

SCHEDULE D

SUMMARY OF ADJUSTMENTS TO OPERATING INCOME

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

Forecasted Test Period: FOR THE TWELVE MONTHS ENDED: NOVEMBER 2005

Base Period: FOR THE TWELVE MONTHS ENDED: JULY 2004

<u>Schedule</u>	<u>Description</u>
D-1	Summary of Adjustments to Operating Income
D-2.1	Detailed Adjustments
D-2.2	Detailed Adjustments
D-2.3	Detailed Adjustments
D-2.4	Detailed Adjustments
D-3	Summary of Jurisdictional Factors
D-4	Jurisdictional Statistics
D-5	Explanation of Change in Jurisdictional Procedures

For electronic version, see KAW_CAPP_EX37D_082404.pdf

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH **D-2.1/D-2.2** (TOTAL COMPANY)

SCHEDULE D-1

Page 1 of 19

Witness Responsible: M.A. Millerl. S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D-2.2	Adj. D-3 Sch D-2.2	Total Adjustments
Water Revenues							
2	461100	Residential- Billed	\$ 23,492,953	\$ (376,888)	\$ -	\$ -	(\$376,888)
3	461110	Residential- Unbilled	\$ 67,951	\$ (67,951)	\$ -	\$ -	(67,951)
4	461200	Commercial - Billed	\$ 11,014,843	\$ (469,317)	\$ -	\$ -	(469,317)
5	461210	Commercial - Unbilled	\$ 80,463	\$ (80,463)	\$ -	\$ -	(80,463)
6	461300	Industrial- Billed	\$ 1,497,592	\$ 82,607	\$ -	\$ -	82,607
7	461310	Industrial- Unbilled	\$ 34,339	\$ (34,339)	\$ -	\$ -	(34,339)
8	461400	Miscellaneous- Billed	\$ 10,336	\$ 5,572	\$ -	\$ -	5,572
9	461410	Miscellaneous- Water Sales Billed Unmetered	\$ -	\$ -	\$ -	\$ -	0
10	462000	Private Fire -Billed	\$ 844,721	\$ 23,299	\$ -	\$ -	23,299
11	462100	Private Fire - Unbilled	\$ -	\$ -	\$ -	\$ -	0
12	463000	Public Fire - Billed	\$ 1,835,565	\$ 55,625	\$ -	\$ -	55,625
13	463100	Public Fire - Unbilled	\$ -	\$ -	\$ -	\$ -	0
14	464200	OPA - Billed	\$ 3,396,558	\$ (267,435)	\$ -	\$ -	(267,435)
15	464210	OPA - Unbilled	\$ 15,645	\$ (15,645)	\$ -	\$ -	(15,645)
16	466000	Sales for Resale - Billed	\$ 847,567	\$ (71,597)	\$ -	\$ -	(71,597)
17	466100	Sales for Resale - Unbilled	\$ 41,775	\$ (41,775)	\$ -	\$ -	(41,775)
18		Total Water Revenues	43,180,308	(1,258,307)	0	0	(1,258,307)
Sewer Revenues							
21	461000	Residential- Billed	19,013	(19,013)	0	0	(19,013)
22	461010	Residential- Billed Surcharge	0	0	0	0	0
23	461020	Commercial -Billed	734	(734)	0	0	(734)
24	461030	Commercial - Unbilled	0	0	0	0	0
25	462210	Industrial- Billed	829	(829)	0	0	(829)
26	462110	Industrial - Unbilled	0	0	0	0	0
27		Total Sewer Revenues	20,576	(20,576)	0	0	(20,576)
OTHER OPERATING REVENUES							
31	471100	Reconnection Charges	23,280	0	(23,280)	0	(23,280)
32	471200	Other Miscellaneous Service Revenues	141,371	0	(105,258)	0	(105,258)
33	472000	Rents from Water Property	104,338	0	(21,598)	0	(21,598)
34	474100	Billing & Collection Services	749,953	0	31,723	0	31,723
35	474300	Other Water Revenues	26,696	0	187,531	0	187,531
36		AFUDC	0	0	0	470,940	470,940
37		TOTAL OTHER OPERATING REVENUES	1,045,638	0	69,118	470,940	540,058
38							
39		TOTAL OPERATING REVENUES	\$44,246,522	(\$1,278,883)	\$69,118	\$470,940	\$0 \$0 \$0 \$0 \$0 \$0 (\$738,825)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.1/D-2.2 (TOTAL COMPANY)

SCHEDULED-1

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Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D-2.2	Adj. D-3 Sch D-2.2						Total Adjustments
1												
2												
3		<u>Revenues from Water/Wastewater</u>										
4		Residential	\$ 23,579,917	(\$463,852)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$463,852)
5		Commercial	11,096,040	(550,514)	0	0	0	0	0	0	0	(550,514)
6		Industrial	1,532,760	47,439	0	0	0	0	0	0	0	47,439
7		Other Public Authority (OPA)	3,412,203	(283,080)	0	0	0	0	0	0	0	(283,080)
8		Sales for Resale (OWU)	889,342	(113,372)	0	0	0	0	0	0	0	(113,372)
9		Miscellaneous	10,336	5,572	0	0	0	0	0	0	0	5,572
10		Private Fire Service	844,721	23,299	0	0	0	0	0	0	0	23,299
11		Public Fire Service	1,835,565	55,625	0	0	0	0	0	0	0	55,625
12												
13		Total Water/Wastewater Revenues	43,200,884	(1,278,883)	0	0	0	0	0	0	0	(1,278,883)
14		Other Operating Revenues	1,045,638	0	69,118	470,940	0	0	0	0	0	540,058
15												
16		Total Operating Revenues	\$44,246,522	(\$1,278,883)	\$69,118	\$470,940	\$0	\$0	\$0	\$0	\$0	(\$738,825)
17												
18		<u>TAX RATE</u>										
19		State Income Tax Impact	8.25%	(\$105,508)	\$5,702	\$38,853	\$0	\$0	\$0	\$0	\$0	(\$60,953)
20		Federal Income Tax Impact	35.00%	(\$410,681)	\$22,196	\$151,230	\$0	\$0	\$0	\$0	\$0	(\$237,255)
21		Net Operating Income Impact		(\$762,694)	\$41,220	\$280,857	\$0	\$0	\$0	\$0	\$0	(\$440,617)
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KENTUCKY-AMERICAN WATER COMPANY
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FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULED-1

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Witness Responsible: M.A. Milled. S. A. Valentine

Line No.	Account Number	Description	Base Period	Adi D-4 Sch D-2.3	Adi D-5 Sch D-2.3	Adi D-6 Sch D-2.3	Adi D-7 Sch D-2.3	Adi D-8 Sch D-2.3	Adi D-9 Sch D-2.3	Adi D-10 Sch D-2.3	Adi D-11 Sch D-2.3	Adi D-12 Sch D-2.3	Total Adjustments
			Col1	Col2	Col3	Col4	Col5	Col6	Col7	Col8	Col9	Col10	
1		SOURCE OF SUPPLY EXP (SS)											
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
4	601200	Operation Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
5	602000	Purchased Water	\$340,297	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
6	603100	Miscellaneous Expenses	\$10,862	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
7	603120	Amort Misc Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
8	603200	Miscellaneous Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
9	604000	Rents	\$2,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
10	610000	Maint Supervision & Engineering Ord	\$1,965	(\$1,965)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(1,965)
11	610010	Maint Supervision & Engineering Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
12	611100	Maint Struc & Improv-Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
13	611110	Maint Struc & Improv-Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
14	611200	Maint Struc & Improv-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
15	611210	Maint Struc & Improv-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
16	612100	Maint Col & Imp Res-Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
17	612110	Maint Col & Imp Res-Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
18	612120	Amort Col & Imp Res	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
19	612200	Maint Col & Imp Res-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
20	612210	Maint Col & Imp Res-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
23	613120	Amort Lake, River & Other Intakes	\$21,946	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
26	616100	Maint Supply Mains-Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
27	616110	Maint Supply Mains-Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	616200	Maint Supply Mains-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29	616210	Maint Supply Mains-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	\$220,934	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
34													
35													
36		TOTALSSEXPENSES	598,404	(1,965)	0	0	0	0	0	0	0	0	(1,965)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
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FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
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SCHEDULE D-1

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Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		PUMPING EXPENSES											
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	620300	Operation Sup & Eng-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
4	622100	Power Production Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
5	622200	Power Production Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
6	623110	Power Purchased for Pumping-Elec	\$1,066,532	\$0	\$856,109	\$0	\$0	\$0	\$0	\$0	\$0	\$0	856,109
7	623120	Power Purchased for Pumping-ElecAdj	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
8	623210	Power Purchased for Pumping-Other	\$972,975	\$0	(\$972,975)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(972,975)
9	624200	Pumping Labor-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
10	624300	Pumping Labor-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
11	624500	Pumping Expenses-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
12	624600	Pumping Expenses-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
13	626200	Misc Pumping Labor-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
14	626300	Misc Pumping Labor-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
15	626500	Misc Pumping Expenses-Electric	\$3,618	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
16	626600	Misc Pumping Expenses-Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
17	627200	Rents-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
18	627300	Rents-Other	\$8,034	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
19	630200	Maint Sup & Eng-Electric Ord	\$54,692	\$113,588	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	113,588
20	630210	Maint Sup & Eng-ElectricPrg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
21	630300	Maint Sup & Eng-Other Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
22	630310	Maint Sup & Eng-Other Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
23	631100	Maint Pumping Struc & Inprov-Material Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
24	631110	Maint Pumping Struc & Inprov-Material Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
25	631200	Maint Pumping Struc & Inprov-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
26	631210	Maint Pumping Struc & Inprov-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
27	632100	Maint Power Production Equip-Mat Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	632110	Maint Power Production Equip-Mat Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29	632200	Maint Power Production Equip-Lab Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
30	632210	Maint Power Production Equip-Lab Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
33	633300	Maint Pumping Equip-Material-Other Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
34	633310	Maint Pumping Equip-Material-Other Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
39		TOTAL PUMPING EXPENSES	2,105,851	113,588	(116,866)	0	0	0	0	0	0	0	(3,278)
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KENTUCKY-AMERICAN WATER COMPANY
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FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

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SCHEDULE D-1

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Witness Responsible: MA. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		WATER TREATMENT EXPENSES (WT)											
2	640000	Operation Supervision & Engineering	-	\$374,088	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$374,088
3	641110	Chemicals-Carbon	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
4	641100	General Chemicals	1,359,190	\$0	\$0	(\$138,054)	\$0	\$0	\$0	\$0	\$0	\$0	(138,054)
5	641200	Softening Chemicals	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
6	642100	General WT Labor	1,333,567	(\$478,771)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(478,771)
7	642200	Softening Labor	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
8	642300	General WT Expenses	232,810	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
9	642390	General WT Administration	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
10	642400	Softening Expenses	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
11	643100	Misc Expenses	54,538	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
12	643190	Misc Expenses - Service Co	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
13	643200	Misc Labor	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
14	643300	Waste Disposal Expenses	145,607	\$0	\$0	\$0	(\$3,607)	\$0	\$0	\$0	\$0	\$0	(3,607)
15	643310	Amort Waste Disposal Expenses	21,062	\$0	\$0	\$0	\$63,934	\$0	\$0	\$0	\$0	\$0	63,934
16	644000	Rents	20,272	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
17	650000	Maint Supervision & Engineering Ord	118,160	(\$6,929)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(6,929)
18	650010	Maint Supervision & Engineering Prg	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
19	651100	Maint WT Struc & Improvements-Mat Ord	188,788	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
20	651110	Maint WT Struc & Improvements-Mat Prg	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
21	651120	Amort WT Structures	162,454	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
22	651200	Maint WT Struc & Improvements-Labor Ord	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
23	651210	Maint WT Struc & Improvements-Labor Prg	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
24	652100	Maint General WT Equipment-Mat Ord	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
25	652110	Maint General WT Equipment-Mat Prg	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
26	652200	Maint Softening Equipment-Materials	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
27	652300	Maint General WT Equipment-Labor Ord	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	652310	Maint General WT Equipment-Labor Prg	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29													
30		TOTAL WT EXPENSES	3,636,448	(111,612)	0	(138,054)	60,327	0	0	0	0	0	(189,339)
31													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1

Page 6 of 19

Witness Responsible: MA. Miller, S. A. Valentine

Line No	Account Number	Description	Base Period	Adj D-4 Sch D-2 3	Adj D-5 Sch D-2 3	Adj D-6 Sch D-2 3	Adj D-7 Sch D-2 3	Adj D-8 Sch D-2 3	Adj D-9 Sch D-2 3	Adj D-10 Sch D-2 3	Adj D-11 Sch D-2 3	Adj D-12 Sch D-2 3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D)											
2	660000	Operation Supervision & Engineering	\$0	\$444,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$444,800
3	661100	Storage Facilities - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	661200	Storage Facilities - Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	662100	T&D Lines - Expenses	\$15,541	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	662200	T&D Lines - Labor	\$1,129,290	(\$607,785)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$607,785)
7	663100	Meter Expenses-Remove and Reset-Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	663200	Meter Expenses-Remove and Reset-Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	663300	Meter Expenses-Misc Meter Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	663400	Meter Expenses-Misc Meter Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	664100	Customer Installation- Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	664200	Customer Installation- Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	665100	Maps and Records - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	665190	Maps and Records - Expenses Computer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	665200	Maps and Records - Labor	\$0	\$47,984	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$47,984
16	665300	Misc Expenses	\$276,522	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	665400	Misc Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	666000	Rents	\$5,034	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	670000	Maint Supervision & Engineering Ord	\$16,597	(\$16,597)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$16,597)
20	670010	Maint Supervision & Engineering Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	671100	Maint Struct & Improvements-Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	671110	Maint Struct & Improvements-Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	671200	Maint Struct & Improvements-Labor Ord	\$18,306	(\$18,306)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$18,306)
24	671210	Maint Struct & Improvements-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	672100	Maint Res & Standpipes -Materials Ord	\$979	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	672110	Maint Res & Standpipes - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	672120	Amort Res & Standpipes	\$190,177	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	672200	Maint Res & Standpipes - Labor Ord	\$5,403	(\$5,403)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,403)
29	672210	Maint Res & Standpipes - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	673100	Maint T&D Mains - Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	673110	Maint T&D Mains - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	673120	Amort T&D Mains	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	673200	Maint T&D Mains - Labor Ord	\$213,889	\$366,041	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$366,041
34	673210	Maint T&D Mains - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	675100	Maint Services -Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	675110	Maint Services - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	675200	Maint Services - Labor Ord	\$206,186	(\$206,186)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$206,186)
38	675210	Maint Services - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	676100	Maint Meter - Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	676110	Maint Meter - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	676200	Maint Meter - Labor Ord	\$30,073	\$102,523	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$102,523
42	676210	Maint Meter - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	676300	Maint Meter Installation- Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	676310	Maint Meter Installation-Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	676400	Maint Meter Installation- Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	676410	Maint Meter Installation-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47													
48													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE **NO(S):** SCH D-2.3 (TOTAL COMPANY)

SCHEDULE **D-1**

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Witness Responsible: MA **Miller**, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D) (Cont'd)											
2	677100	Maint Hydrants - Materials Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
3	677110	Maint Hydrants - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
4	677200	Maint Hydrants - Labor Ord	\$92,564	(\$59,083)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(59,083)
5	677210	Maint Hydrants - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
6	678100	Maint Other T&D Plant - Materials Ord	\$333,045	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
7	678110	Maint Other T&D Plant - Materials Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
8	678200	Maint Other T&D Plant - Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
9	678210	Maint Other T&D Plant - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
10													
11													
12		TOTAL T&D EXPENSES	2,533,606	47,988	0	0	0	0	0	0	0	0	47,988
13													
14		CUSTOMER ACCOUNTS EXPENSE (CA)											
15	901000	Supervision	\$0	\$85,687	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85,687
16	902100	Meter Reading Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
17	902190	Meter Reading Mgt Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
18	902200	Meter Reading Labor	\$0	\$813,707	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	813,707
19		CUST RECORDS & COLLECTION EXPENSES											
20	903100	Contracts and Orders - Expenses	\$43,494	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
21	903200	Contracts and Orders - Labor	\$1,013,468	(\$746,576)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(746,576)
22	903300	Collecting - Expenses	\$186,177	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
23	903400	Collecting - Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
24	903510	Billing & Accounting - Computers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
25	903520	Billing & Accounting - Other Expenses	\$421,027	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
26	903600	Billing & Accounting Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
27	904000	Uncollectible Accounts	\$186,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	905100	Misc Expenses	\$15,209	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29	905200	Misc Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
30													
31		TOTAL CA EXPENSES	1,865,675	152,818	0	0	0	0	0	0	0	0	152,818
32													
33		CUSTOMER SERVICE EXPENSES											
34	907100	Cust Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and Information - Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	0
37													
38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40													
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	0
42													
43													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1

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Witness Responsible: MA **Miller**, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G)											
2	920000	Salaries	\$864,535	(\$184,994)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$184,994)
3	920500	Incentive Plan Expense	\$17,656	\$211,490	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	211,490
4	921100	Expenses of Employees	\$81,334	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
5	921110	Dues for Clubs - Taxable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
6	921200	Misc Office Expenses	\$284,396	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
7	923100	Service Company Charges	\$3,027,803	\$0	\$0	\$0	\$0	\$772,507	\$0	\$0	\$0	\$0	772,507
8	923190	Service Company Charges - Out Agency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
9	923200	Auditing Services	\$26,220	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
10	923300	Legal Services	\$98,308	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
11	923400	Engineering Services	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
12	923500	Other Services - Current	\$895,967	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
13	924000	Property Insurance	\$185,350	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$42,712)	(42,712)
14	925110	Workers Compensation	\$59,118	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,147	5,147
15	925120	Workers Comp Cap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
16	925130	Workers Comp Cap (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
17	925140	Workers Comp Cap (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
18	925200	Injuries and Damages - Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
19	925300	Injuries and Damages - Expenses	\$2,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
20	925310	Injuries and Damages - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
21	925400	General Liability	\$243,735	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$98,616	98,616
22		EMPLOYEE PENSIONS & BENEFITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
23	926100	Accrued OPEB Expense	\$676,860	\$0	\$0	\$0	\$0	\$0	\$121,874	\$0	\$0	\$0	121,874
24	926110	Group Insurance Expense	\$882,859	\$0	\$0	\$0	\$0	\$0	\$42,814	\$0	\$0	\$0	42,814
25	926120	Other Grp Insurance Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
26	926130	Group Ins Cap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
27	926140	Group Ins Cap (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	926150	Group Ins Reimb	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29	926160	Group Ins Cap (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
30	926170	Group Ins Pretax Contribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
31	926200	Other Welfare & Educational Expenses	\$118,173	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
32	926210	Educational Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
33	926220	ESOP Contribution Expense	\$53,940	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
34	926250	401-K Contributions Expense	\$86,042	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
35	926260	401-K Cap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
36	926270	401-K Cap (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
37	926280	401-K Cap (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
38	926300	Suppl Pen Pay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
39	926330	OPEB Expense Cap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
40	926340	OPEB Expense Cap (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
41	926360	OPEB Expense Cap (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
42	926370	FAS 112 Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
43	926400	Pension Plan Payments - Current	\$961,536	\$0	\$0	\$0	\$0	\$0	\$0	(\$68,243)	\$0	\$0	(68,243)
44	926600	Other Pension Plan Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
45	926700	Pension Plan Pmts - Union	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
46	926800	Pensions - Capitalized - (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$155,433)	\$0	\$0	(155,433)
47	926900	Pensions - Capitalized - (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
48	926910	Pensions - Capitalized - (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FORM E TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1

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Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
2		REGULATORY COMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$218,568	\$0	\$218,568
4	928110	Amort Serv Study Exp Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
5	928200	Tax Savings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
6	928300	Amort of Other Regulatory Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
7	928400	Other Regulatory Expenses - Current	\$19,712	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$8,000)	\$0	(8,000)
8	930200	Amort Misc Charges	\$187,704	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
9	930210	Misc General Expenses Current	\$440,257	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
10	930220	Amort Orig Cost Study	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
11	930230	Amort Misc General Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
12	930240	Misc Gen Exp - Community Relations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
13	930250	Amort Plant Expansion Study	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
14	930260	Meals & Travel Expenses -Taxable	\$15,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
15	930270	Donations	\$30	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
16	930290	Data Processing Communication Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
17	930300	Research & Development Expenses	\$24,184	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
18	930390	Research & Development Exp - Ser Co	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
19	930500	Non-deductible Penalties	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
20	930510	Lobbying Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
21	930600	Transportation Expenses	\$353,047	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
22	930610	Transportation Cap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
23	930620	Transportation Cap (C&R)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
24	930630	Transportation Cap (H)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
25	930880	Misc Gen Exp - Company Dues	\$31,270	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
26	930890	Misc Gen Exp - Other	\$169,096	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
27	930980	Misc General Exp-Taxable Co Dues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	931000	Rents	\$38,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29	932100	Maint A&G Struc & Improv-Material Ord	\$55,502	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
30	932110	Maint A&G Struc & Improv-Material Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
31	932120	Amort A&G Struc & Improv	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
32	932200	Maint A&G Struc & Improv-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
33	932210	Maint A&G Struc & Improv-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
34	932300	Maint A&G Office Furniture-Material Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
35	932310	Maint A&G Office Furniture-Material Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
36	932400	Maint A&G Office Furniture-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
37	932410	Maint A&G Office Furniture-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
38	932500	Maint A&G Communication Equip-Material	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
39	932600	Maint A&G Com Equip-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
40	932610	Maint A&G Com Equip-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
41	932700	Maint A&G Misc Property-Material Ord	\$22,386	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
42	932710	Maint A&G Misc Property-Material Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
43	932800	Maint A&G Misc Property-Labor Ord	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
44	932810	Maint A&G Misc Property-Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
45		Total A & G Expenses	9,923,027	26,496	0	0	0	772,507	164,688	(223,676)	210,568	61,051	1,011,634
46													
47		Total O & M Expenses	\$20,663,011	\$227,313	(\$116,866)	(\$138,054)	\$60,327	\$772,507	\$164,688	(\$223,676)	\$210,568	\$61,051	\$1,017,857
48													
49			4					4					
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULED-1
Page 10 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No	Line Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1													
2	08	Operation Labor Expenses	\$5,117,330	\$227,313	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$227,313
3	24	Maintenance Labor Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
4													
5		Total Labor	\$5,117,330	\$227,313	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$227,313
6													
7													
8		Total Operation Expenses	\$18,708,965	(\$40,371)	(\$116,866)	(\$138,054)	\$60,327	\$772,507	\$164,688	(\$223,676)	\$210,568	\$61,051	\$750,174
9		Total Maintenance Expenses	\$1,954,046	\$267,683	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	267,683
10													
11		Total O & M Expenses	\$20,663,011	\$227,312	(\$116,866)	(\$138,054)	\$60,327	\$772,507	\$164,688	(\$223,676)	\$210,568	\$61,051	\$1,017,857
12													
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14													
15													
16													
17	08	Labor	\$5,117,330	\$227,312	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$227,312
18	09	Purchased Water	\$340,297	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
19	10	Fuel and Power	\$2,039,507	\$0	(\$116,866)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$116,866)
20	11	Chemicals	\$1,359,190	\$0	\$0	(\$138,054)	\$0	\$0	\$0	\$0	\$0	\$0	(\$138,054)
21	12	Waste Disposal	\$166,669	\$0	\$0	\$0	\$60,327	\$0	\$0	\$0	\$0	\$0	\$60,327
22	13	Management Fees	\$3,027,803	\$0	\$0	\$0	\$0	\$772,507	\$0	\$0	\$0	\$0	\$772,507
23	14	Group Insurance	\$1,559,719	\$0	\$0	\$0	\$0	\$0	\$164,688	\$0	\$0	\$0	\$164,688
24	15	Pension	\$961,536	\$0	\$0	\$0	\$0	\$0	\$0	(\$223,676)	\$0	\$0	(\$223,676)
25	16	Regulatory Expense	\$19,712	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$210,568	\$0	\$210,568
26	17	Insurance Other than Group	\$488,203	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$61,051	\$61,051
27	18	Customer Accounting	\$852,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	19	Rents	\$73,840	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
29	20	General Office Expense	\$380,937	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
30	21	Miscellaneous	\$3,080,829	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
31	25	Other Maintenance	\$1,195,232	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
32													
33		Total O & M Expenses	\$20,663,011	\$227,312	(\$116,866)	(\$138,054)	\$60,327	\$772,507	\$164,688	(\$223,676)	\$210,568	\$61,051	\$1,017,857
34													
35		State Income Tax Impact	8.25%	(\$18,753)	\$9,641	\$11,389	(\$4,977)	(\$63,732)	(\$13,587)	\$18,453	(\$17,372)	(\$5,037)	(\$83,973)
36													
37		Federal Income Tax Impact	35.00%	(\$86,123)	\$44,278	\$52,305	(\$22,856)	(\$292,684)	(\$62,396)	\$84,745	(\$79,779)	(\$23,131)	(\$385,640)
38													
39		Net Operating Income Impact		(\$122,436)	\$62,947	\$74,360	(\$32,494)	(\$416,091)	(\$88,705)	\$120,478	(\$113,417)	(\$32,883)	(\$548,244)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1

Page 11 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		<u>SOURCE OF SUPPLY EXPENSES (SS)</u>	Col1	Col2	Col3	Col4	Col5	Col6	Col7		
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	340,297	0	0	0	0	0	0	0	0
6	603100	Miscellaneous Expenses	10,862	0	0	0	0	0	0	0	0
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0
9	604000	Rents	2,400	0	0	0	0	0	0	0	0
10	610000	Maint Supervision & Engineering Ord	1,965	(1,965)	0	0	0	0	0	0	(1,965)
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0
12	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other Intakes	21,946	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0
26	616100	Maint Supply Mains-Materials Ord	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	220,934	0	0	0	0	0	0	0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0
34											
35											
36		TOTAL SS EXPENSES	598,404	(1,965)	0	0	0	0	0	0	(1,965)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED X REVISED
 WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1
Page 12 of 19
 Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		PUMPING EXPENSES									
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0
4	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0
5	622200	Power Production Labor	0	0	0	0	0	0	0	0	0
6	623110	Power Purchased for Pumping-Elec	1,066,532	0	856,109	0	0	0	0	0	0
7	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0	0	0	856,109
8	623210	Power Purchased for Pumping-Other	972,975	0	(972,975)	0	0	0	0	0	0
9	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	(972,975)
10	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	3,618	0	0	0	0	0	0	0	0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	8,034	0	0	0	0	0	0	0	0
19	630200	Maint Sup & Eng-Electric Ord	54,692	113,588	0	0	0	0	0	0	0
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	113,588
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Inprov-Material Ord	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Inprov-Material Prg	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & Inprov-Labor Ord	0	0	0	0	0	0	0	0	0
26	631210	Maint Pumping Struc & Inprov-Labor Prg	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0
39		TOTAL PUMPING EXPENSES	2,105,851	113,588	(116,866)	0	0	0	0	0	(3,278)

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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1

Page 13 of 19

Witness Responsible: MA. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		WATER TREATMENT EXPENSES(WT)									
2	640000	Operation Supervision & Engineering	\$0	\$374,088	\$0	\$0	\$0	\$0	\$0	\$0	\$374,088
3	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0
4	641100	General Chemicals	1,359,190	0	0	(138,054)	0	0	0	0	(138,054)
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0
6	642100	General WT Labor	1,333,567	(478,771)	0	0	0	0	0	0	(478,771)
7	642200	Softening Labor	0	0	0	0	0	0	0	0	0
8	642300	General WT Expenses	232,810	0	0	0	0	0	0	0	0
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0
10	642400	Softening Expenses	0	0	0	0	0	0	0	0	0
11	643100	Misc Expenses	54,538	0	0	0	0	0	0	0	0
12	643190	Misc Expenses -Service Co	0	0	0	0	0	0	0	0	0
13	643200	Misc Labor	0	0	0	0	0	0	0	0	0
14	643300	Waste Disposal Expenses	145,607	0	0	0	(3,607)	0	0	(3,607)	(3,607)
15	643310	Amort Waste Disposal Expenses	21,062	0	0	0	63,934	0	0	0	63,934
16	644000	Rents	20,272	0	0	0	0	0	0	0	0
17	650000	Maint Supervision & Engineering Ord	118,160	(6,929)	0	0	0	0	0	0	(6,929)
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0
19	651100	Maint WT Struc & Improvements-Mat Ord	188,788	0	0	0	0	0	0	0	0
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0
21	651120	Amort WT Structures	162,454	0	0	0	0	0	0	0	0
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0
29											
30		TOTAL WT EXPENSES	3,636,448	(111,612)	0	(138,054)	60,327	0	0	0	(189,339)
31											
32											
33											
34											
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1
Page 14 of 19

