

KENTUCKY AMERICAN WATER
2003 LEAD/LAG STUDY

SERVICE COMPANY CHARGES								
Date	Amount	Description	Date Paid	Service Period		Avg Service Period	Lag (Lead)	Dollar Days
				From	To			
12/31/2002	261,549.50	Current Month's actual and est for next month		12/31/2002	1/24/2003	12.00	(2.00)	(523,099.00)
	(269,054.50)	Last Mo's est of this month's billing						
	(7,505.00)	Net Amt Payable (Receivable)		11/30/2002	12/31/2002	15.50	25.50	(191,377.50)
AWWCC 1/10/03	254,044.50	Paid in following month	1/10/2003					
1/24/2003	262,766.78	Current Month's actual and est for next month		1/24/2003	2/21/2003	14.00	(7.00)	(1,839,367.46)
	(261,549.50)	Last Mo's est of this month's billing						
	1,217.28	Net Amt Payable (Receivable)		12/31/2002	1/24/2003	12.00	19.00	23,128.32
AWWCC 12/31/03	263,984.06	Paid in following month	1/31/2003					
3/28/2003	204,176.52	Current Month's actual and est for next month		2/21/2003	3/28/2003	17.50	(10.50)	(2,143,853.46)
	(262,766.78)	Last Mo's est of this month's billing						
	(58,590.26)	Net Amt Payable (Receivable)		1/24/2003	2/21/2003	14.00	21.00	(1,230,395.46)
AWWCC 2/28/2003	145,586.26	Paid in following month	2/28/2003					
4/25/2003	295,782.13	Current Month's actual and est for next month		3/28/2003	4/25/2003	14.00	(3.00)	(887,346.39)
	(204,176.52)	Last Mo's est of this month's billing						
	91,605.61	Net Amt Payable (Receivable)		2/21/2003	3/28/2003	17.50	28.50	2,610,759.89
AWWCC 4/8/2003	387,387.74	Paid in following month	4/8/2003					
5/23/2003	299,784.67	Current Month's actual and est for next month		4/25/2003	5/23/2003	14.00	-	-
	(295,782.13)	Last Mo's est of this month's billing						
	4,002.54	Net Amt Payable (Receivable)		3/28/2003	4/25/2003	14.00	28.00	112,071.12
AWWCC 5/9/2003	303,787.21	Paid in following month	5/9/2003					
6/27/2003	249,460.51	Current Month's actual and est for next month		5/23/2003	6/27/2003	17.50	(3.50)	(873,111.79)
	(299,784.67)	Last Mo's est of this month's billing						
	(50,324.16)	Net Amt Payable (Receivable)		4/25/2003	5/23/2003	14.00	28.00	(1,409,076.48)
AWWCC 6/6/2003	199,136.35	Paid in following month	6/6/2003					
7/25/2003	299,644.85	Current Month's actual and est for next month		6/27/2003	7/25/2003	14.00	4.00	1,198,579.40
	(249,460.51)	Last Mo's est of this month's billing						
	50,184.34	Net Amt Payable (Receivable)		5/23/2003	6/27/2003	17.50	35.50	1,781,544.07
AWWCC 7/15/2003	349,829.19	Paid in following month	7/15/2003					
8/22/2003	251,351.46	Current Month's actual and est for next month		7/25/2003	8/22/2003	14.00	3.00	754,054.38
	(299,644.85)	Last Mo's est of this month's billing						
	(48,293.39)	Net Amt Payable (Receivable)		6/27/2003	7/25/2003	14.00	31.00	(1,497,095.09)
AWWCC 8/11/2003	203,058.07	Paid in following month	8/11/2003					
9/26/2003	275,704.44	Current Month's actual and est for next month		8/22/2003	9/26/2003	17.50	6.50	1,792,078.86
	(251,351.46)	Last Mo's est of this month's billing						
	24,352.98	Net Amt Payable (Receivable)		7/25/2003	8/22/2003	14.00	38.00	925,413.24
AWWCC 9/15/202	300,057.42	Paid in following month	9/15/2003					
10/24/2003	211,992.67	Current Month's actual and est for next month		9/26/2003	10/24/2003	14.00	(4.00)	(847,970.68)
	(275,704.44)	Last Mo's est of this month's billing						
	(63,711.77)	Net Amt Payable (Receivable)		8/22/2003	9/26/2003	17.50	27.50	(1,752,073.68)
AWWCC 10/6/2003	148,280.90	Paid in following month	10/6/2003					
11/21/2003	238,617.70	Current Month's actual and est for next month		10/24/2003	11/21/2003	14.00	5.00	1,193,088.50
	(211,992.67)	Last Mo's est of this month's billing						
	26,625.03	Net Amt Payable (Receivable)		9/26/2003	10/24/2003	14.00	33.00	878,625.99
AWWCC 11/12/2003	265,242.73	Paid in following month	11/12/2003					
12/12/2003	316,972.31	Current Month's actual and est for next month		11/21/2003	12/12/2003	10.50	1.50	475,458.47
	(238,617.70)	Last Mo's est of this month's billing						
	78,354.61	Net Amt Payable (Receivable)		10/24/2003	11/21/2003	14.00	26.00	2,037,219.86
AWWCC 12/3/2003	395,326.92	Paid in following month	12/3/2003					

