan-2004	Feb-2004	Mar-2004	Apr-2004	May-2004	Jun-2004	Jul-2004	Aug-2004	Sep-2004	Oct-2004	Nov-2004	Dec-2004
301000	ORGANIZATION		0	0	0	0	0	0	0	0	0	0	0	0
302000	FRANCHISE/CONSENTS		0	0	0	0	0	0	0	0	0	0	0	0
303100	OTHER P/E INTANGIBLES		0	0	0	0	0	0	0	0	0	0	0	0
303600	OTHER P/E COMPREHENSIVE STUDIES		0	0	0	0	0	0	0	0	0	0	0	0
310100	WATER RIGHTS		0	0	0	0	0	0	0	0	0	0	0	0
310200	RESERVOIR LAND		0	0	0	0	0	0	0	0	0	0	0	0
310300	OTHER SS LAND		0	0	0	234,422	0	0	0	0	0	0	0	0
311000	SS STRUCTURES & IMPROVEMENTS	(8,160)	0	0	0	0	421,082	0	0	0	0	0	0	0
312000	COLL & IMPOUNDING RESERV		0	0	0	0	0	0	0	0	0	0	0	0
313000	LAKE RIVER & OTHER INTAKES		0	0	0	0	0	0	0	0	0	0	0	0
314000	WELLS & SPRINGS		0	0	0	0	0	0	0	0	0	0	0	0
316000	SUPPLY MAINS		0	0	0	0	0	0	0	0	0	0	0	0
320000	PUMPING LAND & LAND RIGHTS		0	0	0	0	0	0	0	0	0	0	0	0
321000	PUMPING STRUCTURES & IMPROVEMENTS		0	0	0	0	0	0	0	0	0	0	0	0
322000	BOILER PLANT EQUIPMENT		0	0	0	0	0	0	0	0	0	0	0	0
323200	OTHER POWER PROD EQPT		0	0	0	0	0	0	0	0	0	0	0	0
325000	ELECTRIC PUMPING EQUIPMENT		33,650	33,650	0	0	0	0	0	0	0	0	0	0
326000	DIESEL PUMPING EQUIPMENT		0	0	0	0	0	0	0	0	0	0	0	0
328200	GASOLINE PUMPING EQPT		0	0	0	0	0	0	0	0	0	0	0	0
328300	OTHER PUMPING EQUIPMENT		0	0	0	0	0	0	0	0	0	0	0	0
330000	LAND AND LAND RIGHTS		0	0	0	0	0	0	0	0	0	0	0	0
331000	WT STRUCTURES & IMPROVMT		0	0	0	0	0	0	0	0	0	0	0	0
332000	WATER TREATMENT EQUIPMENT	(7,887)	262,609	96,790	21,086	10,543	0	0	0	0	0	0	0	0
334000	WATER TREATMENT - GAC		0	0	0	0	0	0	0	0	0	0	0	0
340000	LAND AND LAND RIGHTS		1,082	1,082	0	0	0	0	0	0	0	0	0	0
340100	T & D LAND & RIGHTS OF WAY		0	0	0	0	0	0	0	0	0	0	0	0
340110	T & D LAND		0	0	0	0	0	0	0	0	0	0	0	0
340120	T & D RIGHTS OF WAY		0	0	0	0	0	0	0	0	0	0	0	0
340200	DIST RES & STANDPIPE LAND		0	0	0	0	0	0	0	0	0	0	0	0
341000	T & D STRUCTURES & IMP		0	0	0	0	0	0	0	0	0	0	0	0
342000	DIST RES & STANDPIPES		37	37	0	0	0	0	1,395,344	0	0	0	0	0
343000	T & D MAINS	303,275	464,446	547,952	234,056	302,585	419,612	531,368	553,508	487,087	568,268	420,667	1,469,315	
345000	SERVICES	(20,412)	(19,500)	101,217	121,245	137,060	152,874	186,612	206,643	178,177	211,915	172,905	138,060	
346000	METERS		0	0	0	0	0	0	0	0	0	0	0	0
346100	METERS - BRONZE CASE		0	0	0	0	0	0	0	0	0	0	0	0
346200	METERS - PLASTIC CASE	284,204	1,125	1,599	31,630	84,345	21,087	54,402	63,259	40,064	53,190	68,530	65,894	
346300	METERS - OTHER		35,000	35,000	1,581	0	0	1,581	0	0	0	0	0	0
347000	METER INSTALLATIONS	(18,314)	25,255	67,479	42,700	42,437	126,781	84,134	95,152	123,618	110,492	84,609	87,244	
348000	HYDRANTS	24,043	104,008	117,188	13,706	26,358	35,847	27,412	28,467	28,467	40,064	35,847	35,847	
389200	STORES SHOP & GARAGE LAND		0	0	0	0	0	0	0	0	0	0	0	0
390100	OFFICE STRUCTURES		26,626	26,626	0	0	0	0	0	0	0	0	0	0
390200	STORES, SHOP & GAR STRUCT		0	0	0	0	0	0	0	0	0	0	0	0
390300	MISC STRUCTURES	189	0	21,086	0	0	0	386,755	0	0	0	0	0	0
391100	OFFICE FURNITURE		0	0	0	0	0	0	0	0	0	0	0	0
391200	MAINFRAME COMP & PERIPH EQPT		0	0	2,214	0	0	0	0	0	0	0	0	0
391210	PERSONAL COMP & PERIPH EQPT	75	6,488	6,488	3,057	5,272	5,272	5,272	5,272	5,272	5,272	5,272	10,543	
391220	OTHER OFFICE MACH & EQPT		0	0	0	0	0	0	0	0	0	0	0	0
391230	OFFICE MACH & EQPT - SOFTWARE		0	0	0	0	0	0	0	0	0	0	0	0
391250	MAINFRAME SOFTWARE		6,153	6,153	0	0	0	0	0	0	0	0	526,239	
391260	PERSONAL COMP SOFTWARE		0	0	0	0	0	0	0	0	0	0	0	0
391280	OTHER SOFTWARE	16,684	0	0	0	396,105	0	0	0	0	0	0	0	0
