

Figures as of 12/31/98

[REDACTED]

Notes: **DRAFT**  
 Tri Village Water District  
 Price per 1465 customers

- 1 Revenues
- 2 Non-Utility Revenues
- 3 Total Revenues
- 4 Operating Expenses
- 5 Depreciation
- 6 UPAA
- 7 Operating Income
- 8 Interest Expense
- 9 Property and PSC Tax
- 10 Pre-Tax Income
- 11 Income Taxes
- 12 Net Income to Common
- 13 Utility Plant Net A/D
- 14 Contributions
- 15 Improvements
- 16 Net Rate Base

Cash Price  
 Common Equity at 40%  
**Net to Common**  
**Net to Common Percentage**  
**Revised Net Income w/o UPAA**  
**Revised Net to Common, w/o UPAA**

	Year 1	Year 2	Year 3	Year 4	Year 5
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]
\$	[REDACTED]	\$	[REDACTED]	\$	[REDACTED]

UPAA: \$ [REDACTED]

Notes:  
 1 [REDACTED]  
 4 [REDACTED]  
 5 [REDACTED]  
 A [REDACTED]

Tri-Village Water District

Summary of Balance Sheet Items

	Book	A/D	1998 Total	\$1,418,784 Allocated Contributions	Adjusted Book Value	KAWC Dep Rate	KAWC Annual Depreciation
Land	\$	\$	\$		\$		
Structures	\$	\$	\$		\$		
Pump Equipment	\$	\$	\$		\$		
Treatment Equip	\$	\$	\$		\$		
Storage	\$	\$	\$		\$		
Mains	\$	\$	\$		\$		
Sewers	\$	\$	\$		\$		
Meters	\$	\$	\$		\$		
Hydrants	\$	\$	\$		\$		
Office Equip/urn	\$	\$	\$		\$		
Trans Equip	\$	\$	\$		\$		
Tools	\$	\$	\$		\$		
Power Equip	\$	\$	\$		\$		
Radios	\$	\$	\$		\$		
Other	\$	\$	\$		\$		
CVAP	\$	\$	\$		\$		
<b>TOTAL</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

Proposed Changes in Capital

Vehicles replaced - brought from Lexington	\$
Construction of Wheatley tank and line replacement	\$
<b>Total Proposed changes in Capital</b>	<b>\$</b>

**TOTAL PROJECTED UTILITY PLANT, NET A/D** (as of closing) **\$**

Contributions

Contributions	\$
Amort. balance - KAWC	\$
Grant to support Wheatley Project	\$
<b>Less, Net Contributions</b>	<b>\$</b>
<b>TOTAL UTILITY PLANT, NET CONTRIBUTIONS</b>	<b>\$</b>

Long Term Debt Payoff	\$
Wheatley Project Debt	\$
Current Liability Payoff	\$
Current Asset Disposal	\$
<b>Total Debt, Net Equity</b>	<b>\$</b>
<b>NET UTILITY PROCEEDS/EQUITY</b>	<b>\$</b>

Notes: [Redacted]

Tri Village Water District

Estimated Operating expense scenarios

Notes

Expense Item	Current Tri Vlg	year 1	Growth yr 2	Growth Yr 3	Growth yr 4	Growth yr 5
1 Employees	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
2 Board Fees	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
3 Employee Benefits	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
4 Purchased Water	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
5 Purchased Power	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
6 Chemicals	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
7 Materials/Supplies	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
8 Contract Svcs	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
9 Trans Exp	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
10 Insurance	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
11 Bad Debts	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
12 office Expenses	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
<b>Total Operating Expenses</b>	<b>\$ [REDACTED]</b>	<b>\$ [REDACTED]</b>	<b>\$ [REDACTED]</b>	<b>\$ [REDACTED]</b>	<b>\$ [REDACTED]</b>	<b>\$ [REDACTED]</b>

1 [REDACTED]

2 [REDACTED]

3 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

TRI-VILLAGE WATER DISTRICT

[REDACTED]

PROPOSED ACQUISITION:  
Tri-Village Water District

FORE YR 1    FORE YR 2    FORE YR 3    FORE YR 4    FORE YR 5

REVENUES

EXIST CUSTOMERS  
EST GROWTH  
EST RATE INC  
REDUCTION IN KAWC RESALE REVENUES

[REDACTED]

TOTAL REVENUE

[REDACTED]

OPERATING EXP

OPER & MAINT EXP  
PROPERTY TAXES  
GENERAL TAXES  
UPPA

[REDACTED]

TOE BEF TAX

[REDACTED]

EBITDA

[REDACTED]

EBITDA  
DEPRECIATION & AMORTIZ.

[REDACTED]

EBIT

[REDACTED]

DCF VALUATION:

EBITDA  
TERMINAL VALUE FACTOR

[REDACTED]

TERMINAL VALUE OF EBITDA  
EBITDA - FIRST FIVE YRS  
CAPX

[REDACTED]

CF FOR VALUATION

[REDACTED]

CAPITAL COST RATES  
LT DEBT  
CE

RATIO    COST RATE    PRE TX RAT    WCC

[REDACTED]

TOT CAP

DISC RATE

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

INCOME STATEMENT	FORE YR 1	FORE YR 2	FORE YR 3	FORE YR 4	FORE YR 5
TOTAL REV	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
OPER EXP	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
PRE TAX UOI	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
INTEREST EXP	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
PRE TAX INCOME	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
STATUTORY INC TAX RATE	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
INCOME TAXES	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
INC AFT TAX	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
NET TO CE	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
PRE TAX INT COVER	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
CE 1/1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
NET INC	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
CD	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
CE 12/31	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
OTHER FINANCIAL INDICATORS:					
CUSTOMERS	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
O&M PER CUSTOMER	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
STRATEGIC BUSINESS PLAN	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
BUSINESS COST/ CUSTOMER	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
STRATEGIC BUSINESS PLAN	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
PRE TAX COVERAGE OF LTDI	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
STRATEGIC BUSINESS PLAN	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**BALANCE SHEET**

FORE YR 1    FORE YR 2    FORE YR 3    FORE YR 4    FORE YR 5

UTIL PLT IN SERVICE  
ACCUM DEPR

NET PLANT  
CURRENT ASSETS

TOTAL ASSETS

COMMON STOCK  
RETAINED EARNINGS

COMMON STOCKHOLDERS EQUITY  
LONG TERM DEBT

TOTAL CAPITAL  
CURRENT LIABILITIES

TOTAL CAPITAL AND LIABILITIES

**CAPITAL STRUCTURE ANALYSIS**

FORE YR 1    FORE YR 2    FORE YR 3    FORE YR 4    FORE YR 5

LT DEBT  
% OF TOT CAP  
CE  
% OF TOT CAP  
TOTAL CAP  
CE EOY% TO TOT CAP  
STRATEGIC BUSINESS PLAN

**STATEMENT OF CASH FLOW**

FORE YR 1    FORE YR 2    FORE YR 3    FORE YR 4    FORE YR 5

NET TO CE

ADD: DEP  
AMORTZ

ADJ

NET CASH-OPS  
PURCHASE CAPITAL

NET CASH  
ISSUE OF LONG TERM DEBT  
ISSUE OF COMMON EQUITY  
DIVIDEND

CASH FOR YR  
CASH 1/1

CASH 12/31

**CAPX DETAIL:**

[REDACTED]	[REDACTED]	0
		0
AFUDC		0
		0
		0
TOTAL PROJECT COST	[REDACTED]	

**DISCOUNT RATE SENSITIVITY/ANALYSIS**

PV TV      PV CF      PV TOT      % CF      % TV

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
------------	------------	------------	------------	------------

**GRAPHED PARAMETERS:**

YR2    OW MULTIP    HGH MULTIP    LOW \$    HGH \$    MID PT

EBIT	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
EBITDA	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
NET PP&E	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
ATCF	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