3,215,721.35

1,301,731.61

Average Lag for Service Company Charges

0.40

KENTUCKY AMERICAN WATER COMPANY
2003 LEAD/LAG STUDY

Group Ins Oper AG

Obj Acct	Document Number	Check Date	Amount	Service Period		Avg Service Period	Lag (Lead)	Dollar Days
				From	To			
504100	40360597	1/22/2003	95,252.24	12/31/2002	1/31/2003	15.50	6.50	619,139.56
504100	40370748	2/6/2003	95,641.07	1/31/2003	2/28/2003	14.00	(8.00)	(765,128.56)
504100	40393850	3/6/2003	95,973.23	2/28/2003	3/31/2003	15.50	(9.50)	(911,745.69)
504100	40418688	4/7/2003	97,095.66	3/31/2003	4/30/2003	15.00	(8.00)	(776,765.28)
504100	40447229	5/9/2003	97,005.12	4/30/2003	5/31/2003	15.50	(6.50)	(630,533.28)
504100	40469867	6/6/2003	97,286.97	5/31/2003	6/30/2003	15.00	(9.00)	(875,582.73)
504100	40496736	7/9/2003	96,219.70	6/30/2003	7/31/2003	15.50	(6.50)	(625,428.05)
504100	40519752	8/6/2003	96,209.65	7/31/2003	8/31/2003	15.50	(9.50)	(913,991.68)
504100	40545645	9/8/2003	96,247.16	8/31/2003	9/30/2003	15.00	(7.00)	(673,730.12)
504100	40572659	10/8/2003	96,397.34	9/30/2003	10/31/2003	15.50	(7.50)	(722,980.05)
504100	40597320	11/6/2003	97,735.57	10/31/2003	11/30/2003	15.00	(9.00)	(879,620.13)
504100	40624519	12/8/2003	96,871.33	11/30/2003	12/31/2003	15.50	(7.50)	(726,534.98)
								<u>(7,882,901)</u>

1,157,935.04

Average Lag Group Insurance

(6.81)

KENTUCKY AMERICAN WATER
 2003 LEAD/LAG STUDY

FAS 106 - OPEB's

Payment Date	Amount	Service Period		Avg Service Period	Lag (Lead)	Dollar Days
		From	To			
3/31/03	198,550.00	12/31/2002	3/31/2003	45	45	8,934,750
5/30/03	198,550.00	3/31/2003	6/30/2003	45.5	14.5	2,878,975
8/18/03	198,550.00	6/30/2003	9/30/2003	46	3	595,650
12/15/03	198,550.00	9/30/2003	12/31/2003	46	30	5,956,500
						-
Totals	<u>794,200.00</u>					<u>18,365,875</u>
						<u>23.13</u>

