## 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

Schedule	Description
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-AMERICANWATER 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

				Adj.	Adj.	Adj.							
Line	Account		Base	D-1	D-2	D-3							Total
No.	Number	Description Water Revenues	Period	Sch D-2.1	Sch D-2.2	Sch D-2.2							Adjustments
∎ 2	461100		\$ 23,492,953	\$ (376,888)	£	¢							(\$376,888)
2	461100		\$			ф -							(\$370,000) (67,951)
3	461200			\$ (469,317)		ው - ፍ							(469,317)
5	461210	Commercial - Unbilled	\$ 80.463			φ - ¢							(80,463)
6	461300	Industrial- Billed	\$ 1.497.592			φ - \$							82,607
7	461310	Industrial- Unbilled	\$ 34,339	•		φ = \$ _							(34,339)
8	461400	Miscellaneous-Billed	\$ 10,336			ф - с							5,572
9	461410	Miscellaneous- Water Sales Billed Unmetered			\$-	\$~							0,0.2
10	462000	Private Fire -Billed	\$ 844,721	•		\$-							23,299
11	462100	Private Fire - Unbilled	•		• \$-	s -							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)
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 31	471100	OTHER OPERATING REVENUES Reconnection Charges	23,280	0	(23,280)	0							(23,280)
			23,260 141,371	0		0							(105,258)
32 33	471200 472000	Other MiscellaneousService Revenues Rents from Water Property	141,371 104,338	0	(105,258) (21,598)	0							(105,258) (21,598)
33 34	472000 474100	Billing & Collection Services	749,953	0	(21,596) 31,723	0							31,723
34 35	474100	Other Water Revenues	749,953 26,696	0	187,531	0							187,531
35 36	414000	AFUDC	20,090	0	167,531	470,940							470,940
30		TOTAL OTHER OPERATING REVENUES	1,045,638	0	69,118	470,940				······			540,058
38			1,040,000	0	03,110								040,000
39		TOTAL OPERATINGREVENUES	\$44,246,522	(\$1,278,883)	\$69,118	\$470,940	\$0	\$0	\$0 .	\$0	\$0	\$0	(\$738,825)
40													

- 40 41 42 43 44 45 46 47 48 49

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

## DATA: \_X\_ BASE PERIOD \_X\_ FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL \_\_UPDATED \_X\_ REVISED WORKPAPER REFERENCENO(\$).: SCH D-2.1/D-2.2 (TOTAL COMPANY)

SCHEDULED-1 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 D-2.2				S			Total Adjustments
1													
2													
3		Revenues from Water/Wasterwater											
4		Residential	\$ 23,579,917	(\$463,852)	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$</b> 0	\$0	(\$463,852)
5		Commercial	11,096,040	(550,514)	0	0	0	0	0	0	D	0	(550,514)
6		Industrial	1,532,760	47,439	0	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	0	(283,080)
8		Sales for Resale (OWU)	889,342	(113,372)	0	0	0	0	0	0	0	0	(113,372)
9		Miscellaneous	10,336	5,572	0	0	0	0	0	0	0	0	5,572
10		Private Fire Service	844,721	23,299	0	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	0	55,625
12													
13		Total Water/Wastewater Revenues	43,200,884	(1,278,883)	0	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	0	540,058
15													
16		Total Operating Revenues	\$44,246,522	(\$1,278,883)	\$69,118	\$470,940	\$0	\$0	\$0	\$0	\$0	\$0	(\$738,825)
17													
18		TAX RATE											
19		State Income Tax Impact	8.25% _	(\$105,508)	\$5,702	\$38,853	\$0	\$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	\$0	(\$237,255)
21		Net Operating Income Impact	_	(\$762,694)	\$41,220	\$280,857	\$0	\$0	\$0	\$0	\$0	\$0	(\$440,617)
22			=										

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATINGINCOME ACCOUNTS FOR THE TWELVE MONTHSENDED: NOVEMBER 30,2005

## DATA: \_X\_ BASE PERIOD\_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ ORIGINAL \_\_\_ UPDATED\_X\_REVISED WORKPAPER REFERENCENO(S).: SCH D-2.3 (TOTAL COMPANY)

SCHEDULED-1 Page 3 of 19 Witness Responsible: M.A. Milled. S. A. Valentine

Line	Account		Base	Adı D-4	Adi D-5	Adi D-6	Adi D-7	Adi D-8	Adi D-9	Adi D-10	Adi D-I	Adi D-12	Total
No.	Number	Description	Period	Sch D-2.3	5 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-1	Sch D-12	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	\$O	\$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-MaterialsOrd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
13	611110	Maint Struc & Improv-MaterialsPrg	\$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-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 Pro	\$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 Pro	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
21	613100	Maint Lake, River & Other Intakes-MatOrd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
22	613110	Maint Lake, River & Other Intakes-MatPrg	\$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-LabOrd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
25	613210	Maint Lake, River & Other Intakes-Lab Pro	\$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 Pro	\$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 Pro	\$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 Pro	\$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		5		•	• -		• -	• -	•	• -	• -	• -	
35													
36		TOTALSSEXPENSES	598,404	(1,965)	0	0	0	0	0	0	0	0	(1,965)
37													·····

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#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 200440103 SUMMARY OF ADJUSTMENTSTO OPERATINGINCOME ACCOUNTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

## DATA: \_X\_ BASE PERIOD\_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL \_\_ UPDATED\_X\_REVISED WORKPAPER REFERENCENO(S).: SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1 Page 4 of 19 Witness Responsible: M.A. Miller/, S. A. Valentine

				Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
Line	Account		Base	D-4	D-5	D-6	D-7	D-8	D-9	D-10	D-11	D-12	Total
No.	Number	Description	Period	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	Sch D-2.3	Sch D-2.3	Adjustments
1		PUMPING EXPENSES											
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
з	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	<b>\$</b> 0	\$856,109	\$O	\$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	\$O	\$0	\$O	\$0	\$0	\$0	\$0	\$0	\$0	0
18	627300	Rents-Other	\$8,034	\$O	\$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	\$O	\$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-ElectricOrd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
32	633210	Maint Pumping Equip-Material-ElectricPrg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$O	0
33	633300	Maint Pumping Equip-Material-OtherOrd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
34	633310	Maint Pumping Equip-Material-OtherPrg	\$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-OtherOrd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
38	633610	Maint Pumping Equip-Labor-OtherPrg	\$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 CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATINGINCOME 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 (ITOTAL COMPANY)

SCHEDULE D-1 Page 5 of 19 Witness Responsible: MA. Miller/. S. A. Valentine

Line	Assount		Base	Adj D-4	Adj D-5	Adj D-6	Adj D-7	Adj D-8	Adj D-9	Adj D-10	Adj D-11	Adj D-12	Total
Line No.	Account Number	Description	Period	D-4 Sch D-2.3	D-5 Sch D-2,3	D-6 Sch D-2.3	D-7 Sch D-2.3	D-8 Sch D-2.3	D-9 Sch D-2.3	D-10 Sch D-2.3	Sch D-2.3	D-12 Sch D-2.3	Adjustments
1	Number	WATER TREATMENTEXPENSES (WT)	Pellou	5011 D-2.5	SCH D-2.3	5011 D-2.5	SCH D-2.3	SCH D-2.3	SCH D-2.3	SCHD-2.3	SCHU-2.3	501D-2.5	Aujustments
2	640000	Operation Supervision & Engineering		\$374.088	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$374,088
3	641110	Chemicals-Carbon	-	\$374,000 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	4374,000 0
4	641100	General Chemicals	1,359,190	\$0 \$0	\$0 \$0	(\$138,054)	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	(138,054)
5	641200	SofteningChemicals	1,000,100	\$0 \$0	\$0 \$0	(\$130,034) \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	(100,004)
6	642100	General WT Labor	1,333,567	(\$478,771)	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	(478,771)
7	642200	Soflening Labor	(,000,00)	(\$470,771) \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	(4/0,//1)
8	642300	General WT Expenses	232,810	\$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0 \$0	, o
q	642390	General WT Administration	202,010	\$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	0
10	642400	SofleningExpenses	_	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$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	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	0
12	643190	Misc Expenses - Service Co	04,000	\$0	\$0	\$0	\$0 \$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 \$0	\$0 \$0	\$0 \$0		0
14	643300	Waste Disposal Expenses	145,607	\$0 \$0	\$0 \$0	\$0 \$0	(\$3,607)	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	(3,607)
15	643310	Amort Waste Disposal Expenses	21,062	\$0 \$0	\$0 \$0	\$0	\$63,934	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0 \$0	63,934
16	644000	Rents	20,272	\$0	\$0	\$0	\$00,004 \$0	\$0	\$0	\$0 \$0	\$0	\$0 \$0	00,004
17	650000	Maint Supervision & EngineeringOrd	118,160	(\$6,929)	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$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	\$0 \$0	\$0 \$0	(0,323)
19	651100	Maint WT Struc & Improvements-MatOrd	188,788	\$0 \$0	\$0	\$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	0
20	651110	Maint WT Struc & Improvements-MatPrg	.00,700	\$0 \$0	\$0	\$0 \$0	\$0 \$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 \$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	\$0 \$0	\$0 \$0	0
23	651210	Maint WT Struc & Improvements-Labor Prg	-	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	0
24	652100	Maint General WT Equipment-MatOrd	-	\$0	\$0	\$0 \$0	\$0	\$0	\$0 \$0	\$0	\$0 \$0	\$0 \$0	0
25	652110	Maint General WT Equipment-Mat Prg	-	\$0	\$0	\$0	\$0	\$Ŭ	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	0
26	652200	Maint SofteningEquipment-Materials	-	\$0	\$0	\$0 \$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	\$0	0
28	652310	Maint General WT Equipment-Labor Prg	-	\$0 \$0	\$0	\$0	\$0	\$0 \$0	\$0 \$0	\$0	\$0 \$0	\$0	0
29		· · · · · · · · · · · · · · · · · · ·		40	<b>4</b> 0	40	40	40	40	40	φυ	40	0
30		TOTAL WT EXPENSES	3,636,448	(111,612)	0	(138.054)	60.327	0	0	0	0	0	(189,339)
31						<u>,</u>		Ŭ				<b>`</b>	

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#### KENTUCKY-AMERICANWATER 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: M.A. Millerl. S. A. Valentine

Line	Account		Base	– Ādj D-4	Adj D-5	Adj D-6	Adj D-7	Adj D-8	Adj D-9	Adj D-10	Adj D-11	Adj D-12	Total
No	Number	Description	Period	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	Sch D-2 3	Sch D-2 3	Adjustments
1		TRANS & DIST EXPENSES (T&D)											
2	660000	Operation Supervision & Engineering	\$0	\$444,800	\$0	\$0	<b>\$</b> 0	<b>\$</b> 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-MiscMeter 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	CustomerInstallation - 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	<b>\$</b> 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 Pro	\$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 Pro	\$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	\$O	\$D	\$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	
41	676200	Maint Meter - Labor Ord	\$30,073	\$102,523	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	•••=
42	676210	Maint Meter - Labor Prg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
43	676300	Maint Meter Installation - Materials Ord	\$0	\$O	\$0	\$0	\$D	\$0	\$0	\$0	\$0	\$0	\$0
44	676310	Maint Meter Installation-Materials Prg	\$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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- 50

#### KENTUCKY-AMERICAN WATER COMPANY CASENO: 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 7 of **19** Witness Responsible: MA. Miller/. S. A. Valentine

				Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
Line	Account		Base	D-4	D-5	D-6	D-7	D-8	D-9	D-10	D-11	D-12	Total
No.	Number	Description	Period	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	Sch D-2.3	Sch D-2.3	Adjustments
1		TRANS 8 DIST EXPENSES (T&D) (Cont'd)											
2	677100	Maint Hydrants - Materials Ord	\$0	\$0	\$O	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
3	677110	Maint Hydrants - Materials Prg	\$0	\$0	\$0	\$O	\$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	<b>\$</b> 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	D	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 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	\$813,707	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	813,707
19		CUST RECORDS & COLLECTION EXPENSES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
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	0
27	904000	UncollectibleAccounts	\$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	\$0 \$0	\$0	Ő
29	905200	Misc Salaries	\$0 \$0	\$0 \$0	\$0	\$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0	\$0	õ
30	000200	Mico Galarico	ψΟ	φυ	φο	ψυ	40	ψŪ	ψŰ	ψŪ	ψυ	φυ	. •
31		TOTALCAEXPENSES	1,865,675	152,818	0	0	0	0	0.	0	0	0	152,818
32			1,000,010	102,010		0	0						102,010
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 - Expenses	\$0	\$0 \$0	\$0 \$0	\$0	\$0 \$0	\$0 \$0	\$0	\$0 \$0	\$0 \$0	\$0 \$0	00
36	301200	TOTAL CUSTOMER SERVICE EXP	0	0	Q	<del>0</del> 0	0	<del>_</del>	0	0	<del>\</del>	0	0
37			0	0	0	U	0		0	0	0	0	0
38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	910100	Gales I TOTTOLION-EXPENSES	φ <b>0</b>	<b>4</b> 0	ΦŪ	ΦU	ΨŪ	<b>4</b> 0	ψŪ	4U	<b>4</b> 0	φŪ	40
40		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	0
41			0	0	0	U	U	0	0	0	U	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 REFERENCENO(S).: SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1 Page 8 of 19 Witness Responsible: MA Miller/. S. A. Valentine

Line				Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
	Account	Development	Base	D-4	D-5	D-6	D-7	D-8	D-9	D-10	D-11	D-12	Total
<u>No.</u>	Number	Description ADMINISTRATIVE 8 GENERAL EXP(A&G)	Period	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	Sch D-2.3	Sch D-2.3	Adjustments
2	920000	Salaries	\$864,535	(\$184,994)	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$</b> 0	\$0	(\$184,994)
3	920500	Incentive Plan Expense	\$17,656	\$211,490	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$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	\$0	211,400
5	921110	Dues for Clubs -Taxable	\$0	\$0	\$0	\$0	\$0 \$0	\$0 \$0	\$0	\$0 \$0	\$0	\$0	õ
6	921200	Misc Office Expenses	\$284,396	\$0 \$0	\$0	\$0	\$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0	0
7	923100	Service Company Charges	\$3,027,803	\$O	\$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 \$0	\$0	0
10	923300	Legal Services	\$98,308	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
11	923400	EngineeringServices	\$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	\$O	\$0	\$0	\$0	\$0	٥
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	<b>\$</b> 0	\$0	\$0	\$0	0
21	925400	GeneralLiability	\$243,735	\$0	\$0	\$0	\$0	\$O	\$0	\$0	\$0	\$98,616	98,616
22		EMPLOYEE PENSIONS 8 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	\$O	\$O	\$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)	\$D	\$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	\$O	\$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 & Eductional Expenses	\$118,173	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
32 33	926210 926220	Educational Expenses	\$0	\$O	\$O	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
33 34	926220 926250	ESOP Contribution Expense 401-K Contributions Expense	\$53,940	\$0 \$0	\$0 \$0	\$0	\$0	\$0	\$0 \$0	\$0	\$0	\$0	0
34 35	926250	401-K ContributionsExpense 401-K Cap (A&B)	\$86,042 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	0
36	926200	401-K Cap (Kab) 401-K Cap (H)	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	0
37	926270	401-K Cap (C&R)	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$U \$0	\$0 \$0	\$0 \$0	\$0 \$0	0.
38	926300	Suppl Pen Pay	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$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 \$0	\$0 \$0	\$0	\$0 \$0	0
40	926340	OPEB Expense Cap (H)	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$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	\$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 \$0	\$0	\$0	\$0	0
43	926400	Pension Plan Payments - Current	\$961.536	\$0	\$0 \$0	\$0	\$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	(\$00,240) \$0	\$0 \$0	\$0	(00,240)
45	926700	Pension Plan Pmts - Union	\$0 \$0	\$0	\$0	\$0	\$0	\$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0	õ
46	926800	Pensions -Capitalized - (A&B)	\$0 \$0	\$0	\$0 \$0	\$0	\$0	\$0 \$0	\$0	(\$155,433)	\$0 \$0	\$0 \$0	(155,433)
47	926900	Pensions - Capitalized - (H)	\$0	\$0	\$0	\$0	\$0	\$0 \$0	\$0 \$0	\$0	\$0	\$0 \$0	(100,-100)
48	926910	Pensions - Capitalized - (C&R)	\$0	\$0	\$0	\$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0	\$0	-
49		• • •											

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Exhibit 37 D Page 8 of 116

#### 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 REFERENCENO(S).: SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1 Page 9 of 19 Witness Responsible: M.A. Miller/, S. A. Valentine

				Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
Line	Account		Base	D-4	D-5	D-6	D-7	D-8	D-9	D-10	D-11	D-12	Total
No.	Number	Description	Period	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	Sch D-2.3	Sch D-2.3	Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
2		REGULATORY COMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	\$0	\$0	\$0	\$0	\$0	<b>\$</b> 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	\$O	\$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	<b>\$</b> 0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
9	930210	Misc General Expenses Current	\$440,257	\$0	<b>\$</b> 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 <sup>`</sup>	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	٥
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-dectucible 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	0
21	930600	TransportationExpenses	\$353,047	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	ō
22	930610	TransportationCap (A&B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 \$0	õ
23	930620	TransportationCap (C&R)	\$0 \$0	\$0 \$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 \$0	\$0 \$0	Ő
24	930630	TransportationCap (H)	\$0	\$0	\$0	\$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 \$0	0
26	930890	Misc Gen Exp - Other	\$169,096	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0 \$0	\$0 \$0	\$0 \$0	· 0
27	930980	Misc General Exp-Taxable Co Dues	\$103,030	\$0 \$0	\$0 \$0	\$0	\$0 \$0	\$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	\$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	\$0 \$0	\$0 \$0	\$0 \$D	\$0 \$0	0
30	932100	Maint A&G Struc & Improv-Material Pro	\$00,502 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	0
31	932110	Amort A&G Struc & Improv-Material Prg	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$U \$0	\$0 \$0	\$0 \$0	\$U \$0	\$0 \$0	\$0 \$0	0
32	932120	Maint A&G Struc & Improv Maint A&G Struc & Improv-Labor Ord	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$U \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	0
33	932200	Maint A&G Struc & Improv-Labor Ord	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$U \$O	\$U \$0	\$0 \$0	\$0 \$0	\$0 \$0	ֆՍ \$0	0
33 34		, ,	\$0 \$0					• -	•			• •	•
	932300	Maint A&G Office Furniture-MaterialOrd	• •	\$0	\$O	\$0	\$0	\$0	\$O	\$O	\$0	\$0	0
35	932310	Maint A&G Office Furniture-MaterialPrg	\$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	<b>\$</b> 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-MaterialOrd	\$22,386	\$0	<b>\$</b> 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	\$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	n	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				

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

# DATA: \_X\_ BASE PERIOD \_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL \_\_UPDATED \_X\_REVISED WORKPAPER REFERENCENO(S),: SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-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 <sup>•</sup> D-12 Sch D-2.3	Total Adjustments
1	Number	Description	renou	00110-2.5	001D-2.5	00H D-2.5	30HD-2.3	30HD-2.3	30HD-2 3	30HD-2.3	30HD-2.3	0011D-2.0	Aujustments
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													
13													
14													
15													
16 17	00	Labor	\$5,117,330	<b>#007 040</b>	<b>60</b>	*0	**	*0	<b>AO</b>	**	<b>\$</b> 0	¢o	\$227,312
17	08 09	Labor Purchased Water	\$5,117,330 \$340,297	\$227,312 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$227,312 0
19	10	Fuel and Power	\$340,297 \$2,039,507	\$0 \$0	<del>5</del> 0 (\$116,866)	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$U \$0	\$0 \$0	\$0 \$0	(116,866)
20	10	Chemicals	\$2,039,507 \$1,359,190	\$0 \$0	(\$116,666) \$0	ەن (\$138,054)	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	(138,054)
20	12	Waste Disposal	\$166,669	\$0 \$0	\$0 \$0	(\$138,034) \$0	\$60,327	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	60,327
22	12	ManagementFees	\$3,027,803	\$0 \$0	\$0 \$0	\$0 \$0	400,327 \$0	\$772,507	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	772,507
23	13	Group Insurance	\$1,559,719	\$0	\$0	\$0	\$0 \$0	\$0	\$164,688	\$0 \$0	\$0 \$0	\$0 \$0	164,688
24	15	Pension	\$961,536	\$0	\$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	\$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	\$O	\$0	\$O	\$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				(\$100.100)	600 0 tT	A74 000	(000 40 5	(* (40.001)	(400 705)	0400 4 <b>7</b> 0	(0440.447)	(**** ****	(0540.044)
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)
40													

- 41 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 \_\_ UPDATED \_X\_REVISED WORKPAPER REFERENCENO(\$).: SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1 Page 11 of 19 Witness Responsible: M.A. Miller/. S. A. Valentine

				Adj	Adj	Adj	Adj	Adj	Adj				Grand
Line	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18			Total	Total
No.	Number	Description	Period	Sch D-2.3			Adjustments	Adjustments					
ų		SOURCE OF SUPPLY EXPENSES (SS)	Coll	Col2	Col3	Col4	Col5	Col6	Col7				
2	600000	Operation Supervision & Engineering	\$O	\$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	OperationLabor	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	MiscellaneousExpenses	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	MiscellaneousLabor	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	Ο	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-MaterialsOrd	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	Q	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-MaterialsOrd	0	0	0	0	0	0	0	0	0	0	0
27	616110	Maint Supply Mains-MaterialsPrg	0	0	0	0	0	0	0	0	0	0	0
28	616200	Mant 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	Ō	0	0	0	0	0	Ō
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	D	Ō	0	0	0	0	0
34		C C	-	-	-	-	-	-	-	-	-	-	-
35													
36		TOTAL SS EXPENSES	598,404	(1,965)	0	0	0	0	0	0	0	0	(1,965)
37													

37

- 38 39 40 41

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- 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 \_\_ 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

1         PUMPING EXPENSES         Pendu         Sch D-2.3         Sch	Grand           otal         Total           Adjustments         Adjustments           \$0         \$0           0         0           0         0           0         0           0         0           0         056,109           0         0           0         (972,975)           0         0           0         0           0         0           0         0           0         0           0         0           0         0           0         0
1         PUMPING EXPENSES         Pendu         Sch D-2.3         Sch	Adjustments           \$0         \$0           0         0           0         0           0         0           0         0           0         0           0         0           0         0           0         0           0         0           0         0           0         0
2         620200         Operation Sup & Eng-Electric         \$0	\$0 \$0 0 0 0 0 0 0 0 856,109 0 0
3       620300       Operation Sup & Eng-Other       0       0       0       0       \$0	0 0 0 0 0 0 0 856,109 0 0
4         622100         Power Production Expenses         0 <th< td=""><td>0 0</td></th<>	0 0
5         622200         Power Production Labor         0<	0 0
6 623110 Power Purchased for Pumping-Elec 1.066.532 0 856.100 0 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 0 0 (972,975) 0 0 0 0 0 0 0 0 0 0
	0 (972,975) 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 0 0 0 0 0 0 0
10 624300 Pumping Labor-Other 0 0 0 0 0 0 0 0 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 0 0 0
12 624600 Pumping Expenses-Other 0 0 0 0 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 0	
14 626300 Misc Pumping Labor-Other 0 0 0 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 0	0 0
16 626600 Misc Pumping Expenses-Other 0 0 0 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 0	0 0
18 627300 Rents-Other 8,034 0 0 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 0 0 0 0	0 0
20 630210 Maint Sup & Eng-Electric Prg 0 0 0 0 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 0	0 0
22 630310 Maint Sup & Eng-Other Prg 0 0 0 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 0	0 0
24 631110 Maint Pumping Struc & Inprov-Material Prg 0 0 0 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 0	0 0
26 631210 Maint Pumping Struc & Inprov-Labor Pro	0 0
27 632100 Maint Power Production Equip-Mat Ord 0 0 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 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	0 0
30 632210 Maint Power Production Equip-Lab Prg 0 0 0 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	0 0
32 633210 Maint Pumping Equip-Material-Electric Prg 0 0 0 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 0
34 633310 Maint Pumping Equip-Material-Other Prg 0 0 0 0 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	0 0
36 633510 Maint Pumping Equip-Labor-Electric Prg 0 0 0 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 0
38 633610 Maint Pumping Equip-Labor-Other Pro	0 0
39 TOTAL PUMPING EXPENSES 2 105 851 113 588 (146 800) 0 0 0 0 0 0 0 0	0 0
40	0 (3,278)

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#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 200440103 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 NO(S).: SCH D-2.3 (TOTAL COMPANY)

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

Line	Account		Base	Adj D-13	Adj D-14	Adj D-15	Adj D-16	Adj D-17	Adj D-18			Total	Grand Total
No.	Number	Description WATER TREATMENT EXPENSES (WT)	Period	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3			Adjustments	Adjustments
2	640000	Operation Supervision & Engineering	\$0	\$374,088	\$0	\$0	\$0	\$0	\$O	\$0	\$0	\$0	\$374,088
3	641110	Chemicals-Carbon	φ0 0	φ0, 4,000 0	¢0 0	ψ0 0	ΨU 0	ψ0 0	ψ0 0	40 0	φ0 0	φ0 0	φ07-4,000
4	641100	General Chemicals	1,359,190	0 D	0	(138,054)	0	0	0	ő	0	0	(138,054)
5	641200	SofteningChemicals	1,000,100	0	0	(100,004)	0	0	0	0	0	0	(100,004)
6	642100	General WT Labor	1,333,567	(478,771)	0	0	0	0	0	õ	0	0	(478,771)
7	642200	SofteningLabor	1,000,007	(4/0,//1)	0	0	0	0	0	0	0	0	(4/0,//)
8	642300	GeneralWT Expenses	232,810	0	0	0	0	0		0	0	0	0
9	642390	General WT Administration	202,010	Ő	0	0	0	0	0	Ő	0	0	0
10	642400	SofteningExpenses	0	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	01,000	0	0	0	0	0	0	ů	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	ů 0	0	0	(3,607)	0	0	0	0	0	(3,607)
15	643310	Amort Waste Disposal Expenses	21,062	Ő	0	0	63,934	0	0	0	0	0	63,934
16	644000	Rents	20,272	0	0	0	00,004	0	0	0	0	0	00,004
17	650000	Maint Supervision & EngineeringOrd	118,160	(6,929)	0	0	0	0	0	0	0	0	(6,929)
18	650010	Maint Supervision & EngineeringPrg	0	(0,520)	0	0	0	0	0	0	0	0	(0,323)
19	651100	Maint WT Struc & Improvements-MatOrd	188,788	ů 0	0	0	0	0	0	0	0	0	0
20	651110	Maint WT Struc & Improvements-MatPrg	100,100	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	102,404	ů	0	0	0	0	0	0	0	0	0
23	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	ő	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 Ord	0	0	. 0	0	0	0	0	0	0	0	0
26	652200	Maint SofteningEquipment-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 Ord	0	0	0	0	0	0	0	0	0	0	0
29	552010	Main Constant Prequipment Eaborrig	U	0	0	0	0	0	0	0	U	0	0
30		TOTAL WT EXPENSES	3,636,448	(111,612)	0	(138,054)	60,327	0	0	0	0	0	(189,339)

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#### KENTUCKY-AMERICANWATER 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

				Adj	Adj	Adj	Adj	Adj	Adj			<b>T</b>	Grand
Line No	Account Number	Description	Base Period	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			Total Adjustments	Total Adjustmente
1	Number	TRANS 8 DIST EXPENSES (T&D)	Pellou	SCI1D-2.3	SCI1D-2.5	5011D=2.5	SCIID-2.3	SCHD-2.5	501 D-2.5			Aujustments	Adjustments
2	660000	Operation Supervision & Engineering	\$0	\$444,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$444,800
3	661100	Storage Facilities - Expenses	40 0	φ,000 0	0	¢0 0	40 0	φ <b>υ</b>	0	0	ů.	0	φ++1,000 0
4	661200	Storage Facilities - Labor	0	0	. 0	0 0	ů ů	0 0	0	0	ñ	0	c c
5	662100	T&D Lines - Expenses	15,541	0	. 0	0	0	0	0	0 0	ő	ů O	Ċ
6	662200	T&D Lines - Labor	1,129,290	(607,785)	ů	0	0	0	0	0	õ	ů.	(607,785
7	663100	Meter Expenses-Remove and Reset-Exp	1,120,200	(007,700)	Ő	0	Ő	0	0	0	0	0	(007,700
8	663200	Meter Expenses-Remove and Reset-Labor	0	0	ň	0	0	0	0	0 0	ñ	0	
9	663300	Meter Expenses-Misc Meter Exp	0	0	0	0	ő	ő	n n	Ő	Ő	0	(
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	ő	0 0	0	0 0	0	( (
11	664100	Customer Installation - Expenses	ő	0	ů	ő	ů N	ů D	n	0	ů 0	0	(
12	664200	Customer Installation- Labor	0	0	0	ů O	0	0	õ	õ	0	0	ſ
13	665100	Maps and Records - Expenses	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	õ	õ	
15	665200	Maps and Records - Labor	0	47,984	0	0	0	0	0	0	ő	ů 0	47,984
16	665300	Misc Expenses	276,522	47,504	0	0	0	0	ő	ő	0	0	
17	665400	Misc Labor	2/0,022	0	0	0	Ő	0	ů.	õ	ů 0	0	(
18	666000	Rents	5,034	0	0	0	0	0	0	0	0	Ő	(
19	670000	Maint Supervision & EngineeringOrd	16,597	(16,597)	0	0	0	0	0	õ	ů ů	0	(16,59)
20	670010	Maint Supervision & Engineering Prg	10,007	(10,007)	0	0	0	0	0	ñ	0	õ	(10,00)
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0	0	õ	ů 0	ů O	(
22	671110	Maint Struct & Improvements-Materials Prg	0	0	0	0	0	0	0	õ	0	0	0
23	671200	Maint Struct & Improvements-Labor Ord	18,306	(18,306)	0	ő	0	0	ő	õ	õ	õ	(18,306
24	671210	Maint Struct & Improvements-Labor Prg	10,000	(10,000)	0	0	0	0	0	ů 0	õ	0	(10,000
25	672100	Maint Res & Standpipes -Materials Ord	979	0	0	0	Ő	0	0	õ	Ő	ő	(
26	672110	Maint Res & Standpipes -Materials Ord	9/9 0	0	0	0	0	0	0	0	ő	0	(
27	672120	Amort Res & Standpipes	190,177	0	. 0	0	0	0	0	ő	ő	ő	, (
28	672200	Maint Res & Standpipes - Labor Ord	5,403	(5,403)	0	0	0	0	ů 0	Ő	0 0	õ	(5,403
29	672210	Maint Res & Standpipes - Labor Ord	0,403	(3,403)	0	0	0	0	0	õ	ñ	õ	(0,400
30	673100	Maint T&D Mains - Materials Ord	0	0	0	ů n	0	0	ő	Ő	Ő	Ő	
31	673110	Maint T&D Mains - Materials Prg	0	0	0	õ	0	0	õ	õ	ő	a a	
32	673120	Amort T&D Mains	0	0	0	Ő	ů N	0	õ	ů.	0 0	0	
33	673200	Maint T&D Mains - Labor Ord	213,889	366,041	0	0	0	Ő	õ	0	0	0	366,04
34	673210	Maint T&D Mains - Labor Prg	210,000	000,011	0	Ő	0	0	0	0	0	0	,
35	675100	Maint Services - Materials Ord	0	0	0	0	õ	0	0	ō	0	0	
36	675110	Maint Services - Materials Pro	0	0	0 0	0	0	0	0	0	0	Ō	
37	675200	Maint Services - Labor Ord	206,186	(206,186)	0	Ő	0	ů.	ő	0	õ	0	(206,18
38	675210	Maint Services - Labor Prg	0	(,,	0	0	0	0	0	0	0	0	<b>,</b>
39	676100	Maint Meter - Materials Ord	0	ő	0	0	0	0	Ő	0	0	0	
40	676110	Maint Meter - Materials Prg	0	0	0	ů.	0	0 0	0	0	0	0	
41	676200	Maint Meter - Labor Ord	30,073	102,523	Ō	0	0	0	0	0	0	0	102,52
42	676210	Maint Meter - Labor Prg	0,0,0	0	õ	0	ő	0 0	0	0	Ő	0	
43	676300	Maint Meter Installation - Materials Ord	õ	ů	õ	õ	õ	0	0	0	0	0	
44	676310	Maint Meter Installation - Materials Pro	0	0	0	0	ō	0	0	õ	0	0	
45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0	0	0	0	0	
46	676410	Maint Meter Installation - Labor Prg	0	0	ő	0	õ	0	0	0	Ő	0	
47	0.0410		U	0	0	Ū	U	Ū	0	v	5	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 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	Account		Base	Adj D-13	Adj D-14	Adj D-15	Adj D-16	Adj D-17	Adj D-18			Total	Grand Total
<u>No.</u>	Number	Description	Period	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2,3			Adjustments	I otal Adjustments
2	077400	TRANS & DIST EXPENSES (T&D) (Cont'd)										Aujustments	Aujusiments
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	ő	0	0
4 5	677200	Maint Hydrants - Labor Ord	92,564	(59,083)	0	0	0	0	0	0	0	0	(59,083)
5 6	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0	0	ő	0	0	(59,063)
6 7	678100	Maint Other T&D Plant - Materials Ord	333,045	0	0	0	0	0	0	0	0	0	0
7 8	678110	Maint Other T&D Plant - Materials Prg	0	0	. 0	0	0	0	0 0	0	0	0	0
8 9	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0	Ő	õ	0	0	0
9 10	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	Ő	0	0	0
								-	·	Ŭ	v	0	0
11 12													
12		TOTAL T&D EXPENSES	2,533,606	47,988	0	0	0	0	0	0	0	0	47,988
13											U	0	47,900
	004000	CUSTOMER ACCOUNTS EXPENSE (CA)											
15 16	901000	Supervision	\$0	\$85,687	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>005 007</b>
	902100	Meter Reading Expenses	0	0	0	0	0	0	0	0	φ0 0	40 0	\$85,687 0
17	902190	Meter Reading Mgt Program	0	0	0	0	0	0	Ő	õ	0	0	0
18 19	902200	Meter Reading Labor	0	813,707	0	0	0	0	õ	0	0	0	
		CUST RECORDS & COLLECTION EXPENSES						•	, v	Ū	0	U	813,707
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	0
22	903300	Collecting - Expenses	186,177	0	0	0	0	ů 0	0	0	0	0	(746,576)
23	903400	Collecting - Salaries	0	0	0	0	0	ő	0	0	0	0	U
24	903510	Billing & Accounting - Computers	0	0	0	0	0	ő	0	0	0	0	0
25	903520	Billing & Accounting - Other Expenses	421,027	Ö	0	0	0	ů	0	0	0	0	0
26	903600	Billing & Accounting Salaries	0	0	0	0	0	· õ	0	0	0	0	0
27	904000	Uncollectible Accounts	186,300	0	0	0	0	Ő	ő	0	0	0	0
28	905100	Misc Expenses	15,209	0	0	0	0	õ	õ	0	0	0	0
29	905200	Misc Salaries	0	0	0	0	0	Ő	õ	0	0	0	0
30								Ŭ	Ū	0	U	0	0
31		TOTAL CA EXPENSES	1,865,675	152,818	0	0	0	0	0	0	0	0	450.040
32		•								0	0	0	152,818
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	õ	0	40 0	30 0	\$0	\$0
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	0
37								· · · · · ·		<u> </u>	0	0	
38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>^</b>		
40		_					<b>40</b>	ψŪ	40	φU	\$0	\$0	\$0
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0		
42		_				······································	0	0		U	U	0	- 0
43													