PV OF TERMINAL VALUE OF EBITDA  
PV OF EBITDA - FIRST FIVE YRS

[REDACTED]
------------

PV OF EBITDA

[REDACTED]
------------

PV OF CAPX  
PURCHASE PRICE & CLOSING COSTS

[REDACTED]
------------

PV OF TOTAL PROJECT COST

[REDACTED]
------------

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

**KENTUCKY-AMERICAN WATER COMPANY**

**SOUTHEAST REGION**

Detailed Acquisition Analysis

**TRI-VILLAGE WATER DISTRICT/  
ELK LAKE WATER COMPANY**

November, 2000



# Kentucky-American Water Company

## Detail Acquisition Analysis

### Elk Lake Water Company-Tri-Village Water District

November, 2000

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**KENTUCKY-AMERICAN WATER COMPANY - SOUTHEAST REGION  
 TRI-VILLAGE/ELK LAKE WATER COMPANY COMBINED ACQUISITION ANALYSIS.**

[REDACTED]

	Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
<b>Revenues:</b>					
New Customers less SFR Revenue	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Estimated Growth	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Estimated Rate Increase	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Revenue Requirement Reduction	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other Revenue/Income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total Revenue/Income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Operation & Maintenance Expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Depreciation & Amortization	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
General Taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Property Taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Cost Savings	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
IOE Before Taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

EBIT (Earnings Before Int. & Taxes) [REDACTED]

Depreciation & Amortization [REDACTED]

EBITDA [REDACTED]

[REDACTED]

Terminal Value Factor [REDACTED]

Terminal Value [REDACTED]

EBITDA [REDACTED]

CAPX [REDACTED]

Cash Flow for Valuation [REDACTED]

	Ratio	Cost Rate	Pre-Tax Rate	Weighted Cost
Capital Cost Rates				
Long Term Debt	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Common Equity	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total Capitalization	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

**KENTUCKY-AMERICAN WATER COMPANY - SOUTHEAST REGION  
TRI-VILLAGE/ELK LAKE WATER COMPANY COMBINED ACQUISITION ANALYSIS.**

Tri-Village Water District and Elk Lake Water Company are located in Owen County, Approx. 60 miles north of Lexington. Both are regulated, the former as a District and the latter as investor owned. Elk Lake currently produces its water from its own lake. KAWC will purchase only the distribution assets and use the existing connection to Tri-Village for 100% for the Elk Lake Customers. Tri-Village purchases 100% of its water from Owenton (Ky River pool 2). KAWC may wheel water to Owen County via its existing Georgetown Connection. Tri-Village has contracted with 2 outside entities to purchase approx. 1/3 of its water from well sources at a better rate. Served are 1939 Customers, with 300 new customers added with the completion of the New Columbus Project in yr. 3. Owen County is a high growth area, located contiguous to the Greater Cincinnati/Northern Kentucky Area, and surrounded by interstate highways 71 and 75. A new Nascar facility has been constructed in the area. These systems combined have approx. 145 miles of 6,4,3 and 2 inch pipe and total storage of approx 1.1 million gallons in 8 tanks. KAWC will hire 4 employees from Tri-Village and one from Elk Lake to serve all customers from the Tri-Village location. The total purchase price is \$1,911,264, including acquisition expenses estimated at \$150,000.

[REDACTED]

**CAPX DETAIL:**

**Amount**

[REDACTED]

[REDACTED]

**Grand Total**

KENTUCKY-AMERICAN WATER COMPANY - SOUTHEAST REGION  
 TRI-VILLAGE/ELK LAKE WATER COMPANY COMBINED ACQUISITION ANALYSIS.

ACQUISITION BALANCE SHEET

ASSETS:	@Acq. Per Books	Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
Utility Plant						
Additions						
Retirements						
Accum depreciation						
Net Utility Plant						
Cash						
Acq. Adjustment in Price						
Acq. Contributions						
Acq. Advances						
Current Assets						
CWIP						
Total Assets						

LIABILITIES & EQUITY:

Current Liabilities						
Long Term Debt						
Assumed						
Issued						
Common Equity						
Total Cap						
Net Working Capital						
Advances						
Contributions						
Total Cap & Liabilities						

INCOME STATEMENT

	Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
Total Revenue/Income					
O&M, Depr, Taxes Other					
Pre-Tax UOI					
Interest Expense					
Pre-Tax Income					
Income Tax Rate					
Income Taxes Net of AFUDC					
Income After Tax					
Acq. Adj. Amortization					
Net to CE					
Pre-tax Interest Coverage					
ROE YE Equity					
Beginning CE					
New Equity					
Net Income					
Dividends					
RE					
CE 12/31					
Avg. ROE Earned					

KENTUCKY-AMERICAN WATER COMPANY - SOUTHEAST REGION  
 TRI-VILLAGE/ELK LAKE WATER COMPANY COMBINED ACQUISITION ANALYSIS.

**OTHER FINANCIAL INDICATORS**

O&M per Customer

Acquisition  
 Strategic Business Plan

[REDACTED]

Total Business Cost per Customer

Acquisition  
 Strategic Business Plan

[REDACTED]

Pre-tax Coverage of LTD

Acquisition  
 Strategic Business Plan

[REDACTED]

Customers per Employee

Acquisition  
 Strategic Business Plan

[REDACTED]

Return on Equity

Acquisition  
 Strategic Business Plan

[REDACTED]

**STATEMENT OF CASH FLOWS**

Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
--------------------	--------------------	--------------------	--------------------	--------------------

Cash Flows from Operating Activities:

Net to CE  
 Adjust:  
 AFUDC  
 Depreciation  
 Amortization  
 Net Cash from Operations

[REDACTED]

Cash Flows from Investing Activities:

Acquisition/Cost to Acquire  
 Construction Expenditures  
 Net Cash from Investing

[REDACTED]

Cash Flows from Financing Activities:

Add:  
 Long Term Debt  
 Common Stock  
 Deduct:  
 Dividends  
 Net Cash from Financing

[REDACTED]

Cash for Year

Cash 1/1

[REDACTED]

Cash 12/31

[REDACTED]

KENTUCKY-AMERICAN WATER COMPANY - SOUTHEAST REGION  
TRI-VILLAGE/ELK LAKE WATER COMPANY COMBINED ACQUISITION ANALYSIS.

GRAPHED PARAMETERS:

[REDACTED]

Tri-Village  
Elk Lake

[REDACTED]

KENTUCKY-AMERICAN WATER COMPANY - SOUTHEAST REGION  
TRI-VILLAGE/ELK LAKE WATER COMPANY COMBINED ACQUISITION ANALYSIS.

NOVEMBER, 2000

NAME: Tri-Village Water District / Elk Lake Water Company  
OWNER: Public Service District / Elk Lake Homeowners Association

**SUMMARY:**

Tri-Village Water District and Elk Lake Water Company are located in Owen County, Approx. 60 miles north of Lexington. Both are regulated, the former as a District and the latter as investor owned. Elk Lake currently produces its water from its own lake. KAWC will purchase only the distribution assets and use the existing connection to Tri-Village for 100% for the Elk Lake Customers. Tri-Village purchases 100% of its water from Owenton (Ky River pool 2). KAWC may wheel water to Owen County via its existing Georgetown Connection. Tri-Village has contracted with 2 outside entities to purchase approx. 1/3 of its water from well sources at a better rate. Served are 1939 Customers, with 300 new customers added with the completion of the New Columbus Project in yr. 3. Owen County is a high growth area, located contiguous to the Greater Cincinnati/Northern Kentucky Area, and surrounded by interstate highways 71 and 75. A new Nascar facility has been constructed in the area. These systems combined have approx. 145 miles of 6,4,3 and 2 inch pipe and total storage of approx 1.1 million gallons in 8 tanks. KAWC will hire 4 employees from Tri-Village and one from Elk Lake to serve all customers from the Tri-Village location. The total purchase price is \$1,911,294, including acquisition expenses estimated at \$150,000.