Witness Responsible: **M.A. Miller, S.A. Valentine**

Line No	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		TRANS & DIST EXPENSES(T&D)									
2	660000	Operation Supervision & Engineering	\$0	\$444,800	\$0	\$0	\$0	\$0	\$0	\$0	\$444,800
3	661100	Storage Facilities - Expenses	0	0	0	0	0	0	0	0	0
4	661200	Storage Facilities - Labor	0	0	0	0	0	0	0	0	0
5	662100	T&D Lines - Expenses	15,541	0	0	0	0	0	0	0	0
6	662200	T&D Lines - Labor	1,129,290	(607,785)	0	0	0	0	0	0	(607,785)
7	663100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0
8	663200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0
9	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0
11	664100	Customer Installation- Expenses	0	0	0	0	0	0	0	0	0
12	664200	Customer Installation- Labor	0	0	0	0	0	0	0	0	0
13	665100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0
14	665190	Maps and Records - Expenses Computer	0	0	0	0	0	0	0	0	0
15	665200	Maps and Records - Labor	0	47,984	0	0	0	0	0	0	47,984
16	665300	Misc Expenses	276,522	0	0	0	0	0	0	0	0
17	665400	Misc Labor	0	0	0	0	0	0	0	0	0
18	666000	Rents	5,034	0	0	0	0	0	0	0	0
19	670000	Maint Supervision & Engineering Ord	16,597	(16,597)	0	0	0	0	0	0	(16,597)
20	670010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	0	0
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0	0	0	0
23	671200	Maint Struct & Improvements-Labor Ord	18,306	(18,306)	0	0	0	0	0	0	(18,306)
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes -Materials Ord	979	0	0	0	0	0	0	0	0
26	672110	Maint Res & Standpipes -Materials Prg	0	0	0	0	0	0	0	0	0
27	672120	Amort Res & Standpipes	190,177	0	0	0	0	0	0	0	0
28	672200	Maint Res & Standpipes - Labor Ord	5,403	(5,403)	0	0	0	0	0	0	(5,403)
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0	0	0	0
33	673200	Maint T&D Mains - Labor Ord	213,889	366,041	0	0	0	0	0	0	366,041
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0
35	675100	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0
36	675110	Maint Services - Materials Prg	0	0	0	0	0	0	0	0	0
37	675200	Maint Services - Labor Ord	206,186	(206,186)	0	0	0	0	0	0	(206,186)
38	675210	Maint Services - Labor Prg	0	0	0	0	0	0	0	0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0
41	676200	Maint Meter - Labor Ord	30,073	102,523	0	0	0	0	0	0	102,523
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0
43	676300	Maint Meter Installation - Materials Ord	0	0	0	0	0	0	0	0	0
44	676310	Maint Meter Installation - Materials Prg	0	0	0	0	0	0	0	0	0
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0	0	0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0	0	0	0
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED X REVISED
 WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1
 Page 15 of 19
 Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj	Adj	Adj	Adj	Adj	Adj	Total Adjustments	Grand Total Adjustments
				D-13 Sch D-2.3	D-14 Sch D-2.3	D-15 Sch D-2.3	D-16 Sch D-2.3	D-17 Sch D-2.3	D-18 Sch D-2.3		
1		TRANS & DIST EXPENSES (T&D) (Cont'd)									
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0	0	0	0
4	677200	Maint Hydrants - Labor Ord	92,564	(59,083)	0	0	0	0	0	0	0
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	(59,083)
6	678100	Maint Other T&D Plant - Materials Ord	333,045	0	0	0	0	0	0	0	0
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0	0	0	0
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0	0	0	0
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0
10											
11											
12		TOTAL T&D EXPENSES	2,533,606	47,988	0	0	0	0	0	0	47,988
13											
14		CUSTOMER ACCOUNTS EXPENSE (CA)									
15	901000	Supervision	\$0	\$85,687	\$0	\$0	\$0	\$0	\$0	\$0	\$85,687
16	902100	Meter Reading Expenses	0	0	0	0	0	0	0	0	0
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0
18	902200	Meter Reading Labor	0	813,707	0	0	0	0	0	0	0
19		CUST RECORDS & COLLECTION EXPENSES									
20	903100	Contracts and Orders - Expenses	43,494	0	0	0	0	0	0	0	0
21	903200	Contracts and Orders - Labor	1,013,468	(746,576)	0	0	0	0	0	0	0
22	903300	Collecting - Expenses	186,177	0	0	0	0	0	0	0	(746,576)
23	903400	Collecting - Salaries	0	0	0	0	0	0	0	0	0
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0
25	903520	Billing & Accounting - Other Expenses	421,027	0	0	0	0	0	0	0	0
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0	0	0	0
27	904000	Uncollectible Accounts	186,300	0	0	0	0	0	0	0	0
28	905100	Misc Expenses	15,209	0	0	0	0	0	0	0	0
29	905200	Misc Salaries	0	0	0	0	0	0	0	0	0
30											
31		TOTAL CA EXPENSES	1,865,675	152,818	0	0	0	0	0	0	152,818
32											
33		CUSTOMER SERVICE EXPENSES									
34	907100	Cust Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0	0	0	0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0
37											
38		SALES PROMOTION EXPENSES									
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40											
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULED-1
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Witness Responsible: M.A. Miller, S. A. Valentine

Line No	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G)									
2	920000	Salaries	\$864,535	(\$184,994)	\$0	\$0	\$0	\$0	\$0	\$0	(\$184,994)
3	920500	Incentive Plan Expense	17,656	211,490	0	0	0	0	0	0	211,490
4	921100	Expenses of Employees	81,334	0	0	0	0	0	0	0	0
5	921110	Dues for Clubs - Taxable	0	0	0	0	0	0	0	0	0
6	921200	Misc Office Expenses	284,396	0	0	0	0	0	0	0	0
7	923100	Service Company Charges	3,027,803	0	0	0	0	772,507	0	0	772,507
8	923190	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0
9	923200	Auditing Services	26,220	0	0	0	0	0	0	0	0
10	923300	Legal Services	98,308	0	0	0	0	0	0	0	0
11	923400	Engineering Services	600	0	0	0	0	0	0	0	0
12	923500	Other Services - Current	895,967	0	0	0	0	0	0	0	0
13	924000	Property Insurance	185,350	0	0	0	0	0	0	(42,712)	(85,424)
14	925110	Workers Compensation	59,118	0	0	0	0	0	0	5,147	10,294
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages - Expenses	2,100	0	0	0	0	0	0	0	0
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0
21	925400	General Liability	243,735	0	0	0	0	0	0	98,616	197,232
22		EMPLOYEE PENSIONS & BENEFITS									
23	926100	Accrued OPEB Expense	676,860	0	0	0	0	0	121,874	0	121,874
24	926110	Group Insurance Expense	882,859	0	0	0	0	0	42,814	0	42,814
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0
30	926170	Group Ins Pretax Contribution	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educational Expenses	118,173	0	0	0	0	0	0	0	0
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	53,940	0	0	0	0	0	0	0	0
34	926250	401-K Contributions Expense	86,042	0	0	0	0	0	0	0	0
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments - Current	961,536	0	0	0	0	0	(68,243)	0	(68,243)
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Pmts - Union	0	0	0	0	0	0	0	0	0
46	926800	Pensions - Capitalized - (A&B)	0	0	0	0	0	0	(155,433)	0	(155,433)
	926900	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	0	0
	926910	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	0

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
N P E OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-23 (TOTAL COMPANY)

SCHEDULE D-1

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Witness Responsible: **M.A. Miller**, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments		
1		ADMINISTRATIVE & GENERAL EXP(A&G) * CONT											
2		REGULATORY COMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	0	0	0	0	0	0	0	218,568	0	218,568	
4	928110	Amort Sew Study Exp Cost	0	0	0	0	0	0	0	0	0	0	
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0	0	
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0	0	
7	928400	Other Regulatory Expenses - Current	19,712	0	0	0	0	0	0	(8,000)	0	(8,000)	
8	930200	Amort Misc Charges	187,704	0	0	0	0	0	0	0	0	0	
9	930210	Misc General Expenses Current	440,257	0	0	0	0	0	0	0	0	0	
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0	0	
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0	0	
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0	0	
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0	0	
14	930260	Meals & Travel Expenses - Taxable	15,207	0	0	0	0	0	0	0	0	0	
15	930270	Donations	30	0	0	0	0	0	0	0	0	0	
16	930290	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0	0	
17	930300	Research & Development Expenses	24,184	0	0	0	0	0	0	0	0	0	
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0	0	
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0	0	
20	930510	Lobbying Expenses	0	0	0	0	0	0	0	0	0	0	
21	930600	Transportation Expenses	353,047	0	0	0	0	0	0	0	0	0	
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0	0	
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0	0	
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0	0	
25	930880	Misc Gen Exp - Company Dues	31,270	0	0	0	0	0	0	0	0	0	
26	930890	Misc Gen Exp - Other	169,096	0	0	0	0	0	0	0	0	0	
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0	0	
28	931000	Rents	38,100	0	0	0	0	0	0	0	0	0	
29	932100	Maint A&G Struc & Improv-Material Ord	55,502	0	0	0	0	0	0	0	0	0	
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0	0	
32	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0	0	
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0	0	
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0	0	
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0	0	
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0	0	
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0	
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0	0	
41	932700	Maint A&G Misc Property-Material Ord	22,386	0	0	0	0	0	0	0	0	0	
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0	0	
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0	0	
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0	0	
45		Total A & G Expenses	9,923,027	26,496	0	0	0	772,507	164,688	(223,676)	210,568	81,051	1,072,885
46													
47		Total O & M Expenses	\$20,663,011	\$227,313	(\$116,866)	(\$138,054)	\$60,327	\$772,507	\$164,688	(\$223,676)	\$210,568	\$61,051	\$1,078,908

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULED-I
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Witness Responsible: **MA. Miller/ S. A. Valentine**

Line No	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.4	Total Adjustments	Grand Total Adjustments	
1												
2	08	Operation Labor Expenses	\$5,117,330	\$0	\$0	\$0	\$0	(\$979)	\$0	\$0	(\$979)	\$226,334
3	24	Maintenance Labor Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
4												
5		Total Labor	\$5,117,330	\$0	\$0	\$0	\$0	(\$979)	\$0	(\$979)	\$226,334	
6												
7												
8		Total Operation Expenses	\$18,708,965	(\$130,030)	(\$20,697)	(\$32,331)	(\$102,625)	\$166,084	\$11,477	(\$108,122)	\$642,052	
9		Total Maintenance Expenses	1,954,046	267,683	0	0	0	0	0	267,683	535,366	
10												
11		Total O & M Expenses	\$20,663,011	\$137,653	(\$20,697)	(\$32,331)	(\$102,625)	\$166,084	\$11,477	\$159,561	\$1,177,418	
12												
13												
14												
15												
16												
17	08	Labor	\$5,117,330	0	0	0	0	(979)	0	0	(979)	\$226,333
18	09	Purchased Water	340,297	0	0	0	0	0	11,477	0	11,477	11,477
19	10	Fuel and Power	2,039,507	0	0	0	0	0	0	0	0	(116,866)
20	11	Chemicals	1,359,190	0	0	0	0	0	0	0	0	(138,054)
21	12	Waste Disposal	166,669	0	0	0	0	0	0	0	0	60,327
22	13	Management Fees	3,027,803	0	0	0	0	0	0	0	0	772,507
23	14	Group Insurance	1,559,719	0	0	0	0	0	0	0	0	164,688
24	15	Pension	961,536	0	0	0	0	0	0	0	0	(223,676)
25	16	Regulatory Expense	19,712	0	0	0	0	0	0	0	0	210,568
26	17	Insurance Other than Group	488,203	0	0	0	0	0	0	0	0	61,051
27	18	Customer Accounting	852,207	137,653	0	0	0	0	0	0	137,653	137,653
28	19	Rents	73,840	0	(20,697)	0	0	0	0	0	(20,697)	(20,697)
29	20	General Office Expense	380,937	0	0	(32,331)	0	0	0	0	(32,331)	(32,331)
30	21	Miscellaneous	3,080,829	0	0	0	(101,956)	0	0	0	(101,956)	(101,956)
31	25	Other Maintenance	1,195,232	0	0	0	(669)	167,063	0	0	166,394	166,394
32												
33		Total O & M Expenses	\$20,663,011	\$137,653	(\$20,697)	(\$32,331)	(\$102,625)	\$166,084	\$11,477	\$159,561	\$1,177,418	
34												
35		State Income Tax Impact	8.25%	(\$11,356)	\$1,708	\$2,667	\$8,467	(\$13,702)	(\$947)	(\$13,164)	(\$97,137)	
36												
37		Federal Income Tax Impact	35.00%	(\$52,153)	\$7,842	\$12,249	\$38,882	(\$62,925)	(\$4,348)	(\$60,454)	(\$446,094)	
38												
39		Net Operating Income Impact		(\$74,144)	\$11,147	\$17,415	\$55,276	(\$89,457)	(\$6,182)	(\$85,943)	(\$634,187)	
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1
Page 19 of 19

Witness Responsible: MA **Miller, S. A. Valentine**

Line No.	Account Number	Description	Base Period	Adj D-19 Sch D-2.4	Adj D-20 Sch D-2.4	Adj D-21 Sch D-2.4						Total Adjustment
1	403000	Depreciation	\$7,036,970	\$28,792	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,792
2	403100	Depreciation- CIAC	(\$948,915)	\$948,915	\$0	\$0	\$0	\$0	\$0	\$0	\$0	948,915
3			<u>\$6,088,055</u>	<u>\$977,707</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$977,707</u>
4												
5												
6		State Income Tax Impact	8.25%	(\$80,661)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$80,661)
7		Federal Income Tax Impact	35.00%	(\$370,429)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$370,429)
8		Net Operating Income Impact		<u>\$422,298</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$422,298</u>
9												
10		AMORTIZATION EXPENSE										
11	404100	Amortization Lim Term Ut Plant	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	404110	Amortization Franchise Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
13	404430	Amortization Regualtory Asset - AFUDC	\$12,864	\$0	\$12,864	\$0	\$0	\$0	\$0	\$0	\$0	12,864
14	406000	Amortization Utility Plant Acquisition Adj	\$21,611	\$0	(\$196)	\$0	\$0	\$0	\$0	\$0	\$0	(196)
15	407000	Amortization Property Losses	\$653,382	\$0	(\$16,500)	\$0	\$0	\$0	\$0	\$0	\$0	(16,500)
16		TOTAL AMORTIZATION	<u>\$687,857</u>	<u>\$0</u>	<u>(\$3,832)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$3,832)</u>
17												
18		State Income Tax Impact	8.25%	\$0	\$316	\$0	\$0	\$0	\$0	\$0	\$0	\$316
19		Federal Income Tax Impact	35.00%	\$0	\$1,452	\$0	\$0	\$0	\$0	\$0	\$0	\$1,452
20		Net Operating Income Impact		<u>\$0</u>	<u>\$2,064</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,064</u>
21												
22												
23												
24		TAXES, OTHER THAN INCOME										
25	408100	Real & Personal Property Taxes	\$2,111,251	\$0	\$0	\$112,422	\$0	\$0	\$0	\$0	\$0	\$112,422
26	408110	Gross Income & Receipts Taxes	\$83,672	\$0	\$0	(\$5,168)	\$0	\$0	\$0	\$0	\$0	(5,168)
27	408120	Invested Capital Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
28	408030	Other General Taxes	(\$201)	\$0	\$0	\$201	\$0	\$0	\$0	\$0	\$0	201
29	408140	FUTA	\$3,369	\$0	\$0	\$10,466	\$0	\$0	\$0	\$0	\$0	10,466
30	408150	FUTA Capitalized- (A Work Order)	\$0	\$0	\$0	(\$10,375)	\$0	\$0	\$0	\$0	\$0	(10,375)
31	408040	FUTA Capitalized- (H Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
32	408050	FUTA Capitalized- (C & R Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
33	408160	FICA	\$427,970	\$0	\$0	\$74,618	\$0	\$0	\$0	\$0	\$0	74,618
34	408170	FICA Capitalized- (A Work Order)	\$0	\$0	\$0	(\$99,222)	\$0	\$0	\$0	\$0	\$0	(99,222)
35	408060	FICA Capitalized- (H Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
36	408070	FICA Capitalized- (C & R Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
37	408180	SUTA	\$2,252	\$0	\$0	\$7,690	\$0	\$0	\$0	\$0	\$0	7,690
38	408190	SUTA Capitalized- (A Work Order)	\$0	\$0	\$0	(\$6,485)	\$0	\$0	\$0	\$0	\$0	(6,485)
39	408080	SUTA Capitalized- (H Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
40	408090	SUTA Capitalized- (C & R Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
41	408220	Environmental Tax	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
42			<u>\$2,628,313</u>	<u>\$0</u>	<u>\$0</u>	<u>\$84,147</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$84,147</u>
43												
44		State Income Tax Impact	8.25%	\$0	\$0	(\$6,942)	\$0	\$0	\$0	\$0	\$0	(\$6,942)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$27,022)	\$0	\$0	\$0	\$0	\$0	(\$27,022)
46		Net Operating Income Impact		<u>\$0</u>	<u>\$0</u>	<u>(\$50,183)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$50,183)</u>
47												
48												
49												
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KENTUCKY-AMERICANWATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE **NO(S)**: WIP-2 (TOTAL COMPANY)

SCHEDULED-2.1
Page 1 of 3
Witness Responsible: SA Valentine

Line No.	Purpose and Description of Adjustment		Workpaper Reference	Amount
1		<u>Billed Revenues, Adjustment D-1</u>		
2	To adjust Residential billed water revenue for the change in billing determinants at present rates for the forecasted test period.	RESIDENTIAL		
3		Forecasted Amount	WIP-2	\$23,116,065
4		Base Period Amount		<u>23,492,953</u>
5		Pro Forma Adjustment		<u>(\$376,888)</u>
6				
7	To adjust Commercial billed water revenue for the change in billing determinants at present rates for the forecasted test period.	COMMERCIAL		
8		Forecasted Amount	WIP-2	\$10,545,526
9		Base Period Amount		<u>11,014,843</u>
10		Pro Forma Adjustment		<u>(\$469,317)</u>
11				
12	To adjust Industrial billed water revenue for the change in billing determinants at present rates for the forecasted test period.	INDUSTRIAL		
13		Forecasted Amount	WIP-2	\$1,580,199
14		Base Period Amount		<u>1,497,592</u>
15		Pro Forma Adjustment		<u>\$82,607</u>
16				
17	To adjust Other Public Authority billed water revenue for the change in billing determinants at present rates for the forecasted test period.	OTHER PUBLIC AUTHORITY		
18		Forecasted Amount	WIP-2	\$3,129,123
19		Base Period Amount		<u>3,396,558</u>
20		Pro Forma Adjustment		<u>(\$267,435)</u>
21				
22	To adjust Sales For Resale (OWU) billed water revenue for the change in billing determinants at present rates for the forecasted test period.	SALES FOR RESALE (OWU)		
23		Forecasted Amount	WIP-2	\$775,970
24		Base Period Amount		<u>847,567</u>
25		Pro Forma Adjustment		<u>(\$71,597)</u>
26				
27	To adjust Public Fire Service billed water revenue for the change in billing determinants at present rates for the forecasted test period.	PUBLIC FIRE SERVICE		
28		Forecasted Amount	WIP-2	\$1,891,190
29		Base Period Amount		<u>1,835,565</u>
30		Pro Forma Adjustment		<u>\$55,625</u>
31				
32	To adjust Private Fire Service billed revenue for the change in billing determinants at present rates for the forecasted test period.	PRIVATE FIRE SERVICE		
33		Forecasted Amount	WIP-2	\$868,020
34		Base Period Amount		<u>844,721</u>
35		Pro Forma Adjustment		<u>\$23,299</u>
36				
37	To adjust Miscellaneous billed water revenue for the change in billing determinants at present rates for the forecasted test period.	MISCELLANEOUS		
38		Forecasted Amount	WIP-2	\$15,908
39		Base Period Amount		<u>10,336</u>
40		Pro Forma Adjustment		<u>\$5,572</u>
41				
42				
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period	Total Billed Water Revenue Adjustment		<u>(\$1,018,134)</u>
44				
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): WIP-2 (TOTAL COMPANY)

SCHEDULED-2.1
Page 2 of 3
Witness Responsible: **S.A. Valentine**

Line No	Purpose and Description of Adjustment	Billed Revenues. Adjustment D-1	Workpaper Reference	Amount
1				
2	To eliminate the net change in Residential water unbilled accrued utility revenues recorded during the base period.	RESIDENTIAL		
3		Forecasted Amount	WIP-2	\$0
4		Base Period Amount		<u>67,951</u>
5		Pro Forma Adjustment		<u>(\$67,951)</u>
6				
7	To eliminate the net change in Commercial water unbilled accrued utility revenues recorded during the base period.	COMMERCIAL		
8		Forecasted Amount	W/P-2	\$0
9		Base Period Amount		<u>80,463</u>
10		Pro Forma Adjustment		<u>(\$80,463)</u>
11				
12	To eliminate the net change in Industrial water unbilled accrued utility revenues recorded during the base period.	INDUSTRIAL		
13		Forecasted Amount	W/P-2	\$0
14		Base Period Amount		<u>34,339</u>
15		Pro Forma Adjustment		<u>(\$34,339)</u>
16				
17	To eliminate the net change in Other Public Authority water unbilled accrued utility revenues recorded during the base period.	OTHER PUBLIC AUTHORITY		
18		Forecasted Amount	W/P-2	\$0
19		Base Period Amount		<u>15,645</u>
20		Pro Forma Adjustment		<u>(\$15,645)</u>
21				
22	To eliminate the net change in Sales for Resale (OWU) water unbilled accrued utility revenues recorded during the base period.	SALES FOR RESALE (OWU)		
23		Forecasted Amount	W/P-2	\$0
24		Base Period Amount		<u>41,775</u>
25		Pro Forma Adjustment		<u>(\$41,775)</u>
26				
27		PUBLIC FIRE SERVICE		
28		Forecasted Amount	W/P-2	\$0
29		Base Period Amount		<u>0</u>
30		Pro Forma Adjustment		<u>0</u>
31				
32		PRIVATE FIRE SERVICE		
33		Forecasted Amount	W/P-2	\$0
34		Base Period Amount		<u>0</u>
35		Pro Forma Adjustment		<u>0</u>
36				
37		MISCELLANEOUS		
38		Forecasted Amount	W/P-2	\$0
39		Base Period Amount		<u>0</u>
40		Pro Forma Adjustment		<u>0</u>
41				
42				
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period	Total Unbilled Water Revenue Adjustment		<u>(\$240,173)</u>
44				
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): WIP-2 (TOTAL COMPANY)

SCHEDULED-2.1
Page 3 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment		Workpaper Reference	Amount
1		<u>Billed Revenues, Adjustment D-1</u>		
2	To eliminate Residential billed sewer revenue for forecasted test period.	RESIDENTIAL		
3		Forecasted Amount	WIP-2	\$0
4		Base Period Amount		<u>19,013</u>
5		Pro Forma Adjustment		<u>(\$19,013)</u>
6				
7	To eliminate Commercial billed sewer revenue for the forecasted test period.	COMMERCIAL		
8		Forecasted Amount	WIP-2	\$0
9		Base Period Amount		<u>734</u>
10		Pro Forma Adjustment		<u>(\$734)</u>
11				
12	To eliminate Industrial billed sewer revenue for the forecasted test period.	INDUSTRIAL		
13		Forecasted Amount	WIP-2	\$0
14		Base Period Amount		<u>829</u>
15		Pro Forma Adjustment		<u>(\$829)</u>
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43	The purpose of each adjustment is to eliminate the sewer revenue for the forecasted test period.	Total Sewer Revenue Adjustment		<u>(20,576)</u>
44				
45		Total Revenue Adjustment		<u>(\$1,278,883)</u>
46				
47				
48				
49				
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (TOTAL COMPANY)

SCHEDULE D-2.2
Page 1 of 1
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	To adjust Reconnection Fees which was forecast under other revenues.		
3			
4			
5			
6			
7	To adjust Returned Check Charges for the forecasted test period level of bad checks and		
8	reflect other miscellaneous service revenues forecasted under other revenues		
9			
10			
11			
12	To adjust for all other revenues for more current information. This includes an adjustment for billing		
13	and collecting for landfill services for the Lexington-Fayette Urban County Government and the		
14	reconnection fees.		
15			
16			
17			
18			
19			
20			
21			
22	To reflect AFUDC above the line based on the overall rate of return and qualifying CWIP.		
23	This includes the gross-up of the equity piece of AFUDC per SFAS 109.		
24			
25			
26			
27			
28			
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42			
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.		
44			
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50			

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: __ ORIGINAL __ UPDATED _X_ REVISED
WORKPAPER REFERENCE(S): WIP-3 (TOTAL COMPANY)

SCHEDULED-2.3
Page 1 of 2
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Labor Adjustment D-4</u>	
2	Labor expense is being adjusted to reflect an increase due to union wage contracts and an increase of 3% for	Forecasted Amount	\$5,343,663
3	non-union employees to become effective April 1, 2004 and 2005.	Base Period Amount	<u>5,117,330</u>
4		Pro Forma Adjustment	<u>\$226,333</u>
5			
6		<u>Fuel & Power Adjustment D-5</u>	
7	Fuel and Power expense is being adjusted to reflect the forecasted sales.	Forecasted Amount	\$1,922,641
8		Base Period Amount	<u>2,039,507</u>
9		Pro Forma Adjustment	<u>(\$116,866)</u>
10			
11		<u>Chemicals Adjustment D-6</u>	
12	Chemical expense is being adjusted to reflect the level of forecasted sales Also reflected is the adjustment	Forecasted Amount	\$1,221,136
13	for contracted chemical prices made to the forecast.	Base Period Amount	<u>1,359,190</u>
14		Pro Forma Adjustment	<u>(\$138,054)</u>
15			
16		<u>Waste Disposal Adjustment D-7</u>	
17	Waste Disposal expense reflects two year amortization of the lagoon cleaning	Forecasted Amount	\$226,996
18	along with other normal recurring waste disposal expenses.	Base Period Amount	<u>166,669</u>
19		Pro Forma Adjustment	<u>\$60,327</u>
20			
21		<u>Management Fees Adjustment D-8</u>	
22	Management Fees expense reflects the forecasted charges from the Service Company for services rendered during	Forecasted Amount	\$3,800,310
23	the forecasted period including costs from the Southeast Region Service Company office, Shared Services Center,	Base Period Amount	<u>3,027,803</u>
24	and the Customer Call Center.	Pro Forma Adjustment	<u>\$772,507</u>
25			
26		<u>Group Insurance Adjustment D-9</u>	
27	Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with	Forecasted Amount	\$1,724,407
28	FAS 106.	Base Period Amount	<u>1,559,719</u>
29		Pro Forma Adjustment	<u>\$164,688</u>
30			
31		<u>Pensions Adjustment D-10</u>	
32	Pension Expense reflects the forecasted level based on FAS 87 pension costs	Forecasted Amount	\$737,860
33		Base Period Amount	<u>961,536</u>
34		Pro Forma Adjustment	<u>(\$223,676)</u>
35			
36		<u>Regulatory Expense Adjustment D-11</u>	
37	Regulatory Expense reflects a three year amortization of the cost of the current filing.	Forecasted Amount	\$230,280
38		Base Period Amount	<u>19,712</u>
39		Pro Forma Adjustment	<u>\$210,568</u>
40			
41			
42			
43			
44		<u>Insurance Other than Group Adjustment D-12</u>	
45		Forecasted Amount	\$549,254
46	insurance Other than Group expense reflects the Company's forecasted cost for liability insurance, worker's	Base Period Amount	<u>488,203</u>
47	compensation and property insurance based upon the most recent actual bills.	Pro Forma Adjustment	<u>\$61,051</u>
48			
49	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
50			

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): WIP-3 (TOTAL COMPANY)

SCHEDULED-2.3

Page 2 of 2

Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Customer Accounting Adjustment D-13</u>	
2	Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this	Forecasted Amount	\$989,860
3	function, as well as allocations made from Central Division to Tri Village and Elk Lake.	Base Period Amount	<u>852,207</u>
4		Pro Forma Adjustment	<u>\$137,653</u>
5			
6		<u>Rents Adjustment 13-14</u>	
7	Rent expense reflects all leases and rental agreements that the company has entered into or is forecasted to enter into	Forecasted Amount	\$53,143
8	during the forecasted test period.	Base Period Amount	<u>73,840</u>
9		Pro Forma Adjustment	<u>(\$20,697)</u>
10			
11		<u>General Office Expense Adjustment D-15</u>	
12	General Office expense reflects all expenses related to the Company's office including telephone, employee expenses,	Forecasted Amount	\$348,606
13	supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	Base Period Amount	<u>380,937</u>
14		Pro Forma Adjustment	<u>(\$32,331)</u>
15			
16		<u>Miscellaneous Expenses Adjustment D-16</u>	
17	Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed	Forecasted Amount	\$2,978,873
18	adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village	Base Period Amount	<u>3,080,829</u>
19	and Elk Lake.	Pro Forma Adjustment	<u>(\$101,956)</u>
20			
21		<u>Maintenance Expense Adjustment D-17</u>	
22	Maintenance expense reflect the costs of maintaining the property and assets of the Company. These expenses	Forecasted Amount	\$1,361,626
23	include amortizations of prior and forecasted deferred maintenance projects. It also includes normal maintenance	Base Period Amount	<u>1,195,232</u>
24	of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	Pro Forma Adjustment	<u>\$166,384</u>
25			
26		<u>Purchased Water Expense Adjustment D-18</u>	
27	Purchased Water represents water purchased from the Winchester Municipal System, Georgetown Municipal	Forecasted Amount	\$72,000
28	System, and Owen Water & Sewer.	Base Period Amount	<u>340,297</u>
29		Pro Forma Adjustment	<u>(\$268,297)</u>
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43	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE(S): W/P-4 & W/P-5 (TOTAL COMPANY)