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

### DATA: \_X\_ BASE PERIOD \_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL \_\_ UPDATED \_X\_REVISED WORKPAPER REFERENCE NO(S).: SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1 Page 16 of 19 Witness Responsible: M.A. Millerl. S. A. Valentine

Line	Account		Base	Adj D-13	Adj D-14	Adj D-15	Adj D-16	Adj D-17	Adj D-18			Total	Grand Total
No	Number	Description	Period	Sch D-2.3	Sch D-2 3			Adjustments	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	o	0	0	0	0	0	0	0
13	924000	Property Insurance	185,350	0	0	0	0	0	0	٥	0	(42,712)	(85,424)
14	925110	Workers Compensation	59,118	0	0	Ō	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	0	0
16	925130	Workers Cornp Cap (H)	0	0	0	0	0	0	0	O	0	0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	ō	0	0	Ō	0	0	0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0	0	Ö	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	197,232
22		EMPLOYEEPENSIONS & BENEFITS	,										.,
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	õ	0
28	926150	Group Ins Reimb	0	0	0		0	0	0	0	0	0	0
29	926160	Group Ins Cap (C&R)	0	0	0	Ő	ů.	ů.	0	0	Ő.	0	0
30	926170	Group Ins Pretax Contribution	õ	õ	0	ů 0	0	ů O	ő	õ	õ	Ő	Ő
31	926200	Other Welfare & Eductional Expenses	118,173	Ō	0	Ő	Q	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	ů.	0	0	ñ	0	0	0
34	926250	401-K Contributions Expense	86,042	0	0	0	Ő	0	ō	0	0	0	0
35	926260	401-K Cap (A&B)	0	0	0	0	õ	ů.	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	ñ	0	0	õ	0	0	0
37	926280	401-K Cap (C&R)	0	0	0	ñ	0	0	ő	ů D	0	0	0
38	926300	Suppl Pen Pay	0	0	0	0	Ő	0	0	0	0	0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	ů.	0	ů.	ñ	Ő	ů 0	ů.
40	926340	OPEB Expense Cap (H)	0	0	0	0	0 0	0	0	ő	õ	0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	· O	0	0	0 0	0 0	n n	0	0
42	926370	FAS 112 Cost	0 0	ő	õ	õ	0 0	õ	ů 0	õ	Ő	0	0
43	926400	Pension Plan Payments - Current	961,536	ő	õ	a	0	ů 0	ů 0	(68,243)	0	0	(68,243)
44	926600	Other Pension Plan Expenses	0	0 0	0	ő	ő	ő	0	(00,240)	õ	ő	(00,2-10)
45	926700	Pension Plan Pmts - Union	0	0	0	0	0 0	0	0	0	0	-	0
40	926800	Pensions - Capitalized - (A&B)	0	. 0	0	0	0	0	0	(155,433)	0	0	(155,433)
	926900	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	(155,455)	0	0	(100,400)
	926910	Pensions - Capitalized - (C&R)	0	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\_FORECASTEDPERIOD N P E OF FILING: \_\_ ORIGINAL \_\_ UPDATED\_X\_REVISED WORKPAPER REFERENCE NO(S).: SCH D-23 (TOTAL COMPANY)

SCHEDULE D-1 Page 17 of 19 Witness Responsible: M.A. Miller/, S A Valentine

				Adj	Adj	Adj	Adj	Adj	Adj				Grand
Line	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18			Total	Total
No.	Number	Description	Period	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2 3	Sch D-2.3	Sch D-2.3			Adjustments	Adjustments
1		ADMINISTRATIVE & GENERAL EXP(A&G) CONT											
2	000400	REGULATORYCOMMISSIONEXPENSES			0				0	0	040 500	0	040 500
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	U	0	0	0	0	0	0	0
5	928200	Tax Savings	•	•	0	0	0	0	5	0	0	•	0
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0	0	0	0	0.	0
1	928400	Other Regulatory Expenses - Current	19,712	0	0	. 0	U	0	0	0	(8,000)	0	(8,000
8	930200	Amort Misc Charges	187,704	*	•	0	0	0	•		0	0	0
9	930210	Misc General Expenses Current	440,257	0	0	Ũ	0	0	0	0	0	5	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 ProcessingCommunication 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-dectucible 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	TransportationExpenses	353,047	0	0	0	0	0	0	0	0	0	0
22	930610	TransportationCap (A&B)	0	0	0	0	0	0	0	0	0	0	0
23	930620	TransportationCap (C&R)	0	0	0	0	0	0	0	0	0	0	0
24	930630	TransportationCap (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	a
35	932310	Maint A&G Office Furniture-MaterialPrg	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	C
37	932410	Maint A&G Office Furniture-LaborPrg	0	0	0	0	0	0	0	0	0	0	C
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0	0	C
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0	C
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0	0	C
41	932700	Maint A&G Misc Property-MaterialOrd	22,386	0	0	0	0	0	0	0	0	0	C
42	932710	Maint A&G Misc Property-MaterialPrg	0	0	0	0	0	0	0	0	0	0	C
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	D	0	0	0	0	0	C
<b>4</b> 4	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	00	0	0	0	C
45		Total A & G Expenses	9,923,027	26,496	0	0	0	772,507	164,688	(223,676)	210,568	61,051	1,072,685
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 CASENO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

## DATA: \_X\_ BASE PERIOD \_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL \_\_UPDATED \_X\_REVISED WORKPAPER REFERENCENO(S).: SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-I 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 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	<b>\$</b> 0	\$0	(\$979)	\$0	\$0	\$0	(\$979)	\$226,334
3	24	MaintenanceLabor Expenses	\$0	\$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	00	0	00	0	0			267,683	535,366
10		TILOOME	<b>*</b> 00.000.014	A107.050	(000.007)	(**** ****	(#100.005)		<b>644 477</b>			\$159,561	\$1,177,418
11 12		Total O & M Expenses	\$20,663,011	\$137,653	(\$20,697)	(\$32,331)	(\$102,625)	\$166,084	\$11,477			\$159,561	\$1,177,410
13													
14													
15													
16													
17	08	Labor	\$5,117,330	0	0	٥	0	(979)	0	0	0	(979)	\$226,333
18	09	Purchased Water	340,297	0	0	0	0	0	11,477	0	0	11,477	11,477
19	10	Fuel and Power	2,039,507	0	0	0	0	0	0	0	0	0	(116,866)
20	11	Chemicals	1,359,190	0	0	0	0	0	0	0	0	0	(138,054)
21	12	Waste Disposal	166,669	0	0	0	0	0	0	0	0	0	60,327
22	13	ManagementFees	3,027,803	0	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	0	164,688
24	15	Pension	961,536	0	0	0	0	0	0	0	0	0	(223,676)
25	16	Regulatory Expense	19,712	0	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	0	61,051
27	18	Customer Accounting	852,207	137,653	0	0	0	0	0	0	0	137,653	137,653
28	19	Rents	73,840	0	(20,697) 0	0	0	0	0	0	0	(20,697) (32,331)	(20,697)
29 30	20 21	General Office Expense Miscellaneous	380,937 3,080,829	0	0	(32,331) 0	(101,956)	0	0	0	0	(32,331) (101,956)	(32,331) (101,956)
30	21	Other Maintenance	1,195,232	0	0	0	(101,958) (669)	167,063	0	0	0	166,394	166,394
32	25	Other Maintenance	1,100,202	Ū.	0	0	(009)	107,003	0	0	v	100,004	100,004
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			-	(67444)		#47.41F		(\$20,457)	(00.400)			(005.0.10)	
39 40		Net Operating Income Impact	e	(\$74,144)	\$11,147	\$17,415	\$55,276	(\$89,457)	(\$6,182)			(\$85,943)	(\$634,187)

- 40 41 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 \_\_ 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

			_	Adj	Adj	Adj							
ine	Account	Description	Base	D-19	D-20	D-21							Total
10. 1	Number 403000	Description Depreciation	Period \$7,036,970	Sch D-2.4 \$28.792	Sch D-2 4 \$0	Sch D-2.4 \$0	\$0	¢0	\$0	\$0	\$0	\$0	Adjustment \$28.792
2	403000	Depreciation	(\$948,915)	\$20.792 \$948,915	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$28.792 948,915
2	403100	Depreciation- CIAC	\$6,088,055	\$977,707		\$0 \$0	<u>\$0</u> \$0	\$0 \$0	\$0 \$0	<u>\$0</u>	\$0 \$0	\$0	\$977,707
1			40,000,000	\$917,101			<u>\$0</u>	φU	ΦU				4977,707
4 5													
6		State Income Tax Impact	8.25%	(\$80,661)	\$0	\$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	\$0	\$0	(\$370,429)
8		Net Operating Income Impact	=	\$422,298	\$0	\$0	<u>\$0</u> \$0	\$0	\$0	\$0	\$0	\$0	\$422,298
9		Net Operating income impact	=	<u></u>	<del></del>							<del>\</del>	<u></u>
10		AMORTIZATION EXPENSE											
11	404100	Amortization Lim Term Ut Plant	\$0	\$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	\$0	\$0 \$0	\$0	\$0	0
13	404430	Amortization Regulatory Asset - AFUDC	\$12,864	\$0 \$0	\$12,864	\$0 \$0	\$0	\$0 \$0	\$0 \$0	\$0	\$0	\$0	12,864
14	406000	Amortization Utility Plant Acquisition Adj	\$21,611	\$0 \$0	(\$196)	\$0 \$0	\$0	\$0 \$0	\$0 \$0	\$0	\$0	\$0	(196)
15	407000	Amortization Property Losses	\$653,382	\$0 \$0	(\$16,500)	\$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	(16,500)
16	407000	TOTAL AMORTIZATION	\$687,857	<u>\$0</u>	(\$3,832)	\$0 \$0		ΨΟ	<u>40</u>	φυ	ψυ	ψυ	(\$3,832)
17				<del>\</del>	(\$0,002)	ψυ							(\u0,002)
18		State Income Tax Impact	8.25%	\$0	\$316	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$316
19		Federal Income Tax Impact	35.00%	\$0	\$1,452	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,452
20			=	\$0	\$2,064	\$0			<del>_</del>		<b>4</b> 0		\$2,064
21		Net Operating Income Impact	=	40	φ <u>2</u> ,004	ψ0							ψ <u>2</u> ,001
22		Net Operating income impact											
23													
24		TAXES. OTHER THAN INCOME											
25	408100	Real & Personal Propery Taxes	\$2,111,251	<b>\$</b> 0	\$0	\$112,422	\$0	\$0	\$0	\$0	\$0	\$0	\$112,422
26	408110	Gross Income & Receipts Taxes	\$83,672	\$0 \$0	\$0	(\$5,168)	\$0	\$0	\$Ŭ	\$0	\$0 \$0	\$0	(5,168)
27	408120	Invested Capital Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(0,100)
28	408030	Other General Taxes	(\$201)	\$0	\$0	\$201	\$0	\$0	\$0	\$0	\$O	\$0	201
29	408140	FUTA	\$3,369	\$0	\$0	\$10,466	\$0	\$0	\$0 \$0	\$0 \$0	\$0	\$0	10,466
30	408150	FUTA Capitalized- (A Work Order)	\$0	\$0	\$0	(\$10,375)	\$0	\$0	\$0 \$0	\$0 \$0	\$0	\$0	(10,375)
31	408040	FUTA Capitalized- (H Work Order)	\$0	\$0	\$0	\$0	\$0	\$0 \$0	\$0	\$0 \$0	\$0	\$0	(10,010)
32	408050	FUTA Capitalized - (C & R Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
33	408160	FICA	\$427,970	\$0	\$0	\$74,618	\$0	\$0	\$0	\$0	\$0	\$0	74,618
34	408170	FICA Capitalized- (A Work Order)	\$0	\$0	\$0	(\$99,222)	\$0	\$0	\$0	\$0	\$O	\$0	(99,222)
35	408060	FICA Capitalized - (H Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
36	408070	FICA Capitalized- (C & R Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$O	\$O	\$0	\$0	0
37	408180	SUTA	\$2,252	\$0	\$0	\$7,690	\$0	\$0	\$0	\$0	\$0	\$0	7,690
38	408190	SUTA Capitalized - (A Work Order)	\$0	\$0	\$0	(\$6,485)	\$0	\$0	\$0	\$0	\$0	\$0	(6,485)
39	408080	SUTA Capitalized- (H Work Order)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(1, 1, 1)
40	408090	SUTA Capitalized - (C & R Work Order)	\$0	\$0	\$0	\$0	\$0	\$O	\$0	\$0	\$0	\$0	0
41	408220	Environmental Tax	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
42			\$2,628,313	\$0	\$0	\$84.147	\$0	\$0	\$0	\$0	\$0	\$0	\$84,147
43				• -			• -	• -		•	·		
44		State Income Tax Impact	8.25%	\$0	\$0	(\$6,942)	\$0	\$0	\$0	\$0	\$0	\$0	(\$6,942)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$27,022)	\$0	\$0	\$0	\$0	\$0	\$0	(\$27,022)
46		Net Operating Income Impact	-	\$0	\$0	(\$50,183)	\$0	\$0	\$0	\$0	\$0	\$0	(\$50,183)
47			•				•						
48													

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SCHEDULE D-2.1 Page 1 of 3 Witness Responsible: SA Valentine

Purpose and Description of Adjustment		Workpaper Reference	Amount
	Billed Revenues. Adjustment D-1		
To adjust Residential billed water revenue for the change in billing determmants at present rates for the forecasted test period.	RESIDENTIAL		
	Forecasted Amount	W/P-2	\$23,116,065
	Base Period Amount		23,492,953
	Pro Forma Adjustment		(\$376,888)
To adjust Commercial billed water revenue for the change in billing determinantsat present rates for the forecasted test period.	COMMERCIAL		
	Forecasted Amount	W/P-2	\$10,545,526
	Base Period Amount		11,014,843
	Pro Forma Adjustment		(\$469,317)
	···· ·,····		
To adjust Industrial billed water revenue for the change in billing determinants at present rates for the forecasted test period.	INDUSTRIAL		
	Forecasted Amount	W/P-2	\$1,580,199
	Base Period Amount		1,497,592
	Pro Forma Adjustment		\$82.607
	i to roma rajacation		
To adjust Other Public Authority billed water revenue for the change in billing determinants at present rates for the forecasted	OTHER PUBLIC AUTHORITY		
test period.	Forecasted Amount	W/P-2	\$3,129,123
lost ponou,	Base Period Amount	VV/1 -Z.	3,396,558
	Pro Forma Adjustment		(\$267,435)
			(42.01.4001
To adjust Sales For Resale (OWU) billed water revenue for the change in billing determinants at present rates for the forecasted	SALES FOR RESALE (OWU)		
test period.	Forecasted Amount	W/P-2	\$775,970
test period.	Base Period Amount	VV/1°=2	847,567
	Pro Forma Adjustment		(\$71,597)
	rior offia Adustment		(\$71,557)
To adjust Public Fire Service billed water revenue for the change in billing determinantsat present rates for the forecasted	PUBLIC FIRE SERVICE		
test period.	Forecasted Amount	W/P-2	\$1,891,190
test period.	Base Period Amount	VV/F-2	1,835,565
	Pro Forma Adjustment		\$55,625
	FTO FORMA AUJUSTITIERI		\$55,025
To adjust Private Fire Service billed revenue for the change in billing determinants at present rates for the forecasted	PRIVATE FIRE SERVICE		
, , , , , , , , , , , , , , , , , , , ,		W/P-2	\$868,020
test period.	Forecasted Amount Base Period Amount	VV/F-2	\$866,020 844,721
			\$23,299
	Pro Forma Adjustment		<u> </u>
To adjust Miscellaneous billed water revenue for the change in billing determinants at present rates for the forecasted test	MISCELLANEOUS		61E 000
period.	Forecasted Amount	W/P-2	\$15,908
	Base Period Amount		10,336
	Pro Forma Adjustment		\$5.572
			(A) at a
The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period	Total Billed Water Revenue Adju	istment	(\$1,018,134)

- **46** 47 48 49
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DATA: **\_X\_** BASE PERIOD **\_X\_** FORECASTEDPERIOD TYPE OF FILING: \_\_**ORIGINAL \_\_** UPDATED **\_X\_** REVISED WORKPAPER REFERENCE **NO(S).:** WIP-2 (TOTAL COMPANY)

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

P	Purpose and Description of Adjustment		Workpaper	<b>A</b>
F		Billed Revenues. Adjustment D-1	Reference	Amount
Т	o eliminate the net change in Residential water unbilled accrued utility revenues recorded during the base period.			
10	o enninate the net change in residential water unbilled accrued utility revenues recorded utility the base period.	RESIDENTIAL	14/15 0	<b>AA</b>
		Forecasted Amount	WIP-2	\$0
		Base Period Amount		67,951
		Pro Forma Adjustment		(\$67,951)
	o eliminate the net change in Commercial water unbilled accrued utility revenues recorded during the base period.			
	o enimitate the net change in commercial water unbilled accided utility revenues recorded utility the base period.	COMMERCIAL		
		Forecasted Amount	W/P-2	\$0
)		Base Period Amount		80,463
		Pro Forma Adjustment		(\$80,463)
	o eliminate the net change in Industrial water unbilled accrued utility revenues recorded during the base period.	INDUSTRIAL		
3		Forecasted Amount	W/P-2	\$0
ŀ		Base Period Amount		34,339
5		Pro Forma Adjustment		(\$34,339)
; 				
	o eliminate the net change in Other Public Authority water unbilled accrued utility revenues recorded during the base period.	OTHER PUBLIC AUTHORITY		
3		Forecasted Amount	W/P-2	\$0
Э		Base Period Amount		15,645
)		Pro Forma Adjustment		(\$15,645)
_				
	o eliminate the net change in Sales for Resale (OWU) water unbilled accrued utility revenues recorded during the base period.	SALES FOR RESALE (OWU)		
3		Forecasted Amount	W/P-2	\$0
4		Base Period Amount		41,775
5		Pro Forma Adjustment		(\$41,775)
3				
7		PUBLIC FIRE SERVICE		
3		Forecasted Amount	W/P-2	\$0
Э		Base Period Amount		0
)		Pro Forma Adjustment		40
l –				
2		PRIVATE FIRE SERVICE		
3		Forecasted Amount	W/P-2	<b>\$</b> 0
4		Base Period Amount		0
5		Pro Forma Adjustment		\$0
3				
7		MISCELLANEOUS		
		Forecasted Amount	W/P-2	\$0
)		Base Period Amount		0
)		Pro Forma Adjustment		<u>••</u>
2				
3 -	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period	Total Unbilled Water Revenue A	diustment	(\$240,173)
1				

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### DATA: \_X\_ BASE PERIOD \_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ ORIGINAL \_\_ UPDATED \_X\_REVISED WORKPAPER REFERENCE NO(S): WIP-2 (TOTAL COMPANY)

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

Line		Workpaper	
No. Purpose and Description of Adjustment		Reference	Amount
1	Billed Revenues. Adjustment D-1		
2 To eliminate Residential billed sewer revenue for forecasted test period.	RESIDENTIAL		
3	Forecasted Amount	WIP-2	\$O
4	Base Period Amount		19,013
5	Pro Forma Adjustment		(\$19,013)
6			
7 To eliminate Commercial billed sewer revenue for the forecasted test period.	COMMERCIAL		
8	Forecasted Amount	WIP-2	\$0
9	Base Period Amount		734
10	Pro Forma Adjustment		(\$734)
11	,		
To eliminate Industrial billed sewer revenue for the forecasted test period.	INDUSTRIAL		
13	Forecasted Amount	W/P-2	\$0
14	Base Period Amount		829
15	Pro Forma Adjustment		(\$829)
16	······································		
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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	(20,576)
44			
45		Total Revenue Adjustment	(\$1,278,883)
46			
47			
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### DATA: \_X\_ BASE PERIOD \_X\_ FORECASTEDPERIOD 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

ine No. Purpose and Description of Adjustment		Workpaper Reference	Amount
	Other Revenues. Adjustment D-2		
2 To adjust Reconnection Fees which was forecast under other revenues.	RECONNECTION FEES		
3	Forecasted Amount	W/P-2	\$0
4	Base Period Amount		23,280
5	Pro Forma Adjustment		(\$23,280)
	· · · · · · · · · · · · · · · · · · ·		
To adjust Returned Check Charges for the forecasted test period level of bad checks and	OTHERMISCSERVREVENUE	ES	
3 reflect other miscellaneous service revenues forecasted under other revenues	Forecasted Amount	W/P-2	\$36,113
	Base Period Amount		141,371
0	Pro Forma Adjustment		(\$105,258)
1	· · · · · · · · · · · · · · · · · · ·		
2 To adjust for all other revenues for more current information. This includes an adjustment for billing	OTHERREVENUES		
3 and collecting for landfill services for the Lexington-FayetteUrban County Government and the	Forecasted Amount	W/P-2	\$1,078,643
4 reconnection fees.	Base Period Amount		880,987
5	Pro Forma Adjustment		\$197,656
6	· · · · · · · · · · · · · · · · · · ·		
7	Total Other Revenue Adjustme	ent	\$69,118
8			
9			
0			
	AFUDC. Adjustment D-3		
2 To reflect AFUDC above the line based on the overall rate of return and qualifying CWIP.	AFUDC ABOVE THE LINE		
This includes the gross-up of the equity piece of AFUDC per SFAS 109.	Forecasted Amount	W/P-2	\$470,940
	Base Period Amount	100 2	\$47.0,040 0
5	Pro Forma Adjustment		\$470,940
6	r for onna Adjustment		
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43 The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.44

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### DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD TYPE OF FILING: \_\_ORIGINAL \_\_\_UPDATED\_X\_REVISED WORKPAPER REFERENCENO(S).: WIP-3 (TOTAL COMPANY)

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

ne			Workpaper	
р. Р	urpose and Description of Adjustment		Reference	Amount
		Labor, Adiustment. D-4		
L	abor 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	\$5,343,663
	non-union employees to become effective April 1,2004 and 2005.	Base Period Amount		5,117,330
		Pro Forma Adjustment		\$226,333
		Fuel & Power. Adjustment D-5		
F	uel and Power expense is being adjusted to reflect the forecasted sales.	Forecasted Amount	W/P-3-2	\$1,922,641
	the and fower expense is being adjusted to reneed the forecasted sales.	Base Period Amount		2,039,507
		Pro Forma Adjustment		(\$116,866)
		FTO FORME Aujustment		(@110,000)
		Chamicala Adjustment D.C.		
_		Chemicals, Adjustment D-6		A1 001 100
	hemical expense is being adjusted to reflect the level of forecasted sales Also reflected is the adjustment	Forecasted Amount	W/P-3-3	\$1,221,136
	for contracted chemical prices made to the forecast.	Base Period Amount		1,359,190
		Pro Forma Adjustment		(\$138,054)
		Waste Disposal, Adjustment D-7		
۷	Vaste Disposal expense reflects two year amortization of the lagoon cleaning	Forecasted Amount	W/P-3-4	\$226,996
	along with other normal recurring waste disposal expenses.	Base Period Amount		166,669
		Pro Forma Adjustment		\$60,327
		ManaaementFees, Adiustment D-8		
	lanagement Fees expense reflects the forecasted charges from the Service Company for services rendered during	Forecasted Amount	W/P-3-5	\$3,800,310
	the forecasted period including costs from the Southeast Region Service Company office, Shared Services Center,	Base Period Amount	VWI -0-0	3,027,803
	and the Customer Call Center.			\$772,507
		Pro Forma Adjustment		<u></u>
		Group Insurance. Adjustment D-9		
	Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with	Forecasted Amount	W/P-3-6	\$1,724,407
	FAS 106.	Base Period Amount		1,559,719
		Pro Forma Adjustment		\$164.688
				_
		Pensions. Adiustment D-10		
F	Pension Expense reflects the forecasted level based on FAS 87 pension costs	Forecasted Amount	W/P-3-7	\$737,860
•	· · · · · · · · · · · · · · · · · · ·	Base Period Amount		961,536
		Pro Forma Adjustment		(\$223,676)
				<u> </u>
		Reaulatory Expense, Adjustment D-11		
	Regulatory Expense reflects a three year amortization of the cost of the current filing.	Forecasted Amount	W/P-3-8	\$230,280
F		Base Period Amount	W/F-3-0	19,712
)		Pro Forma Adjustment		\$210,568
ŀ		Insurance Other than Group, Adiustment D-1.		
5		Forecasted Amount	WIP-3-9	\$549,254
3 i	nsurance Other than Group expense reflects the Company's forecasted cost for liability insurance, worker's	Base Period Amount		488,203
7	compensation and property insurance based upon the most recent actual bills.	Pro Forma Adjustment		\$61,051
3	(1) Control (1) (1) (2) Control (1) (1) (2) (2) (2) (2) (2) (2) (2) (2) (2) (2			
)	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.			

Exhibit 37 D Page 24 of 116

## DATA: \_X\_ BASE PERIOD \_X\_ FORECASTEDPERIOD TYPE OF FILING: \_\_ ORIGINAL \_\_\_ UPDATED \_X\_ REVISED WORKPAPER REFERENCENO(S).: WIP-3 (TOTAL COMPANY)

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

Exhibit 37 D Page 25 of 116

		Workpaper Reference	A
No. Purpose and Description of Adjustment		Relefence	Amount
	Customer Accounting, Adjustment D-13		4000 000
2 Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this	Forecasted Amount	W/P-3-10	\$989,860
3 function, as well as allocations made from Central Division to Tri Village and Elk Lake.	Base Period Amount		852,207
4	Pro Forma Adjustment		\$137,653
5			
	Rents. Adjustment 13-14		
7 Rent expense reflects all leases and rental agreements that the company has entered into or is forecasted to enter into	Forecasted Amount	W/P-3-11	\$53,143
8 during the forecasted test period.	Base Period Amount		73,840
9	Pro Forma Adjustment		<u>(\$20,697)</u>
10			
11 42 - Conserve Officer and a state of the	General Office Expense, Adjustment D-15	14/17 0 40	<b>A</b> D 40 000
12 General Office expense reflects all expenses related to the Company's office including telephone, employee expenses,	Forecasted Amount	W/P-3-12	\$348,606
13 supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	Base Period Amount		380,937
14	Pro Forma Adjustment		(\$32,331)
15			
16	Miscellaneous Expenses. Adjustment D-16		
17 Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed	Forecasted Amount	W/P-3-13	\$2,978,873
18 adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village 19 and Elk Lake.	Base Period Amount		3,080,829
	Pro Forma Adjustment		(\$101,956)
20			
21	Maintenance Expense, Adjustment D-17		<b>61</b> 001 000
22 Maintenance expense reflect the costs of maintaining the property and assets of the Company. These expenses	Forecasted Amount	W/P-3-14	\$1,361,626
23 include amortizations of prior and forecasted deferred maintenance projects. It also includes normal maintenance	Base Period Amount		1,195,232
24 of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	Pro Forma Adjustment		<u>\$166.394</u>
25			
26 27 Durch and Water and the structure of the Winch and Municipal Contemponents and Aministral	Purchased Water Expense. Adjustment D-18		#70.000
27 Purchased Water represents water purchased from the Winchester Municipal System, Georgetown Municipal	Forecasted Amount	W/P-3-15	\$72,000
28 System, and Owen Water & Sewer. 29	Base Period Amount		340,297
	Pro Forma Adjustment		(\$268, <u>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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### DATA: \_X\_ BASE PERIOD\_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL \_\_ UPDATED\_X\_REVISED WORKPAPER REFERENCENO(\$).: W/P-4& WIP-5 (TOTAL CONIPANY)

#### SCHEDULE D-2.4 Page 1 of 1 Witness Responsible: M.A. Millerl. S. A. Valentine

Line .		\\/	
Line		Workpaper	
No. Purpose and Description of Adjustment		Reference	Amount
1	Depreciation Expense, Adiustment 13-19		
2 Depreciation expense reflects an increase due to an increased level of Utility Plant in Service.	Forecasted Amount	W/P-4-1	\$7,065,762
3	Base Period Amount		6,088,055
4	Pro Forma Adjustment		\$977,707
5			
6	Amortization Expense, Adiustment D-20		
7 Amortization expense reflects the amortization of UPAA, Property Losses and Regulatory Asset on	Forecasted Amount	W/P-4-1	\$684,025
8 the equity gross-up of AFUDC.	Base Period Amount		687,857
9	Pro Forma Adjustment		(\$3,832)
10			
11	General Taxes Expense. Adiustment D-21		
12 General Taxes represent Property Taxes, Payroll Taxes, PSC Fees and other miscellaneous taxes that are calculated	Forecasted Amount	W/P-5	\$2,712,460
13 to be expenses for the forecasted test period. This also includes the allocation of property tax from Central Division	Base Period Amount		2,628,313
14 to Tri Village and Elk Lake.	Pro Forma Adjustment		\$84.147
15			
16			
17			
18			
19			

32 The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period. 

> Exhibit 37 D Page 26 of 116

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 SUMMARY OF JURISDICTIONALFACTORS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

### DATA: \_X\_ BASE PERIOD \_X\_ FORECASTEDPERIOD NPE OF FILING: \_\_ORIGINAL \_\_UPDATED\_X\_ REVISED WORKPAPER REFERENCENO(\$).: (TOTAL COMPANY)

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

Line No	Acct	Account Title	Jurisdictional Factor	Description of Factor and/or method of Allocation
1				
2 3				
4			NOT APPLICALBLE TO KENTUCKY-AMERICAN WATER COMPANY.	
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				Exhibit 37 D

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

## DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD TYPE OF FILING: \_\_ORIGINAL \_\_UPDATED\_X\_REVISED WORKPAPER REFERENCENO(S).: (TOTAL COMPANY)

	Statistic		Adjusted		
e D. Description	Total	A diverter ant	Total	Statisticfor	Jurisdictional Ratio
. Description	Company	Adjustment	Company	Jurisdiction	Ratio
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SCHEDULE D-4 Page 1 of 1

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 EXPLANATIONOF CHANGE IN JURISDICTIONALPROCEDURES FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

### DATA: \_X\_ BASE PERIOD \_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL \_\_ UPDATED\_X\_REVISED WORKPAPER REFERENCENO(S).: (TOTAL COMPANY)

Line					
No	Account No.	Description	Procedure Approved in Prior Case	Rational for Change	
1					
2					
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6			NOT APPLICALBLE TO KENTUCKY-AMERICANWATER COMPANY.		
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## KENTUCKY-AMERICANWATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS FOR THE TWELVE MONTHSENDED: NOVEMBER 30,2005

## DATA: \_X\_ BASE PERIOD \_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ ORIGINAL \_\_\_ UPDATED \_X\_REVISED WORKPAPER REFERENCE NO(S).: SCH D-2.1/D-2.2 (CENTRAL DIVISION)

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

Exhibit 37 D Page 30 of 116

				Adj. D-1	Adj.	Adj.							<b>T</b> ( )
Line No.	Account Number	Description	Base Period	D-1 Sch D-2.1	D-2 Sch D-2.2	D-3 Sch D-2.2							Total Adiustments
1	NULLIDEL	Water Revenues	Fellou	3011D-2.1	3011D-2.2	30HD-2.2							Adjustitients
2	461100	Residential - Billed	\$ 22,730,759	(490.298)	\$0	\$0							(\$490,298)
3	461110	Residential- Unbilled	67.951	(490.298) (67.951)	40 0	0							(\$490,298) (67,951)
4	461200	Commercial- Billed	10,958,927	(443.413)	0	Ő							(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 - Unbilied	34,339	(34.339)	0	Ő							(34.339)
8	461400	Miscellaneous - Billed	9,523	6.385	0	0							6.385
9	461410	Miscellaneous - Water Sales Billed Unmetere		0	0	0							0
10	462000	Private Fire - Billed	844,721	23.299	Ő	0							23.299
11	462100	Private Fire - Unbilled	0	20.200	õ	õ							20.200
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 - Biiied	847.567	(76.253)	Ő	Ő							(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	Reconnecbon 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 & Coiiecbon 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 OPERATINGREVENUES	1,044,074	0	70.682	470.940							541.622
38													
39		TOTAL OPERATINGREVENUES	\$43,416,080	(\$ <u>1,368,</u> 312)	\$70,682	<u>\$470,940</u>	\$0	\$0	\$0	\$0	\$0	\$0	(\$826,690)

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#### KENTUCKY-AMERICANWATER COMPANY CASENO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS FOR THE TWELVEMONTHSENDED: NOVEMBER 30, 2005

#### DATA: \_X\_ BASEPERIOD\_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL — UPDATED\_X\_R M S E D WORKPAPER REFERENCE NO(S).: SCH D-2.1/D-2.2 (CENTRAL DMSION)