[REDACTED]

**ACQUISITION STRUCTURE:**

[REDACTED]

**STATISTICAL SUMMARY (5 Year Average):**

[REDACTED]

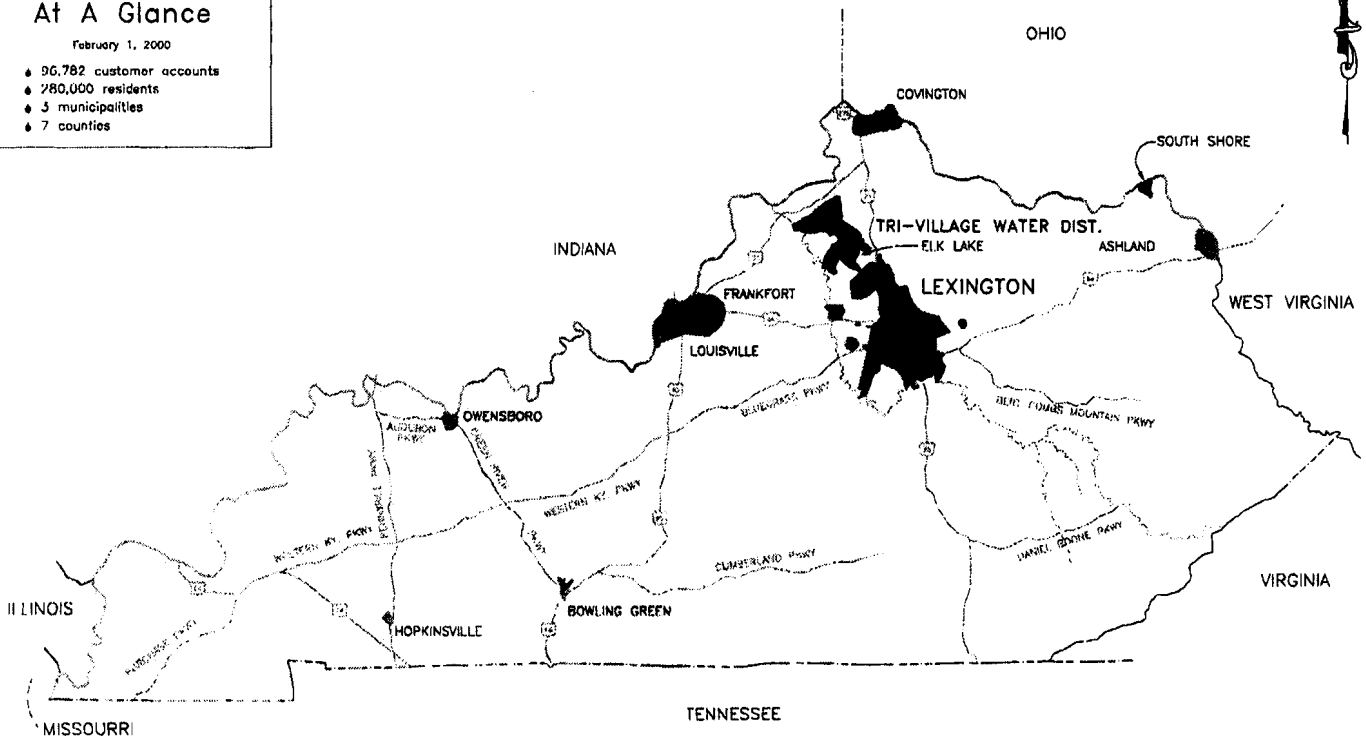




### Kentucky-American At A Glance

February 1, 2000

- ◆ 96,782 customer accounts
- ◆ 780,000 residents
- ◆ 5 municipalities
- ◆ 7 counties



## Kentucky-American Water Company, Inc.

METRO AREAS

SERVICE AREAS



BULK SERVICE AREA





Tri Village Water District  
Analysis of Contributed Equity  
From Audited Reports  
Prepared by Accountant for District

	CIAC		CONTRIBUTED EQUITY	TOTALS	ACCUM DEPRECIATION RECORDED Per books 12/31/2000
12/31/2000	24,075.00	Rural Development	55,730.00	79,805.00	1,094.00
12/31/1999	34,450.00	(1) KY Dept. Transportation	0.00	34,450.00	4,885.00
12/31/1998	28,620.00		11,345.00	39,965.00	5,381.00
12/31/1997	32,820.00		0.00	32,820.00	6,847.00
12/31/1996	101,615.00	(1) KY Dept. Transportation	202,211.00	303,826.00	23,042.00
		Grant	460,000.00	460,000.00	73,967.00
		(2) Contributed Lines	31,325.11	31,325.11	5,125.00
12/31/1995	20,670.00	(2) Contributed Lines	17,067.58	37,737.58	10,537.00
12/31/1994	22,751.64	Grant	172,100.00	194,851.64	52,852.00
12/31/1993	20,885.00	Truck-FiscalCT	4,999.00	25,884.00	12,723.00
12/31/1992	15,440.57		0.00	15,440.57	4,634.00
12/31/1991	34,554.81	Truck-FiscalCT	1,325.00	35,879.81	9,172.00
12/31/1990	7,411.77		0.00	7,411.77	6,320.00
12/31/1989	5,637.74		0.00	5,637.74	4,431.00
12/31/1988	7,706.13		0.00	7,706.13	8,040.00
12/31/1987	5,075.00	Area Dev. Grant	12,073.00	17,148.00	2,749.00
12/31/1986	2,225.00		0.00	2,225.00	1,124.00
12/31/1985	1,500.00		0.00	1,500.00	963.00
PRIOR YEARS	<u>199,435.97</u>		<u>0.00</u>	<u>199,435.97</u>	<u>166,024.00</u>
<b>TOTALS</b>	<b>564,873.63</b>		<b>968,175.69</b>	<b>1,533,049.32</b>	<b>429,910.00</b>

CAN WATER COMPANY

JOURNAL ENTRY  
 TO RECORD ACQUISITION OF  
 Tri-Village Water District

<u>Account</u>	<u>Description</u>	<u>Debit</u>	<u>Notes</u>	<u>Credit</u>	<u>Notes</u>
303	Land and Land Rights	12,389.00			
304	SS Structures	38,882.00			
305	Collecting & Impounding Reservoirs	803,475.00			
311	Electric Pumping Equipment	126,875.00			
320	Water Treatment Equipment	51,538.00			
331	Transmission and Distribution Mains	2,452,826.00			
333	Services	55,145.00			
334	Meters	286,547.00			
334	Meter Installations	0.00			
335	Hydrants	18,018.00			
340	Office Furniture and Equipment	19,458.00			
341	Transportation Equipment	17,000.00			
343	Tools, Shop and Garage Equipment	4,566.00			
345	Power Operated Equipment	35,704.00			
346	Communication Equipment	2,718.00			
348	Other General Equipment	8,589.00			
153	Materials & Supplies	17,913.00			
105	CWIP	10,000.00			
162	Prepaid Expenses	5,431.00			
142	Cust Accounts Receivable				
108	Depreciation			783,573.21	NOTE 1
252	Advances			0.00	
271	CIAC			1,533,050.00	
399	Acquisition Costs			1,659,233.00	
271	CIAC			0.00	
114	Acquisition Adjustment	8,782.21		0.00	NOTE 1
	Totals	3,975,856.21		3,975,856.21	

NOTE 1

ACCUMULATED DEPRECIATION PER BOOKS 12/31/00	1,213,482.00
ADJUSTMENT- UTILITY PLANT ACCOUNT 331	-\$270,419.00
ADJUSTMENT- UTILITY PLANT ACCOUNT 305	-\$47,565.00
ADJUSTMENT- UTILITY PLANT ACCOUNT 333	-\$13,005.00
ADJUSTMENT- UTILITY PLANT ACCOUNT 334	-\$92,596.00
ADJUSTMENT- UTILITY PLANT ACCOUNT 3-1	<u>-\$6,325.00</u>
SUB TOTAL	<u>-\$429,910.00</u>
REVISED ACCUMULATED DEPRECIATION	\$783,572.00

We have adjusted the accumulated depreciation to eliminate the depreciation claimed on contributed property not subject to refund. This is consistent with the manner in which KYAWC records depreciation.