391300	OTHER OFFICE EQUIPMENT		0	0	0	0	0	0	0	0	0	0	0	0
392110	TRANS EQUIP - LIGHT TRUCKS		0	0	0	15,815	0	0	0	0	0	0	0	0

Kentucky-American Water Company UPIS Additions per Construction File Case No. 2004-00103												
	Jan-1900	Feb-2004	Mar-2004	Apr-2004	May-2004	Jun-2004	Jul-2004	Aug-2004	Sep-2004	Oct-2004	Nov-2004	Dec-2004
392120		3,731	35,360	0	21,086	0	0	0	0	0	0	0
392200		0	0	0	0	0	0	0	0	0	0	0
392300		0	0	31,629	0	0	0	0	0	0	0	0
393000		0	0	0	0	0	0	0	0	0	0	0
394000		0	5,377	0	0	0	5,272	2,109	5,272	1,476	1,667	6,748
395000		0	26,253	5,272	5,272	5,272	0	0	0	3,795	3,585	3,795
396000		0	0	0	0	0	0	0	0	0	0	0
397000		3,120	3,120	0	0	0	0	0	0	0	0	0
397100		0	0	0	0	0	0	0	0	0	0	0
397200		0	0	0	0	0	0	0	0	0	0	0
398000		4,621	24,944	0	0	0	0	3,163	0	0	5,272	5,272
399000		2,802	2,802	0	0	0	0	0	0	0	0	0
354100		0	0	0	0	0	0	0	0	0	0	0
371100		0	0	0	0	0	0	0	0	0	0	0
TOTAL UTILITY PLANT IN SERVICE	573,697	961,253	1,160,203	742,598	1,467,960	766,745	2,678,152	957,573	867,957	996,053	798,374	2,348,957
<b>Kentucky-American Water Company</b>												
<b>Segregation of Tax Basis Property</b>												
Case No. 2004-00103												
	Total Tax Additions 2000		10,342,874									
	Total Land		234,422	10,108,452								
	Jan-1900	Feb-2004	Mar-2004	Apr-2004	May-2004	Jun-2004	Jul-2004	Aug-2004	Sep-2004	Oct-2004	Nov-2004	Dec-2004
	\$540,709	\$1,155,148	\$1,194,192	\$187,136	\$107,406	\$220,965	\$1,664,552	\$367,202	\$106,796	\$934,092	\$357,367	\$1,352,600
	75	6,488	6,488	5,271	5,272	5,272	5,272	5,272	5,272	5,272	5,272	10,543
	16,684	6,153	6,153	0	396,105	0	0	0	0	0	0	526,239
	0	0	0	0	15,815	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
	0	3,731	35,360	0	21,086	0	0	0	0	0	0	0
	0	3,120	3,120	0	0	0	0	0	0	0	0	0
	(7,971)	0	21,086	0	421,082	0	386,755	0	0	0	0	0
	0	0	0	234,422	0	0	0	0	0	0	0	0
	549,497	1,174,640	1,286,399	426,829	966,766	226,237	2,056,579	372,474	112,068	939,364	362,639	1,889,382
	24,200	(213,387)	(106,196)	315,769	501,194	540,508	621,573	585,099	755,889	56,689	435,735	459,575
	Check Total before Temporary Diff											
	Book AFUDC	29,345	32,036	38,156	42,052	42,773	36,155	35,645	41,326	47,815	48,434	43,952
	Tax AFUDC	14,119	13,676	14,851	16,831	18,151	16,825	14,888	16,841	18,951	20,704	16,897
	Net Non-taxable Cust Adv/CIAC	(228,613)	(124,556)	292,464	475,973	515,886	602,243	564,342	731,404	27,825	408,005	432,520
	Total Net Temporary Differences	(213,387)	(106,196)	315,769	501,194	540,508	621,573	585,099	755,889	56,689	435,735	459,575
	Check Total	0	0	0	0	0	0	0	0	0	0	0

Kentucky-American Water Company UPIS Additions per Construction File Case No. 2004-00103		Jan-2005	Feb-2005	Mar-2005	Apr-2005	May-2005	Jun-2005	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005
301000	ORGANIZATION	0	0	0	0	0	0	0	0	0	0	0
302000	FRANCHISE/CONSENTS	0	0	0	0	0	0	0	0	0	0	0
303100	OTHER P/E INTANGIBLES	0	0	0	0	0	0	0	0	0	0	0
303600	OTHER P/E COMPREHENSIVE STUDIES	0	0	0	0	0	0	0	0	0	0	0
310100	WATER RIGHTS	0	0	0	0	0	0	0	0	0	0	0
310200	RESERVOIR LAND	0	0	0	0	0	0	0	0	0	0	0
310300	OTHER SS LAND	0	0	0	0	0	0	0	0	0	0	0
311000	SS STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0
312000	COLL & IMPOUNDING RESERV	0	0	0	0	0	0	0	0	0	0	0
313000	LAKE, RIVER, & OTHER INTAKES	0	0	0	0	0	0	0	0	0	0	0
314000	WELLS & SPRINGS	0	0	0	0	0	0	0	0	0	0	0
316000	SUPPLY MAINS	0	0	0	0	0	0	0	0	0	0	0
320000	PUMPING LAND & LAND RIGHTS	0	0	0	0	0	0	0	0	0	0	0