SCHEDULE D-1C Page 2 of 19 Witness Responsible: M A Miller/. S. A Valentine

				Adj.	Ādj.	Adj.							
Line	Account		Base	D-1	D-2	D-3							Total
No.	Number	Description	Period	Sch D-2.1	SchD2.2	Sch D-2.2							Adjustments
1													
2													
3		Revenues from <u>Water/Wasterwater</u>											
4		Residential	\$ 22,817,723	(\$577.262)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$577,262)
5		Commercial	11,040,124	(524,610)	0	0	0	0	0	0	0	0	(524.610)
6		Industrial	1,532,760	47,439	0	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	0	(281.160)
8		Sales for Resale (OWU)	889.342	(118.028)	0	0	0	0	0	0	0	0	(118,028)
9		Miscellaneous	9,523	6.385	0	0	0	0	0	0	0	0	6,385
10		Private Fire Service	844.721	23,299	0	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	0	55,625
12													
13		Total Water/Wastewater Revenues	42,372,006	(1,368,312)	0	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	0	541.622
15													
16		Total Operating Revenues	\$43,416,080	(\$1,368,312)	\$70,682	\$470,940	\$0	\$0	\$0	\$0	\$0	\$0	(\$826,690)
17							· · · · · · · · · · · · · · · · · · ·						
18		TAX.RATE											
19		State Income Tax impact	8.25%	(\$112,886)	\$5,831	\$38,853	\$0	\$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	\$0	(\$265,471)
21		Net Operating Income impact		(\$816,027)	\$42,153	\$280,857	\$0	\$0	\$0	\$0	\$0	\$0	(\$493,017)
22			-				•••						10.00.0117

 $\begin{array}{c} 17 \\ 18 \\ 9 \\ 221 \\ 223 \\ 256 \\ 272 \\ 29 \\ 301 \\ 333 \\ 334 \\ 356 \\ 378 \\ 390 \\ 412 \\ 444 \\ 456 \\ 478 \\ 950 \\ \end{array}$ 

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

## DATA: \_X\_ BASE **PERIOD \_X\_** FORECASTEDPERIOD **TYPE** OF FILING: \_\_ORIGINAL — UPDATED \_X\_ 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

				Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
Line	Account		Base	D 4	D-5	D-6	D-7	D-8	D-9	D-10	D-11	D-12	Total
No.	Number	Description	Period	Sch D-2.3	Sch D-2.3	Sch D-2.3	SchD2.3	Sch D-2.3	Adjustments				
1		SOURCE OF SUPPLY EXP (SS)	Col1	Col2	Col3	Col4	Col5	Col6	Col7	Col8	Col9	Col10	
2	600000	Operation Supelvision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	601100	OperationExpenses	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	PurchasedWater	61,278	0	0	0	0	0	0	0	0	0	0
6	603100	MisceiianeousExpenses	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	MiscellaneousLabor	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-MaterialsPrg	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 8 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	Maini Lake. River & Other Intakes-MatOrd	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-LabOrd	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-MaterialsPrg	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-LaborPrg	0	0	0	0	0	0	0	0	0	0	0
30	617100	Maint Misc Water Source Plant-MatOrd	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)
07													

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 200440103 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 NO(S): SCHD33 (CENTRAL DMSION)

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

				Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
Line	Account		Base	D-4	D-5	D6	D-7	D-8	D-9	D-10	D-11	D-12	Total
No.	Number	Description PUMPING EXPENSES	Period	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D2.3	Adjustments
1													**
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	U
4	622100	Power Production Expenses	0	0	0	0	0	0	0	0	0	0	U
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
1	623120	Power Purchasedfor Pumping-Elec Adj	0	0	0	0	U O	U	0	0	U	U	0
8	623210	Power Purchasedfor Pumping-Other	972,975	0	(972,975)	0	0	0	0	0	U	0	(972,975)
9	624200	Pumping Labor-Electric	0	0	0	U	U	0	0	U	U	U	U
10	624300	Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	U
11	624500	Pumping Expenses-Electric	0	0	U O	0	0	0	0	0	U	0	0
12	624600 626200	Pumping Expenses-Other	U	0	0	U	0	U	0	U	0	0	0
13	626200 626300	Misc Pumping Labor-Electric	0	0	Ű	U	0	U	0	U	0	U	0
14 15		Misc Pumping Labor-Other	0	U	Ű	U	0	U	U	U	0	U	0
	626500	Misc PumpingExpenses-Electric	3,618	U	0	U	U	U	U	0	0	U	0
16 17	626600 627200	Misc PumpingExpenses-Other Rents-Electric	U	0	. 0	0	0	0	0	0	0	U	0
18	627200	Rents-Other	8,034	0	0	U	0	0	0	U	0	0	0
19	627300	Maint Sup & Eng-Electric Ord	8,034 54,314	113,966	U	U	0	U	0	U	0	0	113,966
20	630200	Maint Sup & Eng-Electric Ord	34,314	113,906	0	0	0	U	0	0	0	0	113,900
20	630300	Maint Sup & Eng-Electric Prg Maint Sup & Eng-Other Ord	0	0	0	0	0	U	0	0	0	U	0
22	630300	Maint Sup & Eng-Other Ord	0	0	0	U	0	0	0	0	0	0	0
22	631100	Maint Sup & Eng-Other Fig Maint Pumping Struc & Inprov-Material Ord	0	0	0	0	0	0	0	0	0	0	0
23	631110	Maint Pumping Struc & Inprov-Material Prg	0	0	0	0	0	0	0	0	0	0	0
24	631200	Maint Pumping Struc & inprov-Material Fig	0	0	0	0	0	0	0	0	0	0	0
26	631200	Maint Pumping Struc & Inprov-Labor Ord	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	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	0	. 0	0	0	0	0
29	632200	Maint Power Production Equip-Mat 11g	0	ů	. 0	0	0	Ő	0	0	0	0	ů N
30	632210	Maint Power Production Equip-Labord	0	0	0	. 0	0	0	0	0	0	0	0
31	633200	Maint PumpingEquip-Material-ElectricOrd	0	0	ŏ	0	0	ő	0	0	0	0	0
32	633210	Maint Pumping Equip-Material-Electric Pro	0	0	0	0	0	Ő	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-Material-Other Prog	0	0	0	0	0	0	0	0	0	0	ő
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-OtherOrd	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	000010	TOTAL PUMPING EXPENSES	2,105,473	113,966	(116,866)	0	0	0	0	0	0	0	(2,900)
40			2,100,473	110,000			U		0	0	0		(2,300)

- 40 41 42 43 44 45 46 47 48 49 50

#### KENTUCKY-AMERICANWATER COMPANY CASE NO: **2004-00103** SUMMARY OF ADJUSTMENTS TO OPERATINGINCOME ACCOUNTS FOR THE TWELVE MONTHSENDED: NOVEMBER 30,2005

#### DATA: \_X\_ BASE **PERIOD\_X\_**FORECASTED PERIOD **TYPE** OF RUNG: \_\_ORIGINAL\_\_UPDATED\_X\_REVISED WORKPAPER REFERENCE **NO(\$).:** SCH D-23 (CENTRAL DMSION)

SCHEDULE D-1C Page 5 of 19 Witness Responelble: M A Miller/, S, A Valentine

_				Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
Line	Account		Base	D-4	D-5	D-6	D-7	D-8	D-9	D-10	D-11	D-12	Total
No.	Number	Description	Period	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D-2.3	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	۵	0	0	0	0	0	0	0	0
4	641100	GeneralChemicais	1,358,500	0	0	(138,204)	0	0	0	0	0.	0	(138,204)
5	641200	Softening Chemicais	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	SofteningExpenses	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 Supelvision & 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	D	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-MatOrd	0	0	0	. 0	0	0	0	0	0	0	0
25	652110	Maint General WT Equipment-MatPrg	0	0	Ó	0	Ō	0	0	0	0	0	0
26	652200	Maint Softening Equipment-Materials	0	0	Ó	Ō	Ō	Ō	0	0	. 0	0	0
27	652300	Maint General WT Equipment-LaborOrd	0	0	0	0	0 0	0 0	0	0	0	Ō	0 0
28	652310	Maint General WT Equipment-Labor Prg	0	0	õ	0	D D	ō	0	0	0	0	0
29		1-t	Ū	· ·	•	v	v		U	Ŭ	Ŭ	·	·
30		TOTAL WT EXPENSES	3,634,673	(111.053)	0	(138,204)	60.327	0	0	0	0	0	(188,930)
21					v	(100,204)		V	V	V			(100,000)

#### 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\_ FORECASTEDPERIOD TYPE OF FILING: \_\_ ORIGINAL \_\_\_ UPDATED \_X\_ R M S E D WORKPAPER REFERENCE NO(\$).: SCH D-23 (CENTRAL DMSION)

SCHEDULE**D-1C** Page & of **19** Witness Responsible: **M.A.** Milled **S. A Valentine** 

Line	Account		Base	Adj D-4	Adj D-5	Adj D-6	Adj D-7	Adj D-8	Adj D-9	Adj D-10	Adj D-11	Adj D-12	Total
No.	Number	Description	Period	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D2.3	Sch D-2.3	Sch D-2.3	Adiustments
1		TRANS & DIST EXPENSES (T&D)											
2	660000	OperationSupervision& 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	(507.050)
6 7	662200	T&D Lines - Labor	1,047,767 0	(597.656)	0	0	0	0	0	0	0	0	(597,656)
8	663100 663200	Meter Expenses-Remove and Reset-Exp Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0	0	0	0	0	0
8 9	663300	Meter Expenses-Remove and Reset-Labor Meter Expenses-Misc Meter Exp	0	0	0	0	0	0	0	0	0	0	0
9 10	663400		0	0	0	0	0	0	0	0	0	0	0
10		Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0	0	0
	664100	Customer Installation - Expenses	0	0	0	0	0	0	0	0	0	0	0
12 13	664200	Customer Installation- Labor	0	0	0	0	0	0	0	0	0	0	0
	665100	Maps and Records - Expenses	0	0	0	0	0	0	0	0	0	0	0
14 15	665190	Maps and Records - Expenses Computer	0	47.984	0	0	0	0	0	0	0	0	47.984
15	665200 665300	Maps and Records - Labor	232,018	47.964	0	0	0	0	0	0	0	0	47.984
10	665400	Misc Expenses	232,018	0	0	0	0	0	0	0	0	0	0
17	666000	Misc Labor Rents	4.756	0	0	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0	0	(15.0.10)
19	670000	Maint Supervision& Engineering Ord	15.848 0	(15,848)	0	0	0	0	0	0	0	0	(15.848)
20 21	670010 671100	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
21		Maint Struct & improvements-Materials Ord	0	0	0	0	0	0	0	0	0	0	0
22	671110 671200	Maint Struct & Improvements-Materials Prg Maint Struct & improvements-Labor Ord	-	(18.306)	0	0	0	0	0	0	0	0	(10,200)
23 24			18,306 0	(18.306)	0	0	0	0	0	0	0	0	(18,306)
	671210	Maint Struct & Improvements-Labor Prg	979	0	0	0	0	0	0	0	0	0	0
25 26	672100	Maint Res & Standpipes - Materials Ord Maint Res & Standpipes - Materials Pro	9/9	0	0	0	0	0	0	U 0	0	0	0
26 27	672110 672120	Amort Res & Standpipes	190,177	0	0	0	0	0	0	0	0	0	0
27	672200	Maint Res & Standpipes - Labor Ord	5.403	(5,403)	0	0	0	0	0	0	0	0	(5,403)
28 29	672200	Maint Res & Standpipes - Labor Ord	5.403	(0,400)	0	0	0	0	0	0	0	0	(0,400)
29 30	673100	Maint T&D Mains- MaterialsOrd	0	0	0	0	0	0	0	0	0	0	0
30	673110	Maint T&D Mains - Materials Ord	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
32	673200	Maint T&D Mains – Labor Ord	191.511	388.419	0	0	0	0	0	0	0	0	388.419
33 34	673210	Maint T&D Mains - Labor Ord	191.511	366.419 0	0	0	0	0	0	0	0	0	300.419
34 35	675100	Maint Tod Mains - Labor Fig Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
36	675110	Maint Services - Materials Ord	0	0	0	0	0	0	0	0	0	0	0
37	675200	Maint Services - Materials Fig	188,756	(188.756)	0	0	0	0	0	0	0	0	(188,756)
38	675210	Maint Services - Labor Prg	100,730	(100.730)	0	0	0	0	0	0	0	0	(100,750)
39	676100	Maint Meter- MaterialsOrd	0	0	0	0	0	0	0	0	0	0	0
39 40	676100	Maint Meter- Materials Ord	0	0	0	0	0	0	0	0	0	0	0
40	676200	Maint Meter- Labor Ord	30,073	102.523	0	0	0	0	0	0	0	0	102,523
41	676200	Maint Meter - Labor Prg	30,073	102.525	0	0	0	0	0	0	0	0	102,523
42	676300	Maint Meter installation- Materials Ord	0	0	0	0	0	0	0	0	0	0	0
43	676320	Maint Meter Installation - Materials Ord	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 Org	0	0	0	0	0	0	0	0	0	0	0
-0	010-10	maint motor matallauori - Laborring	0	0	0	0	0	0	0	0	0	0	0

47 48

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### KENTUCKY-AMERICANWATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTS TO OPERATINGINCOME ACCOUNTS FOR THE TWELVEMONTHS ENDED: NOVEMBER 30,2005

# DATA: \_X\_ BASE **PERIOD \_X\_**FORECASTED PERIOD TYPE OF FIUNG: \_\_ORIGINAL \_\_UPDATED \_X\_**REVISED** WORKPAPER REFERENCE**NO(S).:** SCH **D-2.3** (CENTRAL DMSION)

SCHEDULE D-1C Page 7 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 D2.3	Adj D-6 Sch D-2,3	Adi 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-1∎ Sch D2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		TRANS & DIST EXPENSES (T&D) (Cont'd)											
2	677100	Maint Hydrants - MaterialsOrd	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			0.050.074	(107)									(107)
12 13		TOTAL T&D EXPENSES	<u>2,359,971</u>	(197)	0	0	0	0	0	0	0	0	(197)
13 14		CUSTOMER ACCOUNTSEXPENSE(CA)											
15	901000	Supervision	\$0	\$85.687	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85.687
16	902100	Meter Reading Expensesenses	40 0	405.007 0	φ0 0	φ0 0	φ0 0	Ф			¢0		400.007 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	001200	CUST RECORDS & COLLECTION EXPENSES	0	000,014	0	Ŭ	0	0	0	Ũ	0	0	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	Ó	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	Ö	0	0	0	0
29 30	905200	Misc Salaries	0	0	0	0	0	0	0	0	0	0	0
31		TOTALCAEXPENSES	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	00
36		TOTAL CUSTOMER SERVICE EXP	0	Q	0	0	0	0	0	0	0	0	
37													
38		SALES PROMOTION EXPENSES											
39 40	910 <b>100</b>	Sales Promotion - Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	0

- 42 43 44 45 46 47

#### KENTUCKY-AMERICANWATER COMPANY CASENO: 200440103 SUMMARYOF ADJUSTMENTS TO OPERATINGINCOMEACCOUNTS FOR THE TWELVE MONTHSENDED: NOVEMBER **30, 2005**

#### DATA: \_X\_ BASE **PERIOD \_X\_** FORECASTED PERIOD TYPE OF **FILING: \_\_** ORIGINAL \_\_\_ **UPDATED \_X\_** R M S E D WORKPAPER REFERENCE **NO(\$).**: SCH **D-2.3** (CENTRAL DMSION)

SCHEDULE **D-1C** Page 8 of **19** Witness Responsible: M.A. Miller/. S. A Valentine

Line	Account		Base	Adj D-4	Adj D-5	Adj D-6	Adj D-7	Adj D <b>-8</b>	Adj D-9	Adj D-10	Adj D-11	Adj D-12	Total
No.	Number	Description	Period	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D2.3	Sch D-2 3	Sch D-2.3	Adjustments
1		ADMINISTRATIVE& GENERAL EXP(A&G)											
2	920000	Salaries	\$837,683	(\$158,142)	\$0	<b>\$</b> 0	\$0	\$0	\$0	\$0	\$0	\$0	(\$158,142)
з	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	PropertyInsurance	185,350	0	0	0	0	0	0	0	0	(45,419)	
14	925110	Workers Compensation	59,237	0	0	٥	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	GeneralLiability	243,735	0	0	0	0	0	0	0	0	92,118	92,118
22		EMPLOYEE PENSIONS & BENEFITS											0
23	926100	AccruedOPEB 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	٥	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 & Eductional Expenses	118,173	0	0	0	0	0	0	0	0	0	0
32	926210	EducationalExpenses	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	9262 <b>60</b>	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	(98,695)
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	(150,507)		0	( ,
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													

#### KENTUCKY-AMERICANWATER COMPANY CASE NO: 200490103 SUMMARY OF ADJUSTMENTS TO OPERATINGINCOME ACCOUNTS FOR THE TWELVEMONTHS ENDED: NOVEMBER 30,2005

#### DATA \_X\_ BASE PERIOD \_X\_FORECASTED PERIOD TYPE OF FILING: \_\_ORIGINAL \_\_UPDATED \_X\_RMSED WORKPAPER REFERENCE**NO(\$).:** SCH **D-2.3** (CENTRAL DMSION)

SCHEDULE D-1C Page 9 of 19 Witness Responsible: M.A. Miller/. S. A Valentine

				Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
ine No	Account Number	Description	Base Period	D-4 Sch D-2 3	D 5 Sch D-2 3	D-6 Sch D-2 3	D-7 Sch D-2 3	D-8 Sch D-2 3	D-9 Sch D-2 3	D-10 Sch D-2 3	D-11 Sch D-23	D-12 Sch D-23	Total Adjustments
0	Number	ADMINISTRATIVE& GENERAL EXP(A&G) - C		3010-23	3011D-23	3011D-2 3	3011 D-2 3	3011D-2 3	3011 <u>0-2</u> 3	3011D-2 3	3011D-23	3011D-23	Aujustinents
2		REGULATORYCOMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$218,404	\$0	\$218,404
4	928100	Amori Sent Study Exp Cost	30 D	οφ. Ο	\$0 0	\$0 0	φ0 0	Ψ0 0	0	40 0	\$210,404 0	0	φ <u>2</u> ,0,-0-
5	928200	Tax Savings	0	0	0	õ	ů	ő	ő	ő	õ	ő	(
3	928300	Amort of Other Regulatory Expenses	0	0	0	0	0 0	ő	ő	ő	0	0	, (
5 7	928400	Other Regulatory Expenses - Current	19,712	0	0	0	0	0	0	ő	(8,000)	0	(8,000
3	930200	Amort Misc Charges	187,704	0	0	0	0	0	0	0	(0,000)	0	(0,000
9	930210	Misc General Expenses Current	440,197	0	0	0	0	ŏ	ő	0	0	ů 0	, I
0	930220	Amort Orig Cost Study	440,197	0	0	0	0	0	ő	0	0	0	
1	930220	Amort Misc General Expenses	0	0	0	0	0	0	0	0	0	0	, (
2	930230	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0	0	
13	930240	Amort Plant ExpansionStudy	0	0	0	0	0	0	0	0	0	0	
4	930260 930260	Meals & Travel Expenses - Taxable	15,182	0	0	0	0	0	0	0	0	0	
14 15	930280	Donations	15, 182	0	0	0	0	0	0	0	0	0	
5 6	930270		30	0	0	0	0	0	0	0	0	0	
6 7	930290	Data ProcessingCommunication Exp Research & Development Expenses	•	0	0	0	0	0	0	0	0	0	
	930390		24,184	0	0	0	0	0	0	0	0	0	
8 19	930590	Research & Development Exp - Ser Co Non-dectucible Penalties	0	0	0	0	0	0	0	0	0	0	
9			0	0	0	0	0	0	0	0	0	0	
	930510	Lobbying Expenses	•	0	0	0	0	0	0	0	0	0	
1	930600	Transportation Expenses	353,776	-	0	U	0	0	0	0	0	0	
2	930610	Transportation Cap (A&B)	0	0	U	•	0	0	0	0	0	0	
3 4	930620	T ortation Cap (C&R)	0	0	0	0	U O	U O	0	U	0	0	
	930630	TransportationCap (H)	0	0	0	•	•	-	0		0	0	
5	930880	Misc Gen Exp - Company Dues	31,270	0	0	0	0	0	v	0	•	Ũ	
6	930890	Misc Gen Exp - Other	169,096	0	0	0	0	0	0	0	0	0	
7	930980	Misc Generai Exp-TaxableCo Dues	0	0	0	0	0	0	0	0	0	0	
8	931000	Rents	24,859	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	
80	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	
1	932120	Amori A&G Struc & Improv	0	0	0	0	0	0	0	0	0	0	
2	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	
3	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	
4	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0	0	
5	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0	0	
6	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0	0	
7	932410	Maint A&G Office FurnIture-Labor Prg	0	0	0	0	0	0	0	0	0	0	
8	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0	0	
9	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0	
0	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0	0	
1	932700	Maint A&G Misc Property-Material Ord	22,386	0	0	0	0	0	0	0	0	0	
2	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0	0	
3	932800	Maint A&G Misc Property-LaborOrd	0	0	0	0	0	0	0	0	0	0	
4	932810	Maint A&G Misc Property-LaborPrg	0	0	0	0	0	0	0	0	0	0	
5		Total A & G Expenses	9,859,621	57,261	0	0	0	748,836	107,130	(249,202)	210,404	50,507	924,93
6													
7		Total O & M Expenses	\$20,117,049	\$202,521	(\$116,866)	(\$138,204)	\$60,327	\$748,836	\$10 <u>7,130</u>	(\$249,202)	\$210,404	\$50,507	\$875,45
8													

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### KENTUCKY-AMERICAN WATER COMPANY CASENO: 200440103 SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

# DATA: \_X\_ BASE PERIOD \_X\_ FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL \_\_\_ UPDATED \_X\_REVISED WORKPAPER REFERENCENO(S): SCH D-2.3 (CENTRAL DMSION)

SCHEDULED-1C 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 <b>-5</b> Sch D2.3	Adj D-6 Sch 0-2.3	Adj D-7 Sch D-2,3	Adj D-8 Sch <b>D-2</b> .3	Adij D-9 Sch D-2.3	Adj D-10 Sch <b>D-2</b> .3	Adj D-11 Sch P2.3	Adj D-12 Sch D-2.3	Total Adiustments
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		TotalLabor	\$4.938.893	\$202,521	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$202,521
6													
7													
8		Total Operation Expenses	\$18,208,120	(\$106,097)	(\$116,866)	(\$138,204)	\$60,327	\$748,836	\$107,130	(\$249,202)	\$210,404	\$50,507	\$566,835
9		Total Maintenance Expenses	1,908,929	308,618	0	0	0	0	0	0	0	0	308,618
10													
11		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
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	PurchasedWater	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	٥	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	\$20,117,049	\$202,521	(\$116,866)	(\$138,204)	\$60,327	\$748,836	\$107,130	(\$249,202)	<u>\$210,404</u>	\$50,507	\$875,453
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	-	(\$109,083)	\$62,947	\$74,440	(\$32,494)	(\$403,342)	(\$57,703)	\$134,227	(\$113,329)	(\$27,204)	(\$471,541)
40			-										

- 40 41 42 43 44 45 46 47

48 49

#### KENTUCKY-AMERICANWATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATINGINCOME ACCOUNTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

# DATA: <u>X</u> BASE PERIOD <u>X</u> FORECASTEDPERIOD TYPE OF FILING: <u>ORIGINAL</u> UPDATED <u>X</u> 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