Tri-Village Water District  
Depreciation

	as of 12/31/2000	accum. depr.	Net Plant	CIAC	Revised depreciable plant
Land and Land Rights	12,389		12,389		12,389
Structures and Improvements	38,882	12,230	26,652		38,882
Pumping Equipment	126,875	20,420	106,447		126,875
Water Treatment Equipment	51,538	22,226	29,312		51,538
Distribution Reservoirs and Standpipes	803,475	73,594	729,881	227,830	975,645
T & D Mains	2,452,826	603,501	1,849,325	957,203	1,495,623
Services	55,145	-	55,145	55,145	-
Meters and meter installations	286,547	-	286,547	286,547	-
Hydrants	18,018	3,679	14,339		18,018
Office Furniture and equipment	19,458	11,688	7,770		19,458
Transportation Equipment	17,000	1,943	15,057	6,325	10,673
Tools, shop and garage equipment	4,566	4,301	265		4,566
Power operated equipment	35,704	25,906	9,798		35,704
Communication Equipment	2,718	2,718	-		2,718
Other Tangible Plant	5,100	1,360	3,740		5,100
Reconciling amount	3,489		3,489		3,489
Balance Sheet Total	3,933,730	783,574	3,150,156	1,533,050	2,400,640

**TRI-VILLAGE WATER DISTRICT  
DEPRECIATION SCHEDULE**

	<b>Date Acquired</b>	<b>Useful Life</b>	<b>Fixed Asset Cost Balance</b>	<b>Accumulated Depreciation Balance 12/31/2000</b>	<b>Net Book Value 12/31/2000</b>
<b>SERVICES (333)</b>					
Services	85-87	40	3,079.75	0	3,080
Services	88	40	2,797.85	0	2,798
Services	89	20	1,872.50	0	1,873
Services	90	20	2,362.50	0	2,363
Services	91	20	2,665.00	0	2,665
Services	92	20	3,587.50	0	3,588
Services	93	20	3,046.58	0	3,047
Services	94	20	4,036.04	0	4,036
Services	95	20	3,839.16	0	3,839
Services	96	20	5,217.32	0	5,217
Services	97	20	6,497.04	0	6,497
Services	98	20	5,315.76	0	5,316
Services	99	20	6,398.60	0	6,399
Services	2000	20	4,429.80	0	4,430
<b>Total Services</b>			<b>55,145.40</b>	<b>-</b>	<b>55,145.40</b>
<b>LAND (303)</b>					
Easements			1,889.50		1,890
Tank Site - Carver			1,500.00		1,500
Tank Site - Hesler	94		1,900.00		1,900
Tank Site - Monterey	94		1,400.00		1,400
Land	88		1,500.00		1,500
Tank Site - 127 N	98		1,500.00		1,500
Pump Site - AT&T	98		1,200.00		1,200
Pump Site James Sanford	99		1,500.00		1,500
<b>Total Land</b>			<b>12,389.50</b>	<b>-</b>	<b>12,389.50</b>

**TRI-VILLAGE WATER DISTRICT  
DEPRECIATION SCHEDULE**

	<b>Date Acquired</b>	<b>Useful Life</b>	<b>Fixed Asset Cost Balance</b>	<b>Accumulated Depreciation Balance 12/31/2000</b>	<b>Net Book Value 12/31/2000</b>
<b>UTILITY PLANT (331)</b>					
<b>Cost of Construction</b>	60/66/87	40	722,716.81	406,174	316,543
Chlorine Station	86	40	10,280.36	3,847	6,433
Blowoff Valve	86	40	3,421.25	1,289	2,133
Master Meter Pit	87	20	3,239.74	2,133	1,107
Reducing Valve	87	20	227.39	147	81
Improvements - 1986	87	40	314,587.00	107,487	207,100
Improvements - 1988	88	40	2,325.20	725	1,600
Line Extension Carey Jones	91	40	5,305.00	1,211	4,094
Sparta Hill Line Replacement	92	40	18,448.00	3,919	14,529
Eagle Hill Line Extension	93	40	34,944.50	6,654	28,290
Distribution System Impr 94	94	40	112,818.00	18,801	94,017
Line Extension 96 issue	96	40	1,158,030.00	50,615	1,107,415
Hidden View Line Extension	97	40	1,530.00	134	1,397
Additional Costs 96 extension	97	40	1,204.67	120	1,084
Elk Lake Connection	98	40	2,755.00	167	2,588
Butler Lane Line	98	40	12,600.00	78	12,522
<b>Contributed lines:</b>					
Eagle Hill	95	40	17,067.38	0	17,067
Agee Road	96	40	22,795.41	0	22,795
Wilson Lane	96	40	8,529.90	0	8,530
<b>Total Utility Plant</b>			<b>2,452,826</b>	<b>603,501</b>	<b>1,849,324</b>

**TRI-VILLAGE WATER DISTRICT  
DEPRECIATION SCHEDULE**

	<b>Date Acquired</b>	<b>Useful Life</b>	<b>Fixed Asset Cost Balance</b>	<b>Accumulated Depreciation Balance 12/31/2000</b>	<b>Net Book Value 12/31/2000</b>
<b>TOOLS (343)</b>					
Fire Extinguishers	89	10	250.50	251	(1)
Lawn Mowers	89	5	230.95	230	1
Dixon 24 hr Pressure Mach	90	10	300.00	300	0
Voses	90	5	54.08	54	0
Truck Ramp	90	5	78.83	79	(0)
Small Tools sockets	91	5	77.97	77	1
Small Tools shovels rakes	91	5	477.05	477	0
Small Tools shovels rakes	91	5	296.78	297	(0)
Small Tools wrenches	91	5	163.76	164	(0)
Compressor	92	10	499.95	400	100
Cutter	92	10	287.95	232	56
Heaters Bay Area	92	10	532.90	425	108
Pressure Washer	93	5	518.84	519	(0)
Tanks Oxygen 158 Acetylene	94	5	327.00	327	0
Torch Kit	94	5	170.00	170	0
Used Compressor	94	5	300.00	300	0
<b>Total Tools</b>			<b>4,566.56</b>	<b>4,301</b>	<b>265.40</b>
<b>COMMUNICATIONS EQUIP (346)</b>					
Radios & antennas	91	5	2,717.75	2,718	(0)



**TRI-VILLAGE WATER DISTRICT  
DEPRECIATION SCHEDULE**

	<b>Date Acquired</b>	<b>Useful Life</b>	<b>Fixed Asset Cost Balance</b>	<b>Accumulated Depreciation Balance 12/31/2000</b>	<b>Net Book Value 12/31/2000</b>
<b>PUMP EQUIPMENT (311)</b>					
Meter Test Bench	87	10	3,013.20	3,013	0
15 HP Standby Pump	87	10	985.55	986	(0)
Large Meter Tester	93	10	975.00	766	209
Chlorine Tester	93	10	405.80	320	86
Dakota Pump - Owenton	98	10	46,340.30	11,585	34,755
Pump Station - Wheatley	2000	10	75,155.48	3,758	71,398
<b>Total Pump Equipment</b>			<b>126,875</b>	<b>20,428</b>	<b>106,447</b>
<b>HYDRANTS (335)</b>	<b>96</b>	<b>20</b>	<b>18,018</b>	<b>3,679</b>	<b>14,339</b>
<b>TRANSPORTATION EQUIP (341)</b>					
Carpenter trailer	93	5	2,500.00	1,175	1,325
Dump Truck	93	5	5,000.00	0	5,000
Chevy Truck 91	91	5	-	0	0
Dodge Truck	94	5	-	0	0
Dodge Truck	94	5	-	.0	0
Jeep Cherokee	5/18/00	5	2,500.00	292	2,208
1994 Ford Ranger	5/19/00	5	2,000.00	233	1,767
3500 Chevy Truck	8/09/00	5	5,000.00	243	4,757
<b>Total Transportation Equip</b>			<b>17,000</b>	<b>1,943</b>	<b>15,057</b>

TRI-VILLAGE WATER DISTRICT  
DEPRECIATION SCHEDULE

	Date Acquired	Useful Life	Fixed Asset Cost Balance	Accumulated Depreciation Balance 12/31/2000	Net Book Value 12/31/2000
<b>OFFICE EQUIPMENT (340)</b>					
Typewriter	86	5	630.00	630	0
Computer workstation	89	8	500.00	500	0
Desk	90	10	90.00	90	0
Safe	91	10	300.00	288	12
Fax Machine	93	10	373.62	277	97
Telephone system	93	10	303.54	224	80
Typing Desk	93	10	67.95	55	13
Chair	93	10	249.00	198	51
Chair	93	10	144.00	112	32
Calculators (2)	93	10	258.00	195	63
Phone	93	10	74.88	53	22
Phone	93	10	129.88	96	34
Computer Printer	94	5	1,395.00	1,395	0
Computer System	95	5	-	0	0
Copier	96	5	2,347.00	1,877	470
2 File Cabinets	97	10	599.92	210	390
File Cabinet	98	10	221.81	66	155
Computer	98	5	2,126.79	1,241	886
Desk	98	10	690.48	201	489
Magnifier	98	10	134.97	34	101
Hydraulic Software	98	5	5,906.95	3,347	2,560
Wallpaper & application	98	15	614.69	106	509
Computer	99	5	2,300.00	495	1,805
<b>Total Office Equipment</b>			<b>19,458</b>	<b>11,688</b>	<b>7,771</b>