321000	PUMPING STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0
322000	BOILER PLANT EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0
323200	OTHER POWER PROD EQPT	0	0	0	0	0	0	0	0	0	0	0
325000	ELECTRIC PUMPING EQUIPMENT	0	0	0	0	0	0	10,543	0	10,543	10,543	0
326000	DIESEL PUMPING EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0
328200	GASOLINE PUMPING EQPT	0	0	0	0	0	0	0	0	0	0	0
328300	OTHER PUMPING EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0
330000	LAND AND LAND RIGHTS	0	0	0	0	0	0	0	0	0	0	0
331000	WT STRUCTURES & IMPROVMT	0	0	0	0	0	0	0	0	0	0	0
332000	WATER TREATMENT EQUIPMENT	5,008	9,067	15,076	4,217	10,859	240,709	8,962	5,272	27,834	23,405	11,597
334000	WATER TREATMENT - GAC	0	0	0	0	0	0	0	0	0	0	0
340000	LAND AND LAND RIGHTS	0	0	0	0	0	0	0	0	0	0	0
340100	T & D LAND & RIGHTS OF WAY	0	0	0	0	0	0	0	0	0	0	0
340110	T & D LAND	0	0	0	0	0	0	0	0	0	0	0
340120	T & D RIGHTS OF WAY	0	0	0	0	0	0	0	0	0	0	0
340200	DIST RES & STANDPIPE LAND	0	0	0	0	0	0	0	0	0	0	0
341000	T & D STRUCTURES & IMP	0	0	0	0	0	0	0	0	0	0	0
342000	DIST RES & STANDPIPES	0	0	0	0	0	0	1,269,982	0	0	0	2,325,240
343000	T & D MAINS	492,359	256,564	359,154	424,752	405,268	374,478	395,153	332,306	398,742	397,699	627,002
345000	SERVICES	122,351	46,705	75,382	144,334	93,306	140,433	137,375	189,668	182,499	320,613	219,400
346000	METERS	0	0	0	0	0	0	0	0	0	0	0
346100	METERS - BRONZE CASE	0	0	0	0	0	0	0	0	0	0	0
346200	METERS - PLASTIC CASE	73,801	25,409	66,211	56,933	139,906	47,444	64,787	31,630	34,792	43,701	42,172
346300	METERS - OTHER	1,581	0	0	1,581	0	0	1,581	0	0	1,581	0
347000	METER INSTALLATIONS	63,628	22,140	31,839	84,239	113,548	126,621	103,427	79,810	78,967	117,238	94,043
348000	HYDRANTS	39,010	14,655	23,300	29,942	28,045	38,376	32,156	30,469	33,211	36,374	29,626
389200	STORES SHOP & GARAGE LAND	0	0	0	0	0	0	0	0	0	0	0
390100	OFFICE STRUCTURES	0	0	0	0	0	2,636	8,645	0	949	1,476	3,163
390200	STORES SHOP & GAR STRUCT	0	0	0	0	0	0	0	0	0	0	0
390300	MISC STRUCTURES	0	0	0	0	0	0	1,155,554	0	0	0	0
391100	OFFICE FURNITURE	0	0	0	0	0	0	0	0	0	0	0
391200	MAINFRAME COMP & PERIPH EQPT	0	0	0	0	0	5,272	5,272	0	0	0	0
391210	PERSONAL COMP & PERIPH EQPT	15,815	527	6,115	6,431	8,118	5,693	9,700	4,428	3,479	3,374	4,006
391220	OTHER OFFICE MACH & EQPT	0	0	0	0	0	0	0	0	0	0	0
391230	OFFICE MACH & EQPT - SOFTWARE	0	0	0	0	0	0	0	0	0	0	0
391250	MAINFRAME SOFTWARE	0	0	0	0	0	0	0	0	0	0	0
391260	PERSONAL COMP SOFTWARE	0	0	0	0	0	0	0	0	0	0	0
391280	OTHER SOFTWARE	0	0	0	0	0	0	0	0	0	0	0
391300	OTHER OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0
392110	TRANS EQUIP - LIGHT TRUCKS	0	0	0	15,815	31,629	15,815	0	0	0	0	0

Kentucky-American Water Company UPIS Additions per Construction File Case No. 2004-00103												
	Jan-2005	Feb-2005	Mar-2005	Apr-2005	May-2005	Jun-2005	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005	
392120	0	0	36,901	36,901	36,901	0	0	0	0	0	0	0
392200	0	21,086	0	0	0	0	0	0	0	0	0	0
392300	0	0	0	0	0	0	0	0	0	0	0	0
393000	0	0	0	0	0	0	0	0	0	0	0	0
394000	5,272	5,272	5,272	7,591	5,272	10,543	10,544	10,544	6,326	5,272	8,224	
395000	11,492	12,653	15,815	20,032	24,143	38,798	10,860	10,438	10,860	14,445	21,509	
396000	0	0	0	0	0	0	0	0	0	0	0	0
397000	0	316	4,428	4,639	5,799	5,272	2,109	3,163	2,109	527	316	
397100	0	0	0	0	0	0	0	0	0	0	0	0
397200	0	0	0	0	0	0	0	0	0	0	0	0
398000	0	0	0	0	0	0	0	0	0	6,326	3,163	
399000	0	0	0	0	0	0	0	0	0	0	0	0
354100	0	0	0	0	0	0	0	0	0	0	0	0