Exhibit 37 D Page 40 of 116

				Adj	Adj	Adj	Adj	Adj	Adj			Grand
Line	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18		Total	Total
No.	Number	Description	Period Col1	Sch D-2.3 Col2	Sch D-2 3 Col3	Sch D-2.3 Col4	Sch D-2.3 Col5	Sch D2.3 Col6	Sch D-2.3 Col7		Adjustments	Adjustments
	~~~~~	SOURCE OF SUPPLY EXPENSES (SS)									<b>f</b> 0	<b>*</b>
2	600000	OperationSupervision& Engineering	\$0	\$0	\$0 0	\$0	\$0	\$0	\$0		\$0	\$0
3	601100	OperationExpenses	0	U	0	0	0	0	0		0	0
4	601200	OperationLabor	0	U	U	0	0	U	0		0	10 700
5	602000	PurchasedWater	61,278	U	0	U	0	U	10,722		10,722	10,722
5	603100	MiscellaneousExpenses	10,862	U	0	0	9,868	0	0		9,868	9,868
8	603120	Amort Misc Expenses	U	U	0	0	U	0	0		0	U
•	603200	MiscellaneousLabor	0	0	v	0	0	U	U		0	0
9	604000	Rents	2,400	U	3,210	0	0	0	0		3,210	3,210
10	610000	Maint Supervision & Engineering Ord	1,965	0	0	0	0	U	0		0	(1,965)
11	610010	Maint Supervision& Engineering Prg	0	0	0	0	0	0	0		0	U
12	611100	Maint Struc & Improv-Materials Ord	0	U	0	U	0	U	0		U	U
13 14	611110 611200	Maint Struc & improv-MaterialsPrg	U	0	0	0	U	U	0		U	U
14	611200 611210	Maint Struc & Improv-Labor Ord	U	0	0	0	U	0	U		U	U
15	612100	Maint Struc & Improv-Labor Prg	U	0	U	0	0	0	U		U	0
16	612100	Maint Col & imp Res-Materials Ord Maint Col & imp Res-Materials Pro	U	U	U	0	0	U	U		0	0
18	612120	Amort Coi & imp Res	0	0	0	0	0	0	0		0	0
19	612120	Maint Coi & Imp Res-Labor Ord	0	0	0	U	0	0	0		0	0
20	612200	Maint Col & imp Res-Labor Prg	0	0	0	0	0	0	0		0	0
20	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 Ord	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	21,540	0	0	0	0	(21,340)	0		(21,940,	(21,940)
25	613210	Maint Lake, River & Other Intakes-Lab Ord	0	0	0	0	U	0	0		0	0
26	614120	Amort Def Exp Wils & Springs	0	0	0	0	0	17.304	0		17,304	17,304
20	616110	Maint Supply Mains-Materials Prg	0	0	0	0	0	17,304	0		17,304	17,504
28	616200	Maint Supply Mains-Materials Fig	0	0	0	0	0	0	0		0	0
29	616210	Maint Supply Mains-Labor Ord	0	0	0	0	0	0	0		0	0
30	617100	Maint Misc Water Source Piant-MatOrd	220,934	0	0	0	0	74,567	0		74,567	74,567
31	617110	Maint Misc Water Source Plant-MatOrd	220,554	0	0	0	0	74,507	0		74,507	14,507
32	617200	Maint Misc Water Source Plant-Mater g	0	0	0	0	0	0	0		0	0
33	617200	Maint Misc Water Source Plant-Labor Ord	0	0	0	0	0	0	0		0	0
33 34	01/210	Maint Misc Water Source Flant-Labor Prg	U	0	U	U	U	U	U		0	U
35												
36		TOTAL SS EXPENSES	319,385	0	3.210	0	9.868	69.925	10.722	0 0	93.725	91,760
50		IOTAL OD LAT LINGLO	013,000	V	5,210	U	9,000	03,320	10,722		30,120	31,700

#### 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\_RMSED WORKPAPER REFERENCE **NO(\$)**.: SCH D-23 (CENTRAL DMSION)

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

Exhibit 37 D Page 41 of 116

A 3			-	Adj	Adj	Adj	Adj	Adj	Adj		-		Grand
Line No.	Account Number	Description	Base Period	D-13 Sch D-2.3	D-14 Sch D-2.3	D-15 Sch D2.3	D-16 Sch D-2.3	D-17 Sch D-2.3	D-18 Sch D-23			otal	Total
<u>1</u>	Number	Description PUMPING EXPENSES	Period	Sch D-2.3	SCh D-2.3	Sch D2.3	Sch D-2.3	SCN D-2.3	Sch D-23		Adjus	tments	Adiusbnents
2	620200	Operation Sup & Eng-Electric	\$0	\$0	\$0	\$0	\$0	\$0				\$0	\$0
3	620300	Operation Sup & Eng-Other	ψ0 0		<b>4</b> 0	ΨO. Ο	40 0	÷0				0	0
4	622100	Power ProductionExpenses	0	0	ů N	0	0	0				ñ	0
5	622200	Power ProductionLabor	0	0	0	0	0	ů N				ň	0
6	623110	Power Purchased for Pumping-Eiec	1,066,532	0	0	Ő	ů n	ů				ñ	856,109
7	623120	Power Purchased for Pumping-EiecAd]	1,000,002	ů 0	ő	ő	0	Ő				Ő	0
8	623210	Power Purchased for Pumping-Other	972,975	Ő	Ő	ů	ő	ŏ				ő	(972,975)
9	624200	Pumping Labor-Electric	0,2,0,0	ő	ő	0	0	0				õ	(01_,010,
10	624300	Pumping Labor-Other	Ő	Ő	Ő	0	Ő	ő				õ	0
11	624500	Pumping Expenses-Electric	0	ō	0	0	500	0				500	500
12	624600	Pumping Expenses-Other	Ő	0	ő	ő	0	0 0				0	0
13	626200	Misc Pumping Labor-Electric	Ő	0	ő	ŏ	0	0				0	Ő
14	626300	Misc Pumping Labor-Other	0	Ō	0	0	Ō	Ō				Ō	Ō
15	626500	Misc Pumping Expenses-Electric	3.618	Ō	0	0	(1,218)	0				(1,218)	(1,218)
16	626600	Misc Pumping Expenses-Other	0	ō	0	0	0	0				0	0
17	627200	Rents-Electric	0	Ō	0	0	0	Ō				0	0
18	627300	Rents-Other	8,034	0	5,626	Ō	Ō	Ō				5,626	5.626
19	630200	Maint Sup & Eng-Electric Ord	54,314	Ō	0	Ō	Ō	Ō				0	113,966
20	630210	Maint Sup & Eng-Electric Prg	0	Ō	0	Ō	Ō	Ō				Ō	0
21	630300	Maint Sup & Eng-Other Ord	0	0	0	Ō	Ō	Ō				0	0
22	630310	Maint Sup & Eng-Other Prg	Ō	Ō	0	Ō	Ō	Ō				Ó	0
23	631100	Maint Pumping Struc & inprov-MaterialOrd	0	0	0	Ō	0	0				0	0
24	631110	Maint PumpingStruc & Inprov-Material Prg	0	0	0	0	0	0				0	0
25	631200	Maint Pumping Struc & inprov-LaborOrd	0	0	0	0	0	0				0	0
26	631 <b>210</b>	Maint Pumping Struc & inprov-LaborPrg	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 PumpingEquip-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	0	0	4,908	2,008

- 40 41 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**\_RMSED WORKPAPERREFERENCE **NO(5).:** SCH **D-2.3** (CENTRAL DMSION)

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

			-,							11111000110	-p		
				Adj	Adj	Adj	Adj	Adj	Adj				Grand
Line	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18			Total	Total
No.	Number	Description	Period	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2 3	Sch D-2.3		A	djustments	Adiustments
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 & EngineeringOrd	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-MatOrd	188,788	0	0	0	0	(52,024)				(52,024)	(52,024)
20	651110	Maint WT Struc & Improvements-MatPrg	0	0	0	0	0	0				0	Ó
21	651120	Amort WT Structures	162,454	0	0	0	0	(21,646)				(21,646)	(21,646)
22	651200	Maint WT Struc & Improvements-LaborOrd	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				Ō	0
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0				0	0
28 29	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0				0	0
30		TOTAL WT EXPENSES	3,634,673	0	(19,396)	0	(847)	26,197	0	0	0	5,954	(182,976)

### KENTUCKY-AMERICANWATER COMPANY CASENO: 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 NO(S).: SCHD-2.3 (CENTRAL DIVISION)

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

				Adj	Adj	Adj	Adj	Adj	Adj		Grand
Line	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18	Total	Total
No.	Number	Description	Period	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Adjustmer	s Adiustments
1		TRANS & DIST EXPENSES (T&D)									
2	660000	Operatian 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 5	661200	Storage Facilities- Labor	U 12.950	0	0	0	0	0		(4.0	0 0
5 6	662100	T&D Lines - Expenses	12,950	0	0	0	(4,037)	0		(4,0	
5	662200	T&D Lines - Labor	1,047,767 N	0	0	0	0	0			0 (597,656)
8	663100 663200	Meter Expenses-Remove and Reset-Exp Meter Expenses-Remove and Reset-Labor	0	0	0	0	0	0			0 0
9	663300	Meter Expenses-Remove and Reset-Labor Meter Expenses-Misc Meter Exp	0	0	0	0	0	0			0 0
9 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
12	665100	Maps and Records - Expenses	0	0	0	0	0	0			0 0
13	665190		0	0	0	0	0	0			0 0
		Maps and Records - Expenses Computer	0	0	0	0	0	0			0 47.984
15	665200	Maps and Records - Labor	•	U	0	0	•	0			•
16 17	665300 665400	Misc Expenses Misc Labor	232,018 0	0	0	0	51,121 0	0		51,1	
17	666000		•	0	2.520	0	0	0			• •
		Rents	4,756	0	2,520	0	•	U		2,5	
19	670000	Maint Supervision& Engineering Ord	15,848 0	0	0	0	0	U			0 (15,848)
20 21	670010	Maint Supervision& Engineering Prg	0	U	0	0	0	0			0 0
21	671100 671110	Maint Struct & Improvements-Materials Ord Maint Struct & Improvements-Materials Pro	0	0	0	0	0	0			0 0
22	671200	Maint Struct & Improvements-Materials Prg Maint Struct & Improvements-LaborOrd	18.306	0	0	0	0	0			0 (18.306)
23 24			18,306	0	0	0	0	0			0 (18,306)
24 25	671210 672100	Maint Struct & Improvements-Labor Prg Maint Res & Standpipes - MaterialsOrd	979	0	0	0	0	-		,	70) (070)
25 26	672100	Maint Res & Standpipes - Materials Ord	9/9	0	0	0	0	(979) 0		(*	79) (979) 0 0
20 27	672110	Amort Res & Standpipes - Materials Prg	190,177	0	0	0	0	40,631		40.6	0 0
27	672120	Maint Res & Standpipes - Labor Ord	5,403	0	0	0	0	40,031		40,0	0 (5,403)
20 29	672200	Maint Res & Standpipes- Labor Ord Maint Res & Standpipes- Labor Prg	5,403	0	0	0	0	0			0 (0,403)
30	673100	Maint T&D Mains - MaterialsOrd	0	0	0	0	0	0			0 0
30	673110	Maint T&D Mains - Materials Ord	0	0	0	0	0	0			0 0
32	673120	Amort T&D Mains - Materials Fig	0	0	0	0	0	0			0 0
32	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	191,011	0	0	0	0	0			0 000,415
34	675100	Maint Services - MaterialsOrd	0	0	0	0	0	0			0 0
36	675110	Maint Services - Materials Ord	0	0	0	0	0	0			0 0
37	675200	Maint Services - Materials Fig	188,756	0	0	0	0	0			0 (188,756)
38	675210	Maint Services - Labor Prg	100,750	0	0	0	0	0			0 (100,700)
39	676100	Maint Meter - Materials Ord	0	0	0	0	0	0			0 0
40	676100	Maint Meter - Materials Ord	0	ບ ຄ	0	0	0	0			0 0
40	676200	Maint Meter- Labor Ord	30,073	0	0	0	0	0			0 102.523
41	676200	Maint Meter- Labor Prg	30,073	0	0	0	0	0			0 102,523
42	676300	Maint Meter Installation - MaterialsOrd	0	0	0	0	0	0			0 0
43	676310	Maint Meter Installation- Materials Ord	0	0	0	0	0	0			0 0
44	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0			0 0
46	676410	Maint Meter Installation - Labor Ord	0	0	0	0	0	0			0 0
40	010410	Maint Motor Installation - Laborring	Ŭ	v	v	0	0	0			5 0

#### 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 REFERENCENO(\$).: SCH D-2.3 (CENTRAL DMSION)

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

> Exhibit 37 D Page 44 of 116

	· · · · · · · · · · · · · · · · · · ·	<u> </u>	_ 1	Adj	Adj	Adj	Adj	Adj	Adj				Grand
Line	Account	Description	Base Period	D-13 Sch D2.3	D-14 Sch D-23	D-15 Sch D-2.3	D-16 Sch D-2.3	D-17 Sch D-2.3	D-18 Sch D-2.3			Total Adiustments	Total
<u>No.</u>	Number	Description TRANS & DIST EXPENSES (T&D) (Cont'd)	Penoa	SCHD2.3	SCH D-2.3	50nD-2.3	SCND-2.3	SChD-2.3	SCH D-2.3			Aujustments	Adjustments
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0				0	0
2	677110	Maint Hydrants - Materials Ord	0	0	0	0	0	0				0	0
4	677200	Maint Hydrants - Labor Ord	92,564	0	0	0	ő	0				0	(59,083)
5	677210	Maint Hydrants - Labor Ord	32,304	0	0	0	0	0				0	(09,000)
6	678100	Maint Other T&D Plant - Materials Ord	328.863	0	0	0	ů ů	57.031				57.031	57,031
7	678110	Maint Other T&D Plant - Materials Pro	320,000	0	0	0	0	57,031				07,031	07,001
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	ő	0				0	0
9	678210	Maint Other T&D Plant - Labor Ord	0	0	0	0	0	0				0	0
10	070210	Maint Other Tub Hant's Laborrig	U	0	U	Ŭ	U	U				0	0
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			2,003,071	v	2,020		47,004			0		140,207	140,050
14		CUSTOMER ACCOUNTSEXPENSE (CA)											
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0				\$0	\$85,687
16	902100	Meter Reading Expenses	φ0 0	0	φ0 0	0	φ0 0	φ0 0				0	0
17	902190	Meter Reading Mgt Program	Ő	0	0	0	0	0				ő	õ
18	902200	Meter Reading Labor	0	0	0	0	0	0				0 0	809,314
19		CUST RECORDS& COLLECTIONEXPENSES	-	-	-	-	-	-				0	
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	Ō				0	(750,492)
22	903300	Collecting - Expenses	186,177	(13,834)	0	0	0	0				(13,834)	
23	903400	Collecting- Salaries	0	0	0	0	0	0				Ó	Ó
24	903510	Billing & Accounting - Computers	0	0	Ō	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	Ō				. 0	. 0
27	904000	Uncoliectible Accounts	186,300	59.896	Ō	0	0	Ō				59,896	59,896
28	905100	Misc Expenses	13,945	2,263	0	0	0	Ō				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
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	0

- 42 43
- 43 44 45
- 46 47
- 47 48 49 50

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 34 2005

#### DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD TYPE OF FILING: \_\_ORIGINAL \_\_\_UPDATED\_X\_REVISED WORKPAPER REFERENCENO(\$); SCH D-2.3 (CENTRAL DMSION)

SCHEDULE**D-1C** Page 16 of 19 Witness Responsible: M A MIllør/. 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 Adiustments
1	Number	ADMINISTRATIVE & GENERAL EXP(A&G)	Penoa	501D-2.3	SCHD2.3	SCHD2.3	SCH D-2.3	SCHD-2.3	SCHD-2.3	Adjustments	Adjustments
2	920000	Salaries	\$837.683	\$0	\$0	\$0	\$0	\$0		\$0	(\$158,142)
3	920500	Incentive Plan Expense	13,743	0	õ	0	0 0	0 0		φ0 0	215,403
4	921100	Expenses of Employees	80,436	0 0	ŏ	263	0	ő		263	210,400
5	921130	Dues for Clubs - Ded	0	Ő	Ő	25,238	ů	0		25,238	25,238
6	921200	Misc Office Expenses	271.079	0 0	0	(39,557)	ő	0		(39,557)	(39,557)
7	923100	Service Company Charges	3,027,803	ő	ő	(00,007)	ő	ő		(00,007)	748,836
8	923190	service Company Charges- Out Agency	0	ō	Ō	0	å	ů.		0	0
9	923200	Auditing Services	26,220	Ō	0	0	(2,535)	ō		(2,535)	(2,535
10	923300	Legal Services	98,308	Ō	Ō	ō	(34,123)	ō		(34,123)	(34,123
11	923400	Engineering Services	600	Ō	0	Ō	1,700	0 0		1,700	1,700
12	923500	Other Services- Current	885,792	Ō	Ō	Ō	(439,185)	ō		(439,185)	(439,185
13	924000	PropertyInsurance	185,350	0	Ō	0	0	ō		(1111)	(45,419
14	925110	Workers Compensation	59,237	0	Ó	Ō	0	0		Ō	3.808
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	Ō		0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	Ō		Ō	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	Ō	Ō		0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	Ō	Ō		٥	0
19	925300	Injuries and Damages - Expenses	2,100	0	0	0	2.072	Ō		2,072	2,072
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0		0	0
21	925400	GeneralLiability	243,735	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	94,821
24	926110	Group insurance Expense	884,022	0	0	0	0	Ō		D	12,309
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0		0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	Ō		0	0
27	926140	Group Ins Cap(H)	0	0	0	0	0	0		0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0		0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	D	0		0	0
30	926170	Group Ins Pretax Contribution	0	0	0	0	0	0		0	0
31	926200	Other Welfare & Eductional Expenses	118,173	0	0	0	(2,385)	0		(2,385)	(2,385
32	926210	EducationalExpenses	· 0	0	0	0	0	0		0	0
33	926220	ESOP Contribution Expense	53,540	0	0	0	(17,036)	0		(17,036)	(17,036
34	926250	401-K Contributions Expense	85,632	0	0	0	(9,277)	0		(9,277)	(9,277
35	926260	401-K Cap (A&B)	0	0	0	0	0	0		0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0		٥	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0		0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0		0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0		0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0		0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0		0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0		0	0
43	926400	Pension Plan Payments - Current	963,675	0	0	0	0	0		0	(98,695
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0		0	C
45	926700	Pension Plan Pmts - Union	٥	0	0	0	0	0		0	C
46	926800	Pensions - Capitalized - (A&B)	0	0	0	0	0	0		0	(150,507
47	926900	Pensions- Capitalized- (H)	0	0	0	0	0	0		0	C
48	926910	Pensions- Capitalized - (C&R)	0	0	0	0	0	0		0	0
49											

#### KENTUCKY-AMERICANWATER COMPANY CASENO: 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\_ R M S E D WORKPAPER REFERENCE NO(\$).: SCH D-23 (CENTRAL DMSION)

SCHEDULE D-1C Page 17 of 19 Witness Responsible: M A Miller/, S, A Valentine

			_	Adj	Adj	Adj	Adj	Adj	Adj				Grand
_ine	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18			Total	Total
<u>10.</u>	Number	Description ADMINISTRATIVE & GENERAL EXP(A&G) - C	Period	Sch D2.3	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D2.3			Adjustments	Adiustments
1			ONT										
2 3	928100	REGULATORYCOMMISSION EXPENSES	0	0	0	0	0	0				. 0	218,404
3 ⊿	928100 928110	Amort Expense of Rate Proceedings	0	U	0	0	0	0				0	218,404
~		Amort Serv Study Exp Cost	0	0	•	0	•	0				U	0
5	928200	Tax Savings	•	0	0	-	0	U				0	0
6	928300	Amort of Other Regulatory Expenses	0	0	0	0	0	0				0	0
7	928400	Other Regulatory Expenses - Current	19,712	0	0	0	0	0				0	(8,000
8	930200	Amort Misc Charges	187,704	0	0	0	(74,808)	U				(74,808)	(74,808
9	930210	Misc General Expenses Current	440,197	0	0	0	346,772	0				346,772	346,772
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	D	0	0				0	0
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0				0	0
14	930260	Meals & Travel Expenses - Taxable	15,182	0	0	(6,686)	0	0				(6,686)	(6,686)
15	930270	Donations	30	0	0	0	(30)	0				(30)	(30)
16	930290	Data Processing Communication Exp	0	0	0	0	0	0				0	0
17	930300	Research & Development Expenses	24,184	0	0	0	(7,797)	0				(7,797)	(7,797
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0				0	0
19	930500	Non-dectucible Penalties	0	0	G	0	0	0				0	0
20	930510	Lobbying Expenses	0	0	0	0	0	0				0	0
21	930600	TransportationExpenses	353,776	0	0	0	60.912	0				60,912	60,912
22	930610	TransportationCap (A&B)	0	0	0	0	0	0				0	0
23	930620	Transportation Cap (C&R)	Ō	Ō	Ō	Ō	Ō	Ō				0	0
24	930630	TransportationCap (H)	0	0	Ō	0	Ō	0				0	0
25	930880	Misc Gen Exp - Company Dues	31,270	0	0	0	(171)	0				(171)	(171
26	930890	Misc Gen Exp - Other	169,096	Ő	Ő	ň	5,632	ů.				5.632	5,632
27	930980	Misc General Exp-Taxable Co Dues	000,000	0	ő	0	0,002	õ				0,002	0,002
28	931000	Rents	24,859	ő	(7,199)	ő	õ	ő				(7,199)	(7,199
29	932100	Maint A&G Struc & Improv-Material Ord	55,502	õ	(7,100)	0	ő	(35,392)				(35,392)	(35,392
30	932110	Maint A&G Struc & Improv-Material Pro	00,002	0	0	0	0	(33,332)				(30,332)	(55,592
31	932120	Amort A&G Struc & Improv	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
33	932210	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0				0	0
33 34	932300	Maint A&G Office Furniture-MateriaOrd	0	0	0	0	0	0				0	0
34 35	932300 932310		0	0	0	0	0	0				0	0
36 36		Maint A&G Office Furniture-MateriaPrg	0	0	0	0	0	0				0	0
30 37	932400	Maint A&G Office Furniture-Labor Ord	0	0	•	•	0	0				0	U
	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				U	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
¥1	932700	Maint A&G Misc Property-MaterialOrd	22,386	0	0	0	0	2,613				2,613	2,613
2	932710	Maint A&G Misc Property-MaterialPrg	0	0	0	0	0	0				0	C
3	932800	Maint A&G Mise Property-LaborOrd	0	0	0	0	0	0				0	C
4	932810	Maint A&G Misc Property-Labor Prg	00	0	0	0	0	0				0	C
45		Total A & G Expenses	9,859,621	0	(7,199)	(20,742)	_(170,259)	(32,779)	0	0	00	(230,979)	693,957
		_											
47		Total O & M Exoenses	<u>\$20,117,049</u>	\$128,713	(\$15,239)	(\$20,742)	(\$114,872)	\$160,026	\$10,722	\$0	\$0	\$148,608	\$1,024,061
46 47 48		Total O & M Excenses	\$20,117,049	\$128,713	(\$15,239)	(\$20,742)	(\$114,872)_	\$160,026	\$10,722	\$0	\$0	_	\$148,608

#### 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(\$): SCH D-23 (CENTRAL DIVISION)

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

> Exhibit 37 D Page 47 of 116

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 <b>D-2</b> .3	Adj D-17 Sch D-2.3	Adj D-18 Sch02.4	Total Adjustments	Grand Total Adiustments
1 2	08	Operation Labor Expenses	\$4,938,893	\$0	\$0	\$0	\$0	(\$979)	\$0	(\$979)	\$201.542
3	24	Maintenance Labor Expenses	ψ <del>1</del> ,000,000 Π		φ0 0	φ0 0	40 0	(4979)		(\$373)	φ <u>2</u> 01.342
4		Maintentine Eabor Expenses	v	U	<u> </u>	Ŭ	<u> </u>	0	Ŭ		Ŭ
5		Total Labor	\$4,938,893	\$0	\$0	\$0	\$0	(\$979)	\$0	(\$979)	\$201.542
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	<u>\$20,117,049</u>	\$128,713	(\$15,239)	(\$20,742)	(\$114,872)	\$160,026	\$10,722	\$148,608	\$1,024,06
12											
13											
14											
15											
16										(*****	***
17	08	Labor	\$4,938,893	\$0	\$0	\$0	\$0	(\$979)	\$0	(\$979)	\$201,542
18	09	PurchasedWater	61,278	0	· 0	0	0	0	10,722	10,722	10,72
19	10	Fuel and Power	2,039,507	0	0	0	0	0	0	0	(116,86
20	11	Chemicals	1,358,500	0	0	0	0	0	0	0	(138,20
21	12	Waste Disposal	166,669	0	0	0	0	0	0	0	60,32 748,83
22	13	Management Fees	3,027,803	0	0	U	0	0	U	0	148,83
23	14	Group Insurance	1,562,617	0	0	0	0	0	U	0	
24	15	Pension	963,675	v	•	0	v	v	U	-	(249,20)
25	16	Regulatory Expense	19,712	0	0	0	0	0	U	0	210, <b>40</b> 50,50
26	17	Insurance Other than Group	488,322 849,113	128,713	0	0	0	0	0	128,713	128,71
27 28	18 19	Customer Accounting Rents	60,321	120,713	(15,239)	0	0	0	0	(15,239)	
20 29	20	General Office Expense	366,697	0	(15,259)	(20,742)	0	0	0	(13,233) (20,742)	
29 30	20	Miscellaneous	3,022,892	0	Ő	(20,742)	(114,872)	0	0	(114,872)	
31	25	Other Maintenance	1,191,050	0	0	0	(114,372)	161,005	0	161,005	161,00
32	25	Other Maintenance	1,191,000	0	Ū	0	Ū	101,000	0	101,000	101,00
33		Total O & M Expenses	\$20,117,049	\$128,713	(\$15,239)	(\$20,742)	(\$114,872)	\$160,026	\$10,722	\$148,608	\$1,024,06
34		. starw & m Experioes		•			<u></u>	T. T			
35		State Income Tax impact	8.25%	(\$10,619)	\$1,257	\$1,711	\$9,477	(\$13,202)	(\$885)	(\$12,260)	(\$84,48
36		merne ·	• <u>.</u>	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,							
37		Federal Income Tax Impact	35.00%	(\$48,766)	\$5,774	\$7,859	\$43,522	(\$60,630)	(\$4,062)	(\$56,304)	(\$387,99
38											
39		Net Operating income Impact		(\$69,328)	\$8,208	\$11,172	\$61,873	(\$86,194)	(\$5,775)	(\$80,044)	(\$551,588
40		· · · · · · · · · · · · · · · · · · ·	=					the second s			

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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(\$).: SCH D-2.3 (CENTRAL DIVISION)

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

Line	Account		Base	Adj D-19	Adj D-20	Adj D-21							
No.	Number	Description	Period	Sch D-2.4	Sch D-2.4	Sch D-2.4							Total Adiustment
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	\$0	\$905,259
4													
5													
6		State Income Tax Impact	8.25%	(\$74,684)	\$0	\$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	\$0	(\$342,980)
8		Net Operating Income Impact		\$457,392	\$0	\$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 Regualtory 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													1012,1007
18		State Income Tax Impact	8.25%	\$0	\$1,006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,006
19		Federal Income Tax Impact	35.00%	\$0	\$4,621	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,621
20			-	\$0	\$6,569	\$0						<u> </u>	\$6,569
21		Net Operating Income Impact	-										40,000
22													
23													
24		TAXES, OTHER THAN INCOME											
25	408100	Real & Personal Propery 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							(0,100)
28	408030	Other General Taxes	(201)	0	0	201							201
29	4081 <b>40</b>	FUTA	3,266	0	0	10,145							10,145
30	408150	FUTA Capitalized - (A Work Order)	0	0	0	(10,375)							(10,375)
31	408 <b>040</b>	FUTA Capitalized - (H Work Order)	0	0	0	Ó							(10,070)
32	408050	FUTA Capitalized - (C & R Work Order)	0	0	0	0							ő
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	Ó							(33,222)
36	408070	FICA Capitalized - (C & R Work Order)	0	0	0	0							ŏ
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	Ō	ō	0							(0,485)
40	408090	SUTA Capitalized - (C & R Work Order)	0	0	Ō	ō							0
41	408220	Environmental Tax	0	0	Ó	Ō							0
42			\$2,622,067	\$0	\$0	\$29,942	\$0	\$0	\$0	\$0	\$0	\$0	\$29,942
43											¥¥		<u></u>
44		State Income Tax Impact	8.25%	\$0	\$0	(\$2,470)	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,470)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$9,615)	\$0	\$0	\$0	\$0	\$0	\$0	(\$9,615)
46		Net Operating Income Impact	-	\$0	\$0	(\$17,857)	\$0	\$0	\$0	\$0	\$0	\$0	(\$17,857)
47			=								**	<u> </u>	(#17,007)

#### KENTUCKY-AMERICANWATER COMPANY CASE NO: 2004-00103 DETAILED IME 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(\$): W/P-2 (CENTRAL DMSION)

SCHEDULE**D-2.1C** Page 1 of 3 Witness Responsible: **\$.A**, Valentine

e )	Purpose and Description of Adjustment		Workpaper Reference	Amount
		Billed Revenues, Adjustment D-1		, thous
	To adjust Residentialbilied water revenue for the change in billing determinants at present rates for the forecasted test period.	RESIDENTIAL		
3	· · · · · · · · · · · · · · · · · · ·	Forecasted Amount	W/P-2	\$22,240,461
1		Base Period Amount		22,730,759
5		Pro Forma Adjustment		(\$490,298)
3				
	To adjust Commerclai billed water revenue for the change in billing determinants at present rates for the forecasted test period.	COMMERCIAL		
3		Forecasted Amount	W/P-2	\$10.515.514
		Base Period Amount		10.958.927
0		Pro Forma Adjustment		(\$443,413)
1		i i o i o i na / ajaoti i o ii		
	To adjust industrial bijied water revenue for the change in billing determinants at present rates for the forecasted test period.	INDUSTRIAL		
23		Forecasted Amount	W/P-2	\$1,580,199
3 4		Base Period Amount	VV/F=2	1,497,592
4 5		Pro Forma Adjustment		\$82,607
6				
	To adjust Other Public Authority billed water revenue for the change in billing determinants at present rates for the forecasted	OTHER PUBLIC AUTHORITY		
8	, , , , , , , , , , , , , , , , , , , ,	Forecasted Amount	W/P-2	\$3,121,088
8 9	test period.		VV/P-2	3,386,603
9 0		Base Period Amount		(\$265,515)
		Pro Forma Adjustment		(\$200,510)
1	To adjust Sales For Resale (OWU) billed water revenue for the change in billing determinants at present rates for the forecasted			
2		SALES FOR RESALE(OWU)		\$771,314
4	test period.	Forecasted Amount	W/P-2	
4 5		Base Period Amount		847,567
		Pro Forma Adjustment		(\$76,253)
6 7	To object Dublic First Convision billed unstanza supervision to billion determinants of a social state of a social	PUBLIC FIRE SERVICE		
	To adjust Public Fire Service billed water revenue for the change in billing determinants at present rates for the forecasted			£4 804 400
8	test period.	Forecasted Amount	W/P-2	\$1,891,190
9 0		Base Period Amount		<u>1,835,565</u> \$55,625
		Pro Forma Adjustment		\$00,620
1	To odiust Deiroto Fire Consistentille dravenus for the change of hilling determinants statements that for the formation is			
2	To adjust Private Fire Service billed revenue for the change in billing determinants at present rates for the forecasted	PRIVATE FIRE SERVICE		\$PC2 000
3	test period.	Forecasted Amount	W/P-2	\$868,020
4 15		Base Period Amount		<u>844,721</u> \$23,299
		Pro Forma Adjustment		<u> </u>
36				
37	To adjust Miscellaneous billed water revenue for the change in billing determinants at present rates for the forecasted test	MISCELLANEOUS		010 000
88	period.	Forecasted Amount	W/P-2	\$15,908
9		Base Period Amount		0.500
10		Pro Forma Adjustment		
11				
2				
13	The purpose of each adjusbnent is to reflect an appropriate level of revenue for the forecasted test period.	Total Billed Water Revenue Adju	stment	(\$1,107,563)
14				
15				

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#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 200440103 DETAILEDADJUSTMENTS FOR THE TWELVE MONTHSENDED: NOVEMBER 30,2005

# DATA: \_X\_ BASE **PERIOD**\_X\_FORECASTED PERIOD **TYPE** OF **FILING:** \_\_ORIGINAL — UPDATED\_X\_R M S ED WORKPAPER REFERENCE **NO(\$):** W/P-2 (CENTRAL DMSION)

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

Purpose and Description of Adjustment		Workpaper Reference	Amount
	Billed Revenues, Adjustment D-1		
To eliminate the net change in Residentialwater unbilied accrued <b>utility</b> revenues recorded during the base period.	RESIDENTIAL		
	Forecasted Amount	W/P-2	\$0
	Base Period Amount		67,951
	Pro Forma Adjustment		(\$67,951)
	FIOT Of the Aujustitient		(407,501)
To eliminate the net change in Commercialwater unbilled accrued utility revenues recorded during the base period.	COMMERCIAL		
	ForecastedAmount	W/P-2	\$0
	Base Period Amount		80.463
	Pro Forma Adjustment		(\$80,463)
To eliminate the net change in Industrial water unbiiied accrued utility revenues recorded during the base period.	INDUSTRIAL		
	Forecasted Amount	WIP-2	\$0
	Base Period Amount		34,339
	Pro Forma Adjustment		(\$34,339)
	r to to tha August the fit		(\$04,003)
To eliminate the net change in Other Public Authority water unbilied accrued utility revenues recorded during the base period.	OTHER PUBLIC AUTHORITY		
	ForecastedAmount	W/P-2	\$0
	Base Period Amount		15,645
	Pro Forma Adjustment		(\$15,645)
To eliminate the net change in Sales for Resale (OWU) water unbiied accrued utility revenues recorded during the base period	SALES FOR RESALE (OWU)		
	ForecastedAmount	W/P-2	\$0
	Base Period Amount		41.775
	Pro Forma Adjustment		(\$41,775)
	rior office Adjustment		(0+1,1/0)
	PUBLIC FIRE SERVICE		
	Forecasted Amount	W/P-2	\$0
	Base Period Amount		0
	Pro Forma Adjustment		
	PRIVATE FIRE SERVICE		
	Forecasted Amount	W/P-2	\$0
	Base Period Amount		0
	Pro Forma Adjustment		\$0
	MIRCELLANEOUR		
	MISCELLANEOUS		
	Forecasted Amount	W/P-2	\$0
	Base Period Amount		0
	Pro Forma Adiustment		\$0
The purpose of each adjustmentis to reflect an appropriate evel of revenue for the forecasted test period.	Total Unbiiled Water Revenue Ad	iustment	(\$240.173)
		Juounon	

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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 'PE OF FILING:\_\_\_ORI(IIN.IL\_\_\_ JPD :D\_X\_REVISED DRKPAPER REFERENCE NO(8).: W/P-2 (CEN1 DIVISION)

SCHEDULE**D-2.1C** Page 3 of 3 Witness Responsible: **S,A**, Valentine

Line		Workpaper	
No. Purpose and Description of Adjustment		Reference	Amount
1	B e d Revenues. Adjustment D-1		
2 To eliminate Residential billed sewer revenue for forecasted test period.	RESIDENTIAL		
3	Forecasted Amount	W/P-2	\$0
4	Base Period Amount		19.013
5	Pro Forma Adjustment		(\$19.013)
6			
7 To eliminate Commercialbilled sewer revenue for the forecasted test period.	COMMERCIAL		
8	Forecasted Amount	W/P-2	\$0
9	Base Period Amount		734
10	Pro Forma Adjustment		(\$734)
11			
12 To eliminate Industrial billed sewer revenue for the forecasted test period.	INDUSTRIAL		
13	Forecasted Amount	W/P-2	\$0
14	Base Period Amount		829
15	Pro Forma Adjustment		(\$829)
16			
17			

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#### KENTUCKY-AMERICANWATER 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 (CENTRAL DMSION)

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

Exhibit 37 D Page 52 of 116

Line No. Purpose and Description of Adjustment		Workpaper Reference	Amount
1 To adjust ReconnectionFees which was forecast under other revenues.	Other Revenues.Adjustment D-2 RECONNECTION FEES Forecasted Amount	WIP-2	<b>\$</b> 0