SCHEDULE D-2.4

Page 1 of 1

Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	Depreciation expense reflects an increase due to an increased level of Utility Plant in Service.		
3			
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7	Amortization expense reflects the amortization of UPAA, Property Losses and Regulatory Asset on		
8	the equity gross-up of AFUDC.		
9			
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11			
12	General Taxes represent Property Taxes, Payroll Taxes, PSC Fees and other miscellaneous taxes that are calculated		
13	to be expenses for the forecasted test period. This also includes the allocation of property tax from Central Division		
14	to Tri Village and Elk Lake.		
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32	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF JURISDICTIONAL FACTORS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): (TOTAL COMPANY)

SCHEDULED-3
Page **1** of **1**
Witness Responsible: S.A. Valentine

Line No	Acct	Account Title	Jurisdictional Factor	Description of Factor and/or method of Allocation
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
JURISDICTIONAL STATISTICS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-4
Page 1 of 1

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: __ ORIGINAL __ UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): (TOTAL COMPANY)

Line No.	Description	Statistic Total Company	Adjustment	Adjusted Total Company	Statistic for Jurisdiction	Jurisdictional Ratio
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
EXPLANATION OF CHANGE IN JURISDICTIONAL PROCEDURES
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): (TOTAL COMPANY)

SCHEDULE D-5
Page 1 of 1

Line No	Account No.	Description	Procedure Approved in Prior Case	Rational for Change
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C
Page 1 of 19

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _ORIGINAL_ _X_ UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.1/D-2.2 (CENTRAL DIVISION)

Witness Responsible: M.A. Miller/ S. A Valentine

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D-2.2	Adj. D-3 Sch D-2.2	Total Adjustments
1		Water Revenues					
2	461100	Residential - Billed	\$ 22,730,759	(490,298)	\$0	\$0	(\$490,298)
3	461110	Residential- Unbilled	67,951	(67,951)	0	0	(67,951)
4	461200	Commercial- Billed	10,958,927	(443,413)	0	0	(443,413)
5	461210	Commercial- Unbilled	80,463	(80,463)	0	0	(80,463)
6	461300	Industrial - Billed	1,497,592	82,607	0	0	82,607
7	461310	Industrial - Unbilled	34,339	(34,339)	0	0	(34,339)
8	461400	Miscellaneous - Billed	9,523	6,385	0	0	6,385
9	461410	Miscellaneous - Water Sales Billed Unmeters	0	0	0	0	0
10	462000	Private Fire - Billed	844,721	23,299	0	0	23,299
11	462100	Private Fire - Unbilled	0	0	0	0	0
12	463000	Public Fire - Billed	1,835,565	55,625	0	0	55,625
13	463100	Public Fire - Unbilled	0	0	0	0	0
14	464200	OPA - Billed	3,386,603	(265,515)	0	0	(265,515)
15	464210	OPA - Unbilled	15,645	(15,645)	0	0	(15,645)
16	466000	Sales for Resale - Billed	847,567	(76,253)	0	0	(76,253)
17	466100	Sales for Resale - Unbilled	41,775	(41,775)	0	0	(41,775)
18		Total Water Revenues	42,351,430	(1,347,736)	0	0	(1,347,736)
19							
20		Sewer Revenues					
21	461000	Residential- Billed	19,013	(19,013)	0	0	(19,013)
22	461010	Residential- Billed Surcharge	0	0	0	0	0
23	461020	Commercial- Billed	734	(734)	0	0	(734)
24	461030	Commercial- Unbilled	0	0	0	0	0
25	462210	Industrial - Billed	829	(829)	0	0	(829)
26	462110	Industrial - Unbilled	0	0	0	0	0
27		Total Sewer Revenues	20,576	(20,576)	0	0	(20,576)
28							
29							
30		OTHER OPERATING REVENUES					
31	471100	Reconnection Charges	22,316	0	(22,316)	0	(22,316)
32	471200	Other Miscellaneous Service Revenues	140,771	0	(104,658)	0	(104,658)
33	472000	Rents from Water Property	104,338	0	(21,598)	0	(21,598)
34	474100	Billing & Collection Services	749,953	0	31,723	0	31,723
35	474300	Other Water Revenues	26,696	0	187,531	0	187,531
36		AFUDC	0	0	0	470,940	470,940
37		TOTAL OTHER OPERATING REVENUES	1,044,074	0	70,682	470,940	541,622
38							
39		TOTAL OPERATING REVENUES	\$43,416,080	(\$1,368,312)	\$70,682	\$470,940	\$0
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KENTUCKY-AMERICAN WATER COMPANY
CASENO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C

Page 2 of 19

Witness Responsible: M A Miller, S. A Valentine

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED R M S E D
WORKPAPER REFERENCE NO(S): SCH D-2.1/D-2.2 (CENTRAL DMSION)

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D 2.2	Adj. D-3 Sch D-2.2						Total Adjustments
1												
2												
3		<u>Revenues from Water/Wastewater</u>										
4		Residential	\$ 22,817,723	(\$577,262)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$577,262)
5		Commercial	11,040,124	(524,610)	0	0	0	0	0	0	0	(524,610)
6		Industrial	1,532,760	47,439	0	0	0	0	0	0	0	47,439
7		Other Public Authority (OPA)	3,402,248	(281,160)	0	0	0	0	0	0	0	(281,160)
8		Sales for Resale (OWU)	889,342	(118,028)	0	0	0	0	0	0	0	(118,028)
9		Miscellaneous	9,523	6,385	0	0	0	0	0	0	0	6,385
10		Private Fire Service	844,721	23,299	0	0	0	0	0	0	0	23,299
11		Public Fire Service	1,835,565	55,625	0	0	0	0	0	0	0	55,625
12												
13		Total Water/Wastewater Revenues	42,372,006	(1,368,312)	0	0	0	0	0	0	0	(1,368,312)
14		Other Operating Revenues	1,044,074	0	70,682	470,940	0	0	0	0	0	541,622
15												
16		Total Operating Revenues	<u>\$43,416,080</u>	<u>(\$1,368,312)</u>	<u>\$70,682</u>	<u>\$470,940</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$826,690)</u>
17												
18		<u>TAX RATE</u>										
19		State Income Tax impact	8.25%	(\$112,886)	\$5,831	\$38,853	\$0	\$0	\$0	\$0	\$0	(\$68,202)
20		Federal Income Tax impact	35.00%	(\$439,399)	\$22,698	\$151,230	\$0	\$0	\$0	\$0	\$0	(\$265,471)
21		Net Operating Income impact		(\$816,027)	\$42,153	\$280,857	\$0	\$0	\$0	\$0	\$0	(\$493,017)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: BASE PERIOD FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DMSION)

SCHEDULED-1C

Page 3 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D 4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
			Col1	Col2	Col3	Col4	Col5	Col6	Col7	Col8	Col9	Col10	
1		SOURCE OF SUPPLY EXP (SS)											
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	61,278	0	0	0	0	0	0	0	0	0	0
6	603100	Miscellaneous Expenses	10,862	0	0	0	0	0	0	0	0	0	0
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0	0	0
9	604000	Rents	2,400	0	0	0	0	0	0	0	0	0	0
10	610000	Maint Supervision & Engineering Ord	1,965	(1,965)	0	0	0	0	0	0	0	0	(1,965)
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
12	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
21	613100	Main Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other Intakes	21,946	0	0	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0	0	0
26	614120	Amort Def Exp Wells & Springs	0	0	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	220,934	0	0	0	0	0	0	0	0	0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
34													
35													
36		TOTAL SS EXPENSES	319,385	(1,965)	0	0	0	0	0	0	0	0	(1,965)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D 3 3 (CENTRAL DMSION)

SCHEDULED-1C
Page 4 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D2.3	Total Adjustments
1		PUMPING EXPENSES											
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0	0	0
4	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0	0	0
5	622200	Power Production Labor	0	0	0	0	0	0	0	0	0	0	0
6	623110	Power Purchasedfor Pumping-Elec	1,066,532	0	856,109	0	0	0	0	0	0	0	856,109
7	623120	Power Purchasedfor Pumping-Elec Adj	0	0	0	0	0	0	0	0	0	0	0
8	623210	Power Purchasedfor Pumping-Other	972,975	0	(972,975)	0	0	0	0	0	0	0	(972,975)
9	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	3,618	0	0	0	0	0	0	0	0	0	0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	8,034	0	0	0	0	0	0	0	0	0	0
19	630200	Maint Sup & Eng-Electric Ord	54,314	113,966	0	0	0	0	0	0	0	0	113,966
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Inprov-Material Ord	0	0	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Inprov-Material Prg	0	0	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & inprov-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
26	631210	Maint Pumping Struc & Inprov-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0	0	0
39		TOTAL PUMPING EXPENSES	2,105,473	113,966	(116,866)	0	0	0	0	0	0	0	(2,900)

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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF RUNG: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-23 (CENTRAL DMSION)

SCHEDULE **D-1C**

Page 5 of 19

Witness Responsible: M A Miller, S. A Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		WATER TREATMENT EXPENSES (WT)											
2	640000	Operation Supervision & Engineering	\$0	\$374,088	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$374,088
3	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0	0	0
4	641100	General Chemicals	1,358,500	0	0	(138,204)	0	0	0	0	0	0	(138,204)
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0	0	0
6	642100	General WT Labor	1,333,008	(478,212)	0	0	0	0	0	0	0	0	(478,212)
7	642200	Softening Labor	0	0	0	0	0	0	0	0	0	0	0
8	642300	General WT Expenses	232,484	0	0	0	0	0	0	0	0	0	0
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0	0	0
10	642400	Softening Expenses	0	0	0	0	0	0	0	0	0	0	0
11	643100	Misc Expenses	54,338	0	0	0	0	0	0	0	0	0	0
12	643190	Misc Expenses - Service Co	0	0	0	0	0	0	0	0	0	0	0
13	643200	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
14	643300	Waste Disposal Expenses	145,607	0	0	0	(3,607)	0	0	0	0	0	(3,607)
15	643310	Amort Waste Disposal Expenses	21,062	0	0	0	63,934	0	0	0	0	0	63,934
16	644000	Rents	20,272	0	0	0	0	0	0	0	0	0	0
17	650000	Maint Supervision & Engineering Ord	118,160	(6,929)	0	0	0	0	0	0	0	0	(6,929)
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
19	651100	Maint WT Struc & Improvements-Mat Ord	188,788	0	0	0	0	0	0	0	0	0	0
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
21	651120	Amort WT Structures	162,454	0	0	0	0	0	0	0	0	0	0
22	651200	Maint WT Struc & improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
23	651210	Maint WT Struc & improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0	0	0
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
29													
30		TOTAL WT EXPENSES	3,634,673	(111,053)	0	(138,204)	60,327	0	0	0	0	0	(188,930)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200400103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X R M SED
WORKPAPER REFERENCE NO(S): SCH D-23 (CENTRAL DMSION)

SCHEDULED-1C

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Witness Responsible: M.A Milled S. A Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D2.3	Adj D-10 Sch D2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D)											
2	660000	Operation Supervision & Engineering	\$0	\$345,929	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$345,929
3	661100	Storage Facilities - Expenses	0	0	0	0	0	0	0	0	0	0	0
4	661200	Storage Facilities - Labor	0	0	0	0	0	0	0	0	0	0	0
5	662100	T&D Lines - Expenses	12,950	0	0	0	0	0	0	0	0	0	0
6	662200	T&D Lines - Labor	1,047,767	(597,656)	0	0	0	0	0	0	0	0	(597,656)
7	663100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0	0	0
8	663200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0	0	0
9	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0	0	0
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0	0	0
11	664100	Customer Installation - Expenses	0	0	0	0	0	0	0	0	0	0	0
12	664200	Customer Installation- Labor	0	0	0	0	0	0	0	0	0	0	0
13	665100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0	0	0
14	665190	Maps and Records - Expenses Computer	0	0	0	0	0	0	0	0	0	0	0
15	665200	Maps and Records - Labor	0	47,984	0	0	0	0	0	0	0	0	47,984
16	665300	Misc Expenses	232,018	0	0	0	0	0	0	0	0	0	0
17	665400	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
18	666000	Rents	4,756	0	0	0	0	0	0	0	0	0	0
19	670000	Maint Supervision & Engineering Ord	15,848	(15,848)	0	0	0	0	0	0	0	0	(15,848)
20	670010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
21	671100	Maint Struct & improvements-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
22	671110	Maint Struct & improvements-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
23	671200	Maint Struct & improvements-Labor Ord	18,306	(18,306)	0	0	0	0	0	0	0	0	(18,306)
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes - Materials Ord	979	0	0	0	0	0	0	0	0	0	0
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
27	672120	Amort Res & Standpipes	190,177	0	0	0	0	0	0	0	0	0	0
28	672200	Maint Res & Standpipes - Labor Ord	5,403	(5,403)	0	0	0	0	0	0	0	0	(5,403)
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0	0	0	0	0	0
33	673200	Maint T&D Mains - Labor Ord	191,511	388,419	0	0	0	0	0	0	0	0	388,419
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
35	675100	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
36	675110	Maint Services - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
37	675200	Maint Services - Labor Ord	188,756	(188,756)	0	0	0	0	0	0	0	0	(188,756)
38	675210	Maint Services - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
41	676200	Maint Meter - Labor Ord	30,073	102,523	0	0	0	0	0	0	0	0	102,523
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
43	676300	Maint Meter installation- Materials Ord	0	0	0	0	0	0	0	0	0	0	0
44	676320	Maint Meter installation- Materials Prg	0	0	0	0	0	0	0	0	0	0	0
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
47													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DMSION)

SCHEDULED-1C
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Witness Responsible: M A Miller, S. A Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		TRANS & DIST EXPENSES(T&D) (Cont'd)											
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
3	677110	Maint Hydrants- Materials Prg	0	0	0	0	0	0	0	0	0	0	0
4	677200	Maint Hydrants - Labor Ord	92,564	(59,083)	0	0	0	0	0	0	0	0	(59,083)
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
6	678100	Maint Other T&D Plant - Materials Ord	328,863	0	0	0	0	0	0	0	0	0	0
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
10													
11													
12		TOTAL T&D EXPENSES	2,359,971	(197)	0	0	0	0	0	0	0	0	(197)
13													
14		CUSTOMER ACCOUNTS EXPENSE (CA)											
15	901000	Supervision	\$0	\$85,687	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85,687
16	902100	Meter Reading Expenses	0	0	0	0	0	0	0	0	0	0	0
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0	0	0
18	902200	Meter Reading Labor	0	809,314	0	0	0	0	0	0	0	0	809,314
19		CUST RECORDS & COLLECTION EXPENSES											0
20	903100	Contracts and Orders - Expenses	43,221	0	0	0	0	0	0	0	0	0	0
21	903200	Contracts and Orders - Labor	988,813	(750,492)	0	0	0	0	0	0	0	0	(750,492)
22	903300	Collecting - Expenses	186,177	0	0	0	0	0	0	0	0	0	0
23	903400	Collecting - Salaries	0	0	0	0	0	0	0	0	0	0	0
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0	0	0
25	903520	Billing & Accounting - Other Expenses	419,470	0	0	0	0	0	0	0	0	0	0
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0	0	0	0	0	0
27	904000	Uncollectible Accounts	186,300	0	0	0	0	0	0	0	0	0	0
28	905100	Misc Expenses	13,945	0	0	0	0	0	0	0	0	0	0
29	905200	Misc Salaries	0	0	0	0	0	0	0	0	0	0	0
30													
31		TOTAL CA EXPENSES	1,837,926	144,509	0	0	0	0	0	0	0	0	144,509
32													
33		CUSTOMER SERVICE EXPENSES											
34	907100	Cust Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0	0	0	0	0	0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	0
37													
38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40													
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	0
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED R M S E D
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DMSION)

SCHEDULED-1C

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Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G)											
2	920000	Salaries	\$837,683	(\$158,142)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$158,142)
3	920500	Incentive Plan Expense	13,743	215,403	0	0	0	0	0	0	0	0	215,403
4	921100	Expenses of Employees	80,436	0	0	0	0	0	0	0	0	0	0
5	921130	Dues for Clubs - Ded	0	0	0	0	0	0	0	0	0	0	0
6	921200	Misc Office Expenses	271,079	0	0	0	0	0	0	0	0	0	0
7	923100	Service Company Charges	3,027,803	0	0	0	0	748,836	0	0	0	0	748,836
8	923190	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0	0	0
9	923200	Auditing Services	26,220	0	0	0	0	0	0	0	0	0	0
10	923300	Legal Services	98,308	0	0	0	0	0	0	0	0	0	0
11	923400	Engineering Services	600	0	0	0	0	0	0	0	0	0	0
12	923500	Other Services - Current	885,792	0	0	0	0	0	0	0	0	0	0
13	924000	Property Insurance	185,350	0	0	0	0	0	0	0	0	(45,419)	(45,419)
14	925110	Workers Compensation	59,237	0	0	0	0	0	0	0	0	3,808	3,808
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages - Expenses	2,100	0	0	0	0	0	0	0	0	0	0
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0	0	0
21	925400	General Liability	243,735	0	0	0	0	0	0	0	0	92,118	92,118
22		EMPLOYEE PENSIONS & BENEFITS											0
23	926100	Accrued OPEB Expense	678,595	0	0	0	0	0	94,821	0	0	0	94,821
24	926110	Group Insurance Expense	884,022	0	0	0	0	0	12,309	0	0	0	12,309
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0	0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0	0	0
29	926160	Group ins Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
30	926170	Group ins Pretax Contribution	0	0	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educationai Expenses	118,173	0	0	0	0	0	0	0	0	0	0
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	53,540	0	0	0	0	0	0	0	0	0	0
34	926250	401-K Contributions Expense	85,632	0	0	0	0	0	0	0	0	0	0
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments- Current	963,675	0	0	0	0	0	0	(98,695)	0	0	(98,695)
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Prmts - Union	0	0	0	0	0	0	0	0	0	0	0
46	926800	Pensions - Capitalized - (A&B)	0	0	0	0	0	0	0	(150,507)	0	0	(150,507)
47	926900	Pensions - Capitalized- (H)	0	0	0	0	0	0	0	0	0	0	0
48	926910	Pensions - Capitalized- (C&R)	0	0	0	0	0	0	0	0	0	0	0
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200490103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED R M S E D
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DMSION)

SCHEDULE D-1C

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Witness Responsible: M.A. Miller, S. A. Valentine

Line No	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
2		REGULATORY COMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$218,404	\$0	\$218,404
4	928110	Amort Sent Study Exp Cost	0	0	0	0	0	0	0	0	0	0	0
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0	0	0
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0	0	0
7	928400	Other Regulatory Expenses - Current	19,712	0	0	0	0	0	0	0	(8,000)	0	(8,000)
8	930200	Amort Misc Charges	187,704	0	0	0	0	0	0	0	0	0	0
9	930210	Misc General Expenses Current	440,197	0	0	0	0	0	0	0	0	0	0
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0	0	0
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0	0	0
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0	0	0
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0	0	0
14	930260	Meals & Travel Expenses - Taxable	15,182	0	0	0	0	0	0	0	0	0	0
15	930270	Donations	30	0	0	0	0	0	0	0	0	0	0
16	930290	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0	0	0
17	930300	Research & Development Expenses	24,184	0	0	0	0	0	0	0	0	0	0
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0	0	0
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0	0	0
20	930510	Lobbying Expenses	0	0	0	0	0	0	0	0	0	0	0
21	930600	Transportation Expenses	353,776	0	0	0	0	0	0	0	0	0	0
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0	0	0
25	930880	Misc Gen Exp - Company Dues	31,270	0	0	0	0	0	0	0	0	0	0
26	930890	Misc Gen Exp - Other	169,096	0	0	0	0	0	0	0	0	0	0
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0	0	0
28	931000	Rents	24,859	0	0	0	0	0	0	0	0	0	0
29	932100	Maint A&G Struc & Improv-Material Ord	55,502	0	0	0	0	0	0	0	0	0	0
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	0
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0	0	0
32	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0	0	0
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0	0	0
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0	0	0
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
41	932700	Maint A&G Misc Property-Material Ord	22,386	0	0	0	0	0	0	0	0	0	0
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0	0	0
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
45		Total A & G Expenses	9,859,621	57,261	0	0	0	748,836	107,130	(249,202)	210,404	50,507	924,936
46													
47		Total O & M Expenses	\$20,117,049	\$202,521	(\$116,866)	(\$138,204)	\$60,327	\$748,836	\$107,130	(\$249,202)	\$210,404	\$50,507	\$875,453
48													
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULED-1C

Page 10 of 19

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DMSION)

Witness Responsible: M.A. Miller, S. A Valentine

Line No.	Line Number	Description	Base Period	Adj D 4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch 0-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch P-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1													
2	08	Operation Labor Expenses	\$4,938,893	\$202,521	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$202,521
3	24	Maintenance Labor Expenses	0	0	0	0	0	0	0	0	0	0	0
4													
5		Total Labor	<u>\$4,938,893</u>	<u>\$202,521</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$202,521</u>
6													
7		Total Operation Expenses	\$18,208,120	(\$106,097)	(\$116,866)	(\$138,204)	\$60,327	\$748,836	\$107,130	(\$249,202)	\$210,404	\$50,507	\$566,836
8		Total Maintenance Expenses	<u>1,908,929</u>	<u>308,618</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>308,618</u>
9													
10		Total O & M Expenses	<u>\$20,117,049</u>	<u>\$202,521</u>	<u>(\$116,866)</u>	<u>(\$138,204)</u>	<u>\$60,327</u>	<u>\$748,836</u>	<u>\$107,130</u>	<u>(\$249,202)</u>	<u>\$210,404</u>	<u>\$50,507</u>	<u>\$875,453</u>
11													
12													
13													
14													
15													
16													
17	08	Labor	\$4,938,893	\$202,521	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$202,521
18	09	Purchased Water	61,278	0	0	0	0	0	0	0	0	0	0
19	10	Fuel and Power	2,039,507	0	(116,866)	0	0	0	0	0	0	0	(116,866)
20	11	Chemicals	1,358,500	0	0	(138,204)	0	0	0	0	0	0	(138,204)
21	12	Waste Disposal	166,669	0	0	0	60,327	0	0	0	0	0	60,327
22	13	Management Fees	3,027,803	0	0	0	0	748,836	0	0	0	0	748,836
23	14	Group Insurance	1,562,617	0	0	0	0	0	107,130	0	0	0	107,130
24	15	Pension	963,675	0	0	0	0	0	0	(249,202)	0	0	(249,202)
25	16	Regulatory Expense	19,712	0	0	0	0	0	0	0	210,404	0	210,404
26	17	Insurance Other than Group	488,322	0	0	0	0	0	0	0	0	50,507	50,507
27	18	Customer Accounting	849,113	0	0	0	0	0	0	0	0	0	0
28	19	Rents	60,321	0	0	0	0	0	0	0	0	0	0
29	20	General Office Expense	366,697	0	0	0	0	0	0	0	0	0	0
30	21	Miscellaneous	3,022,892	0	0	0	0	0	0	0	0	0	0
31	25	Other Maintenance	1,191,050	0	0	0	0	0	0	0	0	0	0
32													
33		Total O & M Expenses	<u>\$20,117,049</u>	<u>\$202,521</u>	<u>(\$116,866)</u>	<u>(\$138,204)</u>	<u>\$60,327</u>	<u>\$748,836</u>	<u>\$107,130</u>	<u>(\$249,202)</u>	<u>\$210,404</u>	<u>\$50,507</u>	<u>\$875,453</u>
34													
35		State income Tax Impact	8.25%	(\$16,708)	\$9,641	\$11,402	(\$4,977)	(\$61,779)	(\$8,838)	\$20,559	(\$17,358)	(\$4,167)	(\$72,225)
36													
37		Federal income Tax Impact	35.00%	(\$76,730)	\$44,278	\$52,362	(\$22,856)	(\$283,715)	(\$40,589)	\$94,416	(\$79,717)	(\$19,136)	(\$331,687)
38													
39		Net Operating Income impact		<u>(\$109,083)</u>	<u>\$62,947</u>	<u>\$74,440</u>	<u>(\$32,494)</u>	<u>(\$403,342)</u>	<u>(\$57,703)</u>	<u>\$134,227</u>	<u>(\$113,329)</u>	<u>(\$27,204)</u>	<u>(\$471,541)</u>
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _ ORIGINAL _ _ UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

SCHEDULED-1C
Page 11 of 19
Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments	
			Col1	Col2	Col3	Col4	Col5	Col6	Col7			
1		SOURCE OF SUPPLY EXPENSES (SS)										
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0	
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0	
5	602000	Purchased Water	61,278	0	0	0	0	0	10,722	10,722	10,722	
6	603100	Miscellaneous Expenses	10,862	0	0	0	9,868	0	0	9,868	9,868	
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0	
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0	
9	604000	Rents	2,400	0	3,210	0	0	0	0	3,210	3,210	
10	610000	Maint Supervision & Engineering Ord	1,965	0	0	0	0	0	0	0	(1,965)	
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	
12	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0	
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0	
14	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	
15	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	
16	612100	Maint Col & imp Res-Materials Ord	0	0	0	0	0	0	0	0	0	
17	612110	Maint Col & imp Res-Materials Prg	0	0	0	0	0	0	0	0	0	
18	612120	Amort Col & imp Res	0	0	0	0	0	0	0	0	0	
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0	
20	612210	Maint Col & imp Res-Labor Prg	0	0	0	0	0	0	0	0	0	
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0	
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0	
23	613120	Amort Lake, River & Other Intakes	21,946	0	0	0	0	(21,946)	0	(21,946)	(21,946)	
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0	
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0	
26	614120	Amort Def Exp Wlls & Springs	0	0	0	0	0	17,304	0	17,304	17,304	
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0	
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0	
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0	
30	617100	Maint Misc Water Source Plant-Mat Ord	220,934	0	0	0	0	74,567	0	74,567	74,567	
31	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0	
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0	
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0	
34												
35												
36		TOTAL SS EXPENSES	319,385	0	3,210	0	9,868	69,925	10,722	0	93,725	91,760
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X RMSED
WORKPAPER REFERENCE NO(S): SCH D-23 (CENTRAL DMSION)

SCHEDULE D-1C
Page 12 of 18
Witness Responsible: M.A. Miller, S. A Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		PUMPING EXPENSES									
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0		0	0
4	622100	Power Production Expenses	0	0	0	0	0	0		0	0
5	622200	Power Production Labor	0	0	0	0	0	0		0	0
6	623110	Power Purchased for Pumping-Elec	1,066,532	0	0	0	0	0		0	856,109
7	623120	Power Purchased for Pumping-ElecAdj	0	0	0	0	0	0		0	0
8	623210	Power Purchased for Pumping-Other	972,975	0	0	0	0	0		0	(972,975)
9	624200	Pumping Labor-Electric	0	0	0	0	0	0		0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0		0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	500	0		500	500
12	624600	Pumping Expenses-Other	0	0	0	0	0	0		0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0		0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0		0	0
15	626500	Misc Pumping Expenses-Electric	3,618	0	0	0	(1,218)	0		(1,218)	(1,218)
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0		0	0
17	627200	Rents-Electric	0	0	0	0	0	0		0	0
18	627300	Rents-Other	8,034	0	5,626	0	0	0		5,626	5,626
19	630200	Maint Sup & Eng-Electric Ord	54,314	0	0	0	0	0		0	113,966
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0		0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0		0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0		0	0
23	631100	Maint Pumping Struc & inprov-Material Ord	0	0	0	0	0	0		0	0
24	631110	Maint Pumping Struc & inprov-Material Prg	0	0	0	0	0	0		0	0
25	631200	Maint Pumping Struc & inprov-Labor Ord	0	0	0	0	0	0		0	0
26	631210	Maint Pumping Struc & inprov-Labor Prg	0	0	0	0	0	0		0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0		0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0		0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0		0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0		0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0		0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0		0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0		0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0		0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0		0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0		0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0		0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0		0	0
39		TOTAL PUMPING EXPENSES	2,105,473	0	5,626	0	(718)	0	0	4,908	2,008

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED X RMSED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DMSION)