Average Lag for OPEB's

KENTUCKY AMERICAN WATER
 2003 LEAD/LAG STUDY

PENSIONS

Payment Date	Amount	Service Period		Avg Service Period	Lag (Lead)	Dollar Days
		From	To			
3/24/03	\$ 98,427.00	12/31/2002	3/31/2003	45	38	3,740,226
5/15/03	\$ 98,427.00	3/31/2003	6/30/2003	45.5	-0.5	(49,214)
8/15/03	\$ 106,429.00	6/30/2003	9/30/2003	46	0	-
12/2/03	\$ 106,429.00	9/30/2003	12/31/2003	46	17	1,809,293
Totals	<u>409,712.00</u>					<u>5,500,305</u>
Average Lag for Pensions						<u><u>13.42</u></u>

Insurance Other than Group

Check Date	Amount	Service Period		Avg Service Period	Lag (Lead)	Dollar Days
		From	To			
1/2/2003	12,678.22	12/31/2002	3/31/2003	45.00	(43.00)	(545,163.46)
4/1/2003	12,678.22	3/31/2003	6/30/2003	45.50	(44.50)	(564,180.79)
7/1/2003	12,678.22	6/30/2003	9/30/2003	46.00	(45.00)	(570,519.90)
10/1/2003	12,678.22	9/30/2003	12/31/2003	46.00	(45.00)	(570,519.90)
1/2/2003	15,383.36	12/31/2002	3/31/2003	45.00	(43.00)	(661,484.48)
4/1/2003	15,383.36	3/31/2003	6/30/2003	45.50	(44.50)	(684,559.52)
7/1/2003	15,383.36	6/30/2003	9/30/2003	46.00	(45.00)	(692,251.20)
10/1/2003	15,383.36	9/30/2003	12/31/2003	46.00	(45.00)	(692,251.20)
1/2/2003	53,430.75	12/31/2002	3/31/2003	45.00	(43.00)	(2,297,522.25)
4/1/2003	53,430.75	3/31/2003	6/30/2003	45.50	(44.50)	(2,377,668.38)
7/1/2003	53,430.75	6/30/2003	9/30/2003	46.00	(45.00)	(2,404,383.75)
10/1/2003	53,430.75	9/30/2003	12/31/2003	46.00	(45.00)	(2,404,383.75)
1/2/2003	15,133.16	12/31/2002	3/31/2003	45.00	(43.00)	(650,725.88)
4/1/2003	15,133.16	3/31/2003	6/30/2003	45.50	(44.50)	(673,425.62)
7/1/2003	15,133.16	6/30/2003	9/30/2003	46.00	(45.00)	(680,992.20)
10/1/2003	15,133.16	9/30/2003	12/31/2003	46.00	(45.00)	(680,992.20)
1/2/2003	749.79	12/31/2002	4/30/2003	60.00	(58.00)	(43,487.82)
5/1/2003	749.79	4/30/2003	8/31/2003	61.50	(60.50)	(45,362.30)
9/1/2003	749.79	8/31/2003	12/31/2003	61.00	(60.00)	(44,987.40)
9/1/2003	676.95	9/1/2003	8/31/2004	182.50	(182.50)	(123,543.38)
1/2/2003	1,791.16	12/31/2002	4/30/2003	60.00	(58.00)	(103,887.28)
5/1/2003	1,791.16	4/30/2003	8/31/2003	61.50	(60.50)	(108,365.18)
9/1/2003	1,791.16	8/31/2003	12/31/2003	61.00	(60.00)	(107,469.60)

394,801.76

(17,728,127)

Average Lag Insurance Other than Group

(44.90)