371100	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL UTILITY PLANT IN SERVICE	830,317	414,394	639,493	837,407	902,794	1,052,090	3,226,649	697,728	790,311	982,574	3,389,461	
Kentucky-American Water Company Segregation of Tax Basis Property Case No. 2004-00103												
	Total Additions 2001		10,230,374									
	Total Land		0	10,230,374								
	Jan-2005	Feb-2005	Mar-2005	Apr-2005	May-2005	Jun-2005	Jul-2005	Aug-2005	Sep-2005	Oct-2005	Nov-2005	
WATER PROPERTY	\$556,281	\$94,046	\$395,768	\$311,248	\$409,075	\$733,613	\$1,844,480	\$225,960	\$309,704	\$1,033,242	\$2,859,447	
OFFICE FURN. & FIX. SOFTWARE	15,815	527	6,115	6,431	8,118	10,965	14,972	4,428	3,479	3,374	4,006	
LIGHT TRUCKS	0	0	0	0	0	0	0	0	0	0	0	0
CARS	0	21,086	0	0	31,629	15,815	0	0	0	0	0	0
HEAVY TRUCKS	0	0	36,901	36,901	36,901	0	0	0	0	0	0	0
COMMUNICATION EQUIPMENT	0	316	4,428	4,639	5,799	5,272	2,109	3,163	2,109	527	316	
BUILDINGS	0	0	0	0	0	0	1,155,554	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0	0
Total Tax Basis Property	572,096	115,975	443,212	375,034	491,522	765,665	3,017,115	233,551	315,292	1,037,143	2,863,769	
Check Total before Temporary Diff	258,221	298,419	196,281	462,373	411,272	286,425	209,534	464,177	475,019	(54,569)	525,692	
Book AFUDC	44,812	48,845	53,623	58,279	61,721	59,652	48,316	44,670	50,691	55,454	218,782	
Tax AFUDC	15,297	15,695	17,404	19,020	20,191	20,266	15,129	10,601	12,969	15,000	15,738	
Net Non-taxable Cust Adv/CIAC	228,706	265,269	160,062	423,114	369,742	247,039	176,347	430,108	437,297	(95,023)	322,648	
Total Net Temporary Differences	258,221	298,419	196,281	462,373	411,272	286,425	209,534	464,177	475,019	(54,569)	525,692	
Check Total	0	0	0	0	0	0	0	0	0	0	0	0





Kentucky-American Water Company												
Book Basis Property												
Case No. 2004-00103												
Book Basis:												
Account	Utility Plant in Service 101000	Accumulated Reserve 108xxx	Regulatory Assets			Customer			Regulatory Liabilities			Total
			Equity Grossup 185030/035/055	Through Plant Flow 185040	Other 185045	Advances 252xxx	CIAC 271xxx/272000	ITC 255xxx	Deferred Taxes 256212/256220	Gross-up ITC 256310/311/312		
Balance 1/04	270,270,447	(59,893,223)	2,298,934	5,518,264	(571,216)	(12,888,937)	(31,365,144)	(1,548,358)	(1,588,350)	(880,597)	256,351,821	
Net Change Feb-04	893,853	(544,445)	3,748	(5,240)	399	(111,481)	108,862	1,402	1,872	802	572,734	
Net Change Mar-04	271,164,300	(60,437,668)	2,302,682	5,513,024	(570,817)	(12,777,456)	(31,256,282)	(1,546,956)	(1,586,478)	(879,795)	169,924,555	
Net Change Apr-04	1,089,728	(583,878)	4,318	(36,554)	2,780	(59,506)	6,771	9,781	13,062	5,593	571,107	
Net Change May-04	272,254,028	(61,021,547)	2,307,000	5,476,470	(568,037)	(12,717,950)	(31,249,511)	(1,537,175)	(1,573,416)	(874,202)	170,495,661	
Net Change Jun-04	597,273	(509,028)	5,875	(6,350)	483	(148,868)	(192,769)	1,699	2,270	972	(248,443)	
Net Change Jul-04	272,851,301	(61,530,575)	2,312,875	5,470,120	(567,554)	(12,866,818)	(31,442,280)	(1,535,476)	(1,571,146)	(873,230)	170,247,218	
Net Change Aug-04	1,406,110	(592,503)	6,843	(11,188)	851	(240,758)	(312,675)	2,994	3,998	1,712	265,384	
Net Change Sep-04	274,257,411	(62,123,079)	2,319,718	5,458,932	(566,703)	(13,107,576)	(31,754,955)	(1,532,482)	(1,567,148)	(871,518)	170,512,601	
Net Change Oct-04	716,295	(603,903)	7,613	(49,056)	3,731	(260,851)	(310,294)	13,127	17,530	7,504	(458,304)	