**TRI-VILLAGE WATER DISTRICT  
DEPRECIATION SCHEDULE**

	<b>Date Acquired</b>	<b>Useful Life</b>	<b>Fixed Asset Cost Balance</b>	<b>Accumulated Depreciation Balance 12/31/2000</b>	<b>Net Book Value 12/31/2000</b>
<b>POWER OPERATED EQUIP (345)</b>					
Hydraulic Pusher	90	10	2,469.60	2,470	(0)
Trencher	92	10	9,975.00	8,814	1,151
Weights	92	10	350.00	303	47
Backhoe - John Deere	94	10	22,909.30	14,319	8,590
<b>Total Power Operated Eq</b>			<b>35,704</b>	<b>25,906</b>	<b>9,798</b>
<b>STRUCTURES &amp; IMPROV. (304)</b>					
Building & Improvements	88	40	34,419.76	10,751	23,669
Insulation	89	40	818.72	241	578
Gas Furnace	89	10	350.00	350	0
Building Addition	94	30	2,428.29	500	1,928
Heat Pump	96	10	865.00	388	477
<b>Total Structures &amp; Improvements</b>			<b>38,882</b>	<b>12,230</b>	<b>26,652</b>

TRI-VILLAGE WATER DISTRICT  
DEPRECIATION SCHEDULE

	Date Acquired	Useful Life	Fixed Asset Cost Balance	Accumulated Depreciation Balance 12/31/2000	Net Book Value 12/31/2000
<b>METERS &amp; METER INSTALL (334)</b>					
Meters / Installation	85-87	40	2,640.50	0	2,641
Meters / Installation	85-87	40	3,079.75	0	3,080
Meters / Installation	88	40	2,398.17	0	2,398
Meters / Installation	88	40	2,797.85	0	2,798
Meters / Installation	87	10	5,581.53	0	5,582
Meters / Installation	87	10	1,393.95	0	1,394
Meters / Installation	87	5	251.56	0	252
Meters / Installation	88	10	3,352.81	0	3,353
Meters / Installation	89	10	1,605.00	0	1,605
Meters / Installation	89	5	1,261.08	0	1,261
Meters / Installation	90	10	2,686.77	0	2,687
Meters / Installation	91	10	5,843.75	0	5,844
Meters / Installation	87	20	600.88	0	601
Meters / Installation	88	20	996.08	0	996
Meters / Installation	89	20	1,872.50	0	1,873
Meters / Installation	90	20	2,362.50	0	2,363
Meters / Installation	91	20	2,665.00	0	2,665
Meters / Installation	92	10	6,400.00	0	6,400
Meters / Installation	92	20	3,587.50	0	3,588
Meters / Installation	93	10	5,343.72	0	5,344
Meters / Installation	93	20	4,244.70	0	4,245
Meters / Installation	94	10	7,507.62	0	7,508
Meters / Installation	94	20	11,207.98	0	11,208
Meters / Installation	95	10	6,315.44	0	6,316
Meters / Installation	95	20	10,514.40	0	10,514
Meters / Installation	96	10	8,583.88	0	8,584
Meters / Installation	96	20	14,288.80	0	14,289
Meters / Installation	96	20	62,894.35	0	62,894
Meters / Installation	96	10	4,784.52	0	4,785
Meters / Installation	97	10	10,689.36	0	10,689
Meters / Installation	97	20	17,793.60	0	17,794
Meters / Installation	98	10	8,745.84	0	8,746
Meters / Installation	98	20	14,558.40	0	14,558
Meters / Installation	99	10	10,527.40	0	10,527
Meters / Installation	99	20	17,524.00	0	17,524
Meters / Installation	2000	10	7,513.20	0	7,513
Meters / Installation	2000	20	12,132.00	0	12,132
<b>Total Meters / Installation</b>			<b>286,547</b>	<b>0</b>	<b>286,547</b>

**TRI-VILLAGE WATER DISTRICT  
DEPRECIATION SCHEDULE**

	<b>Date Acquired</b>	<b>Useful Life</b>	<b>Fixed Asset Cost Balance</b>	<b>Accumulated Depreciation Balance 12/31/2000</b>	<b>Net Book Value 12/31/2000</b>
<b>WATER TREATMENT EQ (320)</b>					
Chlorine Station Hwy 22	94	15	5,736.00	2,675	3,061
Chlorine Station Long Ridge	94	15	3,105.00	1,346	1,759
Chlorinator	94	15	300.00	130	170
Booster Chlorinator	94	15	38,938.00	17,307	21,631
Gas Chlorinator	97	15	3,459.00	768	2,691
<b>Total Water Treatment Eq</b>			<b>51,538</b>	<b>22,226</b>	<b>29,312</b>
<b>DISTRIBUTION RESERVOIRS (330)</b>					
Tank Hwy 127	94	25	187,407.00	4,081	183,326
Altitude Valves	94	15	5,022.00	2,177	2,845
Standpipe 1996	96	25	387,578.00	62,304	325,274
Tank - Wheatley	4/99	25	223,468.04	5,032	218,436
<b>Total Distribution Reservoirs</b>			<b>803,475</b>	<b>73,594</b>	<b>729,881</b>
<b>OTHER TANGIBLE PLANT (348)</b>					
Fencing	94	25	5,100	1,360	3,740

**TRI-VILLAGE WATER DISTRICT  
DEPRECIATION SCHEDULE**

	<b>Date Acquired</b>	<b>Useful Life</b>	<b>Fixed Asset Cost Balance</b>	<b>Accumulated Depreciation Balance 12/31/2000</b>	<b>Net Book Value 12/31/2000</b>
<b>Totals</b>					
<b>Services</b>	<b>333</b>		<b>55,145</b>	<b>-</b>	<b>55,145</b>
<b>Pump Equip (watch split)</b>	<b>311</b>		<b>126,875</b>	<b>20,428</b>	<b>106,447</b>
<b>Utility Plant</b>	<b>331</b>		<b>2,452,826</b>	<b>603,501</b>	<b>1,849,324</b>
<b>hydrants</b>	<b>335</b>		<b>18,018</b>	<b>3,679</b>	<b>14,339</b>
<b>Structures &amp; Improvements</b>	<b>304</b>		<b>38,882</b>	<b>12,230</b>	<b>26,652</b>
<b>Meters &amp; Installation</b>	<b>334</b>		<b>286,547</b>	<b>-</b>	<b>286,547</b>
<b>Water Treatment Eq</b>	<b>320</b>		<b>51,538</b>	<b>22,226</b>	<b>29,312</b>
<b>Distribution Reservoirs</b>	<b>330</b>		<b>803,475</b>	<b>73,594</b>	<b>729,881</b>
<b>Total 108 Depreciation</b>			<b>3,833,306</b>	<b>735,657</b>	<b>3,097,649</b>
<b>Tools</b>	<b>343</b>		<b>4,567</b>	<b>4,301</b>	<b>265</b>
<b>Communications Equipment</b>	<b>346</b>		<b>2,718</b>	<b>2,718</b>	<b>(0)</b>
<b>Transportation Equipment</b>	<b>341</b>		<b>17,000</b>	<b>1,943</b>	<b>15,057</b>
<b>Office Equipment</b>	<b>340</b>		<b>19,458</b>	<b>11,688</b>	<b>7,771</b>
<b>Power Operated Equipment</b>	<b>345</b>		<b>35,704</b>	<b>25,906</b>	<b>9,798</b>
<b>Other Tangible Plant fence</b>	<b>348</b>		<b>5,100</b>	<b>1,360</b>	<b>3,740</b>
<b>Total 122 Depreciation</b>			<b>84,547</b>	<b>47,916</b>	<b>36,631</b>
<b>Land</b>	<b>303</b>		<b>12,390</b>	<b>-</b>	<b>12,390</b>
<b>Grand Total</b>			<b>3,930,242</b>	<b>783,573</b>	<b>3,146,669</b>
<b>Motor on Hand</b>			<b>3,487</b>	<b>-</b>	<b>3,487</b>
			<b>3,933,730</b>	<b>783,573</b>	<b>3,150,157</b>