SCHEDULE **D-1C**
Page 13 of 19
Witness Responsible: M A Miller, S A Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments	
1		WATER TREATMENT EXPENSES (WT)										
2	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$374,088	
3	641110	Chemicals-Carbon	0	0	0	0	0	0		0	0	
4	641100	General Chemicals	1,358,500	0	0	0	0	0		0	(138,204)	
5	641200	Softening Chemicals	0	0	0	0	0	0		0	0	
6	642100	General WT Labor	1,333,008	0	0	0	0	0		0	(478,212)	
7	642200	Softening Labor	0	0	0	0	0	0		0	0	
8	642300	General WT Expenses	232,484	0	0	0	(88,776)	0		(88,776)	(88,776)	
9	642390	General WT Administration	0	0	0	0	0	0		0	0	
10	642400	Softening Expenses	0	0	0	0	0	0		0	0	
11	643100	Misc Expenses	54,338	0	0	0	87,929	0		87,929	87,929	
12	643190	Misc Expenses- Service Co	0	0	0	0	0	0		0	0	
13	643200	Misc Labor	0	0	0	0	0	0		0	0	
14	643300	Waste Disposal Expenses	145,607	0	0	0	0	0		0	(3,607)	
15	643310	Amort Waste Disposal Expenses	21,062	0	0	0	0	0		0	63,934	
16	644000	Rents	20,272	0	(19,396)	0	0	0		(19,396)	(19,396)	
17	650000	Maint Supervision & Engineering Ord	118,160	0	0	0	0	0		0	(6,929)	
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0		0	0	
19	651100	Maint WT Struc & Improvements-Mat Ord	188,788	0	0	0	0	(52,024)		(52,024)	(52,024)	
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0		0	0	
21	651120	Amort WT Structures	162,454	0	0	0	0	(21,646)		(21,646)	(21,646)	
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0		0	0	
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0		0	0	
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	99,867		99,867	99,867	
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0		0	0	
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0		0	0	
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0		0	0	
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0		0	0	
29												
30		TOTAL WT EXPENSES	3,634,673	0	(19,396)	0	(847)	26,197	0	0	5,954	(182,976)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

SCHEDULED-1C
Page 14 of 29
Witness Responsible: MA Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		TRANS & DIST EXPENSES (T&D)									
2	660000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$345,929
3	661100	Storage Facilities - Expenses	0	0	0	0	0	0		0	0
4	661200	Storage Facilities - Labor	0	0	0	0	0	0		0	0
5	662100	T&D Lines - Expenses	12,950	0	0	0	(4,037)	0		(4,037)	(4,037)
6	662200	T&D Lines - Labor	1,047,767	0	0	0	0	0		0	(597,656)
7	663100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0		0	0
8	663200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0		0	0
9	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0		0	0
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0		0	0
11	664100	Customer Installation - Expenses	0	0	0	0	0	0		0	0
12	664200	Customer Installation - Labor	0	0	0	0	0	0		0	0
13	665100	Maps and Records - Expenses	0	0	0	0	0	0		0	0
14	665190	Maps and Records - Expenses Computer	0	0	0	0	0	0		0	0
15	665200	Maps and Records - Labor	0	0	0	0	0	0		0	47,984
16	665300	Misc Expenses	232,018	0	0	0	51,121	0		51,121	51,121
17	665400	Misc Labor	0	0	0	0	0	0		0	0
18	666000	Rents	4,756	0	2,520	0	0	0		2,520	2,520
19	670000	Maint Supervision & Engineering Ord	15,848	0	0	0	0	0		0	(15,848)
20	670010	Maint Supervision & Engineering Prg	0	0	0	0	0	0		0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0		0	0
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0		0	0
23	671200	Maint Struct & Improvements-Labor Ord	18,306	0	0	0	0	0		0	(18,306)
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0		0	0
25	672100	Maint Res & Standpipes - Materials Ord	979	0	0	0	0	(979)		(979)	(979)
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0		0	0
27	672120	Amort Res & Standpipes	190,177	0	0	0	0	40,631		40,631	40,631
28	672200	Maint Res & Standpipes - Labor Ord	5,403	0	0	0	0	0		0	(5,403)
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0		0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0		0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0		0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0		0	0
33	673200	Maint T&D Mains - Labor Ord	191,511	0	0	0	0	0		0	388,419
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0		0	0
35	675100	Maint Services - Materials Ord	0	0	0	0	0	0		0	0
36	675110	Maint Services - Materials Prg	0	0	0	0	0	0		0	0
37	675200	Maint Services - Labor Ord	188,756	0	0	0	0	0		0	(188,756)
38	675210	Maint Services - Labor Prg	0	0	0	0	0	0		0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0		0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0		0	0
41	676200	Maint Meter - Labor Ord	30,073	0	0	0	0	0		0	102,523
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0		0	0
43	676300	Maint Meter Installation - Materials Ord	0	0	0	0	0	0		0	0
44	676310	Maint Meter Installation - Materials Prg	0	0	0	0	0	0		0	0
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0		0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0		0	0
47											
48											
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C

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Witness Responsible: M A Miller, S. A Valentine

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: — ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DMSION)

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments		
1		TRANS & DIST EXPENSES (T&D) (Cont'd)											
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0		0	0		
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0		0	0		
4	677200	Maint Hydrants - Labor Ord	92,564	0	0	0	0	0		0	(59,083)		
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0		0	0		
6	678100	Maint Other T&D Plant - Materials Ord	328,863	0	0	0	0	57,031		57,031	57,031		
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0		0	0		
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0		0	0		
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0		0	0		
10													
11													
12		TOTAL T&D EXPENSES	2,359,971	0	2,520	0	47,084	96,683	0	0	0	146,287	146,090
13													
14		CUSTOMER ACCOUNTS EXPENSE (CA)											
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$85,687		
16	902100	Meter Reading Expenses	0	0	0	0	0	0		0	0		
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0		0	0		
18	902200	Meter Reading Labor	0	0	0	0	0	0		0	809,314		
19		CUST RECORDS & COLLECTION EXPENSES											
20	903100	Contracts and Orders - Expenses	43,221	(34,658)	0	0	0	0		(34,658)	(34,658)		
21	903200	Contracts and Orders - Labor	988,813	0	0	0	0	0		0	(750,492)		
22	903300	Collecting - Expenses	186,177	(13,834)	0	0	0	0		(13,834)	(13,834)		
23	903400	Collecting - Salaries	0	0	0	0	0	0		0	0		
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0		0	0		
25	903520	Billing & Accounting - Other Expenses	419,470	115,046	0	0	0	0		115,046	115,046		
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0		0	0		
27	904000	Uncollectible Accounts	186,300	59,896	0	0	0	0		59,896	59,896		
28	905100	Misc Expenses	13,945	2,263	0	0	0	0		2,263	2,263		
29	905200	Misc Salaries	0	0	0	0	0	0		0	0		
30													
31		TOTAL CA EXPENSES	1,837,926	128,713	0	0	0	0	0	0	0	128,713	273,222
32													
33		CUSTOMER SERVICE EXPENSES											
34	907100	Cust Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0		
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0		0	0		
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	
37													
38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0		
40													
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	
42													
43													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30 2005

SCHEDULED-1C

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DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _ORIGINAL_ _UPDATED_ _X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DMSION)

Witness Responsible: M A Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D2.3	Adj D-15 Sch D2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G)									
2	920000	Salaries	\$837,683	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$158,142)
3	920500	Incentive Plan Expense	13,743	0	0	0	0	0	0	0	215,403
4	921100	Expenses of Employees	80,436	0	0	263	0	0	0	263	263
5	921130	Dues for Clubs - Ded	0	0	0	25,238	0	0	0	25,238	25,238
6	921200	Misc Office Expenses	271,079	0	0	(39,557)	0	0	0	(39,557)	(39,557)
7	923100	Service Company Charges	3,027,803	0	0	0	0	0	0	0	748,836
8	923190	service Company Charges- Out Agency	0	0	0	0	0	0	0	0	0
9	923200	Auditing Services	26,220	0	0	0	(2,535)	0	0	(2,535)	(2,535)
10	923300	Legal Services	98,308	0	0	0	(34,123)	0	0	(34,123)	(34,123)
11	923400	Engineering Services	600	0	0	0	1,700	0	0	1,700	1,700
12	923500	Other Services- Current	885,792	0	0	0	(439,185)	0	0	(439,185)	(439,185)
13	924000	Property Insurance	185,350	0	0	0	0	0	0	0	(45,419)
14	925110	Workers Compensation	59,237	0	0	0	0	0	0	0	3,808
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages - Expenses	2,100	0	0	0	2,072	0	0	2,072	2,072
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0
21	925400	General Liability	243,735	0	0	0	0	0	0	0	92,118
22		EMPLOYEE PENSIONS & BENEFITS									
23	926100	Accrued OPEB Expense	678,595	0	0	0	0	0	0	0	94,821
24	926110	Group insurance Expense	884,022	0	0	0	0	0	0	0	12,309
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0
30	926170	Group Ins Pretax Contribution	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educational Expenses	118,173	0	0	0	(2,385)	0	0	(2,385)	(2,385)
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	53,540	0	0	0	(17,036)	0	0	(17,036)	(17,036)
34	926250	401-K Contributions Expense	85,632	0	0	0	(9,277)	0	0	(9,277)	(9,277)
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments - Current	963,675	0	0	0	0	0	0	0	(98,695)
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Pmts - Union	0	0	0	0	0	0	0	0	0
46	926800	Pensions- Capitalized - (A&B)	0	0	0	0	0	0	0	0	(150,507)
47	926900	Pensions- Capitalized - (H)	0	0	0	0	0	0	0	0	0
48	926910	Pensions- Capitalized - (C&R)	0	0	0	0	0	0	0	0	0
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-1C

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DATA: BASE PERIOD FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED R M S E D
 WORKPAPER REFERENCE NO(S): SCH D-23 (CENTRAL DMSION)

Witness Responsible: **M A Miller/ S. A Valentine**

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D2.3	Total Adjustments	Grand Total Adjustments		
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
2		REGULATORY COMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	0	0	0	0	0	0	0	0	218,404		
4	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0	0	0	0		
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0		
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0		
7	928400	Other Regulatory Expenses - Current	19,712	0	0	0	0	0	0	0	(8,000)		
8	930200	Amort Misc Charges	187,704	0	0	0	(74,808)	0	0	(74,808)	(74,808)		
9	930210	Misc General Expenses Current	440,197	0	0	0	346,772	0	0	346,772	346,772		
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0		
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0		
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0		
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0		
14	930260	Meals & Travel Expenses - Taxable	15,182	0	0	(6,686)	0	0	0	(6,686)	(6,686)		
15	930270	Donations	30	0	0	0	(30)	0	0	(30)	(30)		
16	930290	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0		
17	930300	Research & Development Expenses	24,184	0	0	0	(7,797)	0	0	(7,797)	(7,797)		
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0		
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0		
20	930510	Lobbying Expenses	0	0	0	0	0	0	0	0	0		
21	930600	Transportation Expenses	353,776	0	0	0	60,912	0	0	60,912	60,912		
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0		
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0		
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0		
25	930880	Misc Gen Exp - Company Dues	31,270	0	0	0	(171)	0	0	(171)	(171)		
26	930890	Misc Gen Exp - Other	169,096	0	0	0	5,632	0	0	5,632	5,632		
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0		
28	931000	Rents	24,859	0	(7,199)	0	0	0	0	(7,199)	(7,199)		
29	932100	Maint A&G Struc & Improv-Material Ord	55,502	0	0	0	0	(35,392)	0	(35,392)	(35,392)		
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0		
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0		
32	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0		
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0		
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0		
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0		
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0		
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0		
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0		
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0		
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0		
41	932700	Maint A&G Misc Property-Material Ord	22,386	0	0	0	0	2,613	0	2,613	2,613		
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0		
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0		
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0		
45		Total A & G Expenses	9,859,621	0	(7,199)	(20,742)	(170,259)	(32,779)	0	0	(230,979)	693,957	
46													
47		Total O & M Exoenses	\$20,117,049	\$128,713	(\$15,239)	(\$20,742)	(\$114,872)	\$160,026	\$10,722	\$0	\$0	\$148,608	\$1,024,061
48													
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULED-1C

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Witness Responsible: M.A. Miller, S. A. Valentine

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-23 (CENTRAL DIVISION)

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch 02.4	Total Adjustments	Grand Total Adjustments
1											
2	08	Operation Labor Expenses	\$4,938,893	\$0	\$0	\$0	\$0	(\$979)	\$0	(\$979)	\$201,542
3	24	Maintenance Labor Expenses	0	0	0	0	0	0	0	0	0
4		Total Labor	\$4,938,893	\$0	\$0	\$0	\$0	(\$979)	\$0	(\$979)	\$201,542
5											
6											
7											
8		Total Operation Expenses	\$18,208,120	\$128,713	(\$15,239)	(\$20,742)	(\$114,872)	\$0	\$10,722	(\$11,418)	\$555,417
9		Total Maintenance Expenses	1,908,929	0	0	0	0	160,026	0	160,026	468,644
10											
11		Total O & M Expenses	\$20,117,049	\$128,713	(\$15,239)	(\$20,742)	(\$114,872)	\$160,026	\$10,722	\$148,608	\$1,024,061
12											
13											
14											
15											
16											
17	08	Labor	\$4,938,893	\$0	\$0	\$0	\$0	(\$979)	\$0	(\$979)	\$201,542
18	09	Purchased Water	61,278	0	0	0	0	0	10,722	10,722	10,722
19	10	Fuel and Power	2,039,507	0	0	0	0	0	0	0	(116,866)
20	11	Chemicals	1,358,500	0	0	0	0	0	0	0	(138,204)
21	12	Waste Disposal	166,669	0	0	0	0	0	0	0	60,327
22	13	Management Fees	3,027,803	0	0	0	0	0	0	0	748,836
23	14	Group Insurance	1,562,617	0	0	0	0	0	0	0	107,130
24	15	Pension	963,675	0	0	0	0	0	0	0	(249,202)
25	16	Regulatory Expense	19,712	0	0	0	0	0	0	0	210,404
26	17	Insurance Other than Group	488,322	0	0	0	0	0	0	0	50,507
27	18	Customer Accounting	849,113	128,713	0	0	0	0	0	128,713	128,713
28	19	Rents	60,321	0	(15,239)	0	0	0	0	(15,239)	(15,239)
29	20	General Office Expense	366,897	0	0	(20,742)	0	0	0	(20,742)	(20,742)
30	21	Miscellaneous	3,022,892	0	0	0	(114,872)	0	0	(114,872)	(114,872)
31	25	Other Maintenance	1,191,050	0	0	0	0	161,005	0	161,005	161,005
32											
33		Total O & M Expenses	\$20,117,049	\$128,713	(\$15,239)	(\$20,742)	(\$114,872)	\$160,026	\$10,722	\$148,608	\$1,024,061
34											
35		State Income Tax impact	8.25%	(\$10,619)	\$1,257	\$1,711	\$9,477	(\$13,202)	(\$885)	(\$12,260)	(\$84,485)
36											
37		Federal Income Tax Impact	35.00%	(\$48,766)	\$5,774	\$7,859	\$43,522	(\$60,630)	(\$4,062)	(\$56,304)	(\$387,991)
38											
39		Net Operating income Impact		(\$69,328)	\$8,208	\$11,172	\$61,873	(\$86,194)	(\$5,775)	(\$80,044)	(\$551,585)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (CENTRAL DIVISION)

SCHEDULE D-1C
Page 19 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-19 Sch D-2.4	Adj D-20 Sch D-2.4	Adj D-21 Sch D-2.4					Total Adjustment	
1	403000	Depreciation	\$6,990,702	(\$39,728)	\$0	\$0						(\$39,728)
2	403100	Depreciation - CIAC	(944,987)	944,987								944,987
3			\$6,045,715	\$905,259	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$905,259
4												
5												
6		State Income Tax Impact	8.25%	(\$74,684)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$74,684)
7		Federal Income Tax Impact	35.00%	(\$342,980)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$342,980)
8		Net Operating Income Impact		\$457,392	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$457,392
9												
10		AMORTIZATION EXPENSE										
11	404100	Amortization Lim Term Ut Plant	\$0	\$0	\$0	\$0						\$0
12	404110	Amortization Franchise Expense	0	0	0	0						0
13	404430	Amortization Regulatory Asset - AFUDC	12,864	0	12,864	0						12,864
14	406000	Amortization Utility Plant Acquisition Adj	21,611	0	(8,560)	0						(8,560)
15	407000	Amortization Property Losses	653,382	0	(16,500)	0						(16,500)
16		TOTAL AMORTIZATION	\$687,857	\$0	(\$12,196)	\$0						(\$12,196)
17												
18		State Income Tax Impact	8.25%	\$0	\$1,006	\$0	\$0	\$0	\$0	\$0	\$0	\$1,006
19		Federal Income Tax Impact	35.00%	\$0	\$4,621	\$0	\$0	\$0	\$0	\$0	\$0	\$4,621
20		Net Operating Income Impact		\$0	\$6,569	\$0						\$6,569
21												
22												
23												
24		TAXES OTHER THAN INCOME										
25	408100	Real & Personal Property Taxes	\$2,111,251	\$0	\$0	\$68,242						\$68,242
26	408110	Gross Income & Receipts Taxes	83,672	0	0	(5,168)						(5,168)
27	408120	Invested Capital Tax	0	0	0	0						0
28	408030	Other General Taxes	(201)	0	0	201						201
29	408140	FUTA	3,266	0	0	10,145						10,145
30	408150	FUTA Capitalized - (A Work Order)	0	0	0	(10,375)						(10,375)
31	408040	FUTA Capitalized - (H Work Order)	0	0	0	0						0
32	408050	FUTA Capitalized - (C & R Work Order)	0	0	0	0						0
33	408160	FICA	422,032	0	0	65,014						65,014
34	408170	FICA Capitalized - (A Work Order)	0	0	0	(99,222)						(99,222)
35	408060	FICA Capitalized - (H Work Order)	0	0	0	0						0
36	408070	FICA Capitalized - (C & R Work Order)	0	0	0	0						0
37	408180	SUTA	2,047	0	0	7,590						7,590
38	408190	SUTA Capitalized - (A Work Order)	0	0	0	(6,485)						(6,485)
39	408080	SUTA Capitalized - (H Work Order)	0	0	0	0						0
40	408090	SUTA Capitalized - (C & R Work Order)	0	0	0	0						0
41	408220	Environmental Tax	0	0	0	0						0
42			\$2,622,067	\$0	\$0	\$29,942	\$0	\$0	\$0	\$0	\$0	\$29,942
43												
44		State Income Tax Impact	8.25%	\$0	\$0	(\$2,470)	\$0	\$0	\$0	\$0	\$0	(\$2,470)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$9,615)	\$0	\$0	\$0	\$0	\$0	(\$9,615)
46		Net Operating Income Impact		\$0	\$0	(\$17,857)	\$0	\$0	\$0	\$0	\$0	(\$17,857)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED **TM**
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (CENTRAL DMSION)

SCHEDULED-21C
Page 1 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	To adjust Residential billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
3			<u>Billed Revenues Adjustment D-1</u>
4			RESIDENTIAL
5			Forecasted Amount W/P-2 \$22,240,461
6			Base Period Amount 22,730,759
7			Pro Forma Adjustment <u>(\$490,298)</u>
8	To adjust Commercial billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
9			COMMERCIAL
10			Forecasted Amount W/P-2 \$10,515,514
11			Base Period Amount 10,958,927
12			Pro Forma Adjustment <u>(\$443,413)</u>
13	To adjust Industrial billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
14			INDUSTRIAL
15			Forecasted Amount W/P-2 \$1,580,199
16			Base Period Amount 1,497,592
17			Pro Forma Adjustment <u>\$82,607</u>
18	To adjust Other Public Authority billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
19			OTHER PUBLIC AUTHORITY
20			Forecasted Amount W/P-2 \$3,121,088
21			Base Period Amount 3,386,603
22			Pro Forma Adjustment <u>(\$265,515)</u>
23	To adjust Sales For Resale (OWU) billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
24			SALES FOR RESALE (OWU)
25			Forecasted Amount W/P-2 \$771,314
26			Base Period Amount 847,567
27			Pro Forma Adjustment <u>(\$76,253)</u>
28	To adjust Public Fire Service billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
29			PUBLIC FIRE SERVICE
30			Forecasted Amount W/P-2 \$1,891,190
31			Base Period Amount 1,835,565
32			Pro Forma Adjustment <u>\$55,625</u>
33	To adjust Private Fire Service billed revenue for the change in billing determinants at present rates for the forecasted test period.		
34			PRIVATE FIRE SERVICE
35			Forecasted Amount W/P-2 \$868,020
36			Base Period Amount 844,721
37			Pro Forma Adjustment <u>\$23,299</u>
38	To adjust Miscellaneous billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
39			MISCELLANEOUS
40			Forecasted Amount W/P-2 \$15,908
41			Base Period Amount 0
42			Pro Forma Adjustment 0
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.		Total Billed Water Revenue Adjustment <u>(\$1,107,563)</u>
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X R M S E D
WORKPAPER REFERENCE NO(S): W/P-2 (CENTRAL DMSION)

SCHEDULED-2.1C
Page 2 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	To eliminate the net change in Residential water unbilled accrued utility revenues recorded during the base period.		
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7	To eliminate the net change in Commercial water unbilled accrued utility revenues recorded during the base period.		
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12	To eliminate the net change in Industrial water unbilled accrued utility revenues recorded during the base period.		
13			
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16			
17	To eliminate the net change in Other Public Authority water unbilled accrued utility revenues recorded during the base period.		
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22	To eliminate the net change in Sales for Resale (OWU) water unbilled accrued utility revenues recorded during the base period.		
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43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: OR INITIAL JPD ID X REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (CENT DIVISION)

SCHEDULED-2.1C
Page 3 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	To eliminate Residential billed sewer revenue for forecasted test period.		
3		RESIDENTIAL	
4		Forecasted Amount	\$0
5		Base Period Amount	19,013
6		Pro Forma Adjustment	<u>(\$19,013)</u>
7	To eliminate Commercial billed sewer revenue for the forecasted test period.		
8		COMMERCIAL	
9		Forecasted Amount	\$0
10		Base Period Amount	734
11		Pro Forma Adjustment	<u>(\$734)</u>
12	To eliminate Industrial billed sewer revenue for the forecasted test period.		
13		INDUSTRIAL	
14		Forecasted Amount	\$0
15		Base Period Amount	829
16		Pro Forma Adjustment	<u>(\$829)</u>
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43	The purpose of each adjustment is to eliminate the sewer revenue for the forecasted test period.	Total Sewer Revenue Adjustment	<u>(20,576)</u>
44		Total Revenue Adjustment	<u>(\$1,368,312)</u>
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE(S): W/P-2 (CENTRAL DMSION)

SCHEDULED-2.2C
Page 1 of 1
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	To adjust Reconnection Fees which was forecast under other revenues.		
3			
4			
5			
6			
7	To adjust Returned Check Charges for the forecasted test period level of bad checks and		
8	reflect other miscellaneous service revenues forecasted under other revenues		
9			
10			
11			
12	To adjust for all other revenues for more current information. This includes an adjustment for billing		
13	and collecting for landfill services for the Lexington-Fayette Urban County Government and the		
14	reconnection fees.		
15			
16			
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22	To reflect AFUDC above the line based on the overall rate of return and qualifying CWIP.		
23	This includes the gross-up of the equity piece of AFUDC per SFAS 109.		
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43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200490103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X R M S E D
WORKPAPER REFERENCE NO(S): W/P-3 (CENTRAL DMSION)

SCHEDULED-2.3C
Page 1 of 2
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Labor Adjustment D-4</u>	
2	Labor expense is being adjusted to reflect an increase due to union wage contracts and an increase of 3% for	Forecasted Amount	W/P-3-1 \$5,140,435
3	non-union employees to become effective April 1, 2004 and 2005.	Base Period Amount	<u>4,938,893</u>
4		Pro Forma Adjustment	<u>\$201,542</u>
5			
6		<u>Fuel & Power Adjustment D-5</u>	
7	Fuel and Power expense is being adjusted to reflect the forecasted sales.	Forecasted Amount	W/P-3-2 \$1,922,641
8		Base Period Amount	<u>2,039,507</u>
9		Pro Forma Adjustment	<u>(\$116,866)</u>
10			
11		<u>Chemicals Adjustment D-6</u>	
12	Chemical expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment	Forecasted Amount	W/P-3-3 \$1,220,296
13	for contracted chemical prices made to the forecast.	Base Period Amount	<u>1,358,500</u>
14		Pro Forma Adjustment	<u>(\$138,204)</u>
15			
16		<u>Waste Disposal Adjustment D-7</u>	
17	Waste Disposal expense reflects two year amortization of the lagoon cleaning	Forecasted Amount	W/P-3-4 \$226,996
18	along with other normal recurring waste disposal expenses.	Base Period Amount	<u>166,669</u>
19		Pro Forma Adjustment	<u>\$60,327</u>
20			
21		<u>Management Fees Adjustment D-8</u>	
22	Management Fees expense reflects the forecasted charges from the Service Company for services rendered during	Forecasted Amount	W/P-3-5 \$3,776,639
23	the forecasted period including costs from the Southeast Region Service Company office, Shared Services Center,	Base Period Amount	<u>3,027,803</u>
24	and the Customer Call Center.	Pro Forma Adjustment	<u>\$748,836</u>
25			
26		<u>Group Insurance Adjustment D-9</u>	
27	Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with	Forecasted Amount	W/P-3-6 \$1,669,747
28	FAS 106.	Base Period Amount	<u>1,562,617</u>
29		Pro Forma Adjustment	<u>\$107,130</u>
30			
31		<u>Pensions Adjustment D-10</u>	
32	Pension Expense reflects the forecasted level based on FAS 87 pension costs.	Forecasted Amount	W/P-3-7 \$714,473
33		Base Period Amount	<u>963,675</u>
34		Pro Forma Adjustment	<u>(\$249,202)</u>
35			
36		<u>Regulatory Expense Adjustment D-11</u>	
37	Regulatory Expense reflects a three year amortization of the cost of the current filing.	Forecasted Amount	W/P-3-8 \$230,116
38		Base Period Amount	<u>19,712</u>
39		Pro Forma Adjustment	<u>\$210,404</u>
40			
41			
42			
43			
44		<u>Insurance Other than Group Adjustment D-12</u>	
45		Forecasted Amount	W/P-3-9 \$538,829
46	Insurance Other than Group expense reflects the Company's forecasted cost for liability insurance, worker's	Base Period Amount	<u>488,322</u>
47	compensation and property insurance based upon the most recent actual bills.	Pro Forma Adjustment	<u>\$50,507</u>
48			
49	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
50			

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200490103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOMMBER 3 4 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): W/P-3 (CENTRAL DMSION)

SCHEDULE D-2.3C
Page 2 of 2
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Customer Accounting Adjustment D-13</u>	
2	Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this	Forecasted Amount	\$977,826
3	function, as well as allocations made from Central Division to Tri Village and Elk Lake.	Base Period Amount	<u>849,113</u>
4		Pro Forma Adjustment	<u>\$128,713</u>
5			
6		<u>Rents Adjustment D-14</u>	
7	Rent expense reflects all leases and rental agreements that the company has entered into or is forecasted to enter into	Forecasted Amount	\$45,082
8	during the forecasted test period.	Base Period Amount	<u>60,321</u>
9		Pro Forma Adjustment	<u>(\$15,239)</u>
10			
11		<u>General Office Expense Adjustment D-15</u>	
12	General Office expense reflects all expenses related to the Company's office including telephone, employee expenses,	Forecasted Amount	\$345,955
13	supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	Base Period Amount	<u>366,697</u>
14		Pro Forma Adjustment	<u>(\$20,742)</u>
15			
16		<u>Miscellaneous Expenses Adjustment D-16</u>	
17	Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed	Forecasted Amount	\$2,908,020
18	adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village	Base Period Amount	<u>3,022,892</u>
19	and Elk Lake.	Pro Forma Adjustment	<u>(\$114,872)</u>
20			
21		<u>Maintenance Expense Adjustment D-17</u>	
22	Maintenance expense reflect the costs of maintaining the property and assets of the Company. These expenses	Forecasted Amount	\$1,352,055
23	include amortizations of prior and forecasted deferred maintenance projects. It also includes normal maintenance	Base Period Amount	<u>1,191,050</u>
24	of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	Pro Forma Adjustment	<u>\$161,005</u>
25			
26		<u>Purchased Water Expense Adjustment D-18</u>	
27	Purchased Water represents water purchased from the Winchester Municipal System, Georgetown Municipal	Forecasted Amount	\$72,000
28	System, and Owen Water & Sewer.	Base Period Amount	<u>61,278</u>
29		Pro Forma Adjustment	<u>\$10,722</u>
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43	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200400103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF RUNG: ORIGINAL UPDATED X R M S E D
WORKPAPER REFERENCE(S): W/P-4 & W/P-5 (CENTRAL DMSION)