Net Change Nov-04	274,973,706	(62,726,982)	2,327,331	5,409,876	(562,972)	(13,368,427)	(32,065,249)	(1,519,355)	(1,549,618)	(864,014)	170,054,297	
Net Change Dec-04	2,637,202	(613,403)	5,853	(26,109)	1,986	(304,192)	(380,846)	6,986	9,330	3,995	1,340,802	
Net Change Jan-05	277,610,908	(63,340,385)	2,333,184	5,383,767	(560,986)	(13,672,619)	(32,446,095)	(1,512,369)	(1,540,288)	(860,019)	171,395,099	
Net Change Feb-05	917,298	(577,049)	4,927	(24,093)	1,832	(285,269)	(344,630)	6,447	8,610	3,686	(288,241)	
Net Change Mar-05	278,528,206	(63,917,434)	2,338,111	5,359,674	(559,154)	(13,957,888)	(32,790,725)	(1,505,922)	(1,531,678)	(856,333)	171,106,858	
Net Change Apr-05	827,757	(577,124)	6,270	(49,771)	3,785	(368,935)	(414,069)	13,318	17,786	7,615	(533,368)	
Net Change May-05	279,355,963	(64,494,557)	2,344,381	5,309,903	(555,369)	(14,326,823)	(33,204,794)	(1,492,604)	(1,513,892)	(848,718)	170,573,491	
Net Change Jun-05	951,403	(578,189)	8,051	(29,771)	2,264	(17,282)	(82,924)	7,966	10,639	4,554	276,711	
Net Change Jul-05	280,307,366	(65,072,746)	2,352,432	5,280,132	(553,105)	(14,344,105)	(33,287,718)	(1,484,638)	(1,503,253)	(844,164)	170,850,202	
Net Change Aug-05	753,099	(577,462)	9,715	(24,235)	1,843	(207,372)	(226,432)	6,485	8,660	3,708	(251,991)	
Net Change Sep-05	281,060,465	(65,650,208)	2,362,147	5,255,997	(551,262)	(14,551,477)	(33,514,150)	(1,478,153)	(1,494,593)	(840,456)	170,598,211	
Net Change Oct-05	2,296,987	(638,702)	9,091	(61,141)	4,948	(219,656)	(237,284)	16,360	21,849	9,352	1,201,504	
Net Change Nov-05	283,357,452	(66,288,910)	2,371,238	5,194,756	(546,614)	(14,771,133)	(33,751,434)	(1,461,793)	(1,472,744)	(831,104)	171,799,715	
Net Change Dec-05	797,322	(620,558)	9,272	7,166	(502)	(143,835)	(76,142)	(1,768)	(2,361)	(1,011)	(32,417)	
Net Change Jan-06	284,154,774	(66,909,468)	2,380,510	5,201,922	(547,116)	(14,914,968)	(33,827,576)	(1,463,561)	(1,475,105)	(832,115)	171,767,298	
Net Change Feb-06	373,144	(613,030)	10,183	(5,683)	399	(135,759)	(146,796)	1,402	1,872	802	(513,466)	
Net Change Mar-06	284,527,918	(67,522,498)	2,390,693	5,196,239	(546,717)	(15,050,727)	(33,974,372)	(1,462,159)	(1,473,233)	(831,313)	171,253,832	
Net Change Apr-06	576,038	(592,030)	11,423	(39,646)	2,780	(82,993)	(152,728)	9,781	13,062	5,593	(248,720)	
Net Change May-06	285,103,956	(68,114,528)	2,402,116	5,156,593	(543,937)	(15,133,720)	(34,127,100)	(1,452,378)	(1,460,171)	(825,720)	171,005,112	
Net Change Jun-06	766,862	(576,902)	12,789	(6,887)	483	(214,193)	(273,487)	1,999	2,270	972	(296,394)	
Net Change Jul-06	285,860,818	(68,691,430)	2,414,905	5,149,706	(543,454)	(15,347,913)	(34,400,587)	(1,450,679)	(1,457,901)	(824,748)	170,708,718	
Net Change Aug-06	846,354	(604,636)	14,109	(851)	851	(187,643)	(283,622)	2,994	3,998	1,712	(218,017)	
Net Change Sep-06	286,707,172	(69,296,066)	2,429,014	5,137,572	(542,603)	(15,535,556)	(34,684,209)	(1,447,033)	(1,453,903)	(823,036)	170,490,701	
Net Change Oct-06	1,002,220	(614,196)	15,312	(53,205)	3,731	(126,427)	(193,438)	13,127	17,530	7,504	72,158	
Net Change Nov-06	287,709,392	(69,910,262)	2,444,326	5,084,367	(538,872)	(15,661,983)	(34,877,647)	(1,434,558)	(1,436,373)	(815,532)	170,562,859	
Net Change Dec-06	3,192,659	(650,930)	12,643	(28,318)	1,986	(91,244)	(191,919)	6,986	9,330	3,995	2,265,188	