Tri-Village Water District  
Purchase Price  
Source: 1998 PSC report plus management information

Revised to 2000 Audit, 3/07/01

Utility Plant  
Accumulated Depreciation  
Construction in Process  
Total Net Assets  
CIAC  
Wheatley Project  
Wheatley Grant (CIAC)  
Special Funds  
Materials and supplies  
System Appraisal Costs  
Bond Issuance Costs  
Prepays  
Preliminary purchase price indicated

[REDACTED]

Debt payoff:  
Bonds  
Wheatley project debt repayment

Net current assets used to satisfy debt:  
current assets less M&S  
current liabilities

[REDACTED]

Net current assets used to satisfy debt:

Debt not satisfied  
UPAA to pay debt

Payment to Tri-Village  
Closing costs  
Total investment

UPAA





	Rate	Year 1	Year 2	Year 3	Year 4	Year 5
Purchase Price						
Estimated Cost to Acquire - Legal Capx to Acquire						
LESS AFUDC						
Total Cap Required						
Debt Assumed						
Prior Yr. Cash						
Total Cash Required						
New L-T Debt						
New Common Equity						
Planned YE CE%						
Total Interest Expense						

ACQUISITION BALANCE SHEET

	@Pur Price	@Acq. Per Books	Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
<b>ASSETS:</b>							
Utility Plant							
Additions							
Retirements (estimate)							
Accum depreciation (adjusted)							
Net Utility Plant							
Cash							
Acq Adjustment in Price							
Acq. Contributions							
Acq. Advances							
Current Assets							
CWIP							
Total Assets							
<b>LIABILITIES &amp; EQUITY:</b>							
Current Liabilities							
Long Term Debt							
Assumed							
Issued							
Common Equity							
Total Cap							
Net Working Capital							
Advances							
Contributions							
Total Cap & Liabilities							

INCOME STATEMENT

	Forecast <u>Year 1</u>	Forecast <u>Year 2</u>	Forecast <u>Year 3</u>	Forecast <u>Year 4</u>	Forecast <u>Year 5</u>
Total Revenue/Income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
O&M, Depr, Taxes Other	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Pre-Tax UOI	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Interest Expense	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Pre-Tax Income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Income Tax Rate	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Income Taxes Net of AFUDC	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Income After Tax	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Acq. Adj. Amortization	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net to CE	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Pre-tax Interest Coverage	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
ROE YE Equity	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Beginning CE	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
New Equity	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net Income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Dividends	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
RE	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
CE 12/31	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

CAPITAL STRUCTURE

	Forecast <u>Year 1</u>	Forecast <u>Year 2</u>	Forecast <u>Year 3</u>	Forecast <u>Year 4</u>	Forecast <u>Year 5</u>
L-T Debt	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
% of Total Cap	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
CE	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
% of Total Cap	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total Cap	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

REVENUE REQUIREMENT

	<u>Ratio</u>	<u>Cost Rate</u>	<u>Weighted Avg. Rate</u>	<u>Revenue Multiplier</u>
Debt				
Equity				
Total				
				<u>Amount</u>
Total Cost of Project				
Required Pre-Tax Operating Income				
Depreciation				
Property Taxes				
Change in O&M Expense, including amort of UPAA				
Total Net Revenue Requirement				
State Revenue Tax				
Total Revenue Requirement				
Revenue from New Customers				
Revenue Excess/(Shortfall)				
Operating Revenue LTM Authorized				
Required Rate Increase(decrease)				
Additional Investment to Make Project Revenue Neutral				
Net Revenue Excess/(Shortfall)				
Revenue Excess Before State Revenue Tax				
Property Tax x 60%				
Depreciation				
Pre-tax UOI				

IOARD PRESENTATION

Kentucky-American Water Company

FINANCIAL EVALUATION OF ACQUISITION

	<u>Forecast Year 1</u>	<u>Forecast Year 2</u>	<u>Forecast Year 3</u>	<u>Forecast Year 4</u>	<u>Forecast Year 5</u>
Revenues:					
New Customers less SFR Revenue					
Estimated Growth					
Estimated Rate Increase					
Revenue Requirement Reduction					
Other Revenue/Income					
Total Revenue/Income					
Operation & Maintenance Expenses					
Depreciation & Amortization					
General Taxes					
Property Taxes					
Cost Savings					
TOE Before Taxes					
EBIT (Earnings Before Int. & Taxes)					
Depreciation & Amortization					
EBITDA					

STATEMENT OF CASH FLOWS

Forecast      Forecast      Forecast      Forecast      Forecast  
Year 1      Year 2      Year 3      Year 4      Year 5

Cash Flows from Operating Activities:

Net to CE [REDACTED]  
Adjust:  
AFUDC [REDACTED]  
Depreciation [REDACTED]  
Amortization [REDACTED]  
Net Cash from Operations [REDACTED]

Cash Flows from Investing Activities:

Acquisition/Cost to Acquire [REDACTED]  
Construction Expenditures [REDACTED]  
Net Cash from Investing [REDACTED]

Cash Flows from Financing Activities:

Add:  
Long Term Debt [REDACTED]  
Common Stock [REDACTED]  
Deduct:  
Dividends [REDACTED]  
Net Cash from Financing [REDACTED]

Cash for Year [REDACTED]  
Cash 1/1 [REDACTED]  
Cash 12/31 [REDACTED]

OTHER FINANCIAL INDICATORS

Employees [REDACTED]  
Additional Customers [REDACTED]

Customers [REDACTED]  
Growth Rate [REDACTED]  
O&M per Customer [REDACTED]  
Acquisition [REDACTED]  
Strategic Business Plan [REDACTED]

Total Business Cost per Customer [REDACTED]  
Acquisition [REDACTED]  
Strategic Business Plan [REDACTED]

Pre-tax Coverage of LTD [REDACTED]  
Acquisition [REDACTED]  
Strategic Business Plan [REDACTED]

Customers per Employee [REDACTED]  
Acquisition [REDACTED]  
Strategic Business Plan [REDACTED]

[REDACTED] [REDACTED]

Capital Cost Rates	Rate	Cost Rate	Pre-Tax Rate	Weighted Cost
Long Term Debt				
Common Equity				
Total Capitalization				

[REDACTED]

<u>ACQUISITION FINANCING</u>	Rate	Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
Purchase Price						
Estimated Cost to Acquire						
Cap Ex Required to Acquire						
Total Cap Required						
Debt Assumed						
Total Cash Required						
New L-T Debt						
New Common Equity						
Total Interest Expense						

NARRATIVE:

Tri-Village Water District is located in Owen County approx. 60 miles north of Lexington. Tri-Village is a Water District under KRS 74, with a board of commissioners operating separately from the County. Tri-Village purchases 100% of its water from the City of Owenton. Owenton's source is the Kentucky River. Tri-Village is negotiating with 2 outside districts to obtain additional sources of supply and is working with KAWC and Owenton to improve water quality (thm's).

KAWC will invest \$1,772,210 to purchase the system and \$1.8 million to add the New Columbus Expansion. The system consists of 131 miles of 6", 4" and 3" pipe and 1,007,000 of storage in 7 tanks. KAWC will hire 4 employees (plus one for Elk Lake Water Co.) and serve the entire county at the existing Tri-Village office for the foreseeable future.