SCHEDULED-24C

Page 1 of 1

Witness Responsible: M A Miller/ S A Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
		<u>Depreciation Expense, Adjustment D-19</u>	
2	Depreciation expense reflects an increase due to an increased level of Utility Plant in Service.		
3		Forecasted Amount	W/P-4-1 \$6,950,974
4		Base Period Amount	6,045,715
5		Pro Forma Adjustment	<u>\$905,259</u>
6			
		<u>Amortization Expense, Adjustment D-20</u>	
7	Amortization expense reflects the amortization of UPAA, Property Losses and Regulatory Asset on the equity gross-up of AFUDC.		
8		Forecasted Amount	W/P-4-1 \$675,661
9		Base Period Amount	687,857
10		Pro Forma Adjustment	<u>(\$12,196)</u>
11			
		<u>General Taxes Expense, Adjustment D-21</u>	
12	General Taxes represent Property Taxes, Payroll Taxes, PSC Fees and other miscellaneous taxes that are calculated to be expenses for the forecasted test period. This also includes the allocation of property tax from Central Division to Tri Village and Elk Lake.		
13		Forecasted Amount	W/P-5 \$2,652,009
14		Base Period Amount	2,622,067
15		Pro Forma Adjustment	<u>\$29,942</u>
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32	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200400103
SUMMARY OF JURISDICTIONAL FACTORS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2004

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X RMSED
WORKPAPER REFERENCE NO(S): (CENTRAL DMSION)

SCHEDULE D-3C
Page 1 of 1
Witness Responsible: **S.A. Valentine**

Line No	Acct	Account Title	Jurisdictional Factor	Description of Factor and/or method of Allocation
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4				NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
JURISDICTIONAL STATISTICS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2009

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL IF DATED X REVISED
WORKPAPER REFERENCE NO(S): (CENTRAL DIVISION)

SCHEDULE D-4C
Page 1 of 1

Line No.	Description	Statistic Total company	Adjustment	Adjusted Total Company	Statistic for Jurisdiction	Jurisdictional Ratio
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
EXPLANATION OF CHANGE IN JURISDICTIONAL PROCEDURES
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): (CENTRAL DMSION)

SCHEDULE D-5C
Page 1 of 1

Line No.	Account No.	Description	Procedure Approved in Prior Case	Rational for Change
1				
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: __ ORIGINAL __ __ UPDATED __ X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.1/D-2.2 (TRI VILLAGE)

SCHEDULED-1T
Page 1 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj. D1 Sch D-2.1	Adj. D-2 Sch D2.2	Adj. D-3 Sch D-2.2	Total Adjustments
1		<u>Water Revenues</u>					
2	461100	Residential- Billed	\$ 717,690	\$64,666	\$0	\$0	\$64,666
3	461110	Residential- Unbilled	0	0	0	0	0
4	461200	Commercial- Billed	55,916	(25,904)	0	0	(25,904)
5	461210	Commercial- Unbilled	0	0	0	0	0
6	461300	Industrial- Billed	0	0	0	0	0
7	461310	Industrial- Unbilled	0	0	0	0	0
8	461400	Miscellaneous- Billed	813	(813)	0	0	(813)
9	461410	Miscellaneous- Water Sales Billed Unmetered	0	0	0	0	0
10	462000	Private Fire- Billed	0	0	0	0	0
11	462100	Private Fire - Unbilled	0	0	0	0	0
12	463000	Public Fire - Billed	0	0	0	0	0
13	463100	Public Fire - Unbilled	0	0	0	0	0
14	464200	OPA - Billed	9,955	(1,920)	0	0	(1,920)
15	464210	OPA - Unbilled	0	0	0	0	0
16	466000	Sales for Resale - Billed	0	4,656	0	0	4,656
17	466100	Sales for Resale - Unbilled	0	0	0	0	0
18		Total Water Revenues	<u>784,374</u>	<u>40,685</u>	<u>0</u>	<u>0</u>	<u>40,685</u>
19							
20		<u>Sewer Revenues</u>					
21	461000	Residential - Billed	0	0	0	0	0
22	461010	Residential - Billed Surcharge	0	0	0	0	0
23	461020	Commercial- Billed	0	0	0	0	0
24	461030	Commercial- Unbilled	0	0	0	0	0
25	462210	Industrial- Billed	0	0	0	0	0
26	462110	Industrial - Unbilled	0	0	0	0	0
27		Total Sewer Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
28							
29							
30		<u>OTHER OPERATING REVENUES</u>					
31	471100	Reconnection Charges	964	0	(964)	0	(964)
32	471200	Other Miscellaneous Service Revenues	600	0	(600)	0	(600)
33	472000	Rents from Water Property	0	0	0	0	0
34	474100	Billing & Collection Services	0	0	0	0	0
35	474300	Other Water Revenues	0	0	0	0	0
36		AFUDC	0	0	0	0	0
37		TOTAL OTHER OPERATING REVENUES	<u>1,564</u>	<u>0</u>	<u>(1,564)</u>	<u>0</u>	<u>(1,564)</u>
38							
39		TOTAL OPERATING REVENUES	<u>\$785,938</u>	<u>\$40,685</u>	<u>(\$1,564)</u>	<u>\$0</u>	<u>\$0</u>
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED X REVISED
 WORKPAPER REFERENCE NO(S): **SCH D-2.1/D-2.2 (TRI VILLAGE)**

SCHEDULED-1T
 Page 2 of 19
 Witness Responsible: **M A Miller, S. A Valentine**

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D-2.2	Adj. D-3 Sch D2.2						Total Adjustments
1												
2												
3												
4		<u>Revenues from Water/Wastewater</u>										
5		Residential	\$717,690	\$64,666	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64,666
6		Commercial	55,916	(25,904)	0	0	0	0	0	0	0	(25,904)
7		Industrial	0	0	0	0	0	0	0	0	0	0
8		Other Public Authority(OPA)	9,955	(1,920)	0	0	0	0	0	0	0	(1,920)
9		Sales for Resale (OWU)	0	4,656	0	0	0	0	0	0	0	4,656
10		Miscellaneous	813	(813)	0	0	0	0	0	0	0	(813)
11		Private Fire Service	0	0	0	0	0	0	0	0	0	0
12		Public Fire Service	0	0	0	0	0	0	0	0	0	0
13		Total Water/Wastewater Revenues	784,374	40,685	0	0	0	0	0	0	0	40,685
14		Other Operating Revenues	1,564	0	(1,564)	0	0	0	0	0	0	(1,564)
15												
16		Total Operating Revenues	<u>\$785,938</u>	<u>\$40,685</u>	<u>(\$1,564)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$39,121</u>
17												
18		<u>TAX RATE</u>										
19		State Income Tax Impact	8.25%	\$3,357	(\$129)	\$0	\$0	\$0	\$0	\$0	\$0	\$3,227
20		Federal Income Tax Impact	35.00%	\$13,065	(\$502)	\$0	\$0	\$0	\$0	\$0	\$0	\$12,563
21		Net Operating Income Impact		<u>\$24,263</u>	<u>(\$533)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$23,331</u>
22												
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: __ ORIGINAL __ UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T
Page 3 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No	Account Number	Description	Base Period	Adj D 4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
			Col1	Col2	Col3	Col4	Col5	Col6	Col7	Col8	Col9	Col10	
1		SOURCE OF SUPPLY EXP (SS)											
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	262,278	0	0	0	0	0	0	0	0	0	0
6	603100	Miscellaneous Expenses	0	0	0	0	0	0	0	0	0	0	0
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0	0	0
9	604000	Rents	0	0	0	0	0	0	0	0	0	0	0
10	610000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0	0	0
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
12	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & imp Res-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & imp Res-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other intakes-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other intakes	0	0	0	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0	0	0
26	614120	Maint Supply Mains-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
34													
35													
36		TOTALS EXPENSES	262,278	0	0	0	0	0	0	0	0	0	0
37													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FLINO: __ ORIGINAL __ UPDATED _X_ R M S E D
WORKPAPER REFERENCE NO(S): \$CH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T
Page 4 of 19

Witness Responsible: MA Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D 4 Sch D-2.3	Adj D-5 Sch D2.3	Adj D 6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		PUMPING EXPENSES											
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0	0	0
4	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0	0	0
5	622200	Power Production Labor	0	0	0	0	0	0	0	0	0	0	0
6	623110	Power Purchased for Pumping-Elec	0	0	0	0	0	0	0	0	0	0	0
7	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0	0	0	0	0	0
8	623210	Power Purchased for Pumping-Other	0	0	0	0	0	0	0	0	0	0	0
9	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0	0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	0	0	0	0	0	0	0	0	0	0	0
19	630200	Maint Sup & Eng-Electric Ord	318	(318)	0	0	0	0	0	0	0	0	(318)
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Inprov-Material Ord	0	0	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Inprov-Material Prg	0	0	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & Inprov-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
26	631210	Maint Pumping Struc & Inprov-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0	0	0
39		TOTAL PUMPING EXPENSES	318	(318)	0	0	0	0	0	0	0	0	(318)

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T
Page 5 of 19

Witness Responsible: M.A. Miller/ S. A. Valerline

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D 5 Sch D-2.3	Adj D 6 Sch D2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D2.3	Total Adjustments
1		WATER TREATMENT EXPENSES(WT)											
2	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0	0	0
4	641100	General Chemicals	580	0	0	260	0	0	0	0	0	0	260
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0	0	0
6	642100	General WT Labor	470	(470)	0	0	0	0	0	0	0	0	(470)
7	642200	Softening Labor	0	0	0	0	0	0	0	0	0	0	0
8	642300	General WT Expenses	274	0	0	0	0	0	0	0	0	0	0
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0	0	0
10	642400	Softening Expenses	0	0	0	0	0	0	0	0	0	0	0
11	643100	Misc Expenses	168	0	0	0	0	0	0	0	0	0	0
12	643190	Misc Expenses- Service Co	0	0	0	0	0	0	0	0	0	0	0
13	643200	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
14	643300	Waste Disposal Expenses	0	0	0	0	0	0	0	0	0	0	0
15	643310	Amort Waste Disposal Expenses	0	0	0	0	0	0	0	0	0	0	0
16	644000	Rents	0	0	0	0	0	0	0	0	0	0	0
17	650000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0	0	0
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
19	651100	Maint WT Struc & Improvements-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
21	651120	Amort WT Structures	0	0	0	0	0	0	0	0	0	0	0
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0	0	0
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
29													
30		TOTAL WT EXPENSES	1,492	(470)	0	260	0	0	0	0	0	0	(210)
31													
32													
33													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENT TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-23 (TRI VILLAGE)

SCHEDULED-1T
Page 6 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2,3	Adj D-5 Sch P2,3	Adj D-6 Sch D2,3	Adj P 7 Sch D-2,3	Adj D-8 Sch D-2,3	Adj D-9 Sch D-2,3	Adj D-10 Sch D-2,3	Adj D-11 Sch D2,3	Adj D-12 Sch D-2,3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D)											
2	660000	Operation Supervision & Engineering	\$0	\$55,127	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,127
3	661100	Storage Facilities- Expenses	0	0	0	0	0	0	0	0	0	0	0
4	661200	Storage Facilities- Labor	0	0	0	0	0	0	0	0	0	0	0
5	662100	T&D Lines - Expenses	2,176	0	0	0	0	0	0	0	0	0	0
6	662200	T&D Lines- Labor	68,479	2,915	0	0	0	0	0	0	0	0	2,915
7	663100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0	0	0
8	663200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0	0	0
9	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0	0	0
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0	0	0
11	664100	Customer installation- Expenses	0	0	0	0	0	0	0	0	0	0	0
12	664200	Customer Installation - Labor	0	0	0	0	0	0	0	0	0	0	0
13	665100	Maps and Records- Expenses	0	0	0	0	0	0	0	0	0	0	0
14	665190	Maps and Records- Expenses Computer	0	0	0	0	0	0	0	0	0	0	0
15	665200	Maps and Records- Labor	0	0	0	0	0	0	0	0	0	0	0
16	665300	Misc Expenses	37,384	0	0	0	0	0	0	0	0	0	0
17	665400	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
18	666000	Rents	278	0	0	0	0	0	0	0	0	0	0
19	670000	Maint Supervision & Engineering Ord	629	(629)	0	0	0	0	0	0	0	0	(629)
20	670010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
23	671200	Maint Struct & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
27	672120	Amort Res & Standpipes	0	0	0	0	0	0	0	0	0	0	0
28	672200	Maint Res & Standpipes - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0	0	0	0	0	0
33	673200	Maint T&D Mains - Labor Ord	18,798	(18,798)	0	0	0	0	0	0	0	0	(18,798)
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
35	675100	Maint Services- Materials Ord	0	0	0	0	0	0	0	0	0	0	0
36	675110	Maint Services- Materials Prg	0	0	0	0	0	0	0	0	0	0	0
37	675200	Maint Services- Labor Ord	14,642	(14,642)	0	0	0	0	0	0	0	0	(14,642)
38	675210	Maint Services- Labor Prg	0	0	0	0	0	0	0	0	0	0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
41	676200	Maint Meter - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
43	676300	Maint Meter installation - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
44	676310	Maint Meter Installation - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
47													
48													
49													
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KENTUCKY-AMERICAN WATER COMPANY
CASENO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): **SCH D-2.3 (TRI VILLAGE)**

SCHEDULE D-IT
Page 7 of 19

Witness Responsible: MA Miller, S. A Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D2.3	Adj D-6 Sch D2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D2.3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D) (Cont'd)											
2	677100	Maint Hydrants - MatenaisOrd	0	0	0	0	0	0	0	0	0	0	0
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
4	677200	Maint Hydrants - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
6	678100	Maint Other T&D Plant - Matenais Ord	3,513	0	0	0	0	0	0	0	0	0	0
7	678110	Maint Other T&D Plant - Matenais Prg	0	0	0	0	0	0	0	0	0	0	0
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
10													
11													
12		TOTAL T&D EXPENSES	145,899	23,973	0	0	0	0	0	0	0	0	23,973
13													
14		CUSTOMER ACCOUNTS EXPENSE(CA)											
15	901000	supervision	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	902100	Meter Reading Expensesenses	0	0	0	0	0	0	0	0	0	0	0
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0	0	0
18	902200	Meter Reading Labor	0	3,728	0	0	0	0	0	0	0	0	3,728
19		CUST RECORDS & COLLECTION EXPENSES											0
20	903100	Contracts and Orders - Expenses	273	0	0	0	0	0	0	0	0	0	0
21	903200	Contracts and Orders - Labor	24,655	3,916	0	0	0	0	0	0	0	0	3,916
22	903300	Collecting - Expenses	0	0	0	0	0	0	0	0	0	0	0
23	903400	Collecting - Salaries	0	0	0	0	0	0	0	0	0	0	0
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0	0	0
25	903520	Billing & Accounting - Other Expenses	1,557	0	0	0	0	0	0	0	0	0	0
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0	0	0	0	0	0
27	904000	Uncollectible Accounts	0	0	0	0	0	0	0	0	0	0	0
28	905100	Misc Expenses	1,264	0	0	0	0	0	0	0	0	0	0
29	905200	Misc Salaries	0	0	0	0	0	0	0	0	0	0	0
30													
31		TOTAL CA EXPENSES	27,749	7,644	0	0	0	0	0	0	0	0	7,644
32													
33		CUSTOMER SERVICE EXPENSES											
34	907100	Cust Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0	0	0	0	0	0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	0
37													
38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40													
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	0
42													
43													
44													
45													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED X_ R M S E D
 WORKPAPER REFERENCE NO(S): **SCH D-2.3 (TRI VILLAGE)**

SCHEDULE D-1T
 Page 8 of 19

Witness Responsible: **M.A. Miller, S. A Valentine**

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G)											
2	920000	Salaries	\$26,852	(\$26,852)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$26,852)
3	920500	incentive Plan Expense	3,913	(3,913)	0	0	0	0	0	0	0	0	(3,913)
4	921100	Expenses of Employees	888	0	0	0	0	0	0	0	0	0	0
5	921130	Dues for Clubs - Ded	0	0	0	0	0	0	0	0	0	0	0
6	921200	Misc Office Expenses	13,317	0	0	0	0	0	0	0	0	0	0
7	923100	Service Company Charges	0	0	0	0	0	20,090	0	0	0	0	20,090
8	923190	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0	0	0
9	923200	Auditing Services	0	0	0	0	0	0	0	0	0	0	0
10	923300	Legal Services	0	0	0	0	0	0	0	0	0	0	0
11	923400	Engineering Services	0	0	0	0	0	0	0	0	0	0	0
12	923500	Other Services - Current	10,175	0	0	0	0	0	0	0	0	0	0
13	924000	Property Insurance	0	0	0	0	0	0	0	0	0	2,635	2,635
14	925110	Workers Compensation	(119)	0	0	0	0	0	0	0	0	1,306	1,306
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0	0	0
19	925300	injuries and Damages- Expenses	0	0	0	0	0	0	0	0	0	0	0
20	925310	Injuries and Damages- Expenses	0	0	0	0	0	0	0	0	0	0	0
21	925400	General Liability	0	0	0	0	0	0	0	0	0	6,323	6,323
22		EMPLOYEE PENSIONS & BENEFITS											0
23	926100	Accrued OPEB Expense	(1,371)	0	0	0	0	0	21,157	0	0	0	21,157
24	926110	Group Insurance Expense	(1,140)	0	0	0	0	0	24,070	0	0	0	24,070
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0	0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
30	926170	Group ins Pretax Contribution	0	0	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educational Expenses	0	0	0	0	0	0	0	0	0	0	0
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	400	0	0	0	0	0	0	0	0	0	0
34	926250	401-K Contributions Expense	410	0	0	0	0	0	0	0	0	0	0
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments - Current	(1,690)	0	0	0	0	0	0	23,814	0	0	23,814
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Pmts - Union	0	0	0	0	0	0	0	0	0	0	0
46	926800	Pensions - Capitalized- (A&B)	0	0	0	0	0	0	0	(3,849)	0	0	(3,849)
47	926900	Pensions - Capitalized- (H)	0	0	0	0	0	0	0	0	0	0	0
48	926910	Pensions - Capitalized- (C&R)	0	0	0	0	0	0	0	0	0	0	0
49													
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KENTUCKY-AMERICAN WATER COMPANY
CASENO: 200440103
SUMMARY OF ADJUSTMENTS TO BUDGETING INFORMATION
FOR THE TWELVE MONTHS ENDED NOVEMBER 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: __ ORIGINAL __ UPDATED _X_ R M S E D
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T
Page 9 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No	Account Number	Description	Base Penod	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
2		REGULATORY COMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$139	\$0	\$139
4	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0	0	0	0	0	0
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0	0	0
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0	0	0
7	928400	Other Regulatory Expenses- Current	0	0	0	0	0	0	0	0	0	0	0
8	930200	Amort Misc Charges	0	0	0	0	0	0	0	0	0	0	0
9	930210	Misc General Expenses Current	60	0	0	0	0	0	0	0	0	0	0
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0	0	0
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0	0	0
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0	0	0
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0	0	0
14	930260	Meals & Travel Expenses - Taxable	25	0	0	0	0	0	0	0	0	0	0
15	930270	Donations	0	0	0	0	0	0	0	0	0	0	0
16	930290	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0	0	0
17	930300	Research & Development Expenses	0	0	0	0	0	0	0	0	0	0	0
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0	0	0
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0	0	0
20	930510	Lobbying Expenses	0	0	0	0	0	0	0	0	0	0	0
21	930600	Transportation Expenses	(729)	0	0	0	0	0	0	0	0	0	0
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0	0	0
25	930880	Misc Gen Exp - Company Dues	0	0	0	0	0	0	0	0	0	0	0
26	930890	Misc Gen Exp - Other	0	0	0	0	0	0	0	0	0	0	0
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0	0	0
28	931000	Rents	13,241	0	0	0	0	0	0	0	0	0	0
29	932100	Maint A&G Struc & Improv-Material Ord	0	0	0	0	0	0	0	0	0	0	0
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	0
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0	0	0
32	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0	0	0
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0	0	0
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0	0	0
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
41	932700	Maint A&G Misc Property-Material Ord	0	0	0	0	0	0	0	0	0	0	0
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0	0	0
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
45		Total A & G Expenses	<u>64,242</u>	<u>(30,765)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,090</u>	<u>45,227</u>	<u>19,965</u>	<u>139</u>	<u>10,264</u>	<u>64,920</u>
46													
47		Total O & M Expenses	<u>\$501,978</u>	<u>\$64</u>	<u>\$0</u>	<u>\$260</u>	<u>\$0</u>	<u>\$20,090</u>	<u>\$45,227</u>	<u>\$19,965</u>	<u>\$139</u>	<u>\$10,264</u>	<u>\$96,009</u>
48													
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
 TYPE OF FIUNO: ORIGINAL UPDATED R M S E D
 WORKPAPER REFERENCE NO(S): **SCH D-2.3 (TRI VILLAGE)**

SCHEDULE D-1T
 Page 10 of 19

Witness Responsible: **M.A. Miller/ S. A. Valentine**

Line No.	Line Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D2.3	Adj D-6 Sch D2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D2.3	Total Adjustments
1													
2	08	Operation Labor Expenses	\$158,756	\$64	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64
3	24	Maintenance Labor Expenses	0	0	0	0	0	0	0	0	0	0	0
4													
5		Total Labor	\$158,756	\$64	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64
6													
7													
8		Total Operation Expenses	\$464,078	\$34,451	\$0	\$260	\$0	\$20,090	\$45,227	\$19,965	\$139	\$10,264	\$130,396
9		Total Maintenance Expenses	37,900	(34,387)	0	0	0	0	0	0	0	0	(34,387)
10													
11		Total O & M Expenses	\$501,978	\$64	\$0	\$260	\$0	\$20,090	\$45,227	\$19,965	\$139	\$10,264	\$96,009
12													
13													
14													
15													
16													
17	08	Labor	\$158,756	\$64	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64
18	09	Purchased Water	262,278	0	0	0	0	0	0	0	0	0	0
19	10	Fuel and Power	0	0	0	0	0	0	0	0	0	0	0
20	11	Chemicals	580	0	0	260	0	0	0	0	0	0	260
21	12	Waste Disposal	0	0	0	0	0	0	0	0	0	0	0
22	13	Management Fees	0	0	0	0	0	20,090	0	0	0	0	20,090
23	14	Group Insurance	(2,511)	0	0	0	0	0	45,227	0	0	0	45,227
24	15	Pension	(1,690)	0	0	0	0	0	0	19,965	0	0	19,965
25	16	Regulatory Expense	0	0	0	0	0	0	0	0	139	0	139
26	17	Insurance Other than Group	(119)	0	0	0	0	0	0	0	0	10,264	10,264
27	18	Customer Accounting	3,094	0	0	0	0	0	0	0	0	0	0
28	19	Rents	13,519	0	0	0	0	0	0	0	0	0	0
29	20	General Office Expense	14,240	0	0	0	0	0	0	0	0	0	0
30	21	Miscellaneous	50,318	0	0	0	0	0	0	0	0	0	0
31	25	Other Maintenance	3,513	0	0	0	0	0	0	0	0	0	0
32													
33		Total O & M Expenses	\$501,978	\$64	\$0	\$260	\$0	\$20,090	\$45,227	\$19,965	\$139	\$10,264	\$96,009
34													
35		State Income Tax Impact	8.25%	(\$5)	\$0	(\$21)	\$0	(\$1,657)	(\$3,731)	(\$1,647)	(\$11)	(\$847)	(\$7,921)
36													
37		Federal Income Tax Impact	35.00%	(\$24)	\$0	(\$98)	\$0	(\$7,611)	(\$17,135)	(\$7,564)	(\$53)	(\$3,889)	(\$36,375)
38													
39		Net Operating Income Impact		(\$35)	\$0	(\$141)	\$0	(\$10,822)	(\$24,361)	(\$10,754)	(\$75)	(\$5,528)	(\$51,713)
40													
41													
42													
43													
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49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 YPE OF FILING: ORIGINAL PDATA X REVISED
 ORKPAI REFERENCE NO(S): SCH D-2.3 (TRIVOLI) (GE)

SCHEDULED-1T
 Page 11 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D2.3	Total Adjustments	Grand Total Adjustments
			Col1	Col2	Col3	Col4	Col5	Col6	Col7		
1		SOURCE OF SUPPLY EXPENSES (SS)									
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	262,278	0	0	0	0	0	1,194	1,194	1,194
6	603100	Miscellaneous Expenses	0	0	0	0	0	0	0	0	0
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0
9	604000	Rents	0	0	0	0	0	0	0	0	0
10	610000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0
11	610010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0
12	611100	Maint Stmc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0
13	611110	Maint Stmc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0
14	611200	Maint Stmc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
15	611210	Maint Stmc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0
26	616100	Maint Supply Mains-Materials Ord	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	0	0	0	0	0	0	0	0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0
34											
35											
36		TOTAL SS EXPENSES	262,278	0	0	0	0	0	1,194	0	1,194
37											
38											
39											
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNT
FOR THE TWELVE MONTHS ENDED: DECEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

SCHEDULED-1T
Page 12 of 19
Witness Responsible: MA Miller, S. A Valentine

Line No.	Account Number	Description	Base Period	Adj	Adj	Adj	Adj	Adj	Adj	Total Adjustments	Grand Total Adjustments
				D-13 Sch P2.3	D-14 Sch D2.3	D-15 Sch D-2.3	D-16 Sch D-2.3	D-17 Sch D-2.3	D-18 Sch D-2.3		
1		PUMPING EXPENSES									
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0
4	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0
5	622200	Power Production Labor	0	0	0	0	0	0	0	0	0
6	623110	Power Purchased for Pumping-Elec	0	0	0	0	0	0	0	0	0
7	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0	0	0	0
8	623210	Power Purchased for Pumping-Other	0	0	0	0	0	0	0	0	0
9	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	0	0	0	0	0	0	0	0	0
19	630200	Maint Sup & Eng-Electric Ord	318	0	0	0	0	0	0	0	(318)
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Inprov-Material Ord	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Inprov-Material Prg	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & Inprov-Labor Ord	0	0	0	0	0	0	0	0	0
26	631210	Maint Pumping Struc & Inprov-Labor Prg	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0
39		TOTAL PUMPING EXPENSES	318	0	0	0	0	0	0	0	(318)
40											
41											
42											
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KENTUCKY-AMERICAN WATER COMPANY
CASENO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 3 4 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FIUNG: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRIVILLAGE)

SCHEDULE D-1T
Page 13 of 19
Witness Responsible: MA Miller, S. A Valentine

Line No.	Account Number	Description	Base Period	Adj	Adj	Adj	Adj	Adj	Adj	Total Adjustments	Grand Total Adjustments	
				D-13	D-14	D-15	D-16	D-17	D-18			
			Sch D2.3	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D2.3	Sch D2.3			
1		WATER TREATMENT EXPENSES(WT)										
2	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0	
4	641100	General Chemicals	580	0	0	0	0	0	0	0	260	
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0	
6	642100	General WT Labor	470	0	0	0	0	0	0	0	(470)	
7	642200	Softening Labor	0	0	0	0	0	0	0	0	0	
8	642300	General WT Expenses	274	0	0	0	(274)	0	0	(274)	(274)	
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0	
10	642400	Softening Expenses	0	0	0	0	0	0	0	0	0	
11	643100	Misc Expenses	168	0	0	0	(168)	0	0	(168)	(168)	
12	643190	Misc Expenses - Service Co	0	0	0	0	0	0	0	0	0	
13	643200	Misc Labor	0	0	0	0	0	0	0	0	0	
14	643300	Waste Disposal Expenses	0	0	0	0	0	0	0	0	0	
15	643310	Amort Waste Disposal Expenses	0	0	0	0	0	0	0	0	0	
16	644000	Rents	0	0	0	0	0	0	0	0	0	
17	650000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0	
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	
19	651100	Maint WT Struc & Improvements-Mat Ord	0	0	0	0	0	202	0	202	202	
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0	
21	651120	Amort WT Structures	0	0	0	0	0	0	0	0	0	
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0	
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0	
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0	
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0	
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	
29												
30		TOTAL WT EXPENSES	1,492	0	0	0	(442)	202	0	0	(240)	(450)
31												
32												
33												
34												
35												
36												
37												
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44												
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48												
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KENTUCKY-AMERICANWATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X_ REVISED
WORKPAPER REFERENCE(S): SCH D-2.3 (TRI VILLAGE)