KENTUCKY AMERICAN WATER
2003 LEAD/LAG STUDY

Waste Disposal

Obj Acct	Document Number	Check Date	Amount	Service Period		Avg Service Period	Lag (Lead)	Dollar	Days
				From	To				
511100	40386870	2/26/2003	16.00						41,780.07
511100	40415634	4/1/2003	343.09						41,764.07
511100	40393334	3/5/2003	350.87						41,420.98
511100	40541601	9/2/2003	355.60						41,070.11
511100	40426130	4/15/2003	400.00						40,714.51
511100	40453924	5/19/2003	400.00						40,314.51
511100	40468101	6/4/2003	400.00						39,914.51
511100	40530604	8/19/2003	400.00						39,514.51
511100	40580382	10/16/2003	400.00						39,114.51
511100	40382262	2/20/2003	408.98						38,714.51
511100	40437804	4/29/2003	412.05						38,305.53
511100	40490284	7/1/2003	413.85	5/20/2003	6/19/2003	15.00	27.00	11,174	37,893.48
511100	40623452	12/5/2003	416.59	10/17/2003	11/17/2003	15.50	33.50	13,956	37,479.63
511100	40564033	9/29/2003	418.31	8/19/2003	9/18/2003	15.00	26.00	10,876	37,063.04
511100	40355376	1/16/2003	460.57	11/26/2002	12/30/2002	17.00	34.00	15,659	36,644.73
511100	40519013	8/5/2003	466.44	6/19/2003	7/21/2003	16.00	31.00	14,460	36,184.16
511100	40471186	6/9/2003	472.96	4/21/2003	5/20/2003	14.50	34.50	16,317	35,717.72
511100	40595426	11/4/2003	553.86	9/18/2003	10/17/2003	14.50	32.50	18,000	35,244.76
511100	40537655	8/26/2003	569.73	7/21/2003	8/19/2003	14.50	21.50	12,249	34,690.90
511100	40591249	10/29/2003	708.19	9/18/2003	10/17/2003	14.50	26.50	18,767	34,121.17
511100	40564021	9/29/2003	721.74	8/19/2003	9/18/2003	15.00	26.00	18,765	33,412.98
511100	40488804	6/30/2003	730.50	5/20/2003	6/19/2003	15.00	26.00	18,993	32,691.24
511100	40463307	5/29/2003	754.21	4/21/2003	5/20/2003	14.50	23.50	17,724	31,960.74
511100	40512559	7/29/2003	780.23	6/19/2003	7/21/2003	16.00	24.00	18,726	31,206.53
511100	40616882	11/26/2003	868.77	10/17/2003	11/17/2003	15.50	24.50	21,285	30,426.30
511100	40437814	4/29/2003	998.86	3/20/2003	4/21/2003	16.00	24.00	23,973	29,557.53
511100	40415630	4/1/2003	1,089.89	2/19/2003	3/20/2003	14.50	26.50	28,882	28,558.67
511100	40391700	3/4/2003	1,495.26	1/30/2003	2/19/2003	10.00	23.00	34,391	27,468.78
511100	40347899	1/8/2003	1,577.15	11/26/2002	12/30/2002	17.00	26.00	41,006	25,973.52
511100	40543776	9/4/2003	1,630.13	7/25/2003	8/25/2003	15.50	25.50	41,568	24,396.37
511100	40371374	2/6/2003	1,641.53	12/23/2002	1/24/2003	16.00	29.00	47,604	22,766.24
511100	40418286	4/4/2003	1,655.86	2/25/2003	3/26/2003	14.50	23.50	38,913	21,124.71
511100	40380399	2/19/2003	1,668.89	12/30/2002	1/30/2003	15.50	35.50	59,246	19,468.85
511100	40346548	1/7/2003	1,744.24	11/21/2002	12/23/2002	16.00	31.00	54,071	17,799.96
511100	40492040	7/2/2003	1,825.00	5/27/2003	6/25/2003	14.50	21.50	39,238	16,055.72
511100	40595416	11/4/2003	1,829.78	9/24/2003	10/23/2003	14.50	26.50	48,489	14,230.72
511100	40444462	5/7/2003	1,832.10	3/26/2003	4/25/2003	15.00	27.00	49,467	12,400.94
511100	40468995	6/5/2003	1,844.72	4/25/2003	5/27/2003	16.00	25.00	46,118	10,568.84
511100	40620769	12/3/2003	1,884.30	10/23/2003	11/21/2003	14.50	26.50	49,934	8,724.12
511100	40400651	3/14/2003	1,965.71	1/24/2003	2/25/2003	16.00	33.00	64,868	6,839.82
511100	40569112	10/3/2003	2,347.06	8/25/2003	9/24/2003	15.00	24.00	56,329	4,874.11
511100	40519706	8/6/2003	2,527.05	6/25/2003	7/25/2003	15.00	27.00	68,230	2,527.05
511100									
511100									