[REDACTED]

CAPX DETAIL:

Amount

[REDACTED]

[REDACTED]

Grand Total

ACQUISITION BALANCE SHEET

<u>ASSETS:</u>	<u>@Acq. Per Books</u>	<u>Forecast Year 1</u>	<u>Forecast Year 2</u>	<u>Forecast Year 3</u>	<u>Forecast Year 4</u>	<u>Forecast Year 5</u>
----------------	----------------------------	----------------------------	----------------------------	----------------------------	----------------------------	----------------------------

Utility Plant  
Additions  
Retirements  
Accum depreciation  
Net Utility Plant  
Cash  
Acq. Adjustment in Price  
Acq. Contributions  
Acq. Advances  
Current Assets  
CWIP  
Total Assets

[REDACTED]

LIABILITIES & EQUITY:

Current Liabilities  
Long Term Debt  
Assumed  
Issued  
Common Equity  
Total Cap

[REDACTED]

Net Working Capital  
Advances  
Contributions  
Total Cap & Liabilities

[REDACTED]

CAPITAL STRUCTURE

	<u>Forecast Year 1</u>	<u>Forecast Year 2</u>	<u>Forecast Year 3</u>	<u>Forecast Year 4</u>	<u>Forecast Year 5</u>
--	----------------------------	----------------------------	----------------------------	----------------------------	----------------------------

L-T Debt  
% of Total Cap  
CE  
% of Total Cap  
Total Cap

[REDACTED]

[REDACTED]

INCOME STATEMENT

Forecast      Forecast      Forecast      Forecast      Forecast      Forecast  
Year 1      Year 2      Year 3      Year 4      Year 5      Year 6

Total Revenues  
O&M Expenses  
Depreciation  
General Taxes  
Pre-Tax Utility Operating Income  
Interest Expense  
Pre-Tax Income  
Income Tax Rate  
Income Taxes  
Income After Tax  
Acq. Adj. Amortization  
Net to Common Equity

[REDACTED]

Pre-tax Interest Coverage  
ROE YE Equity

[REDACTED]

Common Equity @ 1/1  
New Equity  
Net Income  
Dividends  
Retained Earnings  
Common Equity @ 12/31

[REDACTED]

[REDACTED]

[REDACTED]

OTHER FINANCIAL INDICATORS

[REDACTED]

[REDACTED]





.....  
EXTERNAL BOARD PRESENTATION  
.....

KENTUCKY-AMERICAN WATER COMPANY  
Acquisition Analysis

NAME: May, 2000  
Tri-Village Water District

OWNER: Same

SUMMARY:

Tri-Village Water District is located in Owen County approx. 60 miles north of Lexington.  
Tri-Village is a Water District under KRS 74, with a board of commissioners operating separately from the County.  
Tri-Village purchases 100% of its water from the City of Owenon. Owenon's source is the Kentucky River  
Tri-Village is negotiating with 2 outside districts to obtain additional sources of supply and is working with  
KAWC and Owenon to improve water quality (thrt's).

KAWC will invest \$1,772,210 to purchase the system and \$1.8 million to add the New Columbus Expansion  
The system consists of 131 miles of 6", 4" and 3" pipe and 1,007,000 of storage in 7 tanks.  
KAWC will hire 4 employees (plus one for Elk Lake Water Co.) and serve the entire county at the existing  
Tri-Village office for the foreseeable future.

[REDACTED]

ACQUISITION STRUCTURE:

[REDACTED]

Kentucky-American Water Company

ACQUISITION ANALYSIS

May, 2000

Kentucky-American Water Company

ACQUISITION ANALYSIS

May, 2000

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KENTUCKY AMERICAN WATER COMPANY  
BOARD PRESENTATION  
CLK LAKE WATER COMPANY, INC.  
OWEN COUNTY, KENTUCKY

<u>VALUATION</u>		Forecast	Forecast	Forecast	Forecast	Forecast
		Year 1 (00)	Year 2 (01)	Year 3 (02)	Year 4 (03)	Year 5 (04)
	Revenues (short-term)					
	Existing Customers less SFR Revenues					
\$642	Estimated Growth					
	Estimated Rate Increase					
	Sewer Billing Penalties					
	Rev Required Shortfall (production)					
	AFUDC					
	Total Rev AFUDC					
	YE ROP					
215	System Delivery (999 gals)					
	Expenses					
	Purchase Water Costs-Tri-Village					
	Labor & Overheads-Contract					
	Billing					
	Uncollectibles					
	Allocated O-M, 10%, Tri-Village					
	Maintenance					
	Tot Operations & Maintenance					
	Depreciation					
	Amortization					
	General Taxes					
	Property Taxes - Mercer County					
	Cost Savings					
	ROP Before Taxes					
	EBIT					
	Depreciation/Amortization					
	EBITDA					
	DEF VALUATION					
	EBITDA					
	Terminal Value Factor					
	Terminal Value					
410	EBITDA					
	\$450 CAPX					

ACQUISITION FINANCING

	Rate	Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
Purchase Price						
Estimate Cost to Acquire - Legal						
Capx to Acquire						
LESS AFUDC						
Total Cap Required						
Debt Assumed						
Pay 'n' Cash						
Total Cash Required						
New L.T. Debt						
New Common Equity						
Planned YE CE's						
Total Interest Expense						

ACQUISITION BALANCE SHEET

	@Pur Price	@Acc. Per Books	Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
<u>ASSETS</u>							
Utility Plant							
Additions							
Retirements (estimate)							
Accum depreciation (adjusted)							
Net Utility Plant							
Cash							
Acq Adjustment in Price							
Acq. Contingencies							
Acq. Advances							
Current Assets							
CWIP							
Total Assets							
<u>LIABILITIES &amp; EQUITY</u>							
Current Liabilities							
Long Term Debt							
Assumed							
Issued							
Common Equity							
Total Cap							
Net Working Capital							
Advances							
Contributions							
Total Cap & Liabilities							

INCOME STATEMENT

	Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
Total Revenue Income					
OSM O&M Taxes Other					
Pre-Tax IGT					
Interest Expense					
Pre-Tax Income					
Income Tax Paid					
Income After Tax					
Less: Any Zoning Impact					
Net Income					

[REDACTED]

[REDACTED]

CAPITAL STRUCTURE

Forecast Year 1      Forecast Year 2      Forecast Year 3      Forecast Year 4      Forecast Year 5

LT Debt  
 % of Total Cap  
 CE  
 % of Total Cap  
 Total Cap

[REDACTED]

CE 1.0% TO 1.5% Cap Strategic Business Plan

[REDACTED]

[REDACTED]

Forecast Year 1      Forecast Year 2      Forecast Year 3      Forecast Year 4      Forecast Year 5

[REDACTED]

[REDACTED]

[REDACTED]

STATEMENT OF CASH FLOWS

Forecast Year 1      Forecast Year 2      Forecast Year 3      Forecast Year 4      Forecast Year 5

Cash Flow from Operating Activities  
 Net to CE  
 Adjust  
 AFUDC  
 Depreciation  
 Amortization  
 Net Cash from Operations

[REDACTED]

Cash Flow from Investing Activities  
 Acquisition of Property  
 Contributions in kind  
 Net Cash from Investing

[REDACTED]

Cash Flow from Financing Activities  
 Add  
 Long Term Debt  
 Commercial  
 Dividend  
 Dividend  
 Net Cash from Financing

[REDACTED]

Change in Cash  
 Cash at End

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

REVENUE REQUIREMENT

	<u>Base</u>	<u>Cost</u> <u>Rate</u>	<u>Weighted</u> <u>Avg. Rate</u>	<u>Revenue</u> <u>Multiplier</u>
Debt	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Equity	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total Cost of Project	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Required Pre-Paid Operating Reserve	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Depreciation	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Property Taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Charge to O&M Expense (including amount of UFPA)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total Net Revenue Requirement	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
State Revenue Tax	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total Revenue Requirement	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Revenue from Tax Customers	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Revenue from (to) Other	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Operating Reserve (EM) Available	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Required O&M Improvement Charge	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Kentucky American Water Company

[REDACTED]

[REDACTED]

[REDACTED]

Estimated Growth  
Estimated Rate Increase  
Revenue Requirement Reduction  
Other Revenue Income  
Total Revenue Income

[REDACTED]

Operation & Maintenance Expenses  
Depreciation & Amortization  
General Taxes  
Property Taxes  
Cost Savings  
TCE Debit Taxes

[REDACTED]

EBIT (Earnings Before Int. & Taxes)

[REDACTED]

Depreciation & Amortization

[REDACTED]

EBITDA

DCF Value (30M)

Terminal Value Factor

[REDACTED]

Terminal Value

EBITDA

\$418 CAPX

Cash Flow for Valuation

[REDACTED]

Capital Cost Rates

Long Term Debt

Common Equity

Total Capitalization

[REDACTED]

Present Value of Terminal Value (EBITDA)

Present Value of EBITDA Years 1 - 5

Present Value of CAPX

PV of Cash Flow for Valuation

Less: Purchase Price & Closing Costs

Value Added to Shareholders

[REDACTED]