SCHEDULED-IT

Page 14 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch P2.3	Adj D-14 Sch D2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		TRANS & DIST EXPENSES (T&D)									
2	680000	OperationSupervision& Engineering	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$55,127
3	681100	Storage Facilities- Expenses	0	0	0	0	0	0		0	0
4	681200	Storage Facilities- Labor	0	0	0	0	0	0		0	0
5	682100	T&D Lines - Expenses	2,176	0	0	0	470	0		470	470
6	682200	T&D Lines - Labor	68,479	0	0	0	0	0		0	2,915
7	683100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0		0	0
8	683200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0		0	0
9	683300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0		0	0
10	683400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0		0	0
11	684100	Customer Installation- Expenses	0	0	0	0	0	0		0	0
12	684200	Customer Installation- Labor	0	0	0	0	0	0		0	0
13	685100	Maps and Records- Expenses	0	0	0	0	0	0		0	0
14	685190	Maps and Records- Expenses Computer	0	0	0	0	0	0		0	0
15	685200	Maps and Records- Labor	0	0	0	0	0	0		0	0
16	685300	Misc Expenses	37,384	0	0	0	4,596	0		4,596	4,596
17	685400	Misc Labor	0	0	0	0	0	0		0	0
18	686000	Rents	278	0	122	0	0	0		122	122
19	670000	Maint Supervision& Engineering Ord	629	0	0	0	0	0		0	(629)
20	670010	Maint Supervision& Engineering Prg	0	0	0	0	0	0		0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0		0	0
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0		0	0
23	671200	Maint Struct & Improvements-Labor Ord	0	0	0	0	0	0		0	0
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0		0	0
25	672100	Maint Res & Standpipes - Materials Ord	0	0	0	0	0	0		0	0
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0		0	0
27	672120	Amort Res & Standpipes	0	0	0	0	0	9,333		9,333	9,333
28	672200	Maint Res & Standpipes - Labor Ord	0	0	0	0	0	0		0	0
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0		0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0		0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0		0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0		0	0
33	673200	Maint T&D Mains - Labor Ord	18,798	0	0	0	0	0		0	(18,798)
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0		0	0
35	675100	Maint Services- Materials Ord	0	0	0	0	0	0		0	0
36	675110	Maint Services- Materials Prg	0	0	0	0	0	0		0	0
37	675200	Maint Services- Labor Ord	14,642	0	0	0	0	0		0	(14,642)
38	675210	Maint Services- Labor Prg	0	0	0	0	0	0		0	0
39	676100	Maint Meter- Materials Ord	0	0	0	0	0	0		0	0
40	676110	Maint Meter- Materials Prg	0	0	0	0	0	0		0	0
41	676200	Maint Meter- Labor Ord	0	0	0	0	0	0		0	0
42	676210	Maint Meter- Labor Prg	0	0	0	0	0	0		0	0
43	676300	Maint Meter Installation- Materials Ord	0	0	0	0	0	0		0	0
44	676310	Maint Meter installation - Materials Prg	0	0	0	0	0	0		0	0
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0		0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0		0	0
47											
48											
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO **OPERATING** INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X RMSE D
WORKPAPER REFERENCE NO(S): **SCH D-2.3 (TRIVILLAGE)**

SCHEDULED-D-1T
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Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D2.3	Total Adjustments	Grand Total Adjustments	
1		TRANS& DIST EXPENSES (T&D) (Cont'd)										
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0	
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0	0	0	0	
4	677200	Maint Hydrants - Labor Ord	0	0	0	0	0	0	0	0	0	
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0	
6	678100	Maint Other T&D Plant - Materials Ord	3,513	0	0	0	0	(3,513)	0	(3,513)	(3,513)	
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0	0	0	0	
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0	0	0	0	
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0	
10												
11												
12		TOTAL T&D EXPENSES	145,899	0	122	0	5,066	5,820	0	0	11,008	34,982
13												
14		CUSTOMER ACCOUNTS EXPENSE (CA)										
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
16	902100	Meter Reading Expenses	0	0	0	0	0	0	0	0	0	
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0	
18	902200	Meter Reading Labor	0	0	0	0	0	0	0	0	3,728	
19		CUST RECORDS & COLLECTION EXPENSES										
20	903100	Contracts and Orders - Expenses	273	(273)	0	0	0	0	0	(273)	(273)	
21	903200	Contracts and Orders - Labor	24,655	0	0	0	0	0	0	0	3,916	
22	903300	Collecting - Expenses	0	985	0	0	0	0	0	985	985	
23	903400	Collecting - Salaries	0	0	0	0	0	0	0	0	0	
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0	
25	903520	Billing & Accounting - Other Expenses	1,557	4,390	0	0	0	0	0	4,390	4,390	
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0	0	0	0	
27	904000	Uncollectible Accounts	0	3,956	0	0	0	0	0	3,956	3,956	
28	905100	Misc Expenses	1,264	(1,264)	0	0	0	0	0	(1,264)	(1,264)	
29	905200	Misc Salaries	0	0	0	0	0	0	0	0	0	
30												
31		TOTAL CA EXPENSES	27,749	7,794	0	0	0	0	0	0	7,794	15,438
32												
33		CUSTOMER SERVICE EXPENSES										
34	907100	Cust Service and Information- Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
35	907200	Cust Service and Information- Salaries	0	0	0	0	0	0	0	0	0	
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	
37												
38		SALES PROMOTION EXPENSES										
39	910100	Sales Promotion- Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
40												
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	
42												
43												
44												
45												
46												
47												
48												
49												
50												

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _ ORIGINAL _ UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-IT
Page 16 of 19

Witness Responsible: M.A. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj 13-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G)									
2	920000	Salaries	\$26,852	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$26,852)
3	920500	Incentive Plan Expense	3,913	0	0	0	0	0	0	0	(3,913)
4	921100	Expenses of Employees	898	0	0	(678)	0	0	0	(678)	(678)
5	921130	Dues for Clubs - Dec	0	0	0	49	0	0	0	49	49
6	921200	Misc Office Expenses	13,317	0	0	(11,004)	0	0	0	(11,004)	(11,004)
7	923100	Service Company Charges	0	0	0	0	0	0	0	0	20,090
8	923190	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0
9	923200	Auditing Services	0	0	0	0	0	0	0	0	0
10	923300	Legal Services	0	0	0	0	0	0	0	0	0
11	923400	Engineering Services	0	0	0	0	0	0	0	0	0
12	923500	Other Services - Current	10,175	0	0	0	(725)	0	0	(725)	(725)
13	924000	Property Insurance	0	0	0	0	0	0	0	0	2,635
14	925110	Workers Compensation	(119)	0	0	0	0	0	0	0	1,306
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages - Expenses	0	0	0	0	24	0	0	24	24
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0
21	925400	General Liability	0	0	0	0	0	0	0	0	6,323
22		EMPLOYEE PENSIONS & BENEFITS									
23	926100	Accrued OPEB Expense	(1,371)	0	0	0	0	0	0	0	21,157
24	926110	Group Insurance Expense	(1,140)	0	0	0	0	0	0	0	24,070
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0
30	926170	Group Ins Pretax Contribution	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educational Expenses	0	0	0	0	198	0	0	198	198
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	400	0	0	0	387	0	0	387	387
34	926250	401-K Contributions Expense	410	0	0	0	573	0	0	573	573
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments - Current	(1,690)	0	0	0	0	0	0	0	23,814
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Pmts - Union	0	0	0	0	0	0	0	0	0
46	926800	Pensions - Capitalized- (A&B)	0	0	0	0	0	0	0	0	(3,849)
47	926900	Pensions - Capitalized- (H)	0	0	0	0	0	0	0	0	0
48	926910	Pensions - Capitalized- (C&R)	0	0	0	0	0	0	0	0	0
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T
Page 17 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments		
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
2		REGULATORY COMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	0	0	0	0	0	0	0	0	139		
4	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0	0	0	0		
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0		
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0		
7	928400	Other Regulatory Expenses - Current	0	0	0	0	0	0	0	0	0		
8	930200	Amort Misc Charges	0	0	0	0	0	0	0	0	0		
9	930210	Misc General Expenses Current	60	0	0	0	1,107	0	0	1,107	1,107		
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0		
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0		
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0		
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0		
14	930260	Meals & Travel Expenses - Taxable	25	0	0	(3)	0	0	0	(3)	(3)		
15	930270	Donations	0	0	0	0	0	0	0	0	0		
16	930290	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0		
17	930300	Research & Development Expenses	0	0	0	0	0	0	0	0	0		
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0		
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0		
20	930510	Lobbying Expenses	0	0	0	0	0	0	0	0	0		
21	930600	Transportation Expenses	(729)	0	0	0	729	0	0	729	729		
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0		
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0		
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0		
25	930880	Misc Gen Exp - Company Dues	0	0	0	0	178	0	0	178	178		
26	930890	Misc Gen Exp - Other	0	0	0	0	764	0	0	764	764		
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0		
28	931000	Rents	13,241	0	(5,580)	0	0	0	0	(5,580)	(5,580)		
29	932100	Maint A&G Stmc & Improv-MaterialOrd	0	0	0	0	0	0	0	0	0		
30	932110	Maint A&G Stmc & Improv-MaterialPrg	0	0	0	0	0	0	0	0	0		
31	932120	Amort A&G Stmc & Improv	0	0	0	0	0	0	0	0	0		
32	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0		
33	932210	Maint A&G Stmc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0		
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0		
35	932310	Maint A&G Office Furniture-MaterialPrg	0	0	0	0	0	0	0	0	0		
36	932400	Maint A&G Office Furniture-LaborOrd	0	0	0	0	0	0	0	0	0		
37	932410	Maint A&G Office Furniture-LaborPrg	0	0	0	0	0	0	0	0	0		
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0		
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0		
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0		
41	932700	Maint A&G Misc Property-MateriaOrd	0	0	0	0	0	0	0	0	0		
42	932710	Maint A&G Misc Property-MateriaPrg	0	0	0	0	0	0	0	0	0		
43	932800	Maint A&G Misc Property-LaborOrd	0	0	0	0	0	0	0	0	0		
44	932810	Maint A&G Misc Property-LaborPrg	0	0	0	0	0	0	0	0	0		
45		Total A & G Expenses	64,242	0	(5,580)	(11,636)	3,235	0	0	0	(13,981)	50,939	
46													
47		Total O & M Expenses	\$501,978	\$7,794	(\$5,458)	(\$11,636)	\$7,859	\$6,022	\$1,194	\$0	\$0	\$5,775	\$101,784
48													
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED X RMSED
 WORKPAPER REFERENCE NO(S): **SCH D-2.3 (TRIVILLAGE)**

SCHEDULE D-1T
Page 18 of 19
 Witness Responsible: **M.A. Miller/ S. A. Valentine**

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch P2.3	Adj D-15 Sch D2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D2.3	Adj D-18 Sch D-2.4	Total Adjustments	Grand Total Adjustments
1											
2	08	Operation Labor Expenses	\$158,756	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64
3	24	Maintenance Labor Expenses	0	0	0	0	0	0	0	0	0
4											
5		Total Labor	<u>\$158,756</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$64</u>
6											
7											
8		Total Operation Expenses	\$464,078	\$7,794	(\$5,458)	(\$11,636)	\$7,859	\$0	\$1,194	(\$247)	\$130,149
9		Total Maintenance Expenses	37,900	0	0	0	0	6,022	0	6,022	(28,365)
10											
11		Total O & M Expenses	<u>\$501,978</u>	<u>\$7,794</u>	<u>(\$5,458)</u>	<u>(\$11,636)</u>	<u>\$7,859</u>	<u>\$6,022</u>	<u>\$1,194</u>	<u>\$5,775</u>	<u>\$101,784</u>
12											
13											
14											
15											
16											
17	08	Labor	\$158,756	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64
18	09	Purchased Water	262,278	0	0	0	0	0	1,194	1,194	1,194
19	10	Fuel and Power	0	0	0	0	0	0	0	0	0
20	11	Chemicals	580	0	0	0	0	0	0	0	260
21	12	Waste Disposal	0	0	0	0	0	0	0	0	0
22	13	Management Fees	0	0	0	0	0	0	0	0	20,090
23	14	Group Insurance	(2,511)	0	0	0	0	0	0	0	45,227
24	15	Pension	(1,690)	0	0	0	0	0	0	0	19,965
25	16	Regulatory Expense	0	0	0	0	0	0	0	0	139
26	17	Insurance Other than Group	(119)	0	0	0	0	0	0	0	10,264
27	18	Customer Accounting	3,094	7,794	0	0	0	0	0	7,794	7,794
28	19	Rents	13,519	0	(5,458)	0	0	0	0	(5,458)	(5,458)
29	20	General Office Expense	14,240	0	0	(11,636)	0	0	0	(11,636)	(11,636)
30	21	Miscellaneous	50,318	0	0	0	7,859	0	0	7,859	7,859
31	25	Other Maintenance	3,513	0	0	0	0	6,022	0	6,022	6,022
32											
33		Total O & M Expenses	<u>\$501,978</u>	<u>\$7,794</u>	<u>(\$5,458)</u>	<u>(\$11,636)</u>	<u>\$7,859</u>	<u>\$6,022</u>	<u>\$1,194</u>	<u>\$5,775</u>	<u>\$101,784</u>
34											
35		State Income Tax Impact	8.25%	(\$643)	\$450	\$960	(\$648)	(\$497)	(\$99)	(\$476)	(\$8,397)
36											
37		Federal Income Tax Impact	35.00%	(\$2,953)	\$2,068	\$4,409	(\$2,977)	(\$2,282)	(\$453)	(\$2,188)	(\$38,563)
38											
39		Net Operating Income Impact		<u>(\$4,198)</u>	<u>\$2,940</u>	<u>\$6,267</u>	<u>(\$4,234)</u>	<u>(\$3,243)</u>	<u>(\$642)</u>	<u>(\$3,111)</u>	<u>(\$54,824)</u>
40											
41											
42											
43											
44											
45											
46											
47											
48											
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO **OPERATING** INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X R M S E D
WORKPAPER REFERENCE NO(S): **SCH D-2.3 (TRI VILLAGE)**

SCHEDULE **D-1T**
Page **19 of 19**

Witness Responsible: **M.A. Miller, S. A. Valentine**

Line No.	Account Number	Description	Base Period	Adj D-19 Sch D2.4	Adj D20 Sch D2.4	Adj D-21 Sch D-2.4						Total Adjustment
1	403000	Depreciation	546,268	561,206	50	50						\$61,206
2	403100	Depreciation - CIAC	(3,928)	3,928								3,928
3			<u>\$42,340</u>	<u>\$65,134</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$65,134</u>
4												
5												
6		State Income Tax Impact	8.25%	(\$5,374)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,374)
7		Federal Income Tax Impact	35.00%	(\$24,678)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$24,678)
8		Net Operating Income Impact		<u>(\$31,154)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$31,154)</u>
9												
10		AMORTIZATION EXPENSE										
11	404100	Amortization Lim Term Ut Plant	\$0	\$0	\$0	\$0						\$0
12	404110	Amortization Franchise Expense	0	0	0	0						0
13	404430	Amortization Regulatory Asset - AFUDC	0	0	0	0						0
14	406000	Amortization Utility Plant Acquisition Adj	0	0	5,676	0						5,676
15	407000	Amortization Property Losses	0	0	0	0						0
16		TOTAL AMORTIZATION	<u>\$0</u>	<u>\$0</u>	<u>\$5,676</u>	<u>\$0</u>						<u>\$5,676</u>
17												
18		State Income Tax Impact	8.25%	\$0	(\$468)	\$0	\$0	\$0	\$0	\$0	\$0	(\$468)
19		Federal Income Tax Impact	35.00%	\$0	(\$2,150)	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,150)
20		Net Operating Income Impact		<u>\$0</u>	<u>(\$3,058)</u>	<u>\$0</u>						<u>(\$3,058)</u>
21												
22												
23												
24		TAXES OTHER THAN INCOME										
25	408100	Real & Personal Property Taxes	\$0	\$0	\$0	\$41,567						\$41,567
26	408110	Gross Income & Receipts Taxes	0	0	0	0						0
27	408120	Invested Capital Tax	0	0	0	0						0
28	408130	Other General Taxes	0	0	0	0						0
29	408140	FUTA	103	0	0	229						229
30	408150	FUTA Capitalized- (A Work Order)	0	0	0	0						0
31	408040	FUTA Capitalized- (H Work Order)	0	0	0	0						0
32	408050	FUTA Capitalized- (C & R Work Order)	0	0	0	0						0
33	408160	FICA	5,938	0	0	6,211						6,211
34	408170	FICA Capitalized - (A Work Order)	0	0	0	0						0
35	408060	FICA Capitalized - (H Work Order)	0	0	0	0						0
36	408070	FICA Capitalized - (C & R Work Order)	0	0	0	0						0
37	408180	SUTA	205	0	0	33						33
38	408190	SUTA Capitalized- (A Work Order)	0	0	0	0						0
39	408080	SUTA Capitalized- (H Work Order)	0	0	0	0						0
40	408090	SUTA Capitalized- (C & R Work Order)	0	0	0	0						0
41	408220	Environmental Tax	0	0	0	0						0
42			<u>\$6,246</u>	<u>\$0</u>	<u>\$0</u>	<u>\$48,040</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$48,040</u>
43												
44		State Income Tax impact	8.25%	\$0	\$0	(\$3,963)	\$0	\$0	\$0	\$0	\$0	(\$3,963)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$15,427)	\$0	\$0	\$0	\$0	\$0	(\$15,427)
46		Net Operating Income Impact		<u>\$0</u>	<u>\$0</u>	<u>(\$28,650)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$28,650)</u>
47												
48												
49												
50												

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF RUNG: ORIGINAL UPDATED X R M S E D
WORKPAPER REFERENCE NO(S): W/P-2 (TRIVILLAGE)

SCHEDULED-2.1T
Page 1 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
		<u>Billed Revenues, Adjustment D-1</u>	
2	To adjust Residential billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
3		RESIDENTIAL	
4		Forecasted Amount	W/P-2 \$782,356
5		Base Period Amount	717,690
6		Pro Forma Adjustment	<u>\$64,666</u>
7	To adjust Commercial billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
8		COMMERCIAL	
9		Forecasted Amount	W/P-2 \$30,012
10		Base Period Amount	55,916
11		Pro Forma Adjustment	<u>(\$25,904)</u>
12		INDUSTRIAL	
13		Forecasted Amount	W/P-2 \$0
14		Base Period Amount	0
15		Pro Forma Adjustment	<u>\$0</u>
16			
17	To adjust Other Public Authority billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
18		OTHER PUBLIC AUTHORITY	
19		Forecasted Amount	W/P-2 \$8,035
20		Base Period Amount	9,955
21		Pro Forma Adjustment	<u>(\$1,920)</u>
22	To adjust Sales For Resale (OWU) billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
23		SALES FOR RESALE (OWU)	
24		Forecasted Amount	W/P-2 \$4,656
25		Base Period Amount	0
26		Pro Forma Adjustment	<u>\$4,656</u>
27		PUBLIC FIRE SERVICE	
28		Forecasted Amount	W/P-2 \$0
29		Base Period Amount	0
30		Pro Forma Adjustment	<u>\$0</u>
31		PRIVATE FIRE SERVICE	
32		Forecasted Amount	W/P-2 \$0
33		Base Period Amount	0
34		Pro Forma Adjustment	<u>\$0</u>
35			
36			
37	To adjust Miscellaneous billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
38		MISCELLANEOUS	
39		Forecasted Amount	W/P-2 \$0
40		Base Period Amount	813
41		Pro Forma Adjustment	<u>(\$813)</u>
42			
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.	Total Billed Water Revenue Adjustment	<u>\$40,685</u>
44			
45			
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (TRI VILLAGE)

SCHEDULE D-2.1T
Page 2 of 3
Witness Responsible: S.A. Valentine

Line NO.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2			
3	<u>Billed Revenues Adjustment D-1</u>		
4	RESIDENTIAL		
5	Forecasted Amount	W/P-2	\$0
6	Base Period Amount		<u>0</u>
7	Pro Forma Adjustment		<u>\$0</u>
8	COMMERCIAL		
9	Forecasted Amount	W/P-2	\$0
10	Base Period Amount		<u>0</u>
11	Pro Forma Adjustment		<u>\$0</u>
12	INDUSTRIAL		
13	Forecasted Amount	W/P-2	\$0
14	Base Period Amount		<u>0</u>
15	Pro Forma Adjustment		<u>\$0</u>
16	OTHER PUBLIC AUTHORITY		
17	Forecasted Amount	W/P-2	\$0
18	Base Period Amount		<u>0</u>
19	Pro Forma Adjustment		<u>\$0</u>
20	SALES FOR RESALE (OWU)		
21	Forecasted Amount	W/P-2	\$0
22	Base Period Amount		<u>0</u>
23	Pro Forma Adjustment		<u>\$0</u>
24	PUBLIC FIRE SERVICE		
25	Forecasted Amount	W/P-2	\$0
26	Base Period Amount		<u>0</u>
27	Pro Forma Adjustment		<u>\$0</u>
28	PRIVATE FIRE SERVICE		
29	Forecasted Amount	W/P-2	\$0
30	Base Period Amount		<u>0</u>
31	Pro Forma Adjustment		<u>\$0</u>
32	MISCELLANEOUS		
33	Forecasted Amount	W/P-2	\$0
34	Base Period Amount		<u>0</u>
35	Pro Forma Adjustment		<u>\$0</u>
36			
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	Total Unbilled Water Revenue Adjustment		<u>\$0</u>

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVEMONTHS ENDED: NOVEMBER 30,2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED X_ **REVISED**
 WORKPAPER REFERENCE NO(S): **W/P-2 (TRI VILLAGE)**

SCHEDULE D-2.1T
 Page 3 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Billed Revenues, Adjustment D-1</u>	
2		RESIDENTIAL	
3		Forecasted Amount	W/P-2 \$0
4		Base Period Amount	0
5		Pro Forma Adjustment	<u>\$0</u>
6			
7		COMMERCIAL	
8		Forecasted Amount	W/P-2 \$0
9		Base Period Amount	0
10		Pro Forma Adjustment	<u>0</u>
11			
12		INDUSTRIAL	
13		Forecasted Amount	W/P-2 \$0
14		Base Period Amount	0
15		Pro Forma Adjustment	<u>0</u>
16			
17		RESIDENTIAL	
18		Forecasted Amount	W/P-2 \$0
19		Base Period Amount	0
20		Pro Forma Adjustment	<u>\$0</u>
21			
22		COMMERCIAL	
23		Forecasted Amount	W/P-2 50
24		Base Period Amount	0
25		Pro Forma Adjustment	<u>\$0</u>
26			
27		INDUSTRIAL	
28		Forecasted Amount	W/P-2 \$0
29		Base Period Amount	0
30		Pro Forma Adjustment	<u>\$0</u>
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42			
43	The purpose of each adjustment is to eliminate the sewer revenue for the forecasted test period	Total Sewer Revenue Adjustment	<u>0</u>
44			
45		Total Revenue Adjustment	<u>\$40,685</u>
46			
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X R M S E D
WORKPAPER REFERENCE NO(S): W/P-2 (TRIVILLAGE)

SCHEDULED-2.2T
Page 1 of 1
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	To adjust Reconnection Fees for the forecasted test period.		
3			
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6			
7	To adjust Returned Check Charges for the forecasted test period level of bad checks.		
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43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): **W/P-3 (TRIVILLAGE)**

SCHEDULE **D-23T**
Page 1 of 2
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	Labor expense is being adjusted to reflect an increase due to union wage contracts and an increase of 3% for non-union employees to become effective April 1, 2004 and 2005.	<u>Labor Adjustment D-4</u>	
3		Forecasted Amount	\$158,820
4		Base Period Amount	<u>158,756</u>
5		Pro Forma Adjustment	<u>\$64</u>
6			
7		<u>Fuel & Power Adjustment D-5</u>	
8		Forecasted Amount	\$0
9		Base Period Amount	<u>0</u>
10		Pro Forma Adjustment	<u>\$0</u>
11			
12	Chemical expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment for contracted chemical prices made to the forecast.	<u>Chemicals Adjustment D-6</u>	
13		Forecasted Amount	\$840
14		Base Period Amount	<u>580</u>
15		Pro Forma Adjustment	<u>\$260</u>
16			
17		<u>Waste Disposal Adjustment D-7</u>	
18		Forecasted Amount	\$0
19		Base Period Amount	<u>0</u>
20		Pro Forma Adjustment	<u>\$0</u>
21			
22	Management Fees expense reflects the forecasted charges from the Service Company for services rendered during the forecasted period including costs from the Southeast Region Service Company office. Shared Services Center and the Customer Call Center.	<u>Management Fees Adjustment D-8</u>	
23		Forecasted Amount	\$20,090
24		Base Period Amount	<u>0</u>
25		Pro Forma Adjustment	<u>\$20,090</u>
26			
27	Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with FAS 106.	<u>Group Insurance Adjustment D-9</u>	
28		Forecasted Amount	\$42,716
29		Base Period Amount	<u>(2,511)</u>
30		Pro Forma Adjustment	<u>\$45,227</u>
31			
32	Pension Expense reflects the forecasted level based on FAS 87 pension costs.	<u>Pensions Adjustment D-10</u>	
33		Forecasted Amount	\$18,275
34		Base Period Amount	<u>(1,690)</u>
35		Pro Forma Adjustment	<u>\$19,965</u>
36			
37	Regulatory Expense reflects a three year amortization of the cost of the current filing	<u>Regulatory Expense Adjustment D-11</u>	
38		Forecasted Amount	\$139
39		Base Period Amount	<u>0</u>
40		Pro Forma Adjustment	<u>\$139</u>
41			
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44			
45	Insurance Other than Group expense reflects the Company's forecasted cost for liability insurance, worker's compensation and property insurance based upon the most recent actual bills.	<u>Insurance Other than Group Adjustment D-12</u>	
46		Forecasted Amount	\$10,145
47		Base Period Amount	<u>(119)</u>
48		Pro Forma Adjustment	<u>\$10,264</u>
49	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
50			

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200440103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): W/P-3 (TRI VILLAGE)

SCHEDULED-2.3T
Page 2 of 2
Witness Responsible: **S.A. Valentine**

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Customer Accounting Adjustment D-13</u>	
2	Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this function, as well as allocations made from Central Division to Tri Village and Elk Lake.	Forecasted Amount	\$10,888
3		Base Period Amount	<u>3,094</u>
4		Pro Forma Adjustment	<u>\$7,794</u>
5			
6		<u>Rents Adjustment D-14</u>	
7	Rent expense reflects all leases and rental agreements that the company has entered into or is forecasted to enter into during the forecasted test period.	Forecasted Amount	\$8,061
8		Base Period Amount	<u>13,519</u>
9		Pro Forma Adjustment	<u>(\$5,458)</u>
10			
11		<u>General Office Expense Adjustment D-15</u>	
12	General Office expense reflects all expenses related to the Company's office including telephone, employee expenses, supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	Forecasted Amount	\$2,604
13		Base Period Amount	<u>14,240</u>
14		Pro Forma Adjustment	<u>(\$11,636)</u>
15			
16		<u>Miscellaneous Expenses Adjustment D-16</u>	
17	Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village and Elk Lake.	Forecasted Amount	\$58,177
18		Base Period Amount	<u>50,318</u>
19		Pro Forma Adjustment	<u>\$7,859</u>
20			
21		<u>Maintenance Expense Adjustment D-17</u>	
22	Maintenance expense reflect the costs of maintaining the property and assets of the Company. These expenses include amortizations of prior and forecasted deferred maintenance projects. It also includes normal maintenance of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	Forecasted Amount	\$9,535
23		Base Period Amount	<u>3,513</u>
24		Pro Forma Adjustment	<u>\$6,022</u>
25			
26		<u>Purchased Water Expense Adjustment D-18</u>	
27	Purchased Water represents water purchased from the Winchester Municipal System, Georgetown Municipal System, and Owen Water & Sewer.	Forecasted Amount	\$263,472
28		Base Period Amount	<u>262,278</u>
29		Pro Forma Adjustment	<u>\$1,194</u>
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43	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 200400103
DETAILED ADJUSTMENTS
FOR THE TWELVEMONTHS ENDED: NOVEMBER 30,2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X R M S E D
WORKPAPER REFERENCE(S): W/P-4 & W/P-5 (TRI VILLAGE)

SCHEDULE D-24T
Page 1 of 1
Witness Responsible: MA Miller/ S. A Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
		<u> Depreciation Expense Adjustment D-19 </u>	
2	Depreciation expense reflects an increase due to an increased level of Utility Plant in Service.		
3		Forecasted Amount	\$107,474
4		Base Period Amount	<u> 42,340 </u>
5		Pro Forma Adjustment	<u> \$65,134 </u>
6			
		<u> Amortization Expense Adjustment D-20 </u>	
7			
8		Forecasted Amount	\$5,676
9		Base Period Amount	<u> 0 </u>
10		Pro Forma Adjustment	<u> \$5,676 </u>
11			
		<u> General Taxes Expense A d i i </u>	
12	General Taxes represent Property Taxes, Payroll Taxes, PSC Fees and other miscellaneous taxes that are calculated		
13	to be expenses for the forecasted test period. This also includes the allocation of property tax from Central Division		
14	to Tri Village and Elk Lake.		
15		Forecasted Amount	\$54,286
16		Base Period Amount	<u> 6,246 </u>
17		Pro Forma Adjustment	<u> \$48,040 </u>
18			
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32	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
 CASE NO: 2004-00103
SUMMARY OF JURISDICTIONAL ACTS
 FOR THE TWELVE MONTHS ENDED: /EMBE 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
 TYPE OF FILING: — ORIGINAL — UPDATED ~~BASED~~ -
 WORKPAPER REFERENCE NO(S): (TRIVILLAGE)