Net Change Jan-07	290,902,051	(70,561,192)	2,456,969	5,056,049	(536,886)	(15,753,227)	(35,069,566)	(1,427,572)	(1,427,043)	(811,537)	172,828,047	
Net Change Feb-07	658,493	(627,789)	10,285	(62,131)	1,832	(218,152)	(297,203)	6,447	8,610	3,686	(479,922)	
Net Change Mar-07	291,560,544	(71,188,981)	2,467,918	5,029,918	(535,054)	(15,971,379)	(35,366,769)	(1,421,125)	(1,418,433)	(807,851)	172,348,125	
Net Change Apr-07	737,071	(615,207)	11,849	(53,981)	3,785	(221,892)	(285,229)	13,318	17,786	7,615	(384,875)	
Net Change May-07	292,297,615	(71,804,188)	2,479,103	4,975,937	(531,269)	(16,193,261)	(35,651,998)	(1,407,807)	(1,400,647)	(800,236)	171,963,250	
Net Change Jun-07	937,064	(627,819)	13,427	(32,230)	2,294	44,143	(44,171)	7,966	10,639	4,554	315,777	



Kentucky-American Water Company												
Tax Basis Property												
Case No. 2004-00103												
Tax Basis:												
	Utility Plant in Service	Accumulated Reserve	Regulatory Assets				Customer Advances	CIAC	ITC	Regulatory Liabilities		
			Equity Grossup	Plant Flow Through	Other	Deferred Taxes				Excess	Gross-up ITC	Total
Account	101000	108xxx	185030/035/055	185040	185045	252xxx	271xxx/272000	255xxx	256212/256220	256310/311/312		
Balance 1/04	223,883,468	126,894,064	0	0	0	0	0	0	0	0	0	350,777,532
Net Change	1,107,240	(633,154)										474,086
Feb-04	224,990,708	126,260,910	0	0	0	0	0	0	0	0	0	351,251,618
Net Change	1,195,924	(692,093)										503,831
Mar-04	226,186,632	125,568,817	0	0	0	0	0	0	0	0	0	351,755,449
Net Change	281,504	(627,931)										(346,427)
Apr-04	226,468,136	124,940,885	0	0	0	0	0	0	0	0	0	351,409,021
Net Change	904,916	(736,618)										168,298
May-04	227,373,052	124,204,268	0	0	0	0	0	0	0	0	0	351,577,320
Net Change	175,787	(764,224)										(588,437)
Jun-04	227,548,839	123,440,044	0	0	0	0	0	0	0	0	0	350,988,883
Net Change	2,015,629	(916,095)										1,099,534
Jul-04	229,564,468	122,523,948	0	0	0	0	0	0	0	0	0	352,088,416
Net Change	332,199	(954,375)										(622,176)
Aug-04	229,896,667	121,569,573	0	0	0	0	0	0	0	0	0	351,466,240
Net Change	71,868	(968,255)										(896,387)
Sep-04	229,968,535	120,601,318	0	0	0	0	0	0	0	0	0	350,569,853
Net Change	894,714	(1,122,852)										(228,138)
Oct-04	230,863,249	119,478,466	0	0	0	0	0	0	0	0	0	350,341,715
Net Change	317,364	(1,213,732)										(896,368)
Nov-04	231,180,613	118,264,733	0	0	0	0	0	0	0	0	0	349,445,346
Net Change	1,837,412	(2,073,765)										(236,353)
Dec-04	233,018,025	116,190,968	0	0	0	0	0	0	0	0	0	349,208,993
Net Change	539,101	(627,210)										(88,109)
Jan-05	233,557,126	115,563,759	0	0	0	0	0	0	0	0	0	349,120,885
Net Change	74,725	(619,521)										(544,796)
Feb-05	233,631,851	114,944,237	0	0	0	0	0	0	0	0	0	348,576,088
Net Change	379,757	(599,022)										(219,265)
Mar-05	234,011,608	114,345,215	0	0	0	0	0	0	0	0	0	348,356,823
Net Change	294,489	(584,124)										(289,635)
Apr-05	234,306,097	113,761,091	0	0	0	0	0	0	0	0	0	348,067,188
Net Change	435,082	(611,465)										(176,383)
May-05	234,741,179	113,149,626	0	0	0	0	0	0	0	0	0	347,890,805
Net Change	715,795	(620,958)										94,837
Jun-05	235,456,974	112,528,668	0	0	0	0	0	0	0	0	0	347,985,642
Net Change	2,983,125	(645,680)										2,337,445
Jul-05	238,440,099	111,882,988	0	0	0	0	0	0	0	0	0	350,323,087
Net Change	194,316	(641,592)										(447,276)
Aug-05	238,634,415	111,241,396	0	0	0	0	0	0	0	0	0	349,875,811

Kentucky-American Water Company											
Tax Basis Property											