3 4 5	Base Period Amount Pro Forma Adjustment	WIP-2	\$0 22,316_ (\$22,316)_
6 7 To adjust Returned Check Charges for the forecasted test period level of bad checks and	OTHER MISC SERV REVENUES		
<ul> <li>reflect other miscellaneousservice revenues forecasted under other revenues</li> <li>9</li> <li>10</li> </ul>	Forecasted Amount Base Period Amount Pro F <b>orma</b> Adjustment	W/P-2	\$36.113 
<ul> <li>To adjust for all other revenues for more current information. This includes an adjustment for billing</li> <li>and collecting for landfill services for the Lexington-Fayette Urban County Government and the</li> <li>reconnection fees.</li> </ul>	OTHER REVENUES Forecasted Amount Base Period Amount Pro Forma Adjustment	W/P-2	\$1,078,643 
16 17 18 19	Total Other Revenue Adjustment		\$70.682
<ul> <li>To refiect AFUDC above the line based on the overall rate of return and qualifying CWIP.</li> <li>This includes the gross-up of the equity piece of AFUDC per SFAS 109.</li> </ul>	AFUDC. Adjustment D-3 AFUDCABOVE THE LINE Forecasted Amount Base Period Amount Pro Forma Adjustment	W/P-2	\$470,940 0 \$470,940
28 29			

30 31 32 33 34 35 36 37 38 39 40 41 42 43 The purpose of each adjustment is to refiect an appropriate level of revenue for the forecasted test period

44 45 46

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 200490103 DETAILED ADJUSTMENTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

#### DATA: \_X\_ BASE PERIOD \_X\_ FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL \_\_\_UPDATED \_X\_ R M S E D WORKPAPER REFERENCE NO(S):: W/P-3 (CENTRAL DMSION)

SCHEDULE**D-2.3C** Page 1 of 2 Witness **Responsible: S.A.** Valentine

Line No.	Purpose and Description of Adjustment		Workpaper Reference	Amount
1		Labor, Adjustment, D-4		
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		4,938,893
4		Pro Forma Adjustment		\$201,542
5				
6		Fuel & Power. Adjustment D-5		
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		2,039,507
9		Pro Forma Adjustment		(\$116,866)
10				
11		Chemicals. Adjustment D-6		
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		1,358,500
14		Pro Forma Adjustment		(\$138,204)
15				
16		Waste Disposal, Adjustment D-7		
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		166,669
19		Pro Forma Adjustment		\$60,327
20				
21		Management Fees. Adjustment D-8		
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		3,027,803
24	and the Customer Call Center.	Pro Forma Adjustment		\$748.836
25				
26		Group Insurance, Adjustment D-9		
27	Group Insurancereflects 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		1,562,617
29		Pro Forma Adjustment		\$107,130
30				
31		Pensions, Adjustment D-10		
32	PensionExpense reflects the forecasted level based on FAS 87 pension costs.	Forecasted Amount	W/P-3-7	\$714,473
33		Base Period Amount		963,675
34		Pro Forma Adjustment		(\$249,202)
35				
36		Regulatory Excense, Adjustment D-11		
37	Regulatory Expense reflects a three year amortization of the cost of the current fling.	Forecasted Amount	W/P-3-8	\$230,116
38		Base Period Amount		19,712
39		Pro Forma Adjustment		\$210,404
40				
41				
42				
43				
44		Insurance Other than Group Adjustment D-12		
45		Forecasted Amount	W/P-3-9	\$538,829
46	InsuranceOther than Group expense reflects the Company's forecasted cost for liabilityinsurance. worker's	Base Period Amount		488,322
47	compensation and property insurance based upon the most recent actual bills.	Pro Forma Adjustment		\$50,507
40		· · · · · · · · · · · · · · · · · · ·		
48				

49 The purpose of each adjustment is to reflect an appropriatelevel 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(\$): W/P-3 (CENTRAL DMSION)

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

Exhibit 37 D Page 54 of 116

Line No.	e Purpose and Descriptionof Adjustment		Workpaper Reference	Amount
1	Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this	Customer Accounting, Adjustment D-13 Forecasted Amount	W/P-3-10	\$977.826
3 4	function, as well as allocationsmade from Central Division to Tri Village and Elk Lake.	Base Period Amount Pro Forma Adjustment		<u>849.113</u> \$128,713
5 6		Rents, Adjustment D-14		
7 8	Rent expense reflects ail leases and rental agreements that the company has entered into or is forecasted to enter into during the forecasted test period.	Forecasted Amount Base Period Amount	W/P-3-11	\$45.082 60.321
9 10		Pro Forma Adjustment		(\$15,239)
10 11 12		General Office Expense. Adjustment D-15 Forecasted Amount	W/P-3-12	\$345.955
13 14	supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	Base Period Amount Pro Forma Adjustment	W/F-5-12	<u>366.697</u> (\$20,742)
15 16		MiscellaneousExpenses. Adjustment D-16		
17 18	adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village	Forecasted Amount Base Period Amount	WIP-3-13	\$2,908,020 <u>3,022,892</u>
19 20		Pro Forma Adjustment		(\$114.872)
21 22		MaintenanceExpense. Adjustment D-17 Forecasted Amount	W/P-3-14	\$1,352,055
23 24	of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	Base Period Amount Pro Forma Adjustment		<u>1,191,050</u> <u>\$161,005</u>
<u>25</u> 26		PurchasedWater Expense. Adjustment D-18		
27 28 29	System, and Owen Water & Sewer.	Forecasted Amount Base Period Amount	W/P-3-15	\$72,000 61,278
29 30 31		Pro Forma Adjustment		<u>\$10,722</u>
32				
34				
35 36				
37 38				
39 40				
41				

The purpose of each adjustment is to refiect an appropriate level of expense for the forecasted test period.

- 42 43 44 45 46 47 48 49 50

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 200400103 DETAILED ADJUSTMENTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

#### DATA: \_X\_ BASE **PERIOD**\_X\_FORECASTEDPERIOD TYPE OF RUNG: \_\_ORIGINAL --- UPDATED\_X\_RMSED WORKPAPER REFERENCENO(S),: W/P-4 & W/P-5 (CENTRAL DMSION)

SCHEDULE**D-2.4C** Page 1 of 1 Witness Responsible: M A Miller/. S. A Valentine

Line			Workpaper	
No.	Purpose and Description of Adiustment		Reference	Amount
1 2 3 4	Depreciation expense reflects an Increase due to an increased level of Utility Plant in Service.	Depreciation Expense, Adjustment D-19 Forecasted Amount Base Period Amount Pro Forma Adjustment	W/P-4-1	\$6,950, <b>974</b> 6,045,715 \$905,259
5 6 7 8 9	Amortization expense reflects the amortizationof UPAA, Property Losses and Regulatory Asset on the equity gross-up of AFUDC.	Amortization Expense, Adjustment D-20 Forecasted Amount Base Period Amount Pro Forma Adjustment	W/P-4-1	\$675,661 687,857 (\$12,196)
10 11 12 13 14 15	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 aliocation of property tax from Central Division to Tri Village and Elk Lake.	<u>General Taxes Expense, Adjustment D-21</u> Forecasted Amount Base Period Amount Pro F <b>orma</b> Adjustment	W/P-5	\$2,652,009 2,622,067 \$29,942
16 17 18 19 20				
21 22 23 24 25				
26 27 28 29 30				
31 32 33 34 35	The purpose of each adjustmentis to reflect an appropriatelevel of expense for the forecasted test period.			
36 37 38 39				
40 41 42 43 44				
45 46 47 48				
49 50				

Exhibit 37 D Page 55 of 116

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 200400103 SUMMARY OF JURISDICTIONAL FACTORS FOR THE TWELVE MONTHSENDED: NOVEMBER 30,2004

DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD TYPE OF FILING: \_\_ORIGINAL \_\_\_UPDATED\_X\_RMSED WORKPAPER REFERENCE NO(5).: (CENTRAL DMSION)

Line

No

Jurisdictional Factor Description of Factor and/or method of Allocation Account Title Acct NOT APPLICALBLE TO KENTUCKY-AMERICAN WATER COMPANY.

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

#### KENTUCKY-AMERICANWATER COMPANY CASENO: 200440103 JURISDICTIONAL STATISTICS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2009

DATA: <u>X</u> BASE **PERIOD** <u>X</u> FORECASTEDPERIOD **TYPE** OF **FILING:** \_\_ORIGINAL \_\_UI DATED\_X\_**REVISED** WORKPAPER REFERENCE **NO(8):** (CENTRAL **DIVISION**)

Statistic Adjusted Line Total Total Statistic for Jurisdictional Jurisdiction No. Description Adjustment Company Ratio company 1 2 3 4 NOT APPUCALBLETO KENTUCKY-AMERICAN WATER COMPANY. 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50

SCHEDULE D-4C Page 1 of 1

#### KENTUCKY-AMERICANWATER COMPANY CASE NO: 200440103 EXPLANATION OF CHANGE IN JURISDICTIONAL PROCEDURES FOR THE TWELVEMONTHS ENDED: NOVEMBER 30.2005

#### DATA: \_X\_ BASE **PERIOD \_X\_**FORECASTED PERIOD N P E OF **FILING: \_\_ORIGINAL \_\_** UPDATED \_X\_**REVISED** WORKPAPER REFERENCE **NO(5).**: (CENTRAL DMSION)

Line Description No. Account No. Rationalfor Change Procedure Approved in Prior Case NOT APPLICALBLE TO KENTUCKY-AMERICAN WATER COMPANY. 22 23 24 25 26 27 28 33 35 36 39 41 44 45 46 47 49 50

SCHEDULE D-5C Page 1 of 1

# KENTUCKY-AMERICANWATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS FOR THE TWELVEMONTHS ENDED: NOVEMBER 30,2005

# DATA: \_X\_ BASE PERIOD \_X\_FORECASTED **PERIOD** TYPE OF **FILING: \_\_ORIGINAL \_\_\_**UPDATED \_X\_**REVISED** WORKPAPER REFERENCENO(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. D I Sch D-2.1	Adj. D-2 Sch D2.2	Adj. D-3 Sch D-2,2						Total Adjustments
1	NUMBER	Water Revenues	Pellou	SCILD-2.1	SCIIDZ.Z	SCHU-Z.Z						Adjustments
2	461100	Residential- Billed	717,690	\$64,666	\$0	\$0						\$64,666
3	461110	Residential - Unbilled	0	0	0	0						0
4	461200	Commercial- Bilied	55,916	(25,904)	0	0 0						(25,904)
5	461210	Commercial- Unbiiied	0	0	0	0						0
6	461300	Industrial - Biiled	ō	Ō	0	0						0
7	461310	Industrial - Unbilled	0	0	0	ō						0
8	461400	Miscellaneous- Biiled	813	(813)	0	0						(813)
9	461410	Miscellaneous- Water Sales Bilied Unmetered	0	Ó	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 - Unbiiied	0	0	0	0						0
14	464200	OPA - Bilied	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	00						0
18		Total Water Revenues	784,374	40,685	0	0						40,685
19												
20		Sewer Revenues										
21	461000	Residential - Bilied	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- Unbiiled	0	0	0	0						0
25	462210	Industrial Billed	0	0	0	0						0
26	462110	Industrial - Unbilled	0	0	0			· · · · · · · · · · · · · · · · · · ·				0
27		Total Sewer Revenues	0	0	0	0						0
28 29												
29 30		OTHER OPERATING REVENUES										
31	471100	Reconnection Charges	964	0	(964)	0						(964)
32	471200	Other Miscellaneous Service Revenues	600	0		0						
33	472000	Rents from Water Property	000	0	(600)	0						(600)
34	472000	Billing & Collection Services	0	0	0							0
35	474100	Other Water Revenues	0	0	0	0						Ű
36	474300	AFUDC	0	0	0	0						0
37		TOTAL OTHER OPERATING REVENUES	1.564	0	(1,564)	0						(1,564)
38			1,304		1,304)	V						(1,504)
39		TOTAL OPERATING REVENUES	\$785,938	\$40,685	(\$1,564)	\$0	\$0	\$0	\$0	\$0	\$0	\$0 \$39,121
40		=	4.00,000	<b>V</b> 101000	(\$1,004)	¥V		<u>**</u>	<u></u>			<u> </u>

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS 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): SCH D-2.1/D-2.2 (TRI** VILLAGE)

SCHEDULE**D-1T** Page 2 of **19** Witness Responsible: M A Miller/. S. A Valentine

5         Commercial         55.916         (25,904)         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0	Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D-2.2	Adj. <b>D-3</b> Sch D2.2							Total Adjustments
4       Residential       \$717,690       \$64,666       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0 <t< th=""><th>1</th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th></t<>	1													
4       Residential       \$717,690       \$64,666       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0 <t< td=""><td>2</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	2													
5       Commercial       55.916       (25,904)       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0 <td>3</td> <td>E</td> <td></td>	3	E												
6       Industrial       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0	4		Residential		\$64,666	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64.666
7       Other Public Authority(OPA)       9.955       (1,920)       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0	5			55.916	(25,904)	0	0	0	0	0	0	0	0	(25.904)
8         Sales for Resale (OVU)         0         4.656         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0 </td <td>6</td> <td></td> <td></td> <td>0</td>	6			0	0	0	0	0	0	0	0	0	0	0
9       Miscellaneous       813       (813)       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0	7		Other Public Authority(OPA)	9.955	(1,920)	0	0	0	0	0	0	0	0	(1,920)
10       Private Fire Service       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0	8		Sales for Resale (OWU)	0		0	0	0	0	0	0	0	0	4.656
11       Public Fire Service       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0	9		Miscellaneous	813	(813)	0	0	0	0	0	0	0	0	(813)
12       13       Total Water/Wastewater Revenues       784.374       40.685       0       0       0       0       0       0       0       0       44         14       Other Operating Revenues       1.564       0       (1,564)       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       10       10       10	10		Private Fire Service	0	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       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0	11		Public Fire Service	0	0	0	0	0	0	0	0	0	0	0
14     Other Operating Revenues     1.564     0     (1,564)     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0	12													
15       16       Total Operating Revenues       \$785.938       \$40.685       (\$1.564)       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$12       \$0       \$12       \$0       \$0       \$0       \$0       \$0       \$0       \$0       \$12       \$0       \$12       \$0       \$0       \$0       \$0       \$0       \$12       \$0       \$12       \$0       \$0       \$0       \$0       \$12       \$0	13	1	Total Water/Wastewater Revenues	784.374	40.685		0	0	0	0	0	0	0	40.685
16     Total Operating Revenues     \$785.938     \$40.685     (\$1.564)     \$0     \$0     \$0     \$0     \$0     \$0     \$3357       17     17     18     1AX RATE     18     18     18     18     19     State Income Tax Impact     8.25%     \$3.357     (\$129)     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$12       20     Federal Income Tax Impact     35.00%     \$13.065     (\$502)     \$0     \$0     \$0     \$0     \$0     \$0     \$12	14	(	Other Operating Revenues	1.564	0	(1,564)	0	0	0	0	0	0	0	(1,564)
Instruct         State	15													
18         TAX RATE           19         State Income Tax Impact         8.25%         \$3.357         (\$129)         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$12         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$12         \$12         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12         \$12	16	٦	Total Operating Revenues	\$785.938	\$40.685	(\$1,564)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$39,121
19         State Income Tax Impact         8.25%         \$3.357         (\$129)         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$12         \$0         \$12         \$0         \$0         \$0         \$0         \$0         \$0         \$12         \$0         \$12         \$0         \$0         \$0         \$0         \$0         \$0         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$12         \$0         \$0         \$0         \$0         \$0         \$0	17													
20 Federal Income Tax Impact 35.00% \$13.065 (\$502) \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$12	18		TAX RATE											
	19			8.25%	\$3.357			\$0						\$3.227
21 Net Operating Income Impact \$24.263 (\$933) \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$2	20	F	Federal Income Tax Impact	35.00%	\$13.065		\$0	\$0		\$0	\$0	\$0	\$0	\$12.563
	21	1	Net Operating Income Impact	-	\$24.263	(\$933)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,331

#### KENTUCKY-AMERICANWATER COMPANY CASE NO: 200440103 SUMMARY OF ADJUSTMENT8 TO **OPERATING** INCOME ACCOUNTS FOR THE TWELVEMONTHS ENDED: NOVEMBER 30,2005

#### DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD TYPE OF FILING: \_\_ ORIGINAL \_\_\_ UPDATED \_X\_ REVISED WORKPAPER REFERENCENO(S).: SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T Page3 of 19 Witness Responsible: M.A. Miller/, S. A. Valentine

				Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
Line	Account		Base	D 4	D-5	D-6	D-7	D-8	D-9	D-10	D-11	D-12	Total
No	Number	Description	Period	Sch D-23	Sch D-23	Sch D-2 3	Sch D-2 3	Sch D-23	Sch D-2 3	Sch D-2 3	Sch D-2 3	Sch D-2 3	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	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-MaterialsOrd	0	0	0	0	0	0	0	0	0	0	0
13	611110	Maint Struc & Improv-MaterialsPrg	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-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	Q	Q	0	٥	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	Q	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	617 <b>110</b>	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	262,278	0	0	0	0	0	0	0	0	0	0
37													

#### 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 FILINO: \_\_ ORIGINAL \_\_\_ UPDATED \_X\_ R M S E D WORKPAPER REFERENCE NO(S).: SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T Page4 of 19 Witness Responsible: MA Miller/, S, A Valentine

Line	Account		Boos	Adj D4	Adj D-5	Adj D 6	Adj D-7	Adj D-8	Adj D-9	Adj D-10	Adj D-11	Adj D-12	Total
Line No.	Account Number	Description	Base Period	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Adiustments				
1	1 turnber	PUMPING EXPENSES	1 chou	00110 2.0	001102.0	0010 2.0	00110 2.0	00110 2.0	00110 2.0	00110 2.0	001102.0	00110 2.0	Addothento
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	õ	0	0	<b>4</b> 0	0	<b>\$</b>	¢0	<b>4</b> 0
4	622100	Power Production Expenses	ů	ő	ů	ő	ů	ő	ů	Ő	0	ů	0
5	622200	Power Production Labor	ů	ő	Ő	0	ů	0	ů	0	ñ	ő	ň
6	623110	Power Purchased for Pumping-Elec	Ő	0	0	0	0	0	ő	0	Ő	0	0
7	623120	Power Purchased for Pumping-Elec Adj	ő	0	ő	0	ŏ	0	ŏ	0	ů.	0	0
8	623210	Power Purchased for Pumping-Other	0	0	õ	0	0	0	0	0	0	Ő	0
9	624200	Pumping Labor-Electric	ů	õ	ő	0	õ	Ő	0 0	Ő	0	ő	0
10	624300	Pumping Labor-Other	0	0	ō	ō	0	0	ō	ō	0	0	0
11	624500	Pumping Expenses-Electric	0	ō	0	ō	0	Ō	Ō	Ō	0	0	ō
12	624600	Pumping Expenses-Other	0	0	0	0	0	0	0	Ō	ō	0	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	ō	0	0
14	626300	Misc Pumping Labor-Other	Ō	0	0	0	Ō	0	Ó	0	Ō	ō	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	Ō	0	0	0	0	0	Q	0	0
17	627200	Rents-Electric	0	0	0	Ō	0	0	0	Ō	0	ō	Ō
18	627300	Rents-Other	0	0	0	0	Ō	0	Ó	0	0	Ó	0
19	630200	Maint Sup & Eng-Electric Ord	318	(318)	0	0	0	Ö	0	0	0	Ó	(318)
20	630210	Maint Sup & Eng-Electric Prg	0	Ó	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	D	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 ProductionEquip-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 ProductionEquip-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	Ō	0	Ō	Ō	Ó	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 Equiplabor-Electric Ord	0	0	0	0	0	D	0	٥	0	0	0
36	633510	Maint Pumping Equip-Labor-Electric Prg	Ō	0	Ō	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)

- 40 41 42 43 44 45 46 47 48 49 50

#### KENTUCKY-AMERICANWATER 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-23 (TRI** VILLAGE)

SCHEDULE D-1T Page 5 of 19 Witness Responsible: M.A. Miller/, S. A Valentine

				Adj	Adj	Adj	Adj D-7	Adj	Adj	Adj D-10	<b>Adj</b> D-11	Adj	<b>T</b>
Line No.	Account Number	Description	Base Period	D-4 Sch D-2.3	D 5 Sch <b>D-2.3</b>	D 6 Sch D2.3	D-7 Sch D-2,3	<b>D-8</b> Sch D2.3	D-9 Sch D-2 3	Sch D2.3	Sch D-2.3	D-12 Sch D2.3	Total Adjustments
1	Number	WATER TREATMENT EXPENSES (WT)	Fellou	3011 D=2.3	30110-2.3	301102.3	30110-2.0	301102.3	3011 D=2 3	301102.3	30110-2.3	301102.3	Aujustments
2	640000	Operation Supervision& Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	so	\$0	\$0
2	641110	Chemicais-Carbon	0	0	÷5	<b>1</b> 0	¢0	0	0	¢0	0	Ĩ	0
4	641100	General Chemicals	580	ő	0	260	ő	ů	Ő	Ő	0	ő	260
5	641200	Softening Chemicals	0	õ	0	200	0	ő	ů.	ő	0	ő	0
6	642100	General WT Labor	470	(470)	0	õ	0	0	0	0	0	0	(470)
7	642200	SofleningLabor	0	(	0	0	0	0	0	0	0	0	0
8	642300	General WT Expenses	274	0	0	0	0	0	0	0	Ō	0	Ō
9	642390	General WT Administration	0	0	0	0	0	0	0	0	0	0 0	0
10	642400	SofteningExpenses	Ō	0	0	Ō	Ō	Ō	0	0	0	0	0
11	643100	Misc Expenses	168	0	0	0	0	0	0	Ō	0	0	0
12	643190	Misc Expenses - Service Co	0	0	0	0	0	. 0	0	0	0	Ò	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	MaintWT 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 Generai WT Equipment-MatOrd	0	0	0	0	0	0	0	0	0	0	0
25	652110	Maint Generai 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 29	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
30		TOTAL WT EXPENSES	1,492	(470)	0	260	0	0	0	0	0	0	(210)

### 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\_FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL \_\_\_ UPDATED \_X\_REVISED WORKPAPER REFERENCENO(S).: SCH D-23 (TRI VILLAGE)

SCHEDULED-1T Page 6 of 19 Witness Responsible: M.A. Miller/, S. A Valentine

Line	Account		Base	Adj D-4	Adj D-5	Adj D-6	Adj P7	Adj D-8	Adj D-9	Adj D-10	Adj D-11	Adj D-12	Total
No.	Number	Description	Period	Sch D-2.3	Sch P2.3	Sch D2.3	Sch D-2,3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Adjustments
1	Hambor	TRANS & DIST EXPENSES (T&D)	1 0.104	00110 210	00111 210	00110210	00110 2.0	00110 2.0	00110 2.0	00110 1.0	00/10/210		radounonio
2	660000	OperationSupervision& Engineering	\$0	\$55,127	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,127
3	661100	Storage Facilities - Expenses	0	0	0	ů 0	0	ů 0	0	0	0	õ	0
4	661200	Storage Facilities- Labor	0	0	0	õ	0	ő	0	ő	Ő	ő	ő
5	662100	T&D Lines - Expenses	2,176	ő	0	0	0	0	0	0	õ	ő	õ
6	662200	T&D Lines - Labor	68.479	2,915	Ő	0 0	0	ñ	0	0	0	õ	2,915
7	663100	Meter Expenses-Removeand Reset-Exp	00,110	2,010	0	Ő	ů.	ő	0	0	0	Ő	2,010
Å	663200	Meter Expenses-Remove and Reset-Labor	0	0	ő	0	0	ő	0	0	ō	0	ő
9	663300	Meter Expenses-Misc Meter Exp	Ő	Ő	0	0	0	0 0	0	ő	0	0	õ
10	663400	Meter Expenses-Misc Meter Labor	0	0	0	0	0	0	0	0	0	0	Ő
11	664100	Customer installation- Expenses	0	0	õ	0	0	Ő	ő	õ	0	0	0
12	664200	Customer Installation - Lahor	0	0	õ	0	0	ő	ő	0	0	ő	ő
13	665100	Maps and Records - Expenses	0	0	Ő	0	0	Ő	0	0	0	0	ő
14	665190	Maps and Records - Expenses Computer	0	0	0	ů.	0	0	0	0	0	0	ő
15	665200	Maps and Records - Labor	0	0	0	0	0	Ő	ň	n n	0	ő	ő
16	665300	Misc Expenses	37,384	0	Ő	0	0	õ	0	ů	Ő	ů	ů
17	665400	Misc Labor	0	0	0	Ő	Ő	ů,	ő	õ	ő	Ő	ő
18	666000	Rents	278	ů 0	ő	ő	ő	ő	ő	Ő	Ő	Ő	ő
19	670000	Maint Supervision & Engineering Ord	629	(629)	ő	ů 0	õ	ő	ő	0	ů 0	0	(629)
20	670010	Maint Supervision& Engineering Prg	0	(010)	õ	0	Ő	õ	ő	0	ő	ő	(020)
21	671100	Maint Struct & Improvements-Materials Ord	Ő	0	ů	0	0	ň	ů	0	0	Õ	0
22	671110	Maint Struct & improvements-MaterialsPrg	0	0	0	ñ	ů N	õ	ő	0	ň	0	ů 0
23	671200	Maint Struct & Improvements-LaborOrd	0	Õ	ő	õ	ő	0	ő	ő	ů Ú	0	õ
24	671210	Maint Struct & Improvements-Labor Pro	0	0	õ	n n	ů	0	õ	Ő	0	0	Ő
25	672100	Maint Res & Standpipes - Materials Ord	õ	ů	0	o o	0	0	ů N	õ	ő	0	0
26	672110	Maint Res & Standpipes - Materials Prg	ົ້	0	ů	0	0	ů	ő	ŏ	0	ů.	0
27	672120	Amort Res & Standpipes	0	Ő	ů	õ	ů	0	ő	0	0	0	0
28	672200	Maint Res & Standpipes - Labor Ord	Ő	0	õ	Ő	0	ő	0	ő	0	0	0
29	672210	Maint Res & Standpipes - Labor Prg	Õ	ů	0	õ	0	0	0	0	0	0	0
30	673100	Maint T&D Mains - Materials Ord	ů	0	ů	0	õ	ő	ő	0	0	0	0
31	673110	Maint T&D Mains - Materials Pro	ů	ő	ő	ő	ů	0	0	0	ů 0	0	0
32	673120	Amort T&D Mains	ŏ	ő	0	ő	ů	ů.	ů 0	ő	ů	0	0
33	673200	Maint T&D Mains - Labor Ord	18,798	(18,798)	0	õ	0	0	0	0	0	ő	(18,798)
34	673210	Maint T&D Mains - Labor Prg	10,700	(10,700)	õ	õ	ů	0	õ	ő	0	ů n	(10,700)
35	675100	Maint Services- Materials Ord	ň	ů	ň	ñ	ů	ů	õ	õ	ŏ	ů 0	0
36	675110	Maint Services - Materials Pro	ů n	ő	ů	õ	ň	Õ	ő	õ	0	ů	õ
37	675200	Maint Services- Labor Ord	14,642	(14,642)	0	0	ů.	0	ň	0	0	0	(14,642)
38	675210	Maint Services- Labor Prg	0	(11,0,2)	õ	õ	õ	Ő	ň	ő	ů	Ő	(1.1,0.2)
39	676100	Maint Meter - Materials Ord	ů	0	ů	ő	ů	0	ů	ů.	õ	0	õ
40	676110	Maint Meter - Materials Prg	n	0	ñ	ő	0	0	0	<b>0</b>	0	ň	n
41	676200	Maint Meter - Labor Ord	0	o o	0	- Ő	0	ů 0	0	0	0	ñ	ő
42	676210	Maint Meter - Labor Prg	0	0	n	ő	õ	0	0	ň	ů n	ő	n
43	676300	Maint Meter installation - Materials Ord	0	ů	0	ñ	0	0	ő	0	0	ñ	ñ
44	676310	Maint Meter Installation - Materials Prg	0	ů 0	0	ů	0	0	0	0	0	õ	0
45	676400	Maint Meter Installation - Labor Ord	0	ő	0	ő	õ	Ő	Ő	ő	0	ő	ů 0
46	676410	Maint Meter Installation - Labor Prg	ů 0	ő	0	ő	0	0	0	ñ	n.	ő	n
		Line in the second s	v	v	v	v	U	v	4	0	0	v	v

<sup>47</sup> 48 49 50

### KENTUCKY-AMERICAN WATER COMPANY CASENO: 200440103 SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS FOR THE TWELVE MONTHSENDED: NOVEMBER 30, 2005

# DATA: \_X\_ BASE PERIOD \_X\_FORECASTED PERIOD TYPE OF **FILING: \_\_**ORIGINAL \_\_\_ UPDATED \_X\_**REVISED** WORKPAPER REFERENCE **NO(\$).: SCH D-2.3 (TR**I VILLAGE)

SCHEDULE D-IT Page 7 of 19 Witness Responsible: MA Milleri. S. A Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D2.3	Adj <b>D-6</b> Sch D2.3	Adj D-7 Sch <b>D-2.3</b>	Adj <b>D-8</b> Sch D2.3	Adj D-9 Sch <b>D-2.3</b>	Adj D-10 Sch D2.3	Adj D-11 Sch D-2,3	Adj <b>D-12</b> Sch D2.3	Total Adjustments
1	Number	TRANS 8 DIST EXPENSES (T&D) (Cont'd)	renou	00110-2.0	001102.0	001102.0	00110-2.0	001102.0	00110-2.0	001102.5	00110-2.5	001102.0	Aujustments
2	677100	Mamt Hydrants - MatenaisOrd	0	0	0	0	0	D	o	0	0	0	0
3	677110	Mamt Hydrants - Materials Pro	ő	ő	ő	õ	ő	õ	ů O	0	õ	0	ő
4	677200	Mamt Hydrants- Labor Ord	0	ő	0	ů 0	0	ů	0	0	õ	0	ő
5	677210	Mamt Hydrants - Labor Prg	ő	0	0	0	0	0	0	0	ō	ō	ő
6	678100	Maint Other T&D Plant - Matenals Ord	3.513	0	0	0	0	0	0	0	0	0	0
7	678110	Mamt Other T&D Plant - Matenals Prg	0,0,0	0	0	0	Ő	0 0	0	0	Ő	0	ő
8	678200	Mamt Other T&D Plant - Labor Ord	0	0	ō	ō	0	ō	0	0	ō	0	0
9	678210	Maint Other T&D Plant - Labor Prg	0	0	0	0	0	0	0	0	0	0	0
10		man	-	•	•	-	-	•	-	•	-	•	-
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	Coliecting - 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		TOTALCAEXPENSES	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 40	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			· · ·	ů.	ů.	ů.	ů.	ů	Ŷ	ů	ů	ů	ů

- 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 8 of 19 Witness **Responsible: M.A. Miller/, S. A Valentine** 

			_	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
Line	Account	<b>D</b> esidential	Base	D-4	D5	D-6	D-7	D-8	D-9	D-10	D-11	D-12	Total
No.	Number	Description ADMINISTRATIVE & GENERAL EXP(A&G)	Period	Sch D2.3	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	SchD2.3	Sch D-2.3	Adjustments
1	920000		A30 850	(\$20.050)	<b>*</b> 0	¢0	<b>*</b> 0	<u>^</u>	*0	¢0.	<b>60</b>	<b>6</b> 0	(****
2	920000 920500	Salaries	\$26,852	(\$26,852) (3,913)	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0	(\$26,852)
3 4	920500 921100	incentive Plan Expense	3,913 898	(3,913)	0	0	0	0	0	0	0	0	(3,913)
4 5	921100	Expenses of Employees	060	0	0	0	0	0	0	0	0	0	U
56	921130	Dues for Clubs - Ded	13,317	0	0	0	0	0	0	0	0	0	0
ь 7	921200 923100	Misc Office Expenses	13,317	0	0	0	0	20.090	0	0	0	0	•
8	923100	Service Company Charges	0	0	0	0	0	20,090	0	0	0	0	20,090
0 9	923190	Service Company Charges - Out Agency Auditing Services	0	0	0	0	0	0	0	0	0	0	0
9 10	923200		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
12	923500	Engineering Services	10,175	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	2,635	2,635
13	924000 925110	Property Insurance	(119)	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 925130	WorkersComp Cap (A&B) WorkersComp Cap (H)	0	0	0	0	0	0	0	0	0	0	0
17	925140	WorkersComp 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	U
10	925200	injuries and Damages - Salaries	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
20	925400	General Liability	0	0	0	ŏ	0	0	0	0	0	6,323	6,323
22	525400	EMPLOYEE PENSIONS & BENEFITS	U	U	0	U	U	U	0	0	U	6,323	6,323 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)	ő	0	ő	0	0	24,070	0	0	o o	24,070
25	926120	Other Grp Insurance Exp	(1,140)	0	0	ő	0	ő	24,070	0	0	0	24,070
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	ů o	0	0	0	0	0
20	926140	Group Ins Cap (H)	0	. 0	0	0	0	0	0	0	0	0	0
28	926140 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 & Eductional 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 ContributionExpense	400	0	0	0	0	0	0	0	0	0	ő
34	926250	401-K Contributions Expense	400	0	0	ő	0	0	0	0	0	0	0
35	926260	401-K Cap (A&B)	. 410	0	Ő	0	0	0	0	0	0	0	0
36	926270	401-K Cap (H)	0	0	0	0	0	ő	0	0	0	0	ő
37	926280	401-K Cap (C&R)	0	0	0	0	0	ő	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)	ő	0	0	0	0	0	0	0	0	0	0
41	926360	OPEB Expense Cap (C&R)	ő	ő	0	0	0	0	0	0	0	0	ő
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	(1,000)	ő	0	0	ő	0	0	23,014	0	0	23,014
45	926700	Pension Plan Pmts - Union	0	0	0	0	0	0	0	0	0	0	ő
46	926800	Pensions - Capitalized- (A&B)	0	ő	0	0	ő	ő	ő	(3,849)	0	0	(3,849)
47	926900	Pensions - Capitalized - (H)	0	ő	0	0	0	0	0	(3,049)	0	0	(3,049)
48	926910	Pensions - Capitalized- (C&R)	0	0	0	0	0	0	0	0	0	0	0
49			Ŭ	v	v	Ŭ	v	v	v	Ū	Ū	ů	Ū

#### KENTUCKY-AMERICAN WATER COMPANY CASENO: 200440103 MARY OF ADJUSTMENTSTO ERATING IN DUN 105 FOR T TWELVEMONTHS DED: NO! EN

### 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	Account		Base	Adj D-4	Adj D-5	Adj D6	Adj D7	Adj D-8	Adj D-9	Adj D-10	Adj D11	Adj D-12	Total
No	Number	Description	Penod	Sch D-2 3	Sch D-2 3	Sch D-23	Sch D-2 3	Sch D 2 3	Sch D-2 3	Sch D 2 3	Sch D-2 3	Sch D 2 3	Adjustments
1		ADMINISTRATIVE 8 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	D	D	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	Ō	0
10	930220	Amort Orig Cost Study	0	Ō	0	Ó	Ō	Ō	0	0	0	0	0
11	930230	Amort Misc General Expenses	0	0	0	0	0	0	0	0 0	Ō	0	0
12	930240	Misc Gen Exp - Community Relations	õ	0	0	0	0	0	0	0	0	0	0