41,780.07

37,893.48

1,019,278.00

Average Lag for Waste Disposal

26.9

KENTUCKY AMERICAN WATER COMPANY
2003 LEAD/LAG STUDY

Property Taxes

Obj Acct	Document Number	Check Date	Amount	Service Period		Avg Service Period	Lag (Lead)	Dollar Days
				From	To			
	40474436	6/11/2003	79531.93	7/1/2003	6/30/2004	182.50	(202.50)	(16,105,216)
	40542028	9/2/2003	535,419.64	7/1/2003	12/31/2003	91.50	(28.50)	(15,259,460)
	40568738	10/3/2003	44,934.86	1/1/2003	12/31/2003	182.00	93.00	4,178,942
	40580794	10/16/2003	7,697.24	1/1/2003	12/31/2003	182.00	106.00	815,907
	40580793	10/16/2003	25,164.86	1/1/2003	12/31/2003	182.00	106.00	2,667,475
	40580792	10/16/2003	1,156,134.85	1/1/2003	12/31/2003	182.00	106.00	122,550,294
	40580791	10/16/2003	154,847.44	1/1/2003	12/31/2003	182.00	106.00	16,413,829
	40629962	12/11/2003	32,002.43	1/1/2003	12/31/2003	182.00	162.00	5,184,394
	40612156	11/20/2003	4,808.26	1/1/2003	12/31/2003	182.00	141.00	677,965
	40674886	2/10/2004	12,465.62	1/1/2003	12/31/2003	182.00	223.00	2,779,833
						-	-	-
						-	-	-
						-	-	-
			<u>1,973,475.20</u>					<u>140,009,179</u>

Average Lag for Property Taxes

70.95

KENTUCKY AMERICAN WATER
2003 LEAD/LAG STUDY

Short-Term Debt Interest

Payment Date	Amount	Service Period		Avg Service Period	Lag (Lead)	Dollar Days
		From	To			
1/21/2003	13,900.33	12/31/2002	1/21/2003	10.50	10.50	145,953
2/18/2003	16,640.62	1/21/2003	2/18/2003	14.00	14.00	232,969
3/25/2003	19,858.04	2/18/2003	3/25/2003	17.50	17.50	347,516
4/22/2003	15,487.88	3/25/2003	4/22/2003	14.00	14.00	216,830
5/20/2003	15,411.75	4/22/2003	5/20/2003	14.00	14.00	215,765
6/24/2003	19,075.40	5/20/2003	6/24/2003	17.50	17.50	333,820
7/22/2003	14,351.94	6/24/2003	7/22/2003	14.00	14.00	200,927
8/19/2003	13,010.08	7/22/2003	8/19/2003	14.00	14.00	182,141
9/23/03	16,301.54	8/19/2003	9/23/2003	17.50	17.50	285,277
10/21/03	13,516.82	9/23/2003	10/21/2003	14.00	14.00	189,235
11/18/03	13,504.03	10/21/2003	11/18/2003	14.00	14.00	189,056
12/9/03	10,191.51	11/18/2003	12/9/2003	10.50	10.50	107,011
				-	-	
Totals	<u>181,249.94</u>					<u>2,646,500</u>
						<u>14.60</u>

Average Lag for Short-Term Interest

KENTUCKY AMERICAN WATER
2003 LEAD/LAG STUDY

Long-Term Debt Interest

Rate	Payment		Service Period		Avg Service Period	Lag (Lead)	Dollar Days
	Date	Amount	From	Thru			
7.150%	2/3/03	268,125.00	8/1/02	2/1/03	92.00	94.00	25,203,750
6.790%	3/3/03	186,725.00	9/1/02	3/1/03	90.50	92.50	17,272,063
6.870%	3/31/03	532,425.00	9/29/02	3/29/03	90.50	92.50	49,249,313
6.960%	6/2/03	243,600.00	12/1/02	6/1/03	91.00	92.00	22,411,200
6.990%	6/2/03	314,550.00	12/1/02	6/1/03	91.00	92.00	28,938,600
5.650%	6/12/03	1,356,000.00	6/12/02	6/12/03	182.50	182.50	247,470,000
7.150%	8/1/03	268,125.00	2/1/03	8/1/03	90.50	90.50	24,265,313
6.790%	9/1/03	186,725.00	3/1/03	9/1/03	92.00	92.00	17,178,700
6.870%	9/29/03	532,425.00	3/29/03	9/29/03	92.00	92.00	48,983,100
6.990%	12/1/03	314,550.00	6/1/03	12/1/03	91.50	91.50	28,781,325
6.960%	12/1/03	243,600.00	6/1/03	12/1/03	91.50	91.50	22,289,400