Case No. 2004-00103											
Tax Basis:											
Utility Plant in Service			Accumulated Reserve			Equity Grossup			Regulatory Assets		
Account	101000	108xxx	185030/035/055	185040	185045	252xxx	271xxx/272000	255xxx	256212/256220	256310/311/312	Total
Net Change	262,052	(629,365)	0	0	0	0	0	0	0	0	(367,313)
Sep-05	238,896,467	110,612,031	0	0	0	0	0	0	0	0	349,508,498
Net Change	991,633	(644,179)	0	0	0	0	0	0	0	0	347,454
Oct-05	239,888,100	109,967,852	0	0	0	0	0	0	0	0	349,855,952
Net Change	2,809,694	(664,526)	0	0	0	0	0	0	0	0	2,145,168
Nov-05	242,697,794	109,303,326	0	0	0	0	0	0	0	0	352,001,120
Net Change	0	0	0	0	0	0	0	0	0	0	0
Dec-05	242,697,794	109,303,326	0	0	0	0	0	0	0	0	352,001,120
<b>Kentucky-American Water Company</b>											
<b>Inverted Data for Calculation of Tax Basis Property</b>											
Month	Tx Basis	Retirements	Tx Basis	Tx Depr.	Retirements	Net Reserve	Net	Net	Net	Net	Net
Feb-04	1,174,640	67,400	1,107,240	(700,554)	67,400	(633,154)					
Mar-04	1,266,399	70,475	1,195,924	(762,568)	70,475	(692,093)					
Apr-04	426,829	145,325	281,504	(773,256)	145,325	(627,931)					
May-04	966,766	61,850	904,916	(798,468)	61,850	(736,618)					
Jun-04	226,237	50,450	175,787	(814,674)	50,450	(764,224)					
Jul-04	2,056,579	40,950	2,015,629	(957,045)	40,950	(916,095)					
Aug-04	372,474	40,275	332,199	(994,650)	40,275	(954,375)					
Sep-04	112,068	40,200	71,868	(1,008,455)	40,200	(968,255)					
Oct-04	939,364	44,650	894,714	(1,167,502)	44,650	(1,122,852)					
Nov-04	362,639	45,275	317,364	(1,259,007)	45,275	(1,213,732)					
Dec-04	1,889,382	51,970	1,837,412	(2,125,735)	51,970	(2,073,765)					
Jan-05	572,096	32,995	539,101	(660,205)	32,995	(627,210)					
Feb-05	115,975	41,250	74,725	(660,771)	41,250	(619,521)					
Mar-05	443,212	63,455	379,757	(662,477)	63,455	(599,022)					
Apr-05	375,034	80,545	294,489	(664,669)	80,545	(584,124)					
May-05	491,522	56,440	435,082	(667,905)	56,440	(611,465)					
Jun-05	765,665	49,870	715,795	(670,828)	49,870	(620,958)					
Jul-05	3,017,115	33,990	2,983,125	(679,670)	33,990	(645,680)					
Aug-05	233,551	39,235	194,316	(680,827)	39,235	(641,592)					
Sep-05	315,292	53,240	262,052	(682,605)	53,240	(629,365)					
Oct-05	1,037,143	45,510	991,633	(689,689)	45,510	(644,179)					
Nov-05	2,863,769	54,075	2,809,694	(718,601)	54,075	(664,526)					
	20,023,751	1,209,425	18,814,326	(18,800,163)	1,209,425	(17,590,738)					

<b>Kentucky-American Water Company</b>			
<b>Equity Gross-up Detail</b>			
<b>Case No. 2004-00103</b>			
<u>Month</u>	<u>Grossup</u>	<u>Amort</u>	<u>Net</u>
Feb-04	5,892	(2,144)	3,748
Mar-04	6,462	(2,144)	4,318
Apr-04	8,019	(2,144)	5,875
May-04	8,987	(2,144)	6,843
Jun-04	9,757	(2,144)	7,613
Jul-04	7,997	(2,144)	5,853
Aug-04	7,071	(2,144)	4,927
Sep-04	8,414	(2,144)	6,270
Oct-04	10,195	(2,144)	8,051
Nov-04	11,859	(2,144)	9,715
Dec-04	11,235	(2,144)	9,091
Jan-05	11,416	(2,144)	9,272
Feb-05	12,327	(2,144)	10,183
Mar-05	13,567	(2,144)	11,423
Apr-05	14,933	(2,144)	12,789
May-05	16,253	(2,144)	14,109
Jun-05	17,456	(2,144)	15,312
Jul-05	14,787	(2,144)	12,643
Aug-05	12,429	(2,144)	10,285
Sep-05	13,993	(2,144)	11,849
Oct-05	15,571	(2,144)	13,427
Nov-05	9,635	(2,144)	7,491

Kentucky-American Water Company											
Amortization of Regulatory Assets and Liabilities											
Case No. 2004-00103											
Month	Amortization of Regulatory Assets and Liabilities					Excess		ITC		Additional Equity	