SCHEDULED-3T
 Page 1 of 1
 Witness Responsible: S.A. Valentine

Line No.	Acct.	Account Title	Jurisdictional Factor	Description of Factor and/or method of Allocation
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
 CASE NO: 2004-00103
 JURISDICTIONAL STATISTICS
 FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL — UPDATED X REVISED
 WORKPAPER REFERENCE NO(S): (TRIVILLAGE)

SCHEDULE D-4T
Page 1 of 1

Line No.	Description	Statistic Total Company	Adjustment	Adjusted Total Company	Statistic for Jurisdiction	Jurisdictional Ratio
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
EXPLANATION OF CHANGE IN JURISDICTIONAL PROCEDURES
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE D-5T
Page 1 of 1

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: __ ORIGINAL — UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): (TRI VILLAGE)

Line No.	Account No.	Description	Procedure Approved in Prior Case	Rational for Change
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.1/D-2.2 (ELK LAKE)

SCHEDULE **D-1E**
Page 1 of 19

Witness Responsible: MA **Miller**, S. A **Valentine**

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D-2.2	Adj. D-3 Sch D-2.2	Total Adjustments
1		<u>Water Revenues</u>					
2	461100	Residential- Billed	\$44,504	\$48,744	\$0	\$0	\$48,744
3	461110	Residential- Unbilled	0	0	0	0	0
4	461200	Commercial- Billed	0	0	0	0	0
5	461210	Commercial - Unbilled	0	0	0	0	0
6	461300	Industrial- Billed	0	0	0	0	0
7	461310	Industrial- Unbilled	0	0	0	0	0
8	461400	Miscellaneous - Billed	0	0	0	0	0
9	461410	Miscellaneous - Water Sales Billed Unmetere	0	0	0	0	0
10	462000	Private Fire - Billed	0	0	0	0	0
11	462100	Private Fire - Unbilled	0	0	0	0	0
12	463000	Public Fire - Billed	0	0	0	0	0
13	463100	Public Fire - Unbilled	0	0	0	0	0
14	464200	OPA - Billed	0	0	0	0	0
15	464210	OPA - Unbilled	0	0	0	0	0
16	466000	Sales for Resale - Billed	0	0	0	0	0
17	466100	Sales for Resale - Unbilled	0	0	0	0	0
18		Total Water Revenues	44,504	48,744	0	0	48,744
19							
20		<u>Sewer Revenues</u>					
21	461000	Residential - Billed	0	0	0	0	0
22	461010	Residential - Billed Surcharge	0	0	0	0	0
23	461020	Commercial - Billed	0	0	0	0	0
24	461030	Commercial - Unbilled	0	0	0	0	0
25	462210	Industrial- Billed	0	0	0	0	0
26	462110	Industrial- Unbilled	0	0	0	0	0
27		Total Sewer Revenues	0	0	0	0	0
28							
29							
30		<u>OTHER OPERATING REVENUES</u>					
31	471100	Reconnection Charges	0	0	0	0	0
32	471200	Other Miscellaneous Service Revenues	0	0	0	0	0
33	472000	Rents from Water Property	0	0	0	0	0
34	474100	Billing & Collection Services	0	0	0	0	0
35	474300	Other Water Revenues	0	0	0	0	0
36		AFUDC	0	0	0	0	0
37		TOTAL OTHER OPERATING REVENUES	0	0	0	0	0
38							
39		TOTAL OPERATING REVENUES	\$44,504	\$48,744	\$0	\$0	\$0
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00109
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.1/D-2.2 (ELK LAKE)

SCHEDULE D-1E
Page 2 of 6

Witness Responsible: M A Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D2.2	Adj. D-3 Sch P2.2						Total Adjustments
1												
2												
3		Revenues from Water/Wastewater										
4		Residential	\$44,504	\$48,744	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,744
5		Commercial	0	0	0	0	0	0	0	0	0	0
6		Industrial	0	0	0	0	0	0	0	0	0	0
7		Other Public Authority (OPA)	0	0	0	0	0	0	0	0	0	0
8		Sales for Resale (OWU)	0	0	0	0	0	0	0	0	0	0
9		Miscellaneous	0	0	0	0	0	0	0	0	0	0
10		Private Fire Service	0	0	0	0	0	0	0	0	0	0
11		Public Fire Service	0	0	0	0	0	0	0	0	0	0
12												
13		Total Water/Wastewater Revenues	44,504	48,744	0	0	0	0	0	0	0	48,744
14		Other Operating Revenues	0	0	0	0	0	0	0	0	0	0
15												
16		Total Operating Revenues	\$44,504	\$48,744	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,744
17												
18		TAX RATE										
19		State Income Tax Impact	8.25%	\$4,021	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,021
20		Federal Income Tax Impact	35.00%	\$15,653	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,653
21		Net Operating Income Impact		\$29,070	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,070
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00102
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE D-1E
Page 30 of 19

Witness Responsible: **M.A. Miller, S. A. Valentine**

Line No	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		SOURCE OF SUPPLY EXP(SS)	Col1	Col2	Col3	Col4	Col5	Col6	Col7	Col8	Col9	Col10	
2	600000	Operation Supervision& Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	16,741	0	0	0	0	0	0	0	0	0	0
6	603100	Miscellaneous Expenses	0	0	0	0	0	0	0	0	0	0	0
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0	0	0
9	604000	Rents	0	0	0	0	0	0	0	0	0	0	0
10	610000	Maint Supervision& EngineeringOrd	0	0	0	0	0	0	0	0	0	0	0
11	610010	Maint Supervision&Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
12	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc & Improv-LaborOrd	0	0	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc & Improv-LaborPrg	0	0	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-LabPrg	0	0	0	0	0	0	0	0	0	0	0
26	616100	Maint Supply Mains-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
31	617110	Maint Misc Water Source Plant- at Prg	0	0	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-LaborOrd	0	0	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
34													
35													
36		TOTAL SS EXPENSES	16,741	0	0	0	0	0	0	0	0	0	0
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 2005

DATA: X BASE PERIOD X FORECASTED PER DD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
Page 4 of 19
Witness Responsible: M A Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj P 4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch P2.3	Adj D-10 Sch P2.3	Adj D-11 Sch P2.3	Adj D-12 Sch P2.3	Total Adjustments
1		PUMANG EXPENSES											
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0	0	0	0	0	0
4	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0	0	0
5	622200	Power Production Labor	0	0	0	0	0	0	0	0	0	0	0
6	623110	Power Purchased for Pumping-Elec	0	0	0	0	0	0	0	0	0	0	0
7	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0	0	0	0	0	0
8	623210	Power Purchased for Pumping-Other	0	0	0	0	0	0	0	0	0	0	0
9	624200	Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	0
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	0	0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	0
17	627200	Rents-Electric	0	0	0	0	0	0	0	0	0	0	0
18	627300	Rents-Other	0	0	0	0	0	0	0	0	0	0	0
19	630200	Maint Sup & Eng-Electric Ord	60	(60)	0	0	0	0	0	0	0	0	(60)
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0	0	0	0	0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0	0	0	0	0	0
23	631100	Maint Pumping Struc & Inprov-Material Ord	0	0	0	0	0	0	0	0	0	0	0
24	631110	Maint Pumping Struc & Inprov-Material Prg	0	0	0	0	0	0	0	0	0	0	0
25	631200	Maint Pumping Struc & Inprov-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
26	631210	Maint Pumping Struc & Inprov-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0	0	0	0	0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0	0	0	0	0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0	0	0	0	0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0	0	0	0	0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0	0	0	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0	0	0	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	0	0	0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0	0	0	0	0	0
39		TOTAL PUMPING EXPENSES	60	(60)	0	0	0	0	0	0	0	0	(60)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE D-1E
Page 5 of 19

Witness Responsible: MA Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Total Adjustments
				Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3		
1		WATER TREATMENT EXPENSES (WT)										
2	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0	0
4	641100	General Chemicals	110	0	0	(110)	0	0	0	0	0	(110)
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0	0
6	642100	General WT Labor	89	(89)	0	0	0	0	0	0	0	(89)
7	642200	Softening Labor	0	0	0	0	0	0	0	0	0	0
8	642300	General WT Expenses	52	0	0	0	0	0	0	0	0	0
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0	0
10	642400	Softening Expenses	0	0	0	0	0	0	0	0	0	0
11	643100	Misc Expenses	32	0	0	0	0	0	0	0	0	0
12	643190	Misc Expenses - Service Co	0	0	0	0	0	0	0	0	0	0
13	643200	Misc Labor	0	0	0	0	0	0	0	0	0	0
14	643300	Waste Disposal Expenses	0	0	0	0	0	0	0	0	0	0
15	643310	Amort Waste Disposal Expenses	0	0	0	0	0	0	0	0	0	0
16	644000	Rents	0	0	0	0	0	0	0	0	0	0
17	650000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0	0
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0
19	651100	Maint WT Struc & Improvements-Mat Ord	0	0	0	0	0	0	0	0	0	0
20	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0	0
21	651120	Amort WT Structures	0	0	0	0	0	0	0	0	0	0
22	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0
24	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0	0
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0	0
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0	0
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0	0
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	0
29												
30		TOTAL WT EXPENSES	283	(89)	0	(110)	0	0	0	0	0	(199)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKP/ PER REFE NO(S): SCHED-2.3 (ELK L

SCHEDULE D-1E
Page 6 of 19

Witness Responsible: MA Miller/ S. A. Valertine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch P2.3	Adj D-8 Sch P2.3	Adj D-9 Sch D2.3	Adj D-10 Sch D2.3	Adj D-11 Sch P2.3	Adj D-12 Sch P2.3	Total Adjustments
		TRANS A DIST EXPENSES (T&D)											
2	660000	Operation Supervision & Engineering	\$0	\$43,743	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$43,743
3	661100	Storage Facilities - Expenses	0	0	0	0	0	0	0	0	0	0	0
4	661200	Storage Facilities - Labor	0	0	0	0	0	0	0	0	0	0	0
5	662100	T&D Lines - Expenses	415	0	0	0	0	0	0	0	0	0	0
6	662200	T&D Lines - Labor	13,044	(13,044)	0	0	0	0	0	0	0	0	(13,044)
7	663100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0	0	0
8	663200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0	0	0
9	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0	0	0
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0	0	0
11	664100	Customer Installation- Expenses	0	0	0	0	0	0	0	0	0	0	0
12	664200	Customer Installation- Labor	0	0	0	0	0	0	0	0	0	0	0
13	665100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0	0	0
14	665190	Maps and Records - Expenses Computer	0	0	0	0	0	0	0	0	0	0	0
15	665200	Maps and Records - Labor	0	0	0	0	0	0	0	0	0	0	0
16	665300	Misc Expenses	7,120	0	0	0	0	0	0	0	0	0	0
17	665400	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
18	666000	Rents	0	0	0	0	0	0	0	0	0	0	0
19	670000	Maint Supervision & Engineering Ord	120	(120)	0	0	0	0	0	0	0	0	(120)
20	670010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
22	671110	Maint Strmct & Improvements-Materials Prg	0	0	0	0	0	0	0	0	0	0	0
23	671200	Maint Strmct & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
24	671210	Maint Strmct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
27	672120	Amort Res & Standpipes	0	0	0	0	0	0	0	0	0	0	0
28	672200	Maint Res & Standpipes - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0	0	0	0	0	0
33	673200	Maint T&D Mains - Labor Ord	3,580	(3,580)	0	0	0	0	0	0	0	0	(3,580)
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
35	675100	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
36	675110	Maint Services - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
37	675200	Maint Services - Labor Ord	2,788	(2,788)	0	0	0	0	0	0	0	0	(2,788)
38	675210	Maint Services - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
41	676200	Maint Meter - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
43	676300	Maint Meter Installation- Materials Ord	0	0	0	0	0	0	0	0	0	0	0
44	676310	Maint Meter Installation- Materials Prg	0	0	0	0	0	0	0	0	0	0	0
45	676400	Maint Meter Installation- Labor Ord	0	0	0	0	0	0	0	0	0	0	0
46	676410	Maint Meter Installation - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): **SCH D-2.3 (LAKE)**

SCHEDULED-1E
Page 7 of 19

Witness Responsible: MA **Miller, S. A. Valentine**

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj P 5 * Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D) (Cont'd)											
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
4	677200	Maint Hydrants - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
6	678100	Maint Other T&D Plant - Materials Ord	669	0	0	0	0	0	0	0	0	0	0
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0	0	0	0	0	0
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0	0	0	0	0	0
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
10													
11													
12		TOTAL T&D EXPENSES	27,736	24,211	0	0	0	0	0	0	0	0	24,211
13													
14		CUSTOMER ACCOUNTS EXPENSE (CA)											
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	902100	Meter Reading Expenses	0	0	0	0	0	0	0	0	0	0	0
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0	0	0
18	902200	Meter Reading Labor	0	665	0	0	0	0	0	0	0	0	665
19		CUM RECORDS & COLLECTION EXPENSES											0
20	903100	Contracts and Orders - Expenses	0	0	0	0	0	0	0	0	0	0	0
21	903200	Contracts and Orders - Labor	0	0	0	0	0	0	0	0	0	0	0
22	903300	Collecting - Expenses	0	0	0	0	0	0	0	0	0	0	0
23	903400	Collecting - Salaries	0	0	0	0	0	0	0	0	0	0	0
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0	0	0
25	903520	Billing & Accounting - Other Expenses	0	0	0	0	0	0	0	0	0	0	0
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0	0	0	0	0	0
27	904000	Uncollectible Accounts	0	0	0	0	0	0	0	0	0	0	0
28	905100	Misc Expenses	0	0	0	0	0	0	0	0	0	0	0
29	905200	Misc Salaries	0	0	0	0	0	0	0	0	0	0	0
30													
31		TOTAL CA EXPENSES	0	665	0	0	0	0	0	0	0	0	665
32													
33		CUSTOMER SERVICE EXPENSES											
34	907100	Cust Service and Information - Expenses	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0	0	0	0	0	0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	0
37													
38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	0
41													
42													
43													
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00102
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS END: **NOVEMBER 30, 2005**

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): **SCH D-2.3 (ELK LAKE)**

SCHEDULE D-1E
Page 8 of 19

Witness Responsible: MA. Miller/ S. A. Valertine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D2.3	Adj D-9 Sch D2.3	Adj D-10 Sch P2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G)											
2	920000	Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	920500	Incentive Plan Expense	0	0	0	0	0	0	0	0	0	0	0
4	921100	Expenses of Employees	0	0	0	0	0	0	0	0	0	0	0
5	921130	Dues for Clubs - Ded	0	0	0	0	0	0	0	0	0	0	0
6	921200	Misc Office Expenses	0	0	0	0	0	0	0	0	0	0	0
7	923100	Service Company Charges	0	0	0	0	0	3,581	0	0	0	0	3,581
8	923190	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0	0	0
9	923200	Auditing Services	0	0	0	0	0	0	0	0	0	0	0
10	923300	Legal Services	0	0	0	0	0	0	0	0	0	0	0
11	923400	Engineering Services	0	0	0	0	0	0	0	0	0	0	0
12	923500	Other Services - Current	0	0	0	0	0	0	0	0	0	0	0
13	924000	Property Insurance	0	0	0	0	0	0	0	0	0	73	73
14	925110	Workers Compensation	0	0	0	0	0	0	0	0	0	33	33
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0	0	0
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0	0	0
21	925400	General Liability	0	0	0	0	0	0	0	0	0	175	175
22		EMPLOYEE PENSIONS & BENEFITS											0
23	926100	Accrued OPEB Expense	(364)	0	0	0	0	0	5,896	0	0	0	5,896
24	926110	Group Insurance Expense	(23)	0	0	0	0	0	6,435	0	0	0	6,435
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0	0	0	0	0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
30	926170	Group Ins Pretax Contributon	0	0	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educational Expenses	0	0	0	0	0	0	0	0	0	0	0
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	0	0	0	0	0	0	0	0	0	0	0
34	926250	401-K Contributions Expense	0	0	0	0	0	0	0	0	0	0	0
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments - Current	(449)	0	0	0	0	0	0	6,638	0	0	6,638
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Pmts - Union	0	0	0	0	0	0	0	0	0	0	0
46	926800	Pensions - Capitalized - (A&B)	0	0	0	0	0	0	0	(1,077)	0	0	(1,077)
47	926900	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	0	0	0	0
48	926910	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	0	0	0
49													
50													

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): **SCHD-2.3 (ELK LAKE)**

SCHEDULED-1E
Page Sof 19

Witness Responsible: MA. **Miller, S. A. Valentine**

Line No.	Account Number	Description	Base Period	Adi D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj P 6 Sch D-2.3	Adi P 7 Sch D-2.3	Adi D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adi D-10 Sch D-2.3	Adi D-11 Sch D-2.3	Adi D-12 Sch D-2.3	Total Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
2		REGULATORY COMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25	\$0	\$25
4	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0	0	0	0	0	0
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0	0	0
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0	0	0
7	928400	Other Regulatory Expenses - Current	0	0	0	0	0	0	0	0	0	0	0
8	930200	Amort Misc Charges	0	0	0	0	0	0	0	0	0	0	0
9	930210	Misc General Expenses Current	0	0	0	0	0	0	0	0	0	0	0
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0	0	0
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0	0	0
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0	0	0
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0	0	0
14	930260	Meals & Travel Expenses - Taxable	0	0	0	0	0	0	0	0	0	0	0
15	930270	Donations	0	0	0	0	0	0	0	0	0	0	0
16	930290	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0	0	0
17	930300	Research & Development Expenses	0	0	0	0	0	0	0	0	0	0	0
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0	0	0
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0	0	0
20	930510	Lobbying Expenses	0	0	0	0	0	0	0	0	0	0	0
21	930600	Transportation Expenses	0	0	0	0	0	0	0	0	0	0	0
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0	0	0	0	0	0
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0	0	0
25	930880	Misc Gen Exp - Company Dues	0	0	0	0	0	0	0	0	0	0	0
26	930890	Misc Gen Exp - Other	0	0	0	0	0	0	0	0	0	0	0
27	930980	Misc General Exp - Taxable Co Dues	0	0	0	0	0	0	0	0	0	0	0
28	931000	Rents	0	0	0	0	0	0	0	0	0	0	0
29	932100	Maint A&G Struc 8 Improv-Material Ord	0	0	0	0	0	0	0	0	0	0	0
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	0
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0	0	0
32	932200	Maint A&G Struc & Improv-labor Ord	0	0	0	0	0	0	0	0	0	0	0
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0	0	0
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0	0	0
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0	0	0
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
41	932700	Maint A&G Misc Property-Material Ord	0	0	0	0	0	0	0	0	0	0	0
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0	0	0
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
45		Total A & G Expenses	(836)	0	0	0	0	3,581	12,331	5,561	25	280	21,778
46													
47		Total O & M Expenses	\$43,984	\$24,727	\$0	(\$110)	\$0	\$3,581	\$12,331	\$5,561	\$25	\$280	\$46,395
48													
49													
50													

LABOR

MANGEMENT GRINS PENSION REG EXP INS OTH FEES

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
PAGE: REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
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Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Line Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj P 7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1													
2	08	Operation Labor Expenses	\$19,681	\$24,727	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
3	24	Maintenance Labor Expenses	0	0	0	0	0	0	0	0	0	0	0
4													
5		Total Labor	\$19,681	\$24,727	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
6													
7													
8		Total Operation Expenses	\$36,767	\$31,275	\$0	(\$110)	\$0	\$3,581	\$12,331	\$5,561	\$25	\$280	\$52,943
9		Total Maintenance Expenses	7,217	(6,548)	0	0	0	0	0	0	0	0	(6,548)
10													
11		Total O & M Expenses	\$43,984	\$24,727	\$0	(\$110)	\$0	\$3,581	\$12,331	\$5,561	\$25	\$280	\$46,395
12													
13													
14													
15													
16													
17	08	Labor	\$19,681	\$24,727	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
18	09	Purchased Water	16,741	0	0	0	0	0	0	0	0	0	0
19	10	Fuel and Power	0	0	0	0	0	0	0	0	0	0	0
20	11	Chemicals	110	0	0	(110)	0	0	0	0	0	0	(110)
21	12	Waste Disposal	0	0	0	0	0	0	0	0	0	0	0
22	13	Management Fees	0	0	0	0	0	3,581	0	0	0	0	3,581
23	14	Group Insurance	(387)	0	0	0	0	0	12,331	0	0	0	12,331
24	15	Pension	(449)	0	0	0	0	0	0	5,561	0	0	5,561
25	16	Regulatory Expense	0	0	0	0	0	0	0	0	25	0	25
26	17	Insurance Other than Group	0	0	0	0	0	0	0	0	0	280	280
27	18	Customer Accounting	0	0	0	0	0	0	0	0	0	0	0
28	19	Rents	0	0	0	0	0	0	0	0	0	0	0
29	20	General Office Expense	0	0	0	0	0	0	0	0	0	0	0
30	21	Miscellaneous	7,619	0	0	0	0	0	0	0	0	0	0
31	25	Other Maintenance	669	0	0	0	0	0	0	0	0	0	0
32													
33		Total O & M Expenses	\$43,984	\$24,727	\$0	(\$110)	\$0	\$3,581	\$12,331	\$5,561	\$25	\$280	\$46,395
34													
35		State Income Tax Impact	8.25%	(\$2,040)	\$0	\$9	\$0	(\$295)	(\$1,017)	(\$459)	(\$2)	(\$23)	(\$3,828)
36													
37		Federal Income Tax Impact	35.00%	(\$9,368)	\$0	\$42	\$0	(\$1,357)	(\$4,672)	(\$2,107)	(\$9)	(\$106)	(\$17,578)
38													
39		Net Operating Income Impact		(\$13,319)	\$0	\$59	\$0	(\$1,929)	(\$6,642)	(\$2,995)	(\$14)	(\$151)	(\$24,989)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL ___ UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
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Witness Responsible: M.A. Miller/ S. A. Valentine

Line No	Account Number	Description	Base	Adj	Adj	Adj	Adj	Adj	Adj	Total	Grand Total
			Period	D-13	D-14	D-15	D-16	D-17	D-18		
			Col1	Sch D-2 3	Sch D-2 3	Sch D-2 3	Sch D-2 3	Sch D-2 3	Sch D-2 3		
1		SOURCE OF SUPPLY EXPENSES (SS)									
2	600000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	Operation Expenses	0	0	0	0	0	0	0	0	0
4	601200	Operation Labor	0	0	0	0	0	0	0	0	0
5	602000	Purchased Water	16,741	0	0	0	0	0	(439)	(439)	(439)
6	603100	Miscellaneous Expenses	0	0	0	0	0	0	0	0	0
7	603120	Amort Misc Expenses	0	0	0	0	0	0	0	0	0
8	603200	Miscellaneous Labor	0	0	0	0	0	0	0	0	0
9	604000	Rents	0	0	0	0	0	0	0	0	0
10	610000	Maint Supervision & Engineering Ord	0	0	0	0	0	0	0	0	0
11	610010	Maint Supervision & Engineering Prt	0	0	0	0	0	0	0	0	0
12	611100	Maint Struc & Improv-Materials Ord	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-Materials Prg	0	0	0	0	0	0	0	0	0
14	611200	Maint Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0
15	611210	Maint Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	0	0	0	0	0	0	0
17	612110	Maint Col & Imp Res-Materials Prg	0	0	0	0	0	0	0	0	0
18	612120	Amort Col & Imp Res	0	0	0	0	0	0	0	0	0
19	612200	Maint Col & Imp Res-Labor Ord	0	0	0	0	0	0	0	0	0
20	612210	Maint Col & Imp Res-Labor Prg	0	0	0	0	0	0	0	0	0
21	613100	Maint Lake, River & Other Intakes-Mat Ord	0	0	0	0	0	0	0	0	0
22	613110	Maint Lake, River & Other Intakes-Mat Prg	0	0	0	0	0	0	0	0	0
23	613120	Amort Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0
24	613200	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	0	0	0	0	0
25	613210	Maint Lake, River & Other Intakes-Lab Prg	0	0	0	0	0	0	0	0	0
26	616100	Maint Supply Mains-Materials Ord	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	0	0	0	0
28	616200	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0	0	0
29	616210	Maint Supply Mains-Labor Prg	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-Mat Ord	0	0	0	0	0	0	0	0	0
31	617110	Maint Misc Water Source Plant-Mat Prg	0	0	0	0	0	0	0	0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0	0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0	0	0
34											
35											
36		TOTAL SS EXPENSES	16,741	0	0	0	0	0	(439)	0	(439)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00109
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR MONTHS TWELVE ENDED: **NOVEMBER 30, 2005**

DATA: X BASE PERIOD X FORECASTED PER DD
TYPE OF FILING: ORIGINAL UPDATE: X REVISED
WORK: PER REFERENCE NO(S): SCH D-2 (ELK LAKE)

SCHEDULED-1E
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Witness Responsible: M A Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2,3	Adj D-14 Sch P2,3	Adj D-15 Sch D-2,3	Adj D-16 Sch D-2,3	Adj D-17 Sch D-2,3	Adj D-18 Sch D-2,3	Total Adjustments	Grand Total Adjustments
1		PUMPRNG EXPENSES									
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
3	620300	Operation Sup & Eng-Other	0	0	0	0	0	0		0	0
4	622100	Power Production Expenses	0	0	0	0	0	0		0	0
5	622200	Power Production Labor	0	0	0	0	0	0		0	0
6	623110	Power Purchased for Pumping-Elec	0	0	0	0	0	0		0	0
7	623120	Power Purchased for Pumping-ElecAdj	0	0	0	0	0	0		0	0
8	623210	Power Purchased for Pumping-Other	0	0	0	0	0	0		0	0
9	624200	Pumping Labor-Electric	0	0	0	0	0	0		0	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0		0	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0		0	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0		0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0		0	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0		0	0
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0		0	0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0		0	0
17	627200	Rents-Electric	0	0	0	0	0	0		0	0
18	627300	Rents-Other	0	0	0	0	0	0		0	0
19	630200	Maint Sup & Eng-Electric Ord	60	0	0	0	0	0		0	(60)
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0		0	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	0	0	0		0	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0		0	0
23	631100	Maint Pumping Struc & inprov-Material Ord	0	0	0	0	0	0		0	0
24	631110	Maint Pumping Struc & inprov-Material Prg	0	0	0	0	0	0		0	0
25	631200	Maint Pumping Struc & inprov-Labor Ord	0	0	0	0	0	0		0	0
26	631210	Maint Pumping Struc & inprov-Labor Prg	0	0	0	0	0	0		0	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0		0	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0		0	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0		0	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0		0	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0		0	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0		0	0
33	633300	Maint Pumping Equip-Material-Other Ord	0	0	0	0	0	0		0	0
34	633310	Maint Pumping Equip-Material-Other Prg	0	0	0	0	0	0		0	0
35	633500	Maint Pumping Equip-Labor-Electric Ord	0	0	0	0	0	0		0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0		0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0		0	0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	0		0	0
39		TOTAL PUMPING EXPENSES	60	0	0	0	0	0	0	0	(60)

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR M E TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FIUNG: ORIGINAL UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): SCHED-2.3 (ELK LAKE)

SCHEDULE D-1E
Page 13 of 19

Witness Responsible: MA. Miller, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments	
1		WATER TREATMENT EXPENSES (WT)										
2	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	
3	641110	Chemicals-Carbon	0	0	0	0	0	0		0	0	
4	641100	General Chemicals	110	0	0	0	0	0		0	(110)	
5	641200	Softening Chemicals	0	0	0	0	0	0		0	0	
6	642100	General WT Labor	89	0	0	0	0	0		0	(89)	
7	642200	Softening Labor	0	0	0	0	0	0		0	0	
8	642300	General WT Expenses	52	0	0	0	(52)	0		(52)	(52)	
9	642390	General WT Administration	0	0	0	0	0	0		0	0	
10	642400	Softening Expenses	0	0	0	0	0	0		0	0	
11	643100	Misc Expenses	32	0	0	0	(32)	0		(32)	(32)	
12	643190	Misc Expenses -Service Co	0	0	0	0	0	0		0	0	
13	643200	Misc Labor	0	0	0	0	0	0		0	0	
14	643300	Waste Disposal Expenses	0	0	0	0	0	0		0	0	
15	643310	Amort Waste Disposal Expenses	0	0	0	0	0	0		0	0	
16	644000	Rents	0	0	0	0	0	0		0	0	
17	650000	Maint Supervision & Engineering Ord	0	0	0	0	0	0		0	0	
18	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0		0	0	
19	651100	Maint WT Struc & Improvements-MatOrd	0	0	0	0	0	36		36	36	
20	651110	Maint WT Struc & Improvements-MatPrg	0	0	0	0	0	0		0	0	
21	651120	Amort WT Structures	0	0	0	0	0	0		0	0	
22	651200	Maint WT Struc & Improvements-LaborOrd	0	0	0	0	0	0		0	0	
23	651210	Maint WT Struc & Improvements-LaborPrg	0	0	0	0	0	0		0	0	
24	652100	Maint General WT Equipment-MatOrd	0	0	0	0	0	0		0	0	
25	652110	Maint General WT Equipment-MatPrg	0	0	0	0	0	0		0	0	
26	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0		0	0	
27	652300	Maint General WT Equipment-LaborOrd	0	0	0	0	0	0		0	0	
28	652310	Maint General WT Equipment-laborPrg	0	0	0	0	0	0		0	0	
29												
30		TOTAL WT EXPENSES	283	0	0	0	(84)	36	0	0	(48)	(247)
31												
32												
33												
34												
35												
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCHD-2.3 (ELK LAKE)