13	930250	Amort Plant Expansion Study	0	0	Ő	0	0	0	0	Ő	0	0	0
14	930260	Meals & Travel Expenses - Taxable	25	ň	ő	0	n n	ů 0	0	Ő	0	ň	0
15	930270	Donations	0	ő	0	0	ů n	ů O	n D	Ő	0	ů	ő
16	930290	Data ProcessingCommunication Exp	ů	ő	ů 0	0	ů O	0	0	ő	0	0	ů
17	930300	Research & Development Expenses	ů	ů	Ő	0	0	Ő	ů 0	Ő	ů 0	ň	Ň
18	930390	Research & Development Expenses	0	0	ů	0	0	ů	ů	Ő	ů 0	ů	Õ
19	930500	Non-dectucible Penalties	0	0	ő	0	ő	0	ő	ő	ő	0	ő
20	930510	LobbyingExpenses	0	0	0	0	0	0	· 0	0	ő	0	ő
21	930600	TransportationExpenses	(729)	0	0	0	0	0	0	0	0	0	Ő
22	930610	TransportationCap (A&B)	(729)	0	0	0	0	0	0	0	0	0	0
23	930620	TransportationCap (C&R)	ő	0	0	0	0	0	0	0	0	0	0
23	930630	TransportationCap (H)	0	0	0	0	0	0	0	0	0	0	0
25	930880	Misc Gen Exp - Company Dues	0	0	0	0	Ő	0	0	ő	0	0	0
26	930890	Misc Gen Exp - Other	0	0	0	0	0	0	0	0	0	0	0
20	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0	0	0
	930980	Rents	0	U	0	Ű	U	U	U	0	0	0	0
28 29			13,241	U	0	0	0	0	0	0	U	0	0
29 30	932100	Maint A&G Struc & Improv-MaterialOrd	0	U	0	0	0	0	0	0	0	0	0
	932110	Maint A&G Struc & Improv-MaterialPrg	0	U	v	•	v	0	0	v	v	0	0
31	932120	Amort A&G Struc & Improv	0	U	0	0	0	U	0	0	0	0	0
32	932200	Maint A&G Struc & Improv-Labor Ord	0	U	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-MaterialOrd	0	0	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	0	0
36	932400	Maint A&G Office Fumiture-LaborOrd	0	0	0	0	0	0	0	0	0	0	0
37	932410	Maint A&G Office Fumiture-LaborPrg	0	0	0	0	0	0	0	0	0	0	0
38	932500	Maint A&G CommunicationEquip-Material	0	D	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 Pra	0	0	0	0	0	0	0	0	0	0	0
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	٥	0	0	0	0	0	0	0
44	932810	Maint A&G Misc Property-LaborPrg		0	0	0	0	0	0	0	0	0	0
45		Total A & G Expenses	64,242	(30,765)	0	0	0	20,090	45,227	19,965	139	10,264	64,920
46		T											
47		Total O & M Expenses	\$501,978	\$64	\$0	\$260	\$0	\$20,090	\$45,227	\$19,965	\$139	\$10,264	\$96,009

### KENTUCKY-AMERICAN WATER 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 FIUNO: \_\_ ORIGINAL \_\_\_ UPDATED\_X\_R M S E D WORKPAPER REFERENCE NO(8).: SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T Page 10 of 19 Witness Responsible: M.A. Miller/. S. A Valentine

Line	Line		Base	Adj D-4	Adj D-5	Adj D-6	Adj D-7	Adj <b>D-8</b>	Adj D-9	Adj D-10	Adj D-1∎	Adj D-12	Total
Line No.	Number	Description	Period	Sch D-2.3	5 Sch D2.3	SchD2.3	Sch D-2.3	SchD2.3	D-9 Sch D-2,3	Sch D2.3	Sch D-2.3	D-12 Sch D2.3	Adjustments
1													,
2	08	OperationLabor Expenses	\$158,756	\$64	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64
3	24	Maintenance Labor Expenses	0	00	00	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													
13													
14													
16													
17	08	Labor	\$158,756	\$64	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64
18	09	PurchasedWater	262,278	0 0	ψ <b>0</b>	0	<b>40</b>	40 0	0 40	40 0	40 0	40 0	
19	10	Fuel and Power	0	0	0	0	0	0	ő	0	ů 0	õ	ő
20	11	Chemicals	580	ő	Ő	260	ő	0	õ	0	õ	õ	260
21	12	Waste Disposal	0	0	0	0	0	0	0	0	0	Ō	
22	13	Management Fees	0	0	0	0	0	20,090	Ō	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	c
29	20	General Office Expense	14,240	0	0	0	0	0	0	0	0	0	c
30	21	Miscellaneous	50,318	0	0	0	0	0	0	0	0	0	c
31	25	Other Maintenance	3,513	0	0	0	0	0	0	0	0	0	C
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		E. L. H. L. T. L. L.		·***									
37		Federal Income Tax Impact	35.00%	(\$24)	\$0	(\$98)	\$0	(\$7,611)	(\$17,135)	(\$7,564)	(\$53)	(\$3,889)	(\$36,375
38 39		Nat Operating Income Impact		(00-	**	104 44		(640.000)	(601 301)	(640 75 4)	(675)	10E E00	(DEA 747
39 40		Net Operating Income Impact	-	(\$35)	\$0	(\$141)	\$0	(\$10,822)	(\$24,361)	(\$10,754)	(\$75)	(\$5,528)	(\$51,713

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 YPE OF FILING: \_\_ORIGINAL \_\_\_ PDATI \_X\_REVISED 'ORKPAI `R ENCE NO(S).: SCH D-2.3 (TRI VILL IGE)

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

				Adj	Adj	Adj	Adj	Adj	Adj			Grand
Line	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18		otal	Total
No.	Number	Description	Period	Sch D-2.3 Col2	Sch D-2.3 Col3	Sch D-2.3 Col4	Sch D2.3 Col5	Sch D-2.3	Sch D2.3 Col7	Adjus	stments	Adjustments
1		SOURCE OF SUPPLY EXPENSES (SS)	Col1					Col6				
2	600000	OperationSupervision& 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	OperationLabor	0	0	0	0	0	0	0		0	4 4 9 4
5	602000	Purchased Water	262,278	0	0	0	0	0	1,194		1,194	1,194
5	603100	Miscellaneous Expenses	0	0	0	0	0	0	U		0	0
	603120	Amort Misc Expenses	0	0	0	0	0	U	0		0	0
8	603200	Miscellaneous Labor	Ű	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-MaterialsOrd	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-LaborOrd	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 Pro	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 Suppiy Mains-Materials Ord	0	0	0	0	0	0	0		0	0
27	616110	Maint Suppiy Mains-Materials Prg	0	0	0	0	0	0	0		0	0
28	616200	Maint Suppiy Mains-Labor Ord	0	0	0	0	0	0	0		0	0
29	616210	Maint Supply Mains-LaborPrg	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 0	1,194	1,194
37												

#### KENTUCKY-AMERICANWATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTS TC OPERATING INCOME ACCO HE TWELVE MONTHS ENDED: D' 30, 2005

### DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD TYPE OF FILING:\_ORIGINAL\_\_UPDATED\_X\_REVISED WORKPAPER RENCE NO(S): SCH D-2.3 (TRI VILLAGE)

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

Exhibit 37 D Page 70 of 116

Line No.	Account Number	Description	Base Period	Adj D-13 Sch P2.3	Adj D-14 Sch D2.3	Adj D-15 Sch <b>D-2,3</b>	Adj D-16 Sch D-2.3	Adj D-17 Sch D-2.3	Adj D-18 Sch D-2.3	Total Adlustments	Grand Total Adjustments
1		PUMPING EXPENSES									
2	620200	Oweration 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-Elec Adj	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	318	0	0	0	0	0		0	(318)
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-LaborOrd	0	0	0	0	0	0		0	0
26	631210	Maint Pumping Struc & Inprov-LaborPrg	0	0	0	0	0	0		0	0
27	632100	Maint Power ProductionEquip-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 Equiplabor-Electric Ord	٥	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
39		TOTAL PUMPING EXPENSES	318	0	0	0	0	0	0 0	0 0	(318)

- 40 41 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 34 2005

#### DATA: \_X\_ BASE PERIOD \_X\_FORECASTED PERIOD TYPE OF FIUNG: \_\_ORIGINAL \_\_ UPDATED \_X\_REVISED WORKPAPER REFERENCENO(\$).: SCH D-2.3 (TRI VILLAGE)

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

Line	Account		Base	Adj D-13	Adj D-14	Adj D-15	Adj D-16	Adj D-17	Adj <b>D-18</b>			Total	Grand Total
No.	Number	Description	Period	Sch D2.3	Sch <b>D-2.3</b>	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D2.3			Adjustments	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	580	0	0	0	0	0				0	260
5	641200	SofteningChemicals	0	0	0	0	0	0				0	0
6	642100	Generai WT Labor	470	0	0	0	0	0				0	(470)
7	642200	SofteningLabor	0	0	0	0	0	0				0	0
8	642300	General WT Expenses	274	0	0	0	(274)	0				(274)	(274)
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	168	0	0	0	(168)	0				(168)	(168)
12	643190	Misc Expenses - Service Co	0	0	0	0	D	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 & EngineeringOrd	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-Mat Ord	0	0	0	0	0	202				202	202
20	651110	Maint WT Struc & improvements-Mat Prg	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-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	0				0	0
25	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0				0	0
26	652200	Maint SofteningEquipment-Materials	0	Ō	0	Ō	Ō	0				0	0
27	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0				0	0
28 29	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0				0	0
30 31		TOTALWTEXPENSES	1,492	0	0	0	(442)	202	0	0	0	(240)	(450)

#### 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 REFERENCENO(\$).: SCH D-2.3 (TRI VILLAGE)

SCHEDULED-IT Page 14 of 19 Witness Responsible: M.A. Miller/, S. A Valentine

				Adj	Adj	Adj	Adj	Adj	Adj		Grand
Line	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18	Total	Total
No.	Number	Description	Period	Sch P2.3	Sch D2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Sch D-2.3	Adjustments	Adjustments
1		TRANS & DIST EXPENSES (T&D)		**							055 107
2	660000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$55,127
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	2,176	0	0	0	470	0		470	470
6	662200	T&D Lines Labor	68,479	0	0	0	0	0		0	2,915
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	0
16	665300	Misc Expenses	37,384	0	0	0	4,596	0		4,596	4,596
17	665400	Misc Labor	0	0	0	0	0	0		0	0
18	666000	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-LaborOrd	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 Pro	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	Ő	0	0		0	0
35	675100	Maint Services Materials Ord	ů.	õ	0	0	ŏ	õ		0	0
36	675110	Maint Services - Materials Pro	Ő	Ő	Õ	õ	õ	0		0	0
37	675200	Maint Services- Labor Ord	14,642	ő	0	õ	0	0		0	(14,642)
38	675210	Maint Services- Labor Prg	14,042	ő	0	0	0	ů 0		ů	(14,012)
39	676100	Maint Meter- Materials Ord	0	0	0	0	0	0		0	0
40	676110	Maint Meter- Materials Ord	ő	0	0	0	0	0		0	ñ
40	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
42 43	676300	Maint Meter Installation - Materials Ord	0	0	0	0	0	0		0	0
43 44	676310	Maint Meter Installation - Materials Ord	0	0	0	0	0	0		0	0
44 45	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0		0	0
45 46	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0		0	0
40	0/0410	Maint Weter Installation - Labor Fig	U	0	0	U	U	0		0	v

### KENTUCKY-AMERICAN WATER 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\_ RMSED WORKPAPER REFERENCE NO(6).: SCH D-2.3 (TRI VILLAGE)

SCHEDULED-1T Page 15 d I 9 Witness Responsible: M.A. Miller/, S. A Valentine

				Adj D-13	Adj	Adj	Adj	Adj	Adj			<b>T</b>	Grand
Line No.	Account Number	Description	Base Period	D-13 Sch D-2.3	D-14 Sch D-2.3	D-15 Sch D-2.3	D-16 Sch D2.3	D-17 Sch D-2.3	<b>D-18</b> Sch D2.3			Total Adiustments	Total Adjustments
1	TNUTTIDET	TRANSA DIST EXPENSES (T&D) (Cont'd)	Tenou	00ITD-2.0	00HD-2.0	00HD-2.0	001102.0	00ITD-2.5	001102.0			Aujustitients	Aujustments
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				Ō	ō
4	677200	Maint Hydrants - Labor Ord	0	0	0	0	0	0				0	Q
5	677210	Maint Hydrants - Labor Prg	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)				(3.513)	(3,513)
7	678110	Maint Other T&D Plant - Materials Pro	0,0,0	ō	0	ō	0	(0,0.0)				0	0
8	678200	Maint Other T&D Plant - Labor Ord	0	0	0	0	Ő	. 0				0	0
9	678210	Maint Other T&D Plant - Labor Prg	0	õ	0	0	Ő	0				0	0
10		main outor rub rian Euborrig	•	•	•	•	·	•				-	•
11													
12		TOTAL T&D EXPENSES	145,899	0	122	0	5,066	5,820	0	0	0	11.008	34,982
13			1,20,000										
14		CUSTOMER ACCOUNTS EXPENSE (CA)											
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0				\$0	\$0
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	3,728
19		CUST RECORDS & COLLECTION EXPENSES										0	
20	903100	Contracts and Orders - Expenses	273	(273)	0	0	0	0				(273)	(273)
21	903200	Contracts and Orders - Labor	24,655	0	0	0	0	0				0	3,916
22	903300	Collecting - Expenses	0	985	0	0	0	0				985	985
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	1,557	4,390	0	0	0	0				4,390	4,390
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0				0	0
27	904000	Uncoilectible Accounts	0	3,956	0	0	0	0				3,956	3,956
28	905100	Misc Expenses	1,264	(1,264)	0	0	0	0				(1,264)	(1,264)
29	905200	Misc Salaries	0	Ó	0	0	0	0				0	0
30													
31		TOTALCAEXPENSES	27.749	7,794	0	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
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	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	0
10		· · · · · · · · · · · · · · · · · · ·		•	× •	v	, v	•	~		-		-

- 42 43 44 45 46 47 48 49 50

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 200440103 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 REFERENCENO(8).: SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-IT Page 16 of 19 Witness Responsible: M.A. Miller/, S. A Valentine

Lino	Account		Basa	Adi D-13	Adi D-14	Adj D-15	Adj 13-16	Adj D-17	Adj D-18	Total	Grand Total
Line No.	Account Number	Description	Base Period	D-13 Sch D-2.3	D-14 Sch D-2.3	D-15 Sch D-2.3	13-16 Sch D-2.3	D-17 Sch D-2.3	Sch D-2.3	I otal Adiustments	I otal Adiustments
1	NUTIDEI	ADMINISTRATIVE 8 GENERAL EXP(A&G)	Fellou	30IID-2.3	30112-2.3	30110-2.3	30ITD=2.3	30110-2.3	SCI1D-2.5	Aujustments	Aujustments
2	920000	Salaries	\$26,852	\$0	\$0	\$0	\$0	\$0		\$0	(\$26,852)
3	920500	Incentive Plan Expense	3,913	0	õ	0	0	0		0	(3,913)
4	921100	Expenses of Employees	898	ő	0	(678)	0	ů 0		(678)	(678)
5	921130	Dues for Clubs - Dec	0	0	0	49	0	0		49	49
6	921200	Misc Office Expenses	13,317	0 0	0	(11,004)	0	ů 0		(11,004)	(11,004)
7	923100	Service Company Charges	0	ō	0	0	0	0		0	20,090
8	923190	Service Company Charges - Out Agency	0	0	Ō	0	0	Ō		0	0
9	923200	Auditing Services	0	0	0	0	Ō	0		0	0
10	923300	Legal Services	0	0	0	Ó	0	0		. 0	0
11	923400	Engineering Services	0	0	0	0	0	0		0	0
12	923500	Other Services- Current	10,175	ō	Ō	0	(725)	0		(725)	(725)
13	924000	Property Insurance	0	0	0	ō	Ó	0		Ó	2,635
14	925110	Workers Compensation	(119)	0	0	0	0	0		0	1,306
15	925120	Workers Comp Cap (A&B)	0	0	0	0	Ō	Ō		0	. 0
16	925130	WorkersComp Cap (H)	0	Ō	Ō	0	Ō	Ō		0	0
17	925140	WorkersComp Cap (C&R)	0	0	Ō	0	0	0		0	0
18	925200	Injuries and Damages - Salaries	0	0	0	0	0	0		0	0
19	925300	Injuries and Damages - Expenses	0	0	0	0	24	0		24	24
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0		0	0
21	925400	GeneralLiability	0	0	0	0	0	0		0	6,323
22		EMPLOYEE PENSIONS 8 BENEFITS									
23	926100	Accrued OPEB Expense	(1,371)	0	0	0	0	0		0	21,157
24	926110	Group Insurance Expense	(1,140)	0	0	0	0	0		0	24,070
25	926120	Other Grp Insurance Exp	Ó	0	0	0	0	0		0	. 0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0		0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0		0	0
28	926150	Group Ins Reimb	0	0	0	0	0	0		0	0
29	926160	Group Ins Cap (C&R)	0	0	0	0	0	0		0	0
30	926170	Group Ins Pretax Contribution	0	0	ō	0	0	ō		Ō	0
31	926200	Other Welfare & Eductional Expenses	Ō	Ō	ō	Ō	198	Ō		198	198
32	926210	Educational Expenses	0	0	0	Ō	0	0		0	0
33	926220	ESOP ContributionExpense	400	0	0	0	387	0		387	387
34	926250	401-K Contributions Expense	410	0	0	0	573	0		573	573
35	926260	401-K Cap (A&B)	0	0	0	0	0	0		0	0
36	926270	401-K Cap (H)	0	0	0	Ō	0	0		0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0		0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0		0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0		0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0		0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0		0	0
42	926370	FAS 112 Cost	0	0	0	Ō	Ō	0		0	0
43	926400	Pension Plan Payments - Current	(1,690)	0	0	ů.	0	0		0	23,814
44	926600	Other Pension Plan Expenses	0	0	0	Ō	0	0		0	0
45	926700	Pension Plan Pmts - Union	Ō	0	0	0	0	Ō		0	0
46	926800	Pensions - Capitalized- (A&B)	0	0	0	Ō	Ō	0		0	(3,849)
47	926900	Pensions - Capitalized- (H)	0	0	0	0	0	0		0	0
48	926910	Pensions - Capitalized- (C&R)	0	0	0	0	0	0		0	0
49			-	-	-	-	-	-		-	

### 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(5).: SCH D-2.3 (TRI VILLAGE)

SCHEDULE D-1T Page 17 of 19 Witness Responsible: M.A. Miller/, S. A Valentine

No.	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18			Total	Grand Total
1	Number	Description	Period	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D-2.3		A	djustments	Adjustments
		ADMINISTRATIVE & GENERAL EXP(A&G) - CONT											
2		REGULATORYCOMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	0	0	0	0	0	0				0	139
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	60	0	0	0	1,107	0				1,107	1,107
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	25	0	0	(3)	0	0				(3)	(3)
15	930270	Donations	0	0	0	0	0	0				0	0
16	930 <b>290</b>	Data ProcessingCommunication 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-dectucible Penalties	0	0	0	0	0	0				0	0
20	930510	LobbyingExpenses	0	0	0	0	0	0				0	0
21	930600	TransportationExpenses	(729)	0	0	0	729	0				729	729
22	930610	TransportationCap (A&B)	0	0	0	0	0	0				0	0
23	930620	TransportationCap (C&R)	0	0	0	0	0	0				0	0
24	930630	TransportationCap (H)	0	0	0	0	0	0				Q	0
25	930880	Misc Gen Exp - Company Dues	0	0	0	0	178	0				178	178
26	930890	Misc Gen Exp - Other	0	0	0	0	764	0				764	764
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0				0	0
28	931000	Rents	13,241	0	(5,580)	0	0	0				(5,580)	(5,580)
29	932100	Maint A&G Stmc & Improv-MaterialOrd	0	0	0	0	0	0				0	0
30	932110	Maint A&G Stmc & Improv-MaterialPrg	0	0	0	0	0	0				0	0
31	932120	Amort A&G Stmc & Improv	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
33	932210	Maint A&G Stmc & 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-MaterialPrg	0	0	0	0	0	0				0	0
36	932400	Maint A&G Office Furniture-LaborOrd	0	0	0	0	0	0				0	0
37	932410	Maint A&G Office Furniture-LaborPrg	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-MateriaOrd	0	0	0	0	0	0				0	0
42	932710	Maint A&G Misc Property-MateriaPrg	0	0	0	0	0	0				0	0
43	932800	Maint A&G Misc Property-LaborOrd	0	0	0	0 0	ő	0				0	0
44	932810	Maint A&G Misc Property-LaborPrg	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	0	(13.981)	50.939
46		• —											
47		Total O & M Expenses	\$501,978	\$7,794	(\$5,458)	<b>(\$1</b> 1.636)	\$7,859	\$6,022	\$1,194	\$0	\$0	\$5,775	\$101.784

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS FOR THE TWELVE MONTHSENDED: 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 18 of 19 Witness Responsible: M.A. Miller/, S. A Valentine

- Or a d										Willioss Responsible. High Hundh.	O.A Valuation
				Adj D-13	Adj	Adj D-15	Adj D-16	Adj D-17	Adj D-18		Grand
Line No.	Account Number	Description	Base Period	D-13 Sch D-2.3	D-14 Sch P2.3	D-15 Sch D2.3	Sch D-16	SchD2.3	Sch D-2.4	Total Adjustments	Total Adjustments
1	Number	Description	Pellou	3011 D-2.3	3011P2.3	3011D2.3	30HD=2.3	SCHD2.5	30110-2.4	Adjustments	Aujustments
2	08	OperationLabor 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	\$158,756	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64
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	\$501,978	<u>\$7,794</u>	(\$5,458)	(\$11,636)	<u>\$7,859</u>	\$6,022	\$1,194	\$5,775	\$101,784
12											
13 14											
14											
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 0	\$0 0	\$0 0	50 1,194	ەن 1,194	1,194
19	10	Fuel and Power	202,270	ő	ő	0 0	0	ő	0	1,194	1,19-
20	11	Chemicals	580	ő	Ő	ő	ő	o o	0	ů 0	260
21	12	Waste Disposal	0	0	0	0	Ő	0	0	0	200
22	13	ManagementFees	0	0	0	0	0	ő	ő	0	20.090
23	14	Group Insurance	(2,511)	Ō	0	0	0	Ō	ō	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	7,85
31	25	Other Maintenance	3,513	0	0	0	0	6,022	0	6,022	6,022
32 33		Total O & M Expenses		AT 701	(05.(50)	(011 000)			<u></u>		
		I otal O & M Expenses	\$501,978	\$7,794	(\$5,458)	(\$11,636)	\$7,859	\$6,022	\$1,194	\$5,775	\$101,784
34 35		State Income Tax Impact	8.25%	(\$643)	\$450	\$960	(\$648)	(\$497)	(\$99)	(\$476)	(69.00
36		State moothe Lax Impact	0.25%	(\$043)		9960	(9048)	(\$497)	(\$93)	(\$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		r odorarmoorne rax mpaot	33.00%	(\$2,333)	\$2,000	94,403		(\$2,202)	(\$455)	(\$2,100)	1930,30
39 39		Net Operating Income Impact		(\$4,198)	\$2.940	\$6,267	(\$4,234)	(\$3,243)	(\$642)	(\$3,111)	(\$54,824
40		not opoidailightoonto inpuot				ψ0,207					

### KENTUCKY-AMERICANWATER 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\_ FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGINAL\_\_\_UPDATED\_X\_R M S E D WORKPAPER REFERENCE NO(8).: 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 <b>D-2.4</b>							Total Adiustment
1	403000	Depreciation	546.268	561.206	50	50							\$61.206
2	403100	Depreciation - CIAC	(3,928)	3,928	50	50							
3	400100	Depresation - OIAO	\$42,340	\$65,134	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	3,928 \$65,134
4			412,010	400,104	<u> </u>	φν		φ0	ΨΦ		φU		900,104
5													
6		State Income Tax Impact	8.25%	(\$5,374)	\$0	\$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	\$0	(\$24,678)
8		Net Operating income Impact		(\$31,154)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$31,154)
9		5 1 1 1 1 1	=					· · · · · · · · · · · · · · · · · · ·		<u> </u>	¥0	<u></u>	(\$51,154)
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 Regualtory Asset - AFUDC	0	0	0	0							0
14	406000	Amortization Utility Plant Acquisition Adj	0	0	5,676	õ							5,676
15	407000	Amortization Property Losses	0	0	0,070	õ							0,070
16		TOTAL AMORTIZATION	\$0	\$0	\$5,676	\$0							\$5,676
17													40,010
18		State Income Tax Impact	8.25%	\$0	(\$468)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$468)
19		Federal Income Tax Impact	35.00%	\$0	(\$2,150)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,150)
20			=	\$0	(\$3,058)	\$0				<u> </u>			(\$3,058)
21		Net Operating Income Impact	-										(\$3,050)
22													
23													
24		TAXES, OTHER THAN INCOME											
25	408100	Real & Personal Propery 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	Ō							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	Ō							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	EnvironmentalTax	0	0	0	0							0
42			\$6,246	\$0	\$0	\$48,040	\$0	\$0	\$0	\$0	\$0	\$0	\$48,040
43													
44		State Income Tax impact	8.25%	\$0	\$0	(\$3,963)	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,963)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$15,427)	\$0	\$0	\$0	\$0	\$0	\$0	(\$15,427)
46		Net Operating Income Impact	-	\$0	\$0	(\$28,650)	\$0	\$0	\$0	\$0	\$0	\$0	(\$28,650)

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#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 DETAILED ADJUSTMENTS FOR THE TWELVEMONTHSENDED: NOVEMBER 30,2005

#### DATA: \_X\_ BASE PERIOD \_X\_ FORECASTEDPERIOD TYPE OF RUNG: \_\_ ORIGINAL \_\_\_ UPDATED \_X\_ R M S E D WORKPAPER REFERENCE NO(S).: W/P-2 (TRI VILLAGE)

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

Line				
	Purpose and Description of Adiustment		Workpaper Reference	Amount
1		Billed Revenues, Adjustment D-1	Reference	Amount
2	To adjust Residential billed water revenue for the change in billing determinants at present rates for the forecasted test period.	RESIDENTIAL		
3		ForecastedAmount	W/P-2	\$782,356
4		Base Period Amount	VV/F-2	
5				717,690
5 6		Pro Forma Adjustment		\$64,666
7	To adjust Commercialbilled water revenue for the change in billing determinants at present rates for the forecasted test period.	COMMERCIAL		
8		ForecastedAmount	W/P-2	\$30.012
9		Base Period Amount	VV/P=2	
				55,916
10		Pro Forma Adjustment		(\$25,904)
11				
12 13		INDUSTRIAL		
		ForecastedAmount	W/P-2	\$0
14		Base Period Amount		0
15		Pro Forma Adjustment		\$0
16				
17	To adjust Other Public Authoritybilled water revenue for the change in billing determinants at present rates for the forecasted	OTHER PUBLIC AUTHORITY		
18	test period.	ForecastedAmount	W/P-2	\$8,035
19		Base Period Amount		9,955
20		Pro Forma Adjustment		(\$1,920)
21				
22	To adjust Sales For Resale (OWU) billed water revenue for the change in billing determinants at present rates for the forecasted	SALES FOR RESALE (OWU)		
23	test period.	ForecastedAmount	W/P-2	\$4,656
24		Base Period Amount		0
25		Pro Forma Adjustment		\$4,656
26				<u>+1000</u>
27		PUBLIC FIRE SERVICE		
28		ForecastedAmount	W/P-2	\$0
29		Base Period Amount		0
30		Pro Forma Adjustment		\$0
31				<del>\</del>
32		PRIVATE FIRE SERVICE		
33		ForecastedAmount	W/P-2	\$0
34		Base Period Amount	₩₩/F™Z	0
35		Pro Forma Adjustment		\$0
36		FIO F <b>VIIIa</b> Aujusuileili		<u>\$0</u>
30	TO adjust Miscellaneous billed water revenue for the change in billing determinants at present rates for the forecasted test	MISCELLANEOUS		
38	period.	ForecastedAmount		\$0
39	porto.		W/P-2	
39 40		Base Period Amount		813
40		Pro Forma Adjustment		(\$813)
42	The purpose of each editor mention to reflect an expressional of revenue for the fore posted test period	THE DIMENSION		<b>0</b> 10 005
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.	Total Billed Water Revenue Adjus	stment	\$40,685
44				
45				
46				
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Exhibit 37 D Page 78 of 116

#### 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** 

ne D. <b>Purpose</b> and Descriptionof Adjustment		/orkpaper	
		eference	Amount
	Billed Revenues, Adjustment D-1		
- 3	RESIDENTIAL		
4		W/P-2	\$0
5	Base Period Amount		0
5	Pro Forma Adjustment		\$0
7			
	COMMERCIAL		
3	ForecastedAmount	W/P-2	\$0
	Base Period Amount		0
0	Pro Forma Adjustment		\$0
1			
2	INDUSTRIAL		
3		W/P-2	\$0
4	Base Period Amount	· · · · - <u></u>	0
5	Pro Forma Adjustment		\$0
6			<u></u> ⊅∪
7	OTHER PUBLIC AUTHORITY		
8			
9		W/P-2	\$0
0	Base Period Amount		0
1	Pro Forma Adjustment		\$0
2			
3	SALES FOR RESALE (OWU)		
4	ForecastedAmount	W/P-2	\$0
4 5	Base Period Amount		0
	Pro Forma Adjustment		\$0
6			
7	PUBLIC FIRE SERVICE		
8		W/P-2	\$0
9	Base Period Amount	···· -	0
0	Pro Forma Adjustment		\$0
1	i to t while region on		<del></del>
2	PRIVATE FIRE SERVICE		
3		W/P-2	<b>60</b>
4	Base Period Amount	VV/P-2	\$0
5	Pro Forma Adjustment		0
	FIO FOIMA AUJUSTITIETI		\$0
7			
8	MISCELLANEOUS		
		W/P-2	\$0
	Base Period Amount		0
	Pro Forma Adjustment		
2			
3	Total Unbiiled Water Revenue Adjustme	ent	\$0
			<u>.</u>
5			
3			

#### KENTUCKY-AMERICAN WATER COMPANY CASENO: 200440103 DETAILED ADJUSTMENTS FOR THE TWELVEMONTHSENDED: NOVEMBER 30,2005

## DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD TYPE OF **FILING:**\_\_\_\_ORIGINAL\_\_\_\_UPDATED \_X\_**REVISED** WORKPAPER REFERENCENO(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
	Billed Revenues, Adjustment D-1	ritiononico	, and an
2	RESIDENTIAL		
3	ForecastedAmount	W/P-2	\$0
4	Base Period Amount		0
5	Pro Forma Adjustment		\$0
6			
7	COMMERCIAL		
8	ForecastedAmount	W/P-2	\$0
9	Base Period Amount		0
10	Pro Forma Adjustment		\$0
11			
12	INDUSTRIAL		
13	ForecastedAmount	W/P-2	\$0
14	Base Period Amount		0
15	Pro Forma Adjustment		\$0
16			
17	RESIDENTIAL		
18	ForecastedAmount	W/P-2	\$0
19	Base Period Amount		0
20	Pro Forma Adjustment		\$0
21			
22 23	COMMERCIAL		
	ForecastedAmount	W/P-2	50
24	Base Period Amount		0
25	Pro Forma Adjustment		\$0
26			
27	INDUSTRIAL		
28	ForecastedAmount	W/P-2	\$0
29	Base Period Amount		0_
30	Pro Forma Adjustment		\$0
31			
32			
33			
34			
35			
36			
37			
38			

43 44 45 The purpose of each adjustment is to eliminate the sewer revenue for the forecasted test period Total Sewer Revenue Adjustment 0 \$40,685 Total Revenue Adjustment

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46

#### KENTUCKY-AMERICANWATER COMPANY CASE NO: 200440103 DETAILED ADJUBTMENTS 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** (TRI **VILLAGE)**

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

> Exhibit 37 D Page 81 of 116

Line		orkpaper	
No. Purpose and Description of Adjustment	Re	eference	Amount
1	Other Revenues, Adjustment D-2		
2 To adjust Reconnection Fees for the forecasted test period.	RECONNECTION FEES		
3	ForecastedAmount V	N/P-2	\$ <u>0</u>
4	Base Period Amount		964
5	Pro Fonna Adjustment		(\$964)
6			
7 To adjust Returned Check Charges for the forecasted test period level of bad checks.	OTHER MISC SERV REVENUES		
8	ForecastedAmount	N/P-2	\$0
9	Base Period Amount		600
10	Pro Forma Adjustment		(\$600)
11			
12	OTHERREVENUES		
13	ForecastedAmount V	VP-2	\$0
14	Base Period Amount		0
15	Pro Forma Adjustment		\$0
16			
17	Total Other Revenue Adjustment		(\$1,564)
18			
19			
20			
21	AFUDC, Adjustment D-3		
22			
23		N/P-2	<b>\$</b> 0
	Base Period Amount	W/F=2	\$0 0
25	Pro Fonna Adjustment		<u>\$0</u> -
26	i to i offia Adjustment		
27			
28			
29			
<b>29</b> 30			
JU			

43 The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.

44 45

46 47

#### 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)

SCHEDULE D-2.3T Page 1 of 2 Witness Responsible: S.A. Valentine

Line			Workpaper	
No.			Reference	Amount
1		Labor, Adjustment, D-4		
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	\$158,820
3	non-union employees to become effective April 1, 2004 and 2005.	Base Period Amount		158,756
4	hor-uniorempioyees to become enective April 1, 2004 and 2000.	Pro Forma Adjustment		\$64
5		r to to ma Aujustment		
6		Fuel & Power, Adjustment D-5		
7		ForecastedAmount	W/P-3-2	\$0
8		Base Period Amount	VV/F-J-Z	\$0 0
9				\$0
-		Pro Forma Adjustment		
10				
11		Chemicals. Adjustment D-6		
12	Chemical expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment	ForecastedAmount	W/P-3-3	\$840
13	for contractedchemical prices made to the forecast.	Base Period Amount		580
14		Pro Forma Adjustment		\$260
15				
16		Waste Disoosal. Adjustment D-7		
17		ForecastedAmount	W/P-3-4	\$0
18		Base Period Amount		0
19		Pro Forma Adjustment		\$0
20				
21		Management Fees, Adjustment D-8		
22	Management Fees expense refiects the forecasted charges from the Service Company for services rendered during	ForecastedAmount	W/P-3-5	\$20,090
23	the forecasted period including costs from the Southeast Region Service Company office. Shared Services Center	Base Period Amount		0
24	and the Customer Call Center.	Pro Forma Adjustment		\$20,090
25				
26		Group Insurance, Adjustment D-9		
27	Group Insurance refiects the premium to be paid for insurance coverage for employees plus costs associated with	Forecasted Amount	W/P-3-6	\$42,716
28	FAS 106.	Base Period Amount		(2,511)
29		Pro Forma Adjustment		\$45,227
30		<b>,</b>		
31		Pensions. Adjustment D-10		
32	Pension Expense reflects the forecasted level based on FAS 87 pension costs.	ForecastedAmount	W/P-3-7	\$18,275
33		Base Period Amount	••// -3-/	(1,690)
34		Pro Forma Adjustment		\$19,965
35		r to ronna Aujustinent		