4,446,850.00

532,042,764

Average Lag for Long-Term Interest Expense

119.64

KENTUCKY AMERICAN WATER
2003 LEAD/LAG STUDY

Preferred Stock Dividends

	Payment Date	Amount	Service Period		Avg Service Period	Lag (Lead)	Dollar Days
			From	To			
7.900%	1/2/2003	16,590.00	10/1/2002	1/1/2003	46.00	47.00	779,730
5.500%	1/2/2003	6,875.12	10/1/2002	1/1/2003	46.00	47.00	323,131
8.470%	3/3/2003	95,287.50	12/1/2002	3/1/2003	45.00	47.00	4,478,513
5.750%	4/1/2003	6,756.36	1/1/2003	4/1/2003	45.00	45.00	304,036
5.500%	4/1/2003	6,875.12	1/1/2003	4/1/2003	45.00	45.00	309,380
5.000%	4/1/2003	7,500.36	1/1/2003	4/1/2003	45.00	45.00	337,516
7.900%	4/1/2003	16,590.00	1/1/2003	4/1/2003	45.00	45.00	746,550
8.470%	6/2/2003	95,287.50	3/1/2003	6/1/2003	46.00	47.00	4,478,513
5.750%	7/1/2003	6,756.25	4/1/2003	7/1/2003	45.50	45.50	307,409
5.500%	7/1/2003	6,875.00	4/1/2003	7/1/2003	45.50	45.50	312,813
5.000%	7/1/2003	7,500.00	4/1/2003	7/1/2003	45.50	45.50	341,250
7.900%	7/1/2003	16,590.00	4/1/2003	7/1/2003	45.50	45.50	754,845
8.470%	9/2/2003	95,287.50	6/1/2003	9/1/2003	46.00	47.00	4,478,513
5.750%	10/1/2003	6,672.88	7/1/2003	10/1/2003	46.00	46.00	306,952
5.500%	10/1/2003	6,815.88	7/1/2003	10/1/2003	46.00	46.00	313,530
5.000%	10/1/2003	7,423.75	7/1/2003	10/1/2003	46.00	46.00	341,493
7.900%	10/1/2003	15,800.00	7/1/2003	10/1/2003	46.00	46.00	726,800
8.470%	12/1/2003	95,287.50	9/1/2003	12/1/2003	45.50	45.50	4,335,581
							-
Totals		<u>516,770.72</u>		66,360.00			<u>23,976,555</u>
Average Lag for Preferred Stock Dividends							<u>46.40</u>

KENTUCKY AMERICAN WATER
 2003 LEAD/LAG STUDY

STATE INCOME TAXES

<u>Payment Date</u>	<u>From</u>	<u>Thru</u>	<u>Avg Service Period</u>	<u>Lag (Lead)</u>	<u>Annual Payment</u>	
6/15/2003	1/1/2003	6/30/2003	90.00	75	50%	37.50
9/15/2003	6/30/2003	9/30/2003	46.00	31	25%	7.75
12/15/2003	9/30/2003	12/31/2003	46.00	30	25%	7.50
Total				136		

Average Lag for State Income Tax

52.75

KENTUCKY AMERICAN WATER
 2003 LEAD/LAG STUDY

FEDERAL INCOME TAXES

Payment Date	From	Thru	Avg Service Period	Lag (Lead)	Annual Payment	
3/15/2003	12/31/2002	3/31/2003	45.00	29	25%	7.25
6/15/2003	3/31/2003	6/30/2003	45.50	30.5	25%	7.63
9/15/2003	6/30/2003	9/30/2003	46.00	31	25%	7.75
12/15/2003	9/30/2003	12/31/2003	46.00	30	25%	7.50

Total

120.5

Average Lag for Federal Income Tax

30.13