	Equity Gross-up	Plant Flow Through	Other	Def Taxes	ITC Gross-up	Additional Equity Gross-up	Total	Balance			
Feb-04	(2,144)	(5,240)	399	1,872	802	5,892	1,581	4,777,035			
Mar-04	(2,144)	(36,554)	2,780	13,062	5,593	6,462	(10,801)	4,778,616			
Apr-04	(2,144)	(6,350)	483	2,270	972	8,019	3,250	4,767,815			
May-04	(2,144)	(11,188)	851	3,998	1,712	8,987	2,216	4,771,065			
Jun-04	(2,144)	(49,056)	3,731	17,530	7,504	9,757	(12,678)	4,760,603			
Jul-04	(2,144)	(26,109)	1,986	9,330	3,995	7,997	(4,945)	4,755,658			
Aug-04	(2,144)	(24,093)	1,832	8,610	3,686	7,071	(5,038)	4,750,620			
Sep-04	(2,144)	(49,771)	3,785	17,786	7,615	8,414	(14,315)	4,736,305			
Oct-04	(2,144)	(29,771)	2,264	10,639	4,554	10,195	(4,263)	4,732,042			
Nov-04	(2,144)	(24,235)	1,843	8,660	3,708	11,859	(309)	4,731,733			
Dec-04	(2,144)	(61,141)	4,648	21,849	9,352	11,235	(16,201)	4,715,532			
Jan-05	(2,144)	7,166	(502)	(2,361)	(1,011)	11,416	12,564	4,728,096			
Feb-05	(2,144)	(5,683)	399	1,872	802	12,327	7,573	4,735,669			
Mar-05	(2,144)	(39,646)	2,780	13,062	5,593	13,567	(6,788)	4,728,881			
Apr-05	(2,144)	(6,887)	483	2,270	972	14,933	9,627	4,738,508			
May-05	(2,144)	(12,134)	851	3,998	1,712	16,253	8,536	4,747,044			
Jun-05	(2,144)	(53,205)	3,731	17,530	7,504	17,456	(9,128)	4,737,916			
Jul-05	(2,144)	(28,318)	1,986	9,330	3,995	14,787	(364)	4,737,552			
Aug-05	(2,144)	(26,131)	1,832	8,610	3,686	12,429	(1,718)	4,735,834			
Sep-05	(2,144)	(53,981)	3,785	17,786	7,615	13,993	(12,946)	4,722,888			
Oct-05	(2,144)	(32,290)	2,264	10,639	4,554	15,571	(1,406)	4,721,482			
Nov-05	(2,144)	(26,285)	1,843	8,660	3,708	9,635	(4,583)	4,716,899			

Kentucky-American Water Company			
Deferred Taxes and Regularoty Assets/Liabilities			
Related to UPIS			
Rate Base Reduction at 7/2004			
	<u>SIT</u>	<u>FIT</u>	<u>Total</u>
<b>Deferred Taxes</b>			
Net Plant	7,124,177	37,926,906	45,051,084
Def Taxes on Regulatory Assets			
AFUDC Equity	192,488	749,244	941,731
Plant Flow Through	444,161	1,728,862	2,173,023
Other FAS 109	(46,281)	(180,147)	(226,428)
Customer Advances	(676,232)	(3,926,103)	(4,602,335)
CIAC	(1,966,769)	(9,846,253)	(11,813,021)
Investment Tax Credits	(124,770)	(485,659)	(610,430)
Deferred Taxes on Regulatory Liabilities			
Excess Deferred Taxes	(127,074)	(494,625)	(621,699)
Gross-up ITC	(70,952)	(276,174)	(347,125)
Total Deferred Income Taxes	4,748,748	25,196,052	29,944,800
<b>Regulatory Assets/Liabilities</b>			
Reg Asset - Equity Grossup		2,333,184	
Reg Asset - Plt Flow Thru		5,383,767	
Reg Asset - Other		(560,986)	
Reg Liab - Excess Def Tax		(1,540,288)	
Reg Liab - ITC Grossup		(860,019)	
Total Reg Assets/Liab		4,755,658	
		25,189,142	



<b>Kentucky-American Water Company</b>			
<b>Deferred Taxes Related to Reg Assets and Liabilities</b>			
<b>Case No. 2004-00103</b>			
		Deferred	Deferred
<u>Month</u>		<u>SIT</u>	<u>FIT</u>
Feb-04		\$671	\$1,496
Mar-04		4,682	10,437
Apr-04		813	1,812
May-04		1,433	3,194
Jun-04		6,284	14,007
Jul-04		3,344	7,454
Aug-04		3,087	6,878
Sep-04		6,376	14,209
Oct-04		3,813	8,501
Nov-04		3,105	6,919
Dec-04		7,832	(1,887)
Jan-05		(960)	(2,332)
Feb-05		762	1,848
Mar-05		5,314	12,897
Apr-05		923	2,239
May-05		1,626	3,947
Jun-05		7,132	17,308
Jul-05		3,795	9,212
Aug-05		3,504	8,499
Sep-05		7,237	17,558
Oct-05		4,328	10,505
Nov-05		3,524	8,550
<b>Forecasted Amount</b>		<b>\$45,017</b>	<b>\$88,344</b>