SCHEDULE **D-1E**
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Witness Responsible: **M.A. Miller/ S. A. Valentine**

Line No	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments
		TRANS a DIST EXPENSES (T&D)									
2	660000	Operation Supervision& Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$43,743
3	661100	Storage Facilities - Expense	0	0	0	0	0	0	0	0	0
4	661200	Storage Facilities- Labor	0	0	0	0	0	0	0	0	0
5	662100	T&D Lines - Expenses	415	0	0	0	94	0	0	94	94
6	662200	T&D Lines - Labor	13,044	0	0	0	0	0	0	0	(13,044)
7	663100	Meter Expenses-Remove and Reset-Exp	0	0	0	0	0	0	0	0	0
8	663200	Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0
9	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0
11	664100	Customer Installation- Expenses	0	0	0	0	0	0	0	0	0
12	664200	Customer Installation- Labor	0	0	0	0	0	0	0	0	0
13	665100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0
14	665190	Maps and Records - Expenses Computer	0	0	0	0	0	0	0	0	0
15	665200	Maps and Records - Labor	0	0	0	0	0	0	0	0	0
16	665300	Misc Expenses	7,120	0	0	0	3,663	0	0	3,663	3,663
17	665400	Misc Labor	0	0	0	0	0	0	0	0	0
18	666000	Rents	0	0	0	0	0	0	0	0	0
19	670000	Maint Supervision& EngineeringOrd	120	0	0	0	0	0	0	0	(120)
20	670010	Maint Supervision& Engineering Prg	0	0	0	0	0	0	0	0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	0	0
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0	0	0	0
23	671200	Maint Struct & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0
24	671210	Maint Struct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes - Materials Ord	0	0	0	0	0	0	0	0	0
26	672110	Maint Res & Standpipes - Materials Prg	0	0	0	0	0	0	0	0	0
27	672120	Amort Res & Standpipes	0	0	0	0	0	0	0	0	0
28	672200	Maint Res & Standpipes - Labor Ord	0	0	0	0	0	0	0	0	0
29	672210	Maint Res & Standpipes - Labor Prg	0	0	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	0	0	0	0	0	0	0	0	0
31	673110	Maint T&D Mains - Materials Prg	0	0	0	0	0	0	0	0	0
32	673120	Amort T&D Mains	0	0	0	0	0	0	0	0	0
33	673200	Maint T&D Mains - Labor Ord	3,580	0	0	0	0	0	0	0	(3,580)
34	673210	Maint T&D Mains - Labor Prg	0	0	0	0	0	0	0	0	0
35	675100	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0
36	675110	Maint Services - Materials Prg	0	0	0	0	0	0	0	0	0
37	675200	Maint Services - Labor Ord	2,788	0	0	0	0	0	0	0	(2,788)
38	675210	Maint Services - Labor Prg	0	0	0	0	0	0	0	0	0
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0	0	0	0
40	676110	Maint Meter - Materials Prg	0	0	0	0	0	0	0	0	0
41	676200	Maint Meter - Labor Ord	0	0	0	0	0	0	0	0	0
42	676210	Maint Meter - Labor Prg	0	0	0	0	0	0	0	0	0
43	676300	Maint Meter Installation - Materials Ord	0	0	0	0	0	0	0	0	0
44	676310	Maint Meter Installation - Materials Prg	0	0	0	0	0	0	0	0	0
45	676400	Maint Meter installation - Labor Ord	0	0	0	0	0	0	0	0	0
46	676410	Maint Meter installation - Labor Prg	0	0	0	0	0	0	0	0	0
47											
48											
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
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Witness Responsible: MA **Miller**, S. A. **Valentine**

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch P 2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total Adjustments	
1		TRANS DIST EXPENSES (T&D) (Cont'd)										
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0	
3	677110	Maint Hydrants - Materials Prg	0	0	0	0	0	0	0	0	0	
4	677200	Maint Hydrants - Labor Ord	0	0	0	0	0	0	0	0	0	
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	0	0	
6	678100	Maint Other T&D Plant - Materials Ord	669	0	0	0	(669)	0	0	(669)	(669)	
7	678110	Maint Other T&D Plant - Materials Prg	0	0	0	0	0	0	0	0	0	
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0	0	0	0	
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0	
10												
11												
12		TOTAL T&D EXPENSES	27,736	0	0	0	3,088	0	0	0	3,088	27,299
13												
14		CUSTOMER ACCOUNTS EXPENSE (CA)										
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
16	902100	Meter Reading Expenses	0	0	0	0	0	0	0	0	0	
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	0	0	0	
18	902200	Meter Reading Labor	0	0	0	0	0	0	0	0	665	
19		CUST RECORDS a COLLECTION EXPENSES										
20	903100	Contracts and Orders - Expenses	0	0	0	0	0	0	0	0	0	
21	903200	Contracts and Orders - Labor	0	0	0	0	0	0	0	0	0	
22	903300	Collecting - Expenses	0	174	0	0	0	0	0	174	174	
23	903400	Collecting - Salaries	0	0	0	0	0	0	0	0	0	
24	903510	Billing & Accounting - Computers	0	0	0	0	0	0	0	0	0	
25	903520	Billing & Accounting - Other Expenses	0	540	0	0	0	0	0	540	540	
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0	0	0	0	
27	904000	Uncollectible Accounts	0	432	0	0	0	0	0	432	432	
28	905100	Misc Expenses	0	0	0	0	0	0	0	0	0	
29	905200	Misc Salaries	0	0	0	0	0	0	0	0	0	
30												
31		TOTAL CA EXPENSES	0	1,146	0	0	0	0	0	0	1,146	1,811
32												
33		CUSTOMER SERVICE EXPENSES										
34	907100	Cust Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
35	907200	Cust Service and Information - Salaries	0	0	0	0	0	0	0	0	0	
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	
37												
38		SALES PROMOTION EXPENSES										
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
40												
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	
42												
43												
44												
45												
46												
47												
48												
49												

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL IPD, TEI X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
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Witness Responsible: MA. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch D-2.3	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adjustments	Grand Total
1		ADMINISTRATIVE & GENERAL EXP(A&G)									
2	920000	Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	920500	Incentive Plan Expense	0	0	0	0	0	0	0	0	0
4	921100	Expenses of Employees	0	0	0	36	0	0	0	36	36
5	921130	Dues for Clubs- Ded	0	0	0	8	0	0	0	8	8
6	921200	Misc Office Expenses	0	0	0	0	0	0	0	0	0
7	923100	Service Company Charges	0	0	0	0	0	0	0	0	3,581
8	923190	Service Company Charges - Out Agency	0	0	0	0	0	0	0	0	0
9	923200	Auditing Services	0	0	0	0	0	0	0	0	0
10	923300	Legal Services	0	0	0	0	0	0	0	0	0
11	923400	Engineering Services	0	0	0	0	0	0	0	0	0
12	923500	Other Services - Current	0	0	0	0	0	0	0	0	0
13	924000	Property Insurance	0	0	0	0	0	0	0	0	73
14	925110	Workers Compensation	0	0	0	0	0	0	0	0	33
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0	0	0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0	0	0	0
18	925200	injuries and Damages - Salaries	0	0	0	0	0	0	0	0	0
19	925300	Injuries and Damages - Expenses	0	0	0	0	4	0	0	4	4
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0	0	0	0
21	925400	General Liability	0	0	0	0	0	0	0	0	175
22		EMPLOYEEPENSIONS & BENEFITS									
23	926100	Accrued OPEB Expense	(364)	0	0	0	0	0	0	0	5,896
24	926110	Group InsuranceExpense	(23)	0	0	0	0	0	0	0	6,435
25	926120	Other Grp InsuranceExp	0	0	0	0	0	0	0	0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0	0	0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0	0	0	0
30	926170	Group Ins Pretax Contribulon	0	0	0	0	0	0	0	0	0
31	926200	Other Welfare & Educional Expenses	0	0	0	0	35	0	0	35	35
32	926210	Educational Expenses	0	0	0	0	0	0	0	0	0
33	926220	ESOP Contribution Expense	0	0	0	0	136	0	0	136	136
34	926250	401-K Contributions Expense	0	0	0	0	1,029	0	0	1,029	1,029
35	926260	401-K Cap (A&B)	0	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0	0	0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0	0	0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0	0	0	0
43	926400	Pension Plan Payments - Current	(449)	0	0	0	0	0	0	0	6,638
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0	0	0	0
45	926700	Pension Plan Pmts - Union	0	0	0	0	0	0	0	0	0
46	926800	Pensions- Capitalized - (A&B)	0	0	0	0	0	0	0	0	(1,077)
47	926900	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	0	0
48	926910	Pensions - Capitalized - (C&R)	0	0	0	0	0	0	0	0	0
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PER DD
TYPE OF FILING: ORIGINAL UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
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Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2,3	Adj D-14 Sch D-2,3	Adj D-15 Sch P2,3	Adj D-16 Sch D-2,3	Adj D-17 Sch D-2,3	Adj D-18 Sch D-2,3	Total Adjustments	Grand Total Adjustments	
1		ADMINISTRATIVE & GENERAL EXP(A&G)- CONT										
2		REGULATORY COMMISSION EXPENSES										
3	928100	Amort Expense of Rate Proceedings	0	0	0	0	0	0		0	25	
4	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0		0	0	
5	928200	Tax Savings	0	0	0	0	0	0		0	0	
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0		0	0	
7	928400	Other Regulatory Expenses -Current	0	0	0	0	0	0		0	0	
8	930200	Amort Misc Charges	0	0	0	0	0	0		0	0	
9	930210	Misc General Expenses Current	0	0	0	0	12	0		12	12	
10	930220	Amort Orig Cost Study	0	0	0	0	0	0		0	0	
11	930230	Amort Misc General Expenses	0	0	0	0	0	0		0	0	
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0		0	0	
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0		0	0	
14	930260	Meals & Travel Expenses -Taxable	0	0	0	3	0	0		3	3	
15	930270	Donations	0	0	0	0	0	0		0	0	
16	930290	Data Processing/Communication Exp	0	0	0	0	0	0		0	0	
17	930300	Research & Development Expenses	0	0	0	0	0	0		0	0	
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0		0	0	
19	930500	Non-deductible Penalties	0	0	0	0	0	0		0	0	
20	930510	Lobbying Expenses	0	0	0	0	0	0		0	0	
21	930600	Transportation Expenses	0	0	0	0	0	0		0	0	
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0		0	0	
23	930620	Transportation Cap (C&R)	0	0	0	0	0	0		0	0	
24	930630	Transportation Cap (H)	0	0	0	0	0	0		0	0	
25	930880	Misc Gen Exp - Company Dues	0	0	0	0	32	0		32	32	
26	930890	Misc Gen Exp - Other	0	0	0	0	136	0		136	136	
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0		0	0	
28	931000	Rents	0	0	0	0	0	0		0	0	
29	932100	Maint A&G Struc & Improv-Material Ord	0	0	0	0	0	0		0	0	
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0		0	0	
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0		0	0	
32	932200	Maint ABG Struc & Improv-Labor Ord	0	0	0	0	0	0		0	0	
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0		0	0	
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0		0	0	
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0		0	0	
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0		0	0	
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0		0	0	
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0		0	0	
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0		0	0	
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0		0	0	
41	932700	Maint A&G Misc Property-Material Ord	0	0	0	0	0	0		0	0	
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0		0	0	
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0		0	0	
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0		0	0	
45		Total A & G Expenses	(836)	0	0	47	1,384	0	0	0	1,431	23,209
46												
47		Total O & M Expenses	\$43,984	\$1,146	\$0	\$47	\$4,388	\$36	(\$439)	\$0	\$5,178	\$51,573
48												
49												
50												

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULED-1E
Page 18 of 19

Witness Responsible: M.A. Miller/ S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-13 Sch D-2.3	Adj D-14 Sch D-2.3	Adj D-15 Sch P2.3	Adj D-16 Sch P2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch P2.4	Total Adjustments	Grand Total Adjustments
1											
2	08	Operation Labor Expenses	\$19,681	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
3	24	Maintenance Labor Expenses	0	0	0	0	0	0	0	0	0
4											
5		Total Labor	\$19,681	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
6											
7											
8		Total Operation Expenses	\$38,767	\$1,146	\$0	\$47	\$5,057	\$0	(\$439)	\$5,811	\$58,754
9		Total Maintenance Expenses	7,217	0	0	0	(689)	36	0	(633)	(7,181)
10											
11		Total O & M Expenses	\$43,984	\$1,146	\$0	\$47	\$4,388	\$36	(\$439)	\$5,178	\$51,573
12											
13											
14											
15											
16											
17	08	Labor	\$19,681	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
18	09	Purchased Water	16,741	0	0	0	0	0	(439)	(439)	(439)
19	10	Fuel and Power	0	0	0	0	0	0	0	0	0
20	11	Chemicals	110	0	0	0	0	0	0	0	(110)
21	12	Waste Disposal	0	0	0	0	0	0	0	0	0
22	13	Management Fees	0	0	0	0	0	0	0	0	3,581
23	14	Group Insurance	(387)	0	0	0	0	0	0	0	12,331
24	15	Pension	(449)	0	0	0	0	0	0	0	5,561
25	16	Regulatory Expense	0	0	0	0	0	0	0	0	25
26	17	Insurance Other than Group	0	0	0	0	0	0	0	0	280
27	18	Customer Accounting	0	1,146	0	0	0	0	0	1,146	1,146
28	19	Rents	0	0	0	0	0	0	0	0	0
29	20	General Office Expense	0	0	0	47	0	0	0	47	47
30	21	Miscellaneous	7,619	0	0	0	5,057	0	0	5,057	5,057
31	25	Other Maintenance	669	0	0	0	(669)	36	0	(633)	(633)
32											
33		Total O & M Expenses	\$43,984	\$1,146	\$0	\$47	\$4,388	\$36	(\$439)	\$5,178	\$51,573
34											
35		State Income Tax Impact	8.25%	(\$95)	\$0	(\$4)	(\$362)	(\$3)	\$36	(\$427)	(\$4,255)
36											
37		Federal Income Tax Impact	35.00%	(\$434)	\$0	(\$18)	(\$1,663)	(\$14)	\$166	(\$1,962)	(\$19,540)
38											
39		Net Operating Income Impact		(\$617)	\$0	(\$25)	(\$2,363)	(\$19)	\$237	(\$2,789)	(\$27,778)
40											
41											
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00102
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): SCHD-2.3 (ELK LAKE)

SCHEDULED-1E
Page 19 of 19
Witness Responsible: **M.A. Miller**, S. A. Valentine

Line No.	Account Number	Description	Base Period	Adj D-19 Sch P 2.4	Adj D-20 Sch D-2.4	Adj D-21 Sch D-2.4					Total Adjustment
1	403000	Depreciation	\$0	\$7,314	\$0	\$0					\$7,314
2	403100	Depreciation- CIAC	0	0							0
3			\$0	\$7,314	\$0	\$0	\$0	\$0	\$0	\$0	\$7,314
4											
5											
6		State Income Tax Impact	8.25%	(\$603)	\$0	\$0	\$0	\$0	\$0	\$0	(\$603)
7		Federal Income Tax Impact	35.00%	(\$2,771)	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,771)
8		Net Operating Income Impact		(\$3,940)	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,940)
9											
10		AMORTIZATION EXPENSE									
11	404100	Amortization Lim Term Ut Plant	\$0	\$0	\$0	\$0					\$0
12	404110	Amortization Franchise Expense	0	0	0	0					0
13	404430	Amortization Regulatory Asset - AFUDC	0	0	0	0					0
14	406000	Amortization Utility Plant Acquisition Adj	0	0	2,688	0					2,688
15	407000	Amortization Property Losses	0	0	0	0					0
16		TOTAL AMORTIZATION	\$0	\$0	\$2,688	\$0					\$2,688
17											
18		State Income Tax Impact	8.25%	\$0	(\$222)	\$0	\$0	\$0	\$0	\$0	(\$222)
19		Federal Income Tax Impact	35.00%	\$0	(\$1,019)	\$0	\$0	\$0	\$0	\$0	(\$1,019)
20		Net Operating Income Impact		\$0	(\$1,447)	\$0					(\$1,447)
21											
22											
23											
24		TAXES OTHER THAN INCOME									
25	408100	Real & Personal Property Taxes	\$0	\$0	\$0	\$2,613					\$2,613
26	408110	Gross Income & Receipts Taxes	0	0	0	0					0
27	408120	Invested Capital Tax	0	0	0	0					0
28	408130	Other General Taxes	0	0	0	0					0
29	408140	FUTA	0	0	0	92					92
30	408150	FUTA Capitalized - (A Work Order)	0	0	0	0					0
31	408040	FUTA Capitalized - (H Work Order)	0	0	0	0					0
32	408050	FUTA Capitalized - (C & R Work Order)	0	0	0	0					0
33	408160	FICA	0	0	0	3,393					3,393
34	408170	FICA Capitalized - (A Work Order)	0	0	0	0					0
35	408060	FICA Capitalized - (H Work Order)	0	0	0	0					0
36	408070	FICA Capitalized - (C & R Work Order)	0	0	0	0					0
37	408180	SUTA	0	0	0	67					67
38	408190	SUTA Capitalized - (A Work Order)	0	0	0	0					0
39	408080	SUTA Capitalized - (H Work Order)	0	0	0	0					0
40	408090	SUTA Capitalized - (C & R Work Order)	0	0	0	0					0
41	408220	Environmental Tax	0	0	0	0					0
42			\$0	\$0	\$0	\$6,165	\$0	\$0	\$0	\$0	\$6,165
43											
44		State Income Tax Impact	8.25%	\$0	\$0	(\$509)	\$0	\$0	\$0	\$0	(\$509)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$1,980)	\$0	\$0	\$0	\$0	(\$1,980)
46		Net Operating Income Impact		\$0	\$0	(\$3,676)	\$0	\$0	\$0	\$0	(\$3,676)
47											
48											
49											
50											

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2004-00103
DETAILED ADJUSTMENT
 FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: BASE PERIOD FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE NO(S): **W/P-2 (ELK LAKE)**

SCHEDULE D-2.1E
 Page 1 of 3
 Witness **Responsible: S.A. Valentine**

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Billed Revenues, Adjustment D-1</u>	
2	To adjust Residential billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
3		RESIDENTIAL	
4		Forecasted Amount	593,248
5		Base Period Amount	44,504
6		Pro Forma Adjustment	<u>548,744</u>
7		COMMERCIAL	
8		Forecasted Amount	50
9		Base Period Amount	0
10		Pro Forma Adjustment	<u>50</u>
11		INDUSTRIAL	
12		Forecasted Amount	\$0
13		Base Period Amount	0
14		Pro Forma Adjustment	<u>\$0</u>
15		OTHER PUBLIC AUTHORITY	
16		Forecasted Amount	\$0
17		Base Period Amount	0
18		Pro Forma Adjustment	<u>\$0</u>
19		SALES FOR RESALE (OWU)	
20		Forecasted Amount	\$0
21		Base Period Amount	0
22		Pro Forma Adjustment	<u>\$0</u>
23		PUBLIC FIRE SERVICE	
24		Forecasted Amount	\$0
25		Base Period Amount	0
26		Pro Forma Adjustment	<u>\$0</u>
27		PRIVATE FIRE SERVICE	
28		Forecasted Amount	\$0
29		Base Period Amount	0
30		Pro Forma Adjustment	<u>\$0</u>
31		MISCELLANEOUS	
32		Forecasted Amount	\$0
33		Base Period Amount	0
34		Pro Forma Adjustment	<u>\$0</u>
35		Total Billed Water Revenue Adjustment	<u>\$48,744</u>
36	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: **NOVEMBER 30, 2005**

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): **W/P-2 (ELK LAKE)**

SCHEDULE **D-2.1E**
Page **2** of 3
Witness Responsible: **S.A. Valentine**

Line No	Purpose and Description of Adjustment	Workpaper Reference	Amount
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR M E TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
N P E OF FILING: ORIGINAL UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (ELK LAKE)

SCHEDULE D-2.1E
Page 3 of 3
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2			Billed Revenues, Adjustment D-1
3			RESIDENTIAL
4		W/P-2	Forecasted Amount \$0
5			Base Period Amount <u>0</u>
6			Pro Forma Adjustment <u><u>\$0</u></u>
8			COMMERCIAL
9		W/P-2	Forecasted Amount \$0
10			Base Period Amount <u>0</u>
11			Pro Forma Adjustment <u><u>\$0</u></u>
12			INDUSTRIAL
13		W/P-2	Forecasted Amount \$0
14			Base Period Amount <u>0</u>
15			Pro Forma Adjustment <u><u>\$0</u></u>
16			
17			RESIDENTIAL
18		W/P-2	Forecasted Amount \$0
19			Base Period Amount <u>0</u>
20			Pro Forma Adjustment <u><u>\$0</u></u>
21			
22			COMMERCIAL
23		W/P-2	Forecasted Amount \$0
24			Base Period Amount <u>0</u>
25			Pro Forma Adjustment <u><u>\$0</u></u>
26			
27			INDUSTRIAL
28		W/P-2	Forecasted Amount \$0
29			Base Period Amount <u>0</u>
30			Pro Forma Adjustment <u><u>\$0</u></u>
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42			
43			Total Sewer Revenue Adjustment <u>0</u>
44			
45			Total Revenue Adjustment <u><u>\$48,744</u></u>
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KENTUCKY-AMERICAN WATER COMPANY
CASENO: 2004-00109
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-2 (ELK LAKE)

SCHEDULED-2.2E
Page 1 of 1
Witness Responsible: S.A. Valentine

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2		<u>Other Revenues Adjustment D-2</u>	
3		RECONNECTION FEES	
4		Forecasted Amount	\$0
5		Base Period Amount	<u>0</u>
6		Pro Forma Adjustment	<u>\$0</u>
7			
8		OTHER MISC SERV REVENUES	
9		Forecasted Amount	\$0
10		Base Period Amount	<u>0</u>
11		Pro Forma Adjustment	<u>\$0</u>
12			
13		OTHER REVENUES	
14		Forecasted Amount	\$0
15		Base Period Amount	<u>0</u>
16		Pro Forma Adjustment	<u>\$0</u>
17			
18		Total Other Revenue Adjustment	<u>\$0</u>
19			
20			
21			
22		<u>AFUDC Adjustment P.3</u>	
23		AFUDC ABOVE THE LINE	
24		Forecasted Amount	\$0
25		Base Period Amount	<u>0</u>
26		Pro Forma Adjustment	<u>\$0</u>
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43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2004-00103
DETAILED ADJUSTMENTS
FORM E TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL IPC REVISED
WORKPAPER REFERENCE NO(S): W/P-3 K LAKE)

SCHEDULED-2.3E
Page 11 of 2
Witness Responsible: SA. Valentine

Line No	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	Labor expense is being adjusted to reflect an increase due to union waage contracts and an increase of 3% for		
3	non-union employees to become effective April 1, 2004 and 2005.		
4			
5			
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11			
12	Chemical expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment		
13	for contracted chemical prices made to the forecast.		
14			
15			
16			
17			
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19			
20			
21			
22	Management Fees expense reflects the forecasted charges from the Service Company for services rendered during		
23	the forecasted period including costs from the Southeast Region Service Company office, Shared Services Center,		
24	and the Customer Call Center.		
25			
26			
27	Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with		
28	FAS 106.		
29			
30			
31			
32	Pension Expense reflects the forecasted level based on FAS 87 pension costs.		
33			
34			
35			
36			
37	Regulatory Expense reflects a three year amortization of the cost of the current filing		
38			
39			
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41			
42			
43			
44			
45			
46	Insurance Other than Group expense reflects the Company's forecasted cost for liability insurance, worker's		
47	compensation and property insurance based upon the most recent actual bills.		
48			
49	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
50			

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PER DD
N P E O F FIUNG: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): **WP-3 (ELK LAKE)**

SCHEDULED **D-2.3E**
Page 2 of 2
Witness Responsible: **S.A. Valentine**

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1		<u>Customer Accounting Adjustment D-13</u>	
2	Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this	Forecasted Amount	\$1,146
3	function, as well as allocations made from Central Division to Tri Village and Elk Lake.	Base Period Amount	<u>0</u>
4		Pro Forma Adjustment	<u>\$1,146</u>
5			
6		<u>Rents Adjustment D-14</u>	
7		Forecasted Amount	\$0
8		Base Period Amount	<u>0</u>
9		Pro Forma Adjustment	<u>\$0</u>
10			
11		<u>General Office Expense Adjustment D-15</u>	
12	General Office expense reflects all expenses related to the Company's office including telephone, employee expenses,	Forecasted Amount	\$47
13	supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	Base Period Amount	<u>0</u>
14		Pro Forma Adjustment	<u>\$47</u>
15			
16		<u>Miscellaneous Expenses Adjustment D-16</u>	
17	Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed	Forecasted Amount	\$12,676
18	adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village	Base Period Amount	<u>7,619</u>
19	and Elk Lake.	Pro Forma Adjustment	<u>\$5,057</u>
20			
21		<u>Maintenance Expense Adjustment D-17</u>	
22	Maintenance expense reflect the costs of maintaining the property and assets of the Company. These expenses	Forecasted Amount	\$36
23	include amortizations of prior and forecasted deferred maintenance projects. It also includes normal maintenance	Base Period Amount	<u>669</u>
24	of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	Pro Forma Adjustment	<u>(\$633)</u>
25			
26		<u>Purchased Water Expense Adjustment D-18</u>	
27	Purchased Water represents water purchased from the Winchester Municipal System, Georgetown Municipal	Forecasted Amount	\$16,302
28	System, and Owen Water & Sewer.	Base Period Amount	<u>16,741</u>
29		Pro Forma Adjustment	<u>(\$439)</u>
30			
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43	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: **2004-00103**
DETAILED ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X_ REVISED
WORKPAPER REFERENCE NO(S): **W/P-4 & W/P-5 (ELK LAKE)**

SCHEDULE **D-2.4E**
Page **11** of **11**
Witness Responsible: M A **Miller**, S. A. **Valentine**

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	Depreciation expense reflects an increase due to an increased level of Utility Plant in Service		
3		<u>Depreciation Expense Adjustment D-19</u>	
4		Forecasted Amount	\$7,314
5		Base Period Amount	<u>0</u>
6		Pro Forma Adjustment	<u>\$7,314</u>
7			
8		<u>Amortization Expense Adjustment D-20</u>	
9		Forecasted Amount	\$2,688
10		Base Period Amount	<u>0</u>
11		Pro Forma Adjustment	<u>\$2,688</u>
12	General Taxes represent Property Taxes, Payroll Taxes, PSC Fees and other miscellaneous taxes that are calculated		
13	to be expenses for the forecasted test period. This also includes the allocation of property tax from Central Division		
14	to Tri Village and Elk Lake.		
15		<u>General Taxes Expense Adjustment D-21</u>	
16		Forecasted Amount	\$6,165
17		Base Period Amount	<u>0</u>
18		Pro Forma Adjustment	<u>\$6,165</u>
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32	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY
 CASE NO: **2004-00103**
 SUMMARY OF **JURISDICTIONAL** FACTORS
 FOR **THE** TWELVE MONTHS **ENDED**: NOVEMBER 30, 2005

DATA: X_ BASE PERIOD X_ FORECASTED PERWD
 TYPE OF FILING: ORIGINAL UPDATED X_ REVISED
 WORKPAPER REFERENCE NO(S): (ELK LAKE)

SCHEDULE **D-3E**
 Page 1 of 1
 Witness Responsible: **S.A. Valentine**

Line No.	Acct	Account Title	Jurisdictional Factor	Description of Factor and/or method of Allocation
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
JURISDICTIONAL STATISTICS
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED X REVISED
WORKPAPER REFERENCE NO(S): (ELK LAKE)

SCHEDULED-4E
Page 1 of 1

Line No.	Description	Statistic Total Company	Adjustment	Adjusted Total Company	Statistic for Jurisdiction	Jurisdictional Ratio
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
EXPLANATION OF CMNGE IN JURISDICTIONAL PROCEDURES
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FIUNG: __ ORIGINAL __ UPDATED _X_ REVISED
WORKPAPER REFERENCE NO(S): (ELK LAKE)

SCHEDULE D-5E
Page 1 of 1

Line No.	Account No.	Description	Procedure Approved in Prior Case	Rational for Change
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.