36		Regulatory Expense, Adjustment D-11		
37	RegulatoryExpense reflects a three year amortization of the cost of the current filing	ForecastedAmount	W/P-3-8	\$139
38	Regulatory Expense renears a unee year antonization of the cost of the current ning	Base Period Amount	VV/H-3-0	
39		Pro Forma Adjustment		0
40		Pro Porma Adjustment		<u>\$139</u>
41				
42				
43				
44		Insurance Other than Group, Adjustment D-12		
45		ForecastedAmount	W/P-3-9	\$10,145
46		Base Period Amount		(119)
47	compensationand property insurance based upon the most recent actual bills.	Pro Forma Adjustment		\$10,264
48				
49	The purpose of each adjustment is to reflect an appropriatelevel 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)

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

Line			Workpaper	
	Purpose and Description of Adjustment		Reference	Amount
1		Customer Accounting, Adjustment D-13		
2	Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this	ForecastedAmount	W/P-3-10	\$10,888
3	function, as well as allocations made from Central Division to Tri Village and Elk Lake.	Base Period Amount		3,094
4		Pro Forma Adjustment		\$7,794
5				
6		Rents, Adjustment D-14		
7	Rent expense reflects all leases and rental agreements that the company has entered into or is forecasted to enter into	ForecastedAmount	W/P-3-11	\$8,061
8	during the forecasted test period.	Base Period Amount		13,519
9		Pro Forma Adjustment		(\$5,458)
10 11		Our and Office Frances A Submet B 45		
11	General Office expense reflects all expenses related to the Company's office including telephone, employee expenses.	General Office Expense. Adjustment D-15	W/P-3-12	\$2.604
12	supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	ForecastedAmount	VV/P-3-12	
13	supplies, as well as allocations from Central Division to Thi Village and Elk Lake.	Base Period Amount Pro Forma Adjustment		<u> </u>
15		FIO FOITIa Aujustitient		(\$11,030)
16		Miscellaneous Expenses, Adjustment D-16		
17	Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed	EorecastedAmount	W/P-3-13	\$58.177
18	adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village	Base Period Amount	0077-0-10	50,318
19	and Elk Lake.	Pro Forma Adjustment		\$7,859
20		i to to the Adjustment		•1,000
21		Maintenance Expense, Adjustment D-17		
22	Maintenance expense reflect the costs of maintaining the property and assets of the Company. These expenses	ForecastedAmount	W/P-3-14	\$9,535
23	include amortizations of prior and forecasted deferred maintenanceprojects. It also includes normal maintenance	Base Period Amount		3,513
24	of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	Pro Forma Adjustment		\$6,022
25				
26		PurchasedWater Expense, Adjustment D-18		
27	Purchased Water represents water purchased from the Winchester Municpal System. Georgetown Municipal	ForecastedAmount	W/P-3-15	\$263,472
28	System, and Owen Water & Sewer.	Base Period Amount		262,278
29		Pro Forma Adjustment		\$1.194
30				
31				

Exhibit 37 D Page 83 of 116

#### 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 REFERENCENO(\$).: W/P-4 & W/P-5 (TRI VILLAGE)

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SCHEDULE **D-2.4T** Page 1 of 1 Witness Responsible: MA Miller*i*, **S**. A Valentine

Line			Workpaper	
No. Purpose and Description of Adjustment			Reference	Amount
1		Depreciation Expense. Adjustment D-19		
2 Depreciationexpense reflects an increase due to	an increasedlevel of Utility Plant in Service.	Forecasted Amount	W/P-4-1	\$107.474
3		Base Period Amount		42,340
4		Pro Forma Adjustment		\$65.134
5				
6		Amortization Expense, Adjustment D-20		
7		ForecastedAmount	W/P-4-1	\$5,676
8 .		Base Period Amount		0_
9		Pro Forma Adjustment		\$5,676
10				
11		<u>General Taxes Expense A</u> d i i		
12 General Taxes represent Property Taxes. Payrol	Taxes. PSC Fees and other miscellaneous taxes that are calculated	ForecastedAmount	W/P-5	\$54,286
13 to be expenses for the forecasted test period. 7	This also includes the allocation of property tax from Central Division	Base Period Amount		6,246
14 to Tri Village and Elk Lake.		Pro Forma Adjustment		\$48.040
15				
16				
17				

The purpose of each adjustmentis to reflect an appropriate level of expense for the forecasted test period.
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Exhibit 37 D Page 84 of 116

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 SUMMARY OF JURISDICTIONAL ACTO FOR THE TWEL'E MONTI SINDED: /EMBI 2005

DATA: \_X\_ BASE PERIOD \_X\_FORECASTED PERIOD TYPE OF FILING: — ORIGINAL — UPDATED R335 ED – WORKPAPER REFERENCE NO(S).: (TRI VILLAGE)

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

Line No.	Acct. Account T	Ju	risdictional Factor	Descriptionof Factor and/or method of Allocation
1				
2 3				
4		NOT APPUCALBLE TO KENT	UCKY-AMERICANWATER COMPANY.	
5 6				
7				
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9 10				
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#### KENTUCKY-AMERICAN WATER COMPANY CASENO: 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):** (TRI **VILLAGE**)

Statistic Adjusted Totai Statistic for Jurisdictional Line Total No. Description Company Adjustment Company Jurisdiction Ratio 1 2 3 NOT APPLICALBLE TO KENTUCKY-AMERICAN WATER COMPANY. 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31  $\begin{array}{c} 32\\ 33\\ 34\\ 35\\ 36\\ 37\\ 38\\ 39\\ 40\\ 41\\ 42\\ 43\\ 44\\ 45\\ 46\\ 47\\ 48\\ 49\\ 50\\ \end{array}$ 

SCHEDULE **D-4**T Page 1 of 1

#### KENTUCKY-AMERICAN WATER COMPANY CASENO: 2004-00103 EXPLANATIONOF CHANGE IN JURISDICTIONAL PROCEDURES FOR THE TWELVEMONTHS ENDED: NOVEMBER 30,2005

DATA: \_X\_ BASE PERIOD \_X\_FORECASTED PERIOD TYPE OF FILING: \_\_ORIGINAL-UPDATED \_X\_REVISED WORKPAPER REFERENCE NO(\$).: (TRI VILLAGE)

Line	A	Barris II		
No.	Account No.	Description	Procedure Approved in Prior Case	Rationalfor Change
1				
2				
3 4				
4 5				
5 6			NOT APPLICALBLE TO KENTUCKY-AMERICAN WATER COMPANY.	
7			NOT AFFECTABLE TO RENTOCRIGATION WATER COMPANY.	
8				
9				
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Exhibit 37 D Page 87 of 116

SCHEDULE **D-5T** Page 1 of 1

#### 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: \_\_ORIGNAL \_\_\_UPDATED\_X\_REVISED WORKPAPER REARENCE NO(\$).: SCH D-2.1/D-2.2 (ELK LAKE)

SCHEDULE D-1E Page 1 of **19** Witness Responsible: MA. Miller/. S. A Valentine

Line	Account		Base	Adj. D-1	Adj. D-2	Adj. D-3							Total
No.	Number	Description	Period	Sch D-2.1	Sch D-2.2	Sch D-2 2						A	djustments
1		Water Revenues											
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		Sewer Revenues											
21	461000	Residential - Billed	0	0	0	0							0
22	461010	Residential - Billed Surcharge	0	0	0	0							0
23	461020	Commercial - Billed	Ō	ō	0	0							0
24	461030	Commercial - Unbilled	ō	0	0	0							Ō
25	462210	Industrial-Billed	ň	ő	0	0							0
26	462110	Industrial- Unbilled	0	ő	0	0							0
27	402110	Total Sewer Revenues	0	0	0	0							0
28			0	0	v	U U							0
29													
30		OTHER OPERATING REVENUES											
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	472000	Billing & Collection Services	0	0	0	0							0
34	474100	Other Water Revenues	0	0	0	0							0
35 36	4/4000	AFUDC	0	0	0	0							0
36		TOTAL OTHER OPERATING REVENUES	0	0	0	0							0
38		TOTAL OTHER OPERATING REVENUES	0			0							0
38 39		TOTAL OPERATING REVENUES	\$44,504	\$48,744	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,744
39		I O I AL OPERATING REVENUES =	<u>\$44,004</u>	<u>⊅40,744</u>			<u></u>		Q	<u>an</u>	<u></u>		φ40,744

#### KENTUCKY-AMERICANWATER COMPANY CASE NO: 2004-00109 SUMMARY OF ADJUST MENTS TO OPERATINGINCOME ACCOUNTS FOR M E TWELVE MONTHS **ENDED**: NOVEMBER 30,2005

#### DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD TYPE OF FILING: \_\_ORIGNAL\_\_\_UPDATED\_X\_REVISED WORKPAPERREARENCE NO(\$): SCH D-2.1/D-2.2 (ELK LAKE)

SCHEDULE **D-1E** Page **2 of B** Witness Responsible: M A **Miller/.** S. A. Valentine

	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/Wasterwater											
4	Residential	\$44,504	\$48,744	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,744
5	Commercial	0	0	0	0	0	0	0	0	0	0	c
6	Industrial	0	0	0	0	0	0	0	0	0	0	C
7	Other Public Authority (OPA)	0	0	0	0	0	0	0	0	0	0	C
8	Sales for Resale (OWU)	0	0	0	0	0	0	0	0	0	0	C
9	Miscellaneous	0	0	0	0	0	0	0	0	0	0	c
10	Private Fire Service	0	0	0	0	0	0	0	0	0	0	c
11	Public Fire Service	0	0	0	0	0	0	0	ō	0	0	c
12												
13	Total Water/Wastewater Revenues	44,504	48,744	0	0	0	0	0	0	0	0	48,744
14	Other Operating Revenues	0	0	0	Ō	0	Ō	0	ō	0	0	C
15	3	•	•	-	-	-	-	•	•	•	•	
16	Total Operating Revenues	\$44,504	\$48,744	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,744
17	3											
18	TAX RATE											
19	State Income Tax Impact	8.25%	\$4,021	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,021
20	Federal Income Tax Impact	35.00%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,653
21	Net Operating Income Impact		\$29,070	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,070
22			420,010	φυ	φυ			20		Ψ0	φυ	

#### KENTUCKY-AMERICANWATER COMPANY CASENO: 2004-00102 SUMMARY OF ADJUST TMENTS TO OPERATINGINCOME ACCOUNTS FORM E TWELVE MONTHS ENDED; NOVEMBER 30,2005

#### DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD TYPE OF FILING: \_\_ORIGNAL \_\_UPDATED\_X\_REVISED WORKPAPERREFERENCENO(S).: SCHD-2.3 (ELK LAKE)

SCHEDULE D-1E Page 30f 19 Witness Responsible: M.A. Miller/, S. A. Valentine

			Dere	Adj	Adj D-5	Adj	Adj D-7	Adj	Adj	Adj	Adj	Adj	Total
Line No	Account Number	Description	Base Period	D-4 Sch D-2.3	D-5 Sch D-2.3	D-6 Sch <b>D-2.3</b>	D-7 Sch D-2.3	D-8 Sch D-2.3	D-9 Sch D-2.3	D-10 Sch D-2.3	D-11 Sch D-2.3	D-12 Sch D-2 3	Adjustments
1	Number	SOURCE OF SUPPLY EXP (SS)	Col1	Col2	Col3	Col4	Col5	Col6	Col7	Col8	Col9	Col10	Augustinents
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	Ō	Ō	ō	0	0	0	0	0	0	0
5	602000	Purchased Water	16,741	Ō	ō	ō	0	Ō	Ō	Ō	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	Ō	ō	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	Ó	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	D
25	613210	Maint Lake. River & Other Intakes-LabPrg	0	0	0	0	0	0	0	0	0	0	0
26	616100	Maint Suppiy 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 Suppiy 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	٥	0	0	0	0	0	0	0	Û	0	0
34													
35													
36		TOTAL SS EXPENSES	16,741	0	0	0	0	0	0	0	0	0	0
37													

### KENTUCKY-AMERICANWATER 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 PERDD TYPE OF **FILING: \_\_ORIGNAL \_\_**UPDATED\_X\_REVISED WORKPAPERREFERENCENO(S): SCHD-2.3 (ELK LAKE)

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

Line	Account		Base	Adj P4	Adj D-5	Adj D-6	Adj D-7	Adj D-8	Adj D-9	Adj D-10	Adj D-11	Adj <u>D</u> -12	Total
No.	Number	Description	Period	Sch D-2.3	Sch D-2.3	Sch D2.3	Sch D-2.3	Sch D-23	Sch P2.3	Sch P2.3	Sch P2.3	Sch P2.3	Adjustments
1		PUMANG EXPENSES											<u> </u>
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	õ	0
4	622100	Power Production Expenses	0	0	Ō	Ō	0	0	õ	0	0 0	õ	ő
5	622200	Power Production Labor	0	0	0	0	Ō	0	0	0	ō	0	õ
6	623110	Power Purchased for Pumping-Elec	0	0	0	0	0	Ō	Ō	ō	0	0	0
7	623120	Power Purchased for Pumping-Elec Adj	0	0	0	0	0	0	0	0	Ō	0	0
8	623210	Power Purchased for Pumping-Other	0	0	0	0	0	0	0	0	Ō	0	0
9	624200	Pumping Labor-Electric	0	0	0	0	0	Ō	0	0	ō	ō	0
10	624300	Pumping Labor-Other	0	0	0	. 0	0	0	0	0	0	0	Ó
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	Ō	ō	Ō	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0	0	0	0	0	Ō
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0	0	0	0	0	Ō
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0	0	0	0	Ō	Ō
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0	0	0	0	0	ō
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	ò
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-MaterialOrd	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-ElectricPrg	0	0	0	0	0	Ō	Ō	Ō	0	0	0
37	633600	Maint Pumping Equip-Labor-Other Ord	0	0	0	0	0	0	0	Ō	Ō	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)
39 40		TOTAL PUMPING EXPENSES	60	(60)	0	0	0	0	0	0	0	0	

- 40 41 42 43 44 45 46 47 48 49 50

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATINGINCOME ACCOUNTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

#### DATA: \_X\_ BASE **PERIOD\_X\_**FORECASTED **PERIOD** TYPE OF FILING: \_ORIGNAL \_\_UPDATED\_X\_REVISED WORKPAPERRERRENCE **NO(S):** SCH **D-2.3** (ELK **LAKE)**

SCHEDULE D-1E Page 5 of 19 Witness Responsible: MA Miller/, S. A Valentine

				Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	
Line	Account		Base	D-4	D 5	D-6	D-7	D-8	D-9	D-10	D-11	D-12	Total
No.	Number	Description	Period	Sch D-23	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	Sch D-2.3	Adjustments
1		WATER TREATMENTEXPENSES (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	110	0	0	(110)	0	0	0	0	0	0	(110)
5	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0	0	0
6	642100	General WT Labor	89	(89)	0	0	0	0	0	0	0	0	(89)
7	642200	Softening Labor	0	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	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	32	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	٥	٥	٥	٥	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-MatPrg	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-LaborOrd	0	0	0	0	0	0	0	0	0	0	0
23	651210	Maint WT Struc & improvements-LaborPrg	0	0	0	0	0	0	0	. 0	0	0	0
24	652100	Maint General WT Equipment-MatOrd	0	0	0	0	0	0	0	0	0	0	0
25	652110	Maint General WT Equipment-MatPrg	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-LaborOrd	0	Ō	Ō	Ō	0	0	0	0	0	0	0
28	652310	Maint General WT Equipment-LaborPrg	0	0	ō	Ō	0	Ō	Ō	0	0	0	0
29		······································				•							
30		TOTAL WT EXPENSES	283	(89)	0	(110)	0	0	0	0	0	0	(199)
31						(, <b>, , , , , , , , , , , , , , , , , , </b>							

Exhibit 37 D Page 92 of 116

### 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: \_\_ORIGNAL \_\_UPDATED\_X\_REVISED WORKP# PER REFE NO(S).: SCHD-2.3 (ELK L

SCHEDULE D-1E Page 6 of 19 Witness Responsible: MA. Miller/. S. A. Valertine

Line	Account		Base	Adj D-4	Adj D-5	Adj D-6	Adj D-7	Adj D-8	Adj D-9	Adj D-10	Adj D-11	Adj D-12	Total
No.	Number	Description	Period	Sch D-2.3	Sch D-2.3	Sch D-2 3	Sch P2.3	Sch P2.3	Sch D2.3	Sch D2.3	Sch P2.3	Sch P2.3	Adiustments
		TRANS & 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
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	o	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	Ø	0	0	0	0	0	0	0	0
14	665190	Maps and Records - Expenses Computer	0	0	Ø	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 Stmct & Improvements-Materials Prg	0	0	o	0	0	0	0	0	0	0	0
23	671200	Maint Stmct & Improvements-Labor Ord	0	0	o	0	0	0	0	0	0	0	0
24	671210	Maint Stmct & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
25	672100	Maint Res & Standpipes - Materials Ord	0	0	O	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	D	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	Ó	0	0	0	0	0	0	0	0	Ó
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 Pro	_,,	(_,,,)	Ő	0	0 0	Ő	ů.	0	ő	0	0
39	676100	Maint Meter - Materials Ord	ō	0	Ő	0	ő	Ő	ő	õ	ő	ō	õ
40	676110	Maint Meter - Materials Prg	0	ů.	Ő	õ	ő	õ	ő	õ	õ	õ	0 0
41	676200	Maint Meter - Labor Ord	õ	0	ő	0	ő	Ő	ő	0 0	0	õ	0
42	676210	Maint Meter - Labor Prg	ő	ů 0	0	ő	ň	ů 0	ů n	ő	n n	ñ	n
43	676300	Maint Meter Installation- Materials Ord	ŏ	0	n	ő	ő	ů 0	ő	0 0	0	ñ	n
44	676310	Maint Meter Installation - Materials Pro	ő	0	n	ő	ň	ő	ñ	ő	n	ñ	n n
45	676400	Maint Meter Installation- Labor Ord	ő	Ő	0	ů	0	0	0	ő	0	0	ů 0
46	676410	Maint Meter Installation - Labor Pro	ő	0	0	ů n	0	Ő	0	ő	0	0	0
	····		0	0	0	0	U	0	0	0	0	v	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 TYPE OF FILING: \_\_ORIGNAL \_\_UPDATED\_X\_REVISED WORKPAPER REFERENCE NO(S);; SCH D-2.3 (f LAKE)

SCHEDULED-1E Page 7 cf 19 Witness Responsible: MA Miller/. S A Valentine

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D <b>-2</b> .3	Adj P 5 • Sch D-2.3	Adj D-6 Sch D <b>-</b> 2.3	Adj D-7 Sch D <b>-2.3</b>	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	Number	TRANS 8 DIST EXPENSES (T&D) (Cont'd)	Fellou	3CH D=2.3	30110-2.3	30110-2.5	30110-2.3	3010-2.5	30110-2.3	30110-2.3	30110-2.3	301 D-2.3	Aujustitients
2	677100	Maint Hydrants - Materials Ord	0	0	0	0	0	0	0	0	0	0	n
3	677110	Maint Hydrants - Materials Prg	Ő	Ő	0	0 0	0	0	ñ	õ	õ	ő	, o
4	677200	Maint Hydrants - Labor Ord	ő	ů	0	0	ő	0	ő	ő	Ő	0	0
5	677210	Maint Hydrants - Labor Prg	ő	Ő	0	ő	0	ő	ñ	ő	Ő	Ő	0
6	678100	Maint Other T&D Plant - Materials Ord	669	Ő	õ	ů.	õ	ů O	ñ	õ	Ő	0	Ő
7	678110	Maint Other T&D Plant - Materials Prg	000	0	0	0	0	ů 0	ň	ő	0	Ő	õ
8	678200	Maint Other T&D Plant - Labor Ord	ő	0 0	0	0	ů 0	0	ő	Ő	ů 0	0	Ő
9	678210	Maint Other T&D Plant - Labor Prg	ő	0	ů n	ů n	ů 0	0	ő	0	õ	ő	Ő
10				Ū	•				Ū	-	-	-	-
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 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	665	0	0	0	0	0	0	0	0	665
19		CUM RECORDS a 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 8 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 8 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 30	905200	Misc Salaries	0	0	0	0	0	0	0	0	0	0	0
31		TOTALCA EXPENSES -	0	665	0	0	0	0	0	0	0	0	665
32			0	000	•	•	•	0	0	0	0	0	000
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	40 0	0¢ 0	0¢. 0	0¢. 0	0¢ 0	30 0	0¢.	0¢. 0	0¢.	
36	00,200	TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	0	0	0	
37			0	0	0	0	0	0	0	0	0	0	0
38		SALES PROMOTION EXPENSES											
39 40	910100	Sales Promotion - Expenses	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	0

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00102 SUMMARY OF ADJUST MENTS TO OPERATINGINCOME ACCOUNTS FOR THE TWELVE MONTHS ENUD: NOVEMBER 30, 2005

#### DATA: \_X\_ BASE **PERIOD\_X\_**FORECASTED **PERIOD** TYPE OF **FILING: \_\_ORIGNAL** —\_UPDATED \_X\_REVISED WORKPAPERRERRENCE **NO(S).: SCH D-2.3** (ELK **LAKE)**

SCHEDULE D-1E Page 8 of 19 Witness Responsible: MA Miller/. S. A Valentine

	• •			Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	<b>-</b>
Line No.	Account Number	Description	Base Period	D-4 Sch <b>D-2</b> .3	D-5 Sch <b>D-2.3</b>	D-6 Sch D-2.3	D-7 Sch D-2.3	D-8 Sch D2.3	D-9 Sch D2.3	D-10 Sch P2.3	D-11 Sch D-2.3	D-12 Sch D-2.3	Total Adjustments
1	Number	ADMINISTRATIVE 8 GENERAL EXP(A&G)	Fellou	30H D-2.3	3011 <u>0-</u> 2.3	30110-2.3	3011 D-2.3	3011 D2.3	3011 D 2.3	3011 P 2.3	3011 D-2.3	30110-2.3	Aujusimeniis
2	920000	Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	920500	Incentive Plan Expense	40 0		40 0	0	40 0	40 0	0	40 0	0 0	φ <u>υ</u> 0	40 0
4	921100	Expenses of Employees	0	0	0	0	0	ő	0	ő	ő	ő	ů
5	921130	Dues for Clubs - Ded	0	0	0	0	ő	0	Ő	ő	0	0	ő
6	921200	Misc Office Expenses	0	0	0	ő	ő	0	0	õ	0	ő	ő
7	923100	Service Company Charges	0	0	0	0	0	3,581	0	0	0	õ	3,581
8	923190	Service Company Charges - Out Agency	0	0	0	ő	ŏ	0,001	õ	Ő	0 0	ō	0
9	923200	Auditing Services	ő	0	0	0	õ	0	ō	0	õ	Ō	0
10	923300	Legal Services	0	0	ō	Ő	ŏ	ů.	Ō	õ	0 0	0	0
11	923400	Engineering Services	Ő	0	0 0	õ	0 0	õ	0	0	ō	0	0
12	923500	Other Services - Current	0	0	0	Ō	0	ō	0	0	0	0	0
13	924000	Property Insurance	ő	0	ō	0	0	0	0	0	0	73	73
14	925110	Workers Compensation	ő	ů.	0	0	õ	0	0	0	0	33	33
15	925120	Workers Comp Cap (A&B)	ő	Ő	ő	Ő	0	0	0	ő	0	0	0
16	925130	Workers Comp Cap (H)	ő	ů 0	0	ő	ů 0	0	0	ő	0	0	0
17	925140	Workers Comp Cap (C&R)	ů 0	0	õ	0	0	0	0	0	0	0	0
18	925200	Injuries end Damages - Salaries	0	0 0	Ő	õ	0 0	õ	0 0	õ	0 0	0	ō
19	925300	Injuries and Damages - Expenses	0	Ő	õ	ő	n	Ő	0	ő	0	0	0
20	925310	Injuries and Damages - Expenses	õ	0	0 0	ő	Ő	0	0	Ő	0	0	0
21	925400	General Liability	õ	0	Ő	õ	0	0	õ	0	0	175	175
22	020100	EMPLOYEEPENSIONS 8 BENEFITS	0	U	· ·	5		· ·	•	Ū	•		0
23	926100	AccruedOPEB Expense	(364)	0	0	0	0	0	5,896	0	0	0	5,896
24	926110	Group Insurance Expense	(23)	Ő	0	0	õ	0	6,435	0	0	Ō	6,435
25	926120	Other Grp Insurance Exp	(0)	0	0	õ	0	Ō	0	0	0	Ō	-,0
26	926130	Group ins Cap (A&B)	o D	0	D	o O	0	0	0	0	0	Ō	ō
27	926140	Group Ins Cap (H)	0	0	0	0	0	0	0	Ō	Ō	Ō	0
28	926150	Group Ins Reimb	0	0	0	ő	0	0	0	0	0	ō	0
29	926160	Group Ins Cap (C&R)	Ō	0	0	Ō	Ō	0	0	0	0	0	0
30	926170	Group Ins Pretax Contributon	0	0	0	0	0	0	0	0	0	0	ο
31	926200	Other Welfare & Eductional Expenses	0	0	0	0	Ō	0	0	0	0	0	0
32	926210	Educational Expenses	Ő	0	0	õ	0	0	ō	0	0	0	ō
33	926220	ESOP Contribution Expense	0	0	0	0	0	0	0	0	ō	0	o
34	926250	401-K Contributions Expense	0	0	Ō	0	0	Ō	0	Ō	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	Ō	0	Ō	Ō	0	0	0	0	0	0
37	926280	401-K Cap (C&R)	0	0	ō	0	0	0	0	ō	0	Ō	ō
38	926300	Suppl Pen Pay	0	0	ō	ň	ō	ò	Ō	0	Ō	0	ō
39	926330	OPEB Expense Cap (A&B)	0	0	õ	n n	ő	0	0	o o	ō	0	ō
40	926340	OPEB Expense Cap (H)	0	ő	õ	0	Ő	ō	0	0	0 0	ō	ō
41	926360	OPEB Expense Cap (C&R)	0	0	õ	0	o o	Ō	0	Ō	0	0	o
42	926370	FAS 112 Cost	0	0	0	õ	0	0	. 0	Ō	Ō	0	Ō
43	926400	Pension Plan Payments - Current	(449)	0	0	0	ō	0	0	6,638	0	0	6,638
44	926600	Other Pension Plan Expenses	0	0	0	0	õ	0	0	0	0	0	0
45	926700	Pension Plan Pmts - Union	ō	0 0	0	õ	0 0	0	0	ō	Ō	0	ō
46	926800	Pensions Capitalized - (A&B)	0	0	0	ō	ō	0	Ō	(1,077)	Ō	0	(1,077)
47	926900	Pensions - Capitalized - (H)	0	0	0	0	0	0	0	, o	0	0	Ó
48	926910	Pensions - Capitalized - (C&R)	Ō	0	0	0	0	0	0	Ō	0	0	0
40			-	•	-	•	•	-	-	-	-	-	_

#### KENTUCKY-AMERICAN WATER COMPANY CASENO: 2004-00103 SUMMARY OF ADJUSTMENTS TO OPERATINGINCOME ACCOUNTS FOR THE TWELVE MONTHS ENDED: NOVEMBER30,2005

#### DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD TYPE OF FILING:\_\_ORIGNAL\_\_UPDATED\_X\_REVISED WORKPAPERREARENCE NO(S).: SCHD-2.3 (ELK LAKE)

SCHEDULE D-1E Page Sof 19 Witness Responsible: MA. Miller/, S. A. Valentine

1	A		Dees	Adi	Adj	Adj	Adi	Adi	Adj	Adi	Adi	Adi	Tetal
Line No.	Account Number	Description	Base Period	D-4 Sch <b>D-2</b> 3	D-5 Sch D-2.3	P 6 Sch D-2.3	P 7 Sch D-2.3	D-8 Sch D-2.3	D-9 Sch D-2.3	D <b>-10</b> Sch D-2.3	D-11 Sch D-2.3	D-12 Sch D-2.3	Total Adjustments
1	Number	ADMINISTRATIVE & GENERAL EXP(A&G) - CONT	Pellou	3011 D-2 3	3011 D-2.3	3011D-2.5	3011 D-2.3	3011D-2.3	3011 D-2.3	3011 D-2.3	3011 D-2.3	30H D-2.3	Aujustments
2		REGULATORY COMMSSION EXPENSES											
3	928100		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25	\$0	\$25
3 4	928100	Amort Expense of Rate Proceedings Amort Serv Study Exp Cost	ъ0 0	φU 0	\$U 0	ະ ວ	.⊅0 0	3U 0	ֆՍ 0	3U 0	\$25 0	\$U 0	\$∠5 0
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0	0	0
6			0	0	0	0	0	0	0	0	0	0	0
7	928300 928400	Amort of Other Regulatory Expenses Other Regulatory Expenses - Current	0	0	U O	U Q	0	0	0	0	0	0	0
8	928400		0	0	U	0	0	0	0	0	0	0	0
8 9	930200	Amort Misc Charges Misc General Expenses Current	0	0	U O	0	0	0	0	0	0	0	0
9 10	930210		0	U	0	0	0	0	0	0	0	0	0
		Amort Orig Cost Study	U D	U	0	0	0	0	0	0	0	0	0
11	930230	Amort Misc General Expenses	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
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	٥	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-dectucible 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	TransportationExpenses	0	0	0	0	0	0	0	0	0	0	0
22	930610	TransportationCap (A&B)	0	0	0	0	0	0	0	0	0	0	0
23	930620	TransportationCap (C&R)	0	0	0	0	0	0	0	0	0	0	0
24	930630	TransportationCap (H)	0	0	0	٥	0	0	0	0	0	0	0
25	930880	Misc Gen Exp - CompanyDues	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-MaterialOrd	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	D
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	D	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	٥	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				LABOR				MANGEMENT	GRINS	PENSION	REG EXP	INS OTH	
								FEES					

### KENTUCKY-AMERICANWATER COMPANY CASENO: 2004-00103 SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

## DATA: \_X\_ BASE PERIOD \_X\_FORECASTEDPERIOD TYPE \_FILING: \_\_ORIGNAL \_\_. UPDATED \_X\_REVISED PAPE \_\_\_\_\_ LENCE NO(S),: SCH D-2.3 (ELK LAKE)

SCHEDULED-1E 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 P 7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj <b>D-9</b> Sch D-2.3	Adj D- <b>10</b> Sch D-2.3	Adj D <b>-1</b> 1 Sch D-2.3	Adj D <b>-12</b> 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	MaintenanceLabor Expenses	¢10,001 0	Q0	. 0	0	0	Ő	0	0	ů,	0	0
4		Maintenaneo2aber Expensee				- <u> </u>							
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													
1 <b>1</b>		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 15	Group Insurance	(387)	0	0	0	0	0	12,331	0	0	0	12,331
24 25	15	Pension	(449)	0	0	0	0	0	0	5,561	-	-	5,561
	10	Regulatory Expense Insurance Other than Group	•	0	0	0	0	0	0	0	25 0	0	25
26 27	17		0	•	0	0	0	•	0	0	0	280	280 0
27	18	Customer Accounting	0	0	0	0	0	0	0	0	0	0	0
28	20	Rents General Office Expense	0	0	0	0	0	0	0	0	0	0	0
29 30	20	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	25	Other Maintenance	009	U	U	0	0	U	U	U	0	0	0
33		Total Q & M Expenses	\$43,984	\$24,727	\$0	(\$110)	\$0	\$3.581	\$12.331	\$5,561	\$25	\$280	\$46,395
34			4,0,004	<u> </u>	40		<u></u>	\$3,001	<b>\$12,001</b>	\$5,501		÷	
35		State Income Tax Impact	8.25%	(\$2,040)	\$0	\$9	\$0	(\$295)	(\$1,017)	(\$459)	(\$2)	(\$23)	(\$3,828)
36			5.2070	(42,040)	<del>40</del>		ψ	(******)	<u>(+,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>	(+ 100)		(#20)	
37		Federal Income Tax Impact	35.00%	(\$9,368)	\$0	\$42	\$0	(\$1,357)	(\$4,672)	(\$2,107)	(\$9)	(\$106)	(\$17,578)
38									<u>_</u>				
39		Net Operating Income Impact		(\$13,319)	\$0	\$59	\$0	(\$1,929)	(\$6,642)	(\$2,995)	(\$14)	(\$151)	(\$24,989)
40			-					(+ .,-==)		(1=,300)		,,,,,,,,,	

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUST IMENTS TO OPERATING INCOME ACCOUNTS FOR M E TWELVE MOMHS ENDED: NOVEMBER 30, 2005

#### DATA: \_X\_ BASE PERIOD \_X\_FORECASTED PERIOD TYPE OF FILING: \_\_ORIGNAL \_\_UPDATED \_X\_REVISED WORKPAPER REFERENCE NO(S).: SCHD-2.3 (ELK LAKE)

SCHEDULED-1E Page 11 of 19 Witness Responsible: M.A. Millerl. S. A. Valentine

				Adj	Adj	Adj	Adj	Adj	Adj			Grand
Line	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18		Total	Total
No	Number	Description	Penod	Sch D-2 3	Sch D-2 3	Sch D-23	Sch D-2 3	Sch D-2 3	Sch D-2 3		Adjustments	Adjustments
1		SOURCE OF SUPPLY EXPENSES (SS)	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	PurchasedWater	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& EngineeringOrd	0	0	0	0	0	0	0		0	0
11	610010	Maint Supervision & Engineerina Pro	0	0	0	0	0	0	0		0	0
12	611100	Maint Struc & Improv-Materials Ord	0	0	o	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	O	0	0	0	0		0	0
15	611210	Maint Struc & Improv-LaborPrg	0	0	0	0	0	0	0		0	0
16	612100	Maint Col & Imp Res-Materials Ord	0	0	σ	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	Amorl 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	Amorl Lake, River & Other Intakes	0	0	0	0	0	0	0		0	0
24	613200	Maint Lake, River & Other Intakes-LabOrd	0	0	0	0	0	0	0		0	0
25	613210	Maint Lake, River & Other Intakes-LabPrg	0	0	Ø	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	٥	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 Pro	0	0	0	0	0	0	0		0	0
32	617200	Maint Misc Water Source Plant-Labor Ord	Ō	Ō	0	0	0	Ō	ō		0	0
33	617210	Maint Misc Water Source Plant-Labor Prg	0	0	0	0	0	0	0		0	0
34		J. J	_	-		-	-	-	-		-	-
35												
36		TOTAL SS EXPENSES	16,741	0	0	0	0	0	(439)	0	0 (439)	(439)
37												

### KENTUCKY-AMERICAN WATER COMPANY CASENO: 2004-00109 SUMMARY OF ADJUSTMENTSTO OPERATINGINCOME ACCOUNTS FOR M E TWELVE MONTHS ENDED: NOVEMBER 30, 2005

# DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERDD TYPE OF FILING: \_\_ORIGNAL \_\_UPDATEI \_X\_REVISED WORKP! PER REFERENCE NO(S): SCH D-2 (ELK LAKE)

SCHEDULED-1E Page 12 of 19 Witness Responsible: M A Miller/, S. A. Valentine

				Adj	Adj	Adj	Adj	Adj	Adj		Grand
Line	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18	Total	Total
No.	Number	Description	Period	Sch D-2.3	Sch P2.3	Sch D-2.3	Sch D-2 3	Sch D-2.3	Sch D-2 3	Adjustments	Adjustments
1		PUMRNG 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-Eiec	0	0	0	0	0	0		C	0
7	623120	Power Purchased for Pumping-EiecAdj	0	0	0	0	0	0		C	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		C	0
10	624300	Pumping Labor-Other	0	0	0	0	0	0		C	0
11	624500	Pumping Expenses-Electric	0	0	0	0	0	0		C	0
12	624600	Pumping Expenses-Other	0	0	0	0	0	0		C	0
13	626200	Misc Pumping Labor-Electric	0	0	0	0	0	0		C	0
14	626300	Misc Pumping Labor-Other	0	0	0	0	0	0		C	0
15	626500	Misc Pumping Expenses-Electric	0	0	0	0	0	0		C	· 0
16	626600	Misc Pumping Expenses-Other	0	0	0	0	0	0		C	0
17	627200	Rents-Electric	0	0	0	0	. 0	0		C	0
18	627300	Rents-Other	0	0	0	0	0	0		c	0
19	630200	Maint Sup & Eng-Electric Ord	60	0	0	0	0	0		C	(60)
20	630210	Maint Sup & Eng-Electric Prg	0	0	0	0	0	0		C	0
21	630300	Maint Sup & Eng-OtherOrd	0	0	0	0	0	0		C	0
22	630310	Maint Sup & Eng-Other Prg	0	0	0	0	0	0		C	0
23	631100	Maint Pumping Struc & inprov-Material Ord	0	0	0	0	0	0		C	0
24	631110	Maint Pumping Struc & inprov-Material Prg	0	0	0	0	0	0		C	0
25	631200	Maint Pumping Struc & inprov-Labor Ord	0	0	0	0	0	0		C	0
26	631210	Maint Pumping Struc & inprov-Labor Prg	0	0	0	0	0	0		C	0
27	632100	Maint Power Production Equip-Mat Ord	0	0	0	0	0	٥		c	0
28	632110	Maint Power Production Equip-Mat Prg	0	0	0	0	0	0		(	0
29	632200	Maint Power Production Equip-Lab Ord	0	0	0	0	0	0		(	0
30	632210	Maint Power Production Equip-Lab Prg	0	0	0	0	0	0		(	0
31	633200	Maint Pumping Equip-Material-Electric Ord	0	0	0	0	0	0		C	0
32	633210	Maint Pumping Equip-Material-Electric Prg	0	0	0	0	0	0		(	0
33	633300	Maint Pumping Equip-Material-OtherOrd	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
36	633510	Maint Pumping Equip-Labor-Electric Prg	0	0	0	0	0	0		(	0 0
37	633600	Maint Pumping Equip-Labor-Other Ord	Ō	0	0	0	0	0		(	0 0
38	633610	Maint Pumping Equip-Labor-Other Prg	0	0	0	0	0	Ū			0
39		TOTAL PUMPING EXPENSES	60	0	0	0	0	0	0	0 0 0	) (60)

- 40 41 42 43 44 45 46 47 48 49

#### KENTUCKY-AMERICAN WATER COMPANY CASENC: 2004-00103 SUMMARY OF ADJUST INTENTSTO OPERATING INCOME ACCOUNTS FOR M E TWELVE MONTHS ENDED: NOVEMBER 30,2005

#### DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD TYPE OF FIUNG: \_ORIGNAL \_\_UPDATED\_X\_REVISED WORKPAPERREFERENCENO(S): SCHD-2.3 (ELK LAKE)

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

Line	A		Base	Adj D-13	Adj D-14	Adj D-15	Adj D-16	Adj D-17	Adj D <b>-1</b> 8		-	otal	Grand Total
Line	Account Number	Description	Period	Sch D-2.3			tments	Adjustments					
No.	Number	WATER TREATMENTEXPENSES (WT)	Period	Scn D-2.5	5ch D-2.5	SCN D-2.3	Sch D-2.5	5ch D-2.5	SCN D-2.3		Adjus	tments	Adjustments
2	640000	Operation Supervision & Engineering	\$0	\$0	\$0	\$0	\$0	\$0				\$0	\$0
2	641110	Chemicals-Carbon	φ0 0	φυ 0	4U	40 0	-0¢	40				0	40 0
3	641100	General Chemicals	110	0	0	0	0	0				0	(110)
4	641200		110	0	0	0	0	0				0	(110)
5	642100	Softening Chemicals General WT Labor	89	0	0	0	0	0				0	(89)
7	642200	Softening Labor	69	U	0	0	0	0				0	(69)
<i>'</i>	642300	General WT Expenses	52	U	0	0	(52)	0				(52)	(52)
õ	642390	General WT Administration	52	0	0	0	(52)	0				(02)	(52)
10	642400		0	0	0	0	0	0				0	0.
11	643100	Softening Expenses Misc Expenses	32	0	0	0	(32)	0				(20)	(00)
12	643190	Misc Expenses -Service Co	32	0	0	U	(32)	0				(32)	(32)
13	643200	Misc Expenses - Service Co Misc Labor	0	U O	U O	U	0	0				0	0
14	643300	Waste Disposal Expenses	0	0	0	0	0	0				0	0
15	643310		0	0	0	0	0	0				0	0
16	644000	Amort Waste Disposal Expenses	0	U	. 0	U	0	0				0	0
17	650000	Rents Maint Supervision & Engineering Ord	U	U	U	0	0	0				0	0
18	650010		U	U	0	0	0	0				0	U
19	651100	Maint Supervision & Engineering Prg Maint WT Struc & Improvements-MatOrd	U	U	0	0	0	0				0	0
	651100		0	U	0	0	0	36				36	35
20 21	651120	Maint WT Struc & Improvements-MatPrg Amort WT Structures	0	U	0	0	0	0				0	0
21		Maint WT Structures	0	0	0	0	0	0				0	0
22 23	651200		0	0	0	0	U	0				0	U
23 24	651210	Maint WT Struc & Improvements-LaborPrg	0	0	0	0	0	0				0	0
	652100	Maint General WT Equipment-MatOrd	0	0	0	0	0	U				0	0
25	652110	Maint General WT Equipment-MatPrg	0	0	0	0	0	ŭ				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 29	652310	Maint General WT Equipment-laborPrg	0	0	0	0	0	0				0	0
29 30		TOTAL WT EXPENSES						36				(10)	
30		IUTAL VVI EAFENSES	283	0	0	0	(84)	36	0	0	U	(48)	(247)

#### 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: \_\_ORIGNAL\_\_\_UPDATED\_X\_REVISED WORKPAPERREFERENCE NO(S): SCHD-2.3 (ELK LAKE)

SCHEDULE **D-1E** Page 14 of 19 Witness Responsible: **M.A. Miller/.** S A **Valertine** 

Line	Account		Base	Adj D-13	Adj D-14	Adj D-15	Adj D-16	Adj D-17	Adj D-18	Total	Grand Total
No	Number	Description	Period	Sch D-2 3	Sch D-2.3	Adjustments	Adjustments				
ļ		TRANS a DIST EXPENSES (T&D)	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$43,743
2 3	660000 661100	Operation Supervision& Engineering	ېن 0	ο <sub>φ</sub> . Ο	3U 0	ъ0 О	40 0	φ0 Ο		φυ 0	φ <del>4</del> 0,740 Λ
4	661200	Storage Facilities - Expenseq Storage Facilities - Labor	0	0	0	0	0	0		0	0
5	662100	T&D Lines - Expenses	415	0	0	0	94	0		94	94
6	662200	T&D Lines - Labor	13.044	0	0	0	0	0		0	(13,044)
7	663100	Meter Expenses-Remove and Reset-Exp	10,044	0	0	0	0	0		0	(10,044)
8	663200	Meter Expenses-Remove and Reset-Labor	ő	0	0	0	0	ő		0	0 0
9	663300	Meter Expenses-Misc Meter Exp	Ő	ů.	ů.	õ	õ	0		0	Ő
10	663400	Meter Expenses-Misc Meter Labor	ő	0	0	ő	Ő	ő		0	0
11	664100	Customer Installation- Expenses	ő	0	ő	ő	ů 0	ő		0	õ
12	664200	Customer Installation- Labor	ő	0	0	0	ů.	ő		Ĵ.	Ď
13	665100	Maps and Records - Expenses	ő	ő	ő	õ	0	ő		0	ō
14	665190	Maps and Records - Expenses Computer	ň	n n	Ő	ů 0	0 0	0		0	0
15	665200	Maps and Records - Labor	ő	0	0	ő	0	ő		0	Ő
16	665300	Misc Expenses	7,120	õ	õ	õ	3,663	0		3.663	3.663
17	665400	Misc Labor	0	0	õ	ů.	0	0		0	0
18	666000	Rents	Ō	0	ō	0	Ō	ō		0	Ō
19	670000	Maint Supervision& EngineeringOrd	120	. 0	0	Ō	Ó	0		0	(120)
20	670010	Maint Supervision & Engineering Prg	0	0	0	Ō	0	Ō		0	0
21	671100	Maint Struct & Improvements-Materials Ord	0	0	0	0	0	0		0	0
22	671110	Maint Struct & Improvements-Materials Pro	0	0	0	0	D	O		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	O	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	0		0	O
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	3,580	0	0	0	0	0		0	(3,580)
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	2,788	0	0	0	0	0		0	(2,788)
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
43	676300 676310	Maint Meter Installation - Materials Ord Maint Meter Installation - Materials Pro	U	0	0	U O	0	U 0		0	0
44 45	676310	Maint Meter Installation - Materials Pro	0	0	0	0	0	0		0	0
45 46	676400	Maint Meter Installation - Labor Ord	0	0	0	0	0	0		0	0
40	0/0410	maint meter installation- Labor Fig	U	0	0	U	U	U		0	0

47 48 49

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

## DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERDD TYPE OF FILING: \_\_ORIGNAL \_\_\_UPDATED\_X\_REVISED WORKPAPERRERRENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE D-1E Page 15 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 P2.3	Adj D-18 Sch D-2.3			Total Adjustments	Grand Total Adjustments
1		TRANSA 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	0	0	0	0	0	0				0	0
5	677210	Maint Hydrants - Labor Prg	0	0	0	0	0	0				0	0
6	678100	Maint Other T&D Plant - Materials Ord	669	0	0	0	(669)	0				(669)	(669
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	27,736	0	0	0	3,088	0	0	0	0	3,088	27,299
13													
14		CUSTOMER ACCOUNTS EXPENSE (CA)											
15	901000	Supervision	\$0	\$0	\$0	\$0	\$0	\$0				\$0	\$0
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	C
18	902200	Meter Reading Labor	0	0	0	0	0	0				0	665
19		CUST RECORDS a COLLECTION EXPENSES										0	
20	903100	Contracts and Orders - Expenses	0	0	0	0	0	0				0	0
21	903200	Contracts and Orders - Labor	0	0	0	0	0	0				0	0
22	903300	Collecting- Expenses	0	174	0	0	0	0				174	174
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	0	540	0	0	0	0				540	540
26	903600	Billing & Accounting Salaries	0	0	0	0	0	0				0	C
27	904000	Uncollectible Accounts	0	432	0	0	0	0				432	432
28	905100	Misc Expenses	0	0	0	0	0	0				0	C
29	905200	Misc Salaries	0	0	0	0	0	0				0	C
30										0	0		
31 32		TOTAL CA EXPENSES	0	1,146	0	0	0	0	0	0	0	1,146	1,811
32 33		CUSTOMER SERVICE EXPENSES											
	907100		¢o	¢0.	60	<b>60</b>	60	*0				¢0	¢r.
34 35	907100	Cust Service and Information - Expenses	\$0	\$0	\$0	\$0	\$0	\$0				\$0 0	\$0
	907200	Cust Service and Information-Salaries	0	0	0	0	0	0	0	0	0	0	<u>(</u>
36		TOTAL CUSTOMER SERVICE EXP	0	0	0	0	0	0	0	U	U	0	U
37 38		SALES PROMOTION EXPENSES											
39	910100	Sales Promotion - Expenses	<b>*</b> 0	¢0	¢0	*0	*0	*0				\$0	\$0
39 40	910100	Sales FIUITULIUIT - EXPENSES	\$0	\$0	\$0	\$0	\$0	\$0				\$0	φL
40 41		TOTAL SALES PROMOTION EXP	0	0	0	0	0	0	0	0	0	0	
41			UU	0	0	0	0	0	0	U	J	<u> </u>	<u>`</u>

- 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: \_\_ORIGNAL \_\_ IPD.ITEI \_X\_REVISED WORKPAPER REFERENCE NO(S): SCH D-2.3 (ELK LAKE)

SCHEDULE **D-1E** Page 16 of 19 Witness Responsible: MA. **Miller/.** S. A **Valentine** 

				Adj	Adj	Adj	Adl	Adj	Adi		Grand
Line	Account		Base	D-13	D-14	D-15	D-16	D-17	D-18	Total	Total
No.	Number	Description	Period	Sch D2.3	Sch D-2.3	Adjustments	Adjustments				
1		ADMINISTRATIVE & GENERAL EXP(A&G)									
2	920000	Salaries	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
3	920500	Incentive Plan Expense	0	0	0	0	0	0		0	0
4	921100	Expenses of Employees	0	0	0	36	0	0		36	36
5	921130	Dues for Clubs - Ded	0	0	0	8	0	0		8	8
6	921200	Misc Office Expenses	0	0	0	0	•	0		0	0
7	923100	Service Company Charges	0	0	0	0	0	0		0	3,581 0
8	923190	Service Company Charges - Out Agency	0	•	•		0	U		0	•
9	923200	Auditing Services	0	0	0	0	. 0	U		0	0
10	923300	Legal Services	0	•	0	0	0	0		0	0
11	923400	Engineering Services	0	0	0	0	0	•		0	0
12	923500	Other Services - Current	0	0	0	0	0	0		0	0
13	924000	Property Insurance	0	0	0	0	0	0		0	73
14	925110	Workers Compensation	0	0	0	0	0	0		0	33
15	925120	Workers Comp Cap (A&B)	0	0	0	0	0	0		0	0
16	925130	Workers Comp Cap (H)	0	0	0	0	0	0		0	0
17	925140	Workers Comp Cap (C&R)	0	0	0	0	0	0		U	0
18	925200	injuries and Damages - Salaries	0	0	0	0	0	0		0	0
19	925300	Injuries and Damages - Expenses	0	0	0	0	4	0		4	4
20	925310	Injuries and Damages - Expenses	0	0	0	0	0	0		0	0
21	925400	General Liability EMPLOYEEPENSIONS & BENEFITS	0	0	0	0	0	0		0	175
22	000400		(00.1)	•	•						F 000
23	926100	Accrued OPEB Expense	(364)	0	0	0	0	0		0	5,896
24	926110	Group InsuranceExpense	(23)	0	0	0	0	0		0	6,435
25	926120	Other Grp Insurance Exp	0	0	0	0	0	0		0	0
26	926130	Group Ins Cap (A&B)	0	0	0	0	0	0		0	0
27	926140	Group Ins Cap (H)	0	0	0	0	0	0		Ű	0
28	926150	Group Ins Reimb	0	0	0	0	0	0		0	0
29	926160	Group Ins Cap (C&R)	0	0	0	•	0	0		0	0
30	926170	Group Ins Pretax Contribulon	0	0	0	0	0	0		0	0
31	926200	Other Welfare & Eductional Expenses	0	0	0	0	35	0		35	35
32	926210	Educational Expenses	0	0	0	0	0	0		0	0
33	926220	ESOP Contribution Expense	0	0	0	0	136	0		136	136
34	926250	401-K Contributions Expense	0	0	0	0	1,029	0		1,029	1,029
35	926260	401-K Cap (A&B)	0	0	0	0	0	0		0	0
36	926270	401-K Cap (H)	0	0	0	0	0	0		0	0
37	926280	401-K Cap (C&R)	0	0	0	0	0	0		0	0
38	926300	Suppl Pen Pay	0	0	0	0	0	0		0	0
39	926330	OPEB Expense Cap (A&B)	0	0	0	0	0	0		0	0
40	926340	OPEB Expense Cap (H)	0	0	0	0	0	0		0	0
41	926360	OPEB Expense Cap (C&R)	0	0	0	0	0	0		0	0
42	926370	FAS 112 Cost	0	0	0	0	0	0		0	0
43	926400	Pension Plan Payments - Current	(449)	0	0	0	0	0		0	6,638
44	926600	Other Pension Plan Expenses	0	0	0	0	0	0		0	0
45	926700	Pension Plan Pmts - Union	0	0	0	0	0	0		0	0
46	926800	Pensions- Capitalized - (A&B)	0	0	0	0	0	0		0	(1,077)
47	926900	Pensions - Capitalized - (H)	0	0	0	0	0	0		0	0
48	926910	Pensions - Capitalized - (C&R)	0	0	0	0	0	0		0	0

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 SUMMARY OF ADJUSTMENTSTO OPERATING INCOME ACCOUNTS FOR THE TWELVE MONTHS ENDED: NOVEMBER30,2005

### DATA: \_X\_ BASE PERIOD\_X\_FORECASTEDPERDD TYPE OF FILING: \_\_ORIGNAL \_\_UPDATED\_X\_REVISED WORKPAPER REFERENCE NO(S).: SCHD-2.3 (ELK LAKE)

SCHEDULED-1E Page 17 of 19 Witness Responsible: M.A. Miller/. S. A. Valertine

			<b>D</b>	Adj	Adj	Adj	Adj	Adj	Adj			<b>T</b> 1	Grand
Line	Account	Description	Base Period	D-13	D-14 Sch D-2.3	D-15	D-16 Sch D-2 3	D-17	D-18			Total	Total
No.	Number	Description ADMINISTRATIVE& GENERAL EXP(A&G)- CONT		Sch D-2.3	Sch D-2.3	SchP2.3	SCh D-23	Sch D-2.3	Sch D-23		A	djustments	Adjustments
2		REGULATORYCOMMISSION EXPENSES											
3	928100	Amort Expense of Rate Proceedings	0	0	0	0	0	0				0	25
4	928100 928110	Amort Serv Study Exp Cost	0	0	0	0	0	0				0	25
5	928110	Tax Savings	0	0	0	0	0	0				0	0
5 6	928200	Amort of Other Regulatory Expenses	0	0	0	0	0	0				0	0
7	928300 928400	Other Regulatory Expenses -Current	0	0	0	0	0	0				0	0
8	928400 930200		0	0	U	0	0	0				0	0
9		Amort Misc Charges Misc General Expenses Current	0	0	0	0	12	0				12	12
10	930210 930220	Amort Orig Cost Study	0	0	0	0	12	0				0	0
10	930220	Amort Misc General Expenses	0	0	0	0	0	0				0	0
12			0	0	0	0	0	0				0	0
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0				0	0
	930250	Amort Plant Expansion Study	0	0	0	3	0	0				u o	0
14	930260	Meals & Travel Expenses - Taxable	0	0	0	3	0	0				3	3
15	930270	Donations	0	0	U	0	0	0				0	0
16	930290	Data ProcessingCommunication Exp	0	0	0	0	0	0				U	0
17	930300	Research & Development Expenses	0	0	0	0	0	v				0	0
18	930390	Research & Development Exp - Ser Co	0	0	U	0	0	0				U	0
19	930500	Non-dectucible Penalties		Ű	0	4	U	Ų				0	0
20	930510	Lobbying Expenses	0	0	0	0	0	0				0	0
21	930600	TransportationExpenses	0	0	0	0	0	0				0	0
22	930610	TransportationCap (A&B)	O	0	0	D	0	0				0	0
23	930620	TransportationCap (C&R)	0	0	0	0	0	0				0	0
24	930630	TransportationCap (H)	0	0	0	0	0	0				0	0
25	930880	Misc Gan Exp - CompanyDues	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	O	0	0	0				D	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 M I s 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	0	1,431	23,209
46													
47		Total O & M Expenses	\$43,984	\$1, <u>146</u>	\$0	\$47	\$4,388	\$36	(\$439)	\$0	\$0	\$5,178	\$51,573
48													

48 49 50

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#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00105 SUMMARY OF ADJUST MENTSTO OPERATING INCOME ACCOUNTS FOR THE TWELVE MONTHS ENDED: NOVEMBER30.2005

#### DATA: \_X\_ BASEPERIOD\_X\_FORECASTEDPERDD TYPE OF FILING: \_\_ORIGNAL \_\_UPDATED\_X\_REVISED WORKPAPER REFERENCE NO(\$); SCHD-2.3 (ELKLAKE)

SCHEDULED-1E Page 18 of 19 Witness Responsible: M.A. Millerl. 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 <b>D-2.3</b>	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
2	24	Maintenance Labor Expenses	a 19,001 0	50 0	0¢ 0	0 0	0 0	3U 0	\$U 0	\$0 0	
3	24	Maintenance Labor Expenses	U				0	0	0	0	0
5		Total Labor	\$19,681	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,727
6		I Otal Labor						φ <del>υ</del>	φ <b>υ</b>	ψυ	927,121
7						•					
Ŕ		Total Operation Expenses	\$36,767	\$1,146	\$0	\$47	\$5.057	\$0	(\$439)	\$5,811	\$58,754
9		Total Maintenance Expenses	7.217	φ1,140 Ω		φ4 <i>1</i> Ο	(669)	36	(0438)	(633)	
10		Total Maintenance Expenses			<b>v</b>	0	(003)		<u>v</u>		(7,101
11		Total Q & M Expenses	\$43,984	\$1,146	\$0	\$47	\$4,388	\$36	(\$439)	\$5,178	\$51,573
12		rotar o a m Expenses		ψ1, 14 <u>0</u>		Ψ+ι	000		(0+00)/		
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	
19	10	Fuel and Power	0	0	0	Ő	0	0	0	0	
20	11	Chemicals	110	0	Ő	0	0	0	ő	0	(110
21	12	Waste Disposal	0	ō	0	0	0	0	Ő	0	0
22	13	ManagementFees	0	0	0	0	Ū.	Ō	Ū.	Ō	3,581
23	14	Group Insurance	(387)	0	0	0	ō	ō	ō	0	12,331
24	15	Pension	(449)	0	0	0	0	0	0	0	5,561
25	16	Regulatory Expense	Ó	٥	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			5								
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			-								

#### KENTUCKY-AMERICAN WATER COMPANY CASENO: 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: \_\_ORIGNAL \_\_**UPDATED **\_X\_REVISED** WORKPAPERREFERENCE**NO(S):** SCHD-2.3 (ELK LAKE)

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

Line	Account		Base	Adj D-19	Adj D-20	Adj D-21							Total
No.	Number	Description	Period	Sch P2.4	Sch D-2.4	Sch D-2.4						A	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	\$Q	\$0	\$0	\$0	\$7,314
4									2.00		1.21080-0.0		
5													
6		State Income Tax Impact	8.25%	(\$603)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$603)
7		Federal Income Tax Impact	35.00%	(\$2,771)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,771)
8		Net Operating Income Impact		(\$3,940)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,940)
9													
10		AMORTIZATIONEXPENSE											
11	404100	AmortizationLim Term Ut Plant	\$0	\$0	\$0	\$0							\$0
12	404110	Amortization FranchiseExpense	0	. 0	0	0							0
13 14	404430	Amortization Regualtory Asset - AFUDC	0	0	0	0							0
14	406000 407000	Amortization Utility Plant AcquisitionAdj Amortization Property Losses	0	0	2,688	0							2,688
16	407000	TOTALAMORTIZATION	\$0	0	00 \$2,688	0\$0							\$2,688
17		TOTALAMORTIZATION			\$2,000								\$2,688
18		State Income Tax Impact	8.25%	\$0	(\$222)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$222)
19		FederalIncome Tax Impact	35.00%	\$0	(\$1,019)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,019)
20				\$0	(\$1,447)	\$0							(\$1,447)
21		Net Operating Income Impact	-										<u></u>
22													
23													
24		TAXES. OTHER THAN INCOME											
25	408100	Real & Personal Propery Taxes	\$0	\$0	\$0	\$2,613							\$2,613
26	408110	Gross Income & Receipts Taxes	0	0	0	0							0
27	408120	InvestedCapital 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 34	408160	FICA	0	0	0	3,393							3,393
34 35	408170 408060	FICA Capitalized - (A Work Order) FICA Capitalized - (H Work Order)	0	0	0	0							0
36	408000	FICA Capitalized - (C & R Work Order)	0	0	0	0							0
37	408070	SUTA	0	0	0	67							0 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	ő	0 0	0							0
41	408220	Environmental Tax	0	0	0	0							0
42			\$0	\$0	\$0	\$6,165	\$0	\$0	\$0	\$0	\$0	\$0	\$6,165
43													
44		State Income Tax Impact	8.25%	\$0	\$0	(\$509)	\$0	\$0	\$0	\$0	\$0	\$0	(\$509)
45		Federal Income Tax Impact	35.00%	\$0	\$0	(\$1,980)	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,980)
46		Net Operating Income Impact		\$0	\$0	(\$3,676)	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,676)
47													

Exhibit 37 D Page 106 of 116

### KENTUCKY-AMERICANWATER COMPANY CASENC 2004-00103 DETAILED. JUSTMENT 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 1 of 3 Witness Responsible: S.A. Valentine

urpose and Descriptionof Adjustment		Workpaper Reference	Amount
	Billed Revenues, Adiustment D-1		
Fo adjust Residentialbilled water revenue for the change in billing determinants at present rates for the forecasted test period.	RESIDENTIAL		
	Forecasted Amount	W/P-2	593,248
	Base Period Amount		44,504
	Pro Forma Adjustment		548,744
	COMMERCIAL		
	Forecasted Amount	W/P-2	50
	Base Period Amount		0
	Pro Forma Adjustment		50
	INDUSTRIAL		
	Forecasted Amount	W/P-2	\$0
	Base Period Amount		0
	Pro Forma Adjustment		<u>\$0</u>
	i to i officia / lajuotito it		
	OTHER PUBLIC AUTHORITY		
	Forecasted Amount	W/P-2	\$0
	Base Period Amount	VV/1 -Z	ф0 О
	Pro Forma Adjustment		0_
	r to ronna Aquatment		
	SALES FOR RESALE (OWU)		
	Forecasted Amount	W/P-2	\$0
	Base Period Amount	VV// -2	\$0 0
	Pro Forma Adjustment		<u>\$0</u>
	1 to Forma Adjustment		
	PUBLIC FIRE SERVICE		
	ForecastedAmount	W/P-2	\$0
	Base Period Amount	VV/F-2	30 0
	Pro Forma Adjustment		<u> </u>
	FIO FOITId Aujustitient		
	PRIVATE FIRE SERVICE		
			¢^
	Forecasted Amount	W/P-2	\$0
	Base Period Amount		0
	Pro Forma Adjustment		\$0
	MISCELLANEOUS		<b>a</b> -
	Forecasted Amount	W/P-2	\$0
	Base Period Amount		0
	Pro Forma Adjustment		\$0
			<b>A</b> 40 <b>T</b> 4 <sup>1</sup>
The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period	Total Billed Water Revenue Adju	istment	\$48,744

- 46 47 48 49 50

#### KENTUCKY-AMERICAN WATER COMPANY CASENO: 2004-00103 DETAILEDADJUSTMENTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: \_X\_ BASE **PERIOD\_X\_**FORECASTED **PERIOD** TYPE OF **FILING: \_\_ORIGNAL \_\_**UPDATED\_X\_REVISED WORKPAPERREFERENCENO(S): W/P-2 (ELK LAKE)

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

Line No Purpose and <u>Description</u> of Adjustment		Workpaper Reference	
		Relerence	Amount
1	Billed Revenues. Adjustment D-1		
2	RESIDENTIAL		
3	Forecasted Amount	W/P-2	\$O
4	Base Period Amount	101 2	0
5	Pro Forma Adjustment		<u>\$0</u>
6			
7	COMMERCIAL		
8	ForecastedAmount	W/P-2	\$0
9	Base Period Amount		0
10	Pro Forma Adjustment		\$0
11			
12	INDUSTRIAL		
13	Forecasted Amount	W/P-2	\$Q
14	Base Period Amount		0
15	Pro Forma Adjustment		\$0
16			
17	OTHER PUBLIC AUTHORITY		
18	Forecasted Amount	W/P-2	\$0
19	Base Period Amount		0
20	Pro Forma Adjustment		\$0
21			
22	SALES FOR RESALE (OWU)		
23	ForecastedAmount	W/P-2	\$0
24	Base Period Amount		0
25	Pro Forma Adjustment		\$0
26			
27	PUBLIC FIRE SERVICE		
28	Forecasted Amount	W/P-2	\$0
29	Base Period Amount		0
30	Pro Forma Adjustment		\$0
31			
32	PRIVATE FIRE SERVICE		
33	Forecasted Amount	W/P-2	\$O
34	Base Period Amount		0
35	Pro Forma Adjustment		\$O
36			
37	MISCELLANEOUS		
38	Forecasted Amount	W/P-2	\$0
39 40	Base Period Amount		0
	Pro Forma Adjustment		\$0
41			
42			
43	Total Unbilled Water Revenue Ad	ljustment	\$0
44			
45			
46			
47			
48			
49			
50			

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 DETAILED ADJUSTMENTS FOR M E TWELVE MONTHS ENDED: NOVEMBER30.2005

#### DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD N P E OF FILING: \_\_ORIGNAL \_\_UPDATED\_X\_REVISED WORKPAPERRERRENCE NO(S): W/P-2 (ELK LAKE)

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

Line		Workpaper	
No. Purpose and Description of Adjustment		Reference	Amount
1	Billed Revenues. Adiustment D-1		
2	RESIDENTIAL		
3	Forecasted Amount	W/P-2	\$O
4	Base Period Amount		0
5	Pro Forma Adjustment		\$0
6			
8	COMMERCIAL		
8	Forecasted Amount	W/P-2	\$0
9 10	Base Period Amount		0
11	Pro Forma Adjustment		\$0
12			
13	INDUSTRIAL		\$0
13	Forecasted Amount Base Period Amount	W/P-2	\$U O
15	Base Period Amount Pro Forma Adjustment		\$0
16	FIOT OMA AUJUSTITETI		
17	RESIDENTIAL		
18	ForecastedAmount	W/P-2	\$0
19	Base Period Amount		0
20	Pro Forma Adjustment		\$0
21			
22	COMMERCIAL		
23	Forecasted Amount	W/P-2	\$0
24	Base Period Amount		0
25	Pro Forma Adjustment		\$0
26			
27	INDUSTRIAL		
28	Forecasted Amount	W/P-2	\$O
29	Base Period Amount		0
30	Pro Forma Adjustment		\$0
31			
32 33			
33 34			
35			
36			
37			
38			
39			
40			
41			
42			
43	Total Sewer Revenue Adjustm	ent	0
44			
45	Total Revenue Adjustment		\$48,744
46			
47			
48			
49			
50			

#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00109 DETAILED ADJUSTMENTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

DATA: \_X\_ BASEPERIOD\_X\_FORECASTEDPERIOD TYPE OF FILING: \_\_ORIGNAL \_\_ UPDATED\_X\_REVISED WORKPAPERRERRENCE NO(\$).: W/P-2 (ELK LAKE)

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

Line		Workpaper	A
No. Purpose and Descriptionof Adjustment		Reference	Amount
1	Other Revenues. Adjustment D-2		
2	RECONNECTION FEES		
3	ForecastedAmount	W/P-2	\$0
4	Base Period Amount		0
5	Pro Forma Adjustment		<u>\$0</u>
6			
7	OTHER MISC SERV REVENUES	5	
8	Forecasted Amount	W/P-2	\$0
9	Base Period Amount		0
10	Pro Forma Adjustment		\$0
11	<b>,</b>		<u>#<sup>1</sup>11</u>
12	OTHERREVENUES		
13	Forecasted Amount	W/P-2	\$0
14	Base Period Amount		0
	Pro Forma Adjustment		\$0
16	r for onna / lajuotinoni		<del>\</del>
	Total Other Revenue Adjustmen	•	\$0
	Total Other Revenue Aujustmen	t	
18			
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21	AFUDC. AdjustmentP 3		
22	AFUDC ABOVE THE LINE		
23	Forecasted Amount	W/P-2	\$0
24	Base Period Amount		0
25	Pro Forma Adjustment		<u>\$0</u>
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43 The purpose of each adjustment is to reflect an appropriatelevel of revenue for the forecastedtest period
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#### KENTUCKY-AMERICAN WATER COMPANY CASE NO. 2004-00103 DETAILED ADJUSTMENTS FORM E TWELVEMONTH'S ENDED: NOVEMBER 30, 2005

#### DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD TYPE OF FILING: \_\_ORIGINAL \_\_ IPL \_\_X\_REVISED WORKPAPER REFERENCE NO(S),: W/P-3 \_\_K\_LAKE)

SCHEDULE **D-2.3E** Page **∎** of 2 Witness Responsible: SA. Valentine

		Workpaper	
Purpose and Descriptionof Adjustment		Reference	Amount
	Labor. Adiustment. D-4		
Labor expense is being adjusted to reflect an increase due to union waae contracts and an increase of 3% for	Forecasted Amount	W/P-3-1	\$44.408
non-union employees to become effective April 1, 2004 and 2005.	Base PeriodAmount		19,681
	Pro Forma Adjustment		\$24,727
	Fuel 8 Power. Adjustment D-5		
	Forecasted Amount	W/P-3-2	\$0
	Base Period Amount		0
	Pro Forma Adjustment		\$0
	rior office August for		
	Chemicals, Adjustment D-6		
Chemical expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment		W/D 0 0	<b>^</b>
	Forecasted Amount	W/P-3-3	\$0
for contracted chemical prices made to the forecast.	Base Period Amount		110
	Pro Forma Adjustment		(6440)
	Waste Disposal, Adjustment D-7		
	Forecasted Amount	W/P-3-4	\$0
	Base Period Amount		0
	Pro Forma Adjustment		\$0
	Manauement Fees. Adjustment D-8		
Management Fees expense reflects the forecasted charges from the Service Company for services rendered during	Forecasted Amount	W/P-3-5	\$3,581
the forecasted period including costs from the Southeast Region Service Company office, Shared Services Center,	Base Period Amount		0
and the Customer Call Center.	Pro Forma Adjustment		\$3,581
and the Customer Call Center.	i to to markaja stinent		\$0,001
	Grouo Insurance, Adjustment D-9		
Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with	Forecasted Amount	W/P-3-6	\$11,944
FAS 106.		VV/P-3-0	
1 AG 100.	Base Period Amount		(387)
	Pro Forma Adjustment		\$12,331
	Pensions. Adjustment D-10		
Pension Expense reflects the forecasted level based on FAS 87 pension costs.	Forecasted Amount	W/P-3-7	\$5,112
	Base Period Amount		(449)
	Pro Forma Adjustment		\$5,561
	Regulatory Expense, AdjustmentD-11		
Regulatory Expense reflects a three year amortizationof the cost of the current filing	Forecasted Amount	W/P-3-8	\$25
	Base Period Amount		0
	Pro Forma Adjustment		\$25
	,		
	InsuranceOther than Group. Adjustment D-1	3	
			£2000
Insurance Other than Group expense reflects the Company's forecasted cost for liability insurance, worker's	Forecasted Amount	W/P-3-9	\$280
	Base Period Amount		0
compensation and property insurancebased upon the most recent actual bills.	Pro Forma Adjustment		\$280
The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.			

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

#### DATA: \_X\_ BASEPERIOD\_X\_FORECASTED PERDD N P E OF FIUNG: \_\_**ORIGNAL**\_\_\_UPDATED\_X\_REVISED WORKPAPERREARENCE NO(S),: W/P-3 (ELK LAKE)

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SCHEDULE **D-2.3E** Page 2 cf 2 Witness Responsible: **S.A.** Valentine

Purpose and Description of Adjustment		Workpaper Reference	Amount
	Customer Accountina. Adjustment D-13		
Customer Accountingexpense reflects the cost of customer billing, meter reading and other expenses related to this	ForecastedAmount	W/P-3-10	\$1,146
function, as well as allocationsmade from Central Division to Tri Village and Elk Lake.	Base Period Amount		0
	Pro Forma Adjustment		\$1,146
	Rents. Adjustment D-14		
	Forecasted Amount	W/P-3-11	\$0
	Base Period Amount		0
	Pro Forma Adjustment		\$0
	General Office Expense, Adiustment D-15		
General Office expense reflects all expenses related to the Company's office including telephone, employee expenses,	Forecasted Amount	W/P-3-12	\$47
supplies, as well as allocations from Central Division to Tri Village and Elk Lake.	Base Period Amount		0_
	Pro Forma Adjustment		\$47
	Miscellaneous Expenses, Adiustment D-16		
Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed	Forecasted Amount	W/P-3-13	\$12,676
adjustments. Refer to workpapers for detailed listing. This also includes allocations from Central Division to Tri Village	Base Period Amount		7,619
and Elk Lake.	Pro Forma Adjustment		\$5,057
	Maintenance Expense, AdlustmentD-17		
Maintenanceexpense reflect the costs of maintaining the property and assets of the Company. These expenses	Forecasted Amount	W/P-3-14	\$36
include amortizations of prior and forecasted deferred maintenance projects. It pincludes normal maintenance	Base Period Amount		669
of pumping equipment, mains, meters, as well as allocations from Central Division to Tri Village and Elk Lake.	Pro Forma Adjustment		(\$633)
	Purchased Water Excense, Adiustment D-18		
PurchasedWater represents water purchased from the WinchesterMunicpal System, Georgetown Municipal	Forecasted Amount	W/P-3-15	\$16,302
System, and Owen Water & Sewer.	Base Period Amount		16,741
	Pro Forma Adjustment		(\$439)

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43 The purpose of each adjustment is to reflect an appropriatelevel of expense for the forecastedtest period.
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Exhibit 37 D Page 112 of 116

#### KENTUCKY-AMERICAN WATER COMPANY CASENO: 2004-00103 DETAILEDADJUSTMENTS FOR THE TWELVE MONTHS ENDED: NOVEMBER 30,2005

#### DATA: \_X\_ BASE PERIOD\_X\_FORECASTED PERIOD TYPE OF FILING:\_\_\_ORIGNAL\_\_\_UPDATED\_X\_REVISED WORKPAPER REARENCE NO(S).: WIP-4& WIP-5 (ELK LAKE)

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

Line			Workpaper	
No.	Purpose and Descriptionof Adjustment		Reference	Amount
1		Depreciation Expense. Adjustment D-19		
2	Depreciation expense reflects an increase due to an increased level of Utility Plant in Service	Forecasted Amount	W/P-4-1	\$7.314
3		Base Period Amount		0_
4		Pro Forma Adjustment		\$7.314
5				
6		Amortization Expense, Adjustment D-20		
7		Forecasted Amount	W/P-4-1	\$2,688
8		Base Period Amount		0
9		Pro Forma Adjustment		\$2,688
10				
11		General Taxes Expense, AdjustmentD-21		
12	General Taxes represent Property Taxes, Payroll Taxes, PSC Fees and other miscellaneoustaxes that are calculated	Forecasted Amount	W/P-5	\$6,165
13	to be expenses for the forecastedtest period. This also includes the allocation of property tax from Central Division	Base Period Amount		0
14	to Tri Village and Elk Lake.	Pro Forma Adjustment		\$6,165
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The purpose of each adjustment is to reflect an appropriatelevel of expense for the forecastedtest 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: \_\_ORIGNAL \_\_**UPDATED \_X\_REVISED WORKPAPER **REFERENCE NO(S):** (ELK **LAKE**)

Line Jurisdictional No. Acct Account Title Factor Description of Factor and/or method of Allocation NOT APPLICALBLE TO KENTUCKY-AMERICAN WATER COMPANY. 23 25 35 36 37 39 43 44 

SCHEDULE D-3E Page 1 of 1

Witness Responsible: S.A. Valentine

#### KENTUCKY-AMERICAN WATER COMPANY CASENO: 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 WORKPAPERRERRENCE NO(S).: (ELK LAKE)

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SCHEDULED-4E Page∎ of ∎

	Statistic		Adjusted Total		
escription	Total Company	Adjustment	Total Company	Statistic for Jurisdiction	Jurisdictional Ratio
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#### KENTUCKY-AMERICAN WATER COMPANY CASE NO: 2004-00103 EXPLANATION OF CMNGE IN JURISDICTIONALPROCEDURES FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

#### DATA: \_X\_ BASE PERIOD \_X\_FORECASTED PERIOD TYPE OF FIUNG: \_\_ORIGNAL \_\_UPDATED \_X\_REVISED WORKPAPERREFERENCENO(S).: (ELK\_AKE)

Line No.	Account No.	Description	Procedure Approved in Prior Case	Rational for Change
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SCHEDULE D-5E Page 1 of 1