[REDACTED]

Rate	Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
------	--------------------	--------------------	--------------------	--------------------	--------------------

[REDACTED]

[REDACTED]

the

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

ACQUISITION BALANCE SHEET

ASSETS	(\$) Avg Per Books	Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5
<b>\$3 Utility Plant</b>						
Additions						
Retirements						
Accum depreciation						
Net Utility Plant						
Cash						
Acq. Adjustments in Price						
Acq. Contributions						
Acq. Advances						
Current Assets						
CWS*						
Total Assets						
<b>LIABILITIES &amp; EQUITY</b>						
Current Liabilities						
Long Term Debt:						
Assumed						
Actual						
Common Equity						
Total Cap						
Net Working Capital						
Advances						
Contributions						
Total Cap & Liabilities						
<b>CAPITAL STRUCTURE</b>						
LT Debt						
% of Total Cap						
CP						
% of Total Cap						
Total Cap						
CP % TO TOTAL CAP						
Savings Bonds Plan						
<b>INCOME STATEMENT</b>						
Forecast 2011		Forecast 2012	Forecast 2013	Forecast 2014	Forecast 2015	Forecast 2016
Total Revenues						
O&M Expenses						
Depreciation						
Capital Costs						
Fin. Exp. (Inc), Operating Interest						
Regional Expenses						
Free Cash Income						



Income Tax Rate  
Income Taxes  
Income After Tax  
Amortization  
Net to Common Equity

[REDACTED]

Pre-tax Interest Coverage  
ROE NY Equity

[REDACTED]

Common Equity @ 1/1  
New Equity  
Net Income  
Dividends  
Retained Earnings  
Common Equity @ 12/31

[REDACTED]

Free Float Avg. P/E Ratio

[REDACTED]

OTHER FINANCIAL INFORMATION

Customers

[REDACTED]

[REDACTED]

STATEMENT OF CASH FLOWS

Forecast Year 1	Forecast Year 2	Forecast Year 3	Forecast Year 4	Forecast Year 5	Forecast Year 6
--------------------	--------------------	--------------------	--------------------	--------------------	--------------------

Cash Flow from Operating Activities

Net to CE

Adjust

ATDC

Depreciation

Amortization

Net Cash from Operations

[REDACTED]

Cash Flow from Investing Activities

Acquisition Cost to Acquire

Construction Expenditures

Net Cash from Investing

[REDACTED]

Cash Flow from Financing Activities

Long Term Debt

Current Stock

Dividends

Net Cash from Financing

[REDACTED]

Beginning Cash

Change

Cash Flow

[REDACTED]

[REDACTED]

**KENTUCKY-AMERICAN WATER COMPANY**  
**Acquisition Analysis**

May, 2006

**NAME:** Elk Lake Water Company, Inc.

**OWNER:** Elk Lake Association, Inc.

**SUMMARY:**

Elk Lake Water Company, Inc. is located in Powell County, Virginia. Elk Lake is an unincorporated, PSC regulated water utility owned by the Elk Lake Association, Inc. that owns the lake & treatment plant which serves the nearby, unincorporated community. Elk Lake currently operates a treatment facility which has sedimentation tanks and an existing back-up connection to Tri-Village Water District. The connection and the existing tank will allow for Tri-Village water as the sole source.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



*Kentucky-American Water Company*

ACQUISITION ANALYSIS

May, 2000

*Kentucky-American Water Company*

ACQUISITION ANALYSIS

May, 2000

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KENTUCKY-AMERICAN WATER COMPANY  
ACQUISITION ANALYSIS TRI-VILLAGE

	FORECAST YEAR 1	FORECAST YEAR 2	FORECAST YEAR 3	FORECAST YEAR 4	FORECAST YEAR 5
Net Income					
Net Interest Expense, after Tax					
Amortization of Debt Expense, after Tax					
Deferred Tax Expense					
DEBT AFUDC					
Equity AFUDC					
Change in Net Deferred Charges					
Change in Bad Debt Reserve					

[REDACTED]

	FORECAST YEAR 1	FORECAST YEAR 2	FORECAST YEAR 3	FORECAST YEAR 4	FORECAST YEAR 5
INVESTED CAPITAL					
Common Equity					
Preferred Stock					
Total Debt					
Deferred Tax Liability Net of Reg. Assets					
Def. Pensions & OPEB Liab. Net of Reg. Asset					
Other Long Term Liabilities					
Bad Debt Reserve					
Accumulated Debt AFUDC, Net of Tax					
Accumulated Equity AFUDC, Net of Tax					

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

KENTUCKY-AMERICAN WATER COMPANY  
ACQUISITION ANALYSIS TRI-VILLAGE

[REDACTED]

[REDACTED]

FORECAST FORECAST FORECAST FORECAST FORECAST  
YEAR 1 YEAR 2 YEAR 3 YEAR 4 YEAR 5

NOFAT

Revenues	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Operating Expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Depreciation & Amortization	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
General Taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Change in Bad Debt Reserve	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Change in Net Deferred Charges	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other Income, net of AFUDC	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Income Taxes Paid	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Taxes on Interest Expense	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

FORECAST FORECAST FORECAST FORECAST FORECAST  
YEAR 1 YEAR 2 YEAR 3 YEAR 4 YEAR 5

INVESTED CAPITAL

Net Utility Plant	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Acq. Adjustment in Price	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Advances & Contributions	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Non-Utility Property	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other Investments	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net Working Capital	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Accumulated Debt AFUDC, Net of Tax	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Accumulated Equity AFUDC, Net of Tax	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1. The following information was obtained from the  
 2. 2010-2011 Financial Statement  
 3. 2010-2011 Financial Statement

	FORECAST YEAR 1	FORECAST YEAR 2	FORECAST YEAR 3	FORECAST YEAR 4	FORECAST YEAR 5	FORECAST YEAR 6	FORECAST YEAR 7	FORECAST YEAR 8	FORECAST YEAR 9	FORECAST YEAR 10
REVENUE										
Municipal										
Municipal Enterprise										
Municipal Enterprise - Other										
Municipal Enterprise - Other										
Municipal Enterprise - Other										
Municipal Enterprise - Other										
Municipal Enterprise - Other										
Municipal Enterprise - Other										

	FORECAST YEAR 1	FORECAST YEAR 2	FORECAST YEAR 3	FORECAST YEAR 4	FORECAST YEAR 5	FORECAST YEAR 6	FORECAST YEAR 7	FORECAST YEAR 8	FORECAST YEAR 9	FORECAST YEAR 10
EXPENSE TOTAL										
Municipal	57,310	56,267	55,568	54,826	54,097	0	0	0	0	0
Municipal Enterprise	0	0	0	0	0	0	0	0	0	0
Municipal Enterprise - Other	53,130	52,761	52,419	52,115	51,807	0	0	0	0	0
Municipal Enterprise - Other	0	0	0	0	0	0	0	0	0	0
Municipal Enterprise - Other	0	0	0	0	0	0	0	0	0	0
Municipal Enterprise - Other	0	0	0	0	0	0	0	0	0	0
Municipal Enterprise - Other	0	0	0	0	0	0	0	0	0	0
Municipal Enterprise - Other	0	0	0	0	0	0	0	0	0	0
Municipal Enterprise - Other	0	0	0	0	0	0	0	0	0	0

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

FINANCIAL STATEMENT SUMMARY

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS SHOULD BE PREPARED  
IN ACCORDANCE WITH THE ACCOUNTING  
PRINCIPLES APPLICABLE TO THE ENTITY.

FINANCIAL STATEMENTS

	FORECAST YEAR 1	FORECAST YEAR 2	FORECAST YEAR 3	FORECAST YEAR 4	FORECAST YEAR 5	FORECAST YEAR 6	FORECAST YEAR 7	FORECAST YEAR 8	FORECAST YEAR 9	FORECAST YEAR 10
ASSETS										
Cash										
Accounts Receivable										
Inventory										
Prepaid Expenses										
Property, Plant & Equipment										
Intangible Assets										
Other Assets										
Total Assets										
LIABILITIES										
Accounts Payable										
Accrued Expenses										
Deferred Revenue										
Long-Term Debt										
Other Liabilities										
Total Liabilities										
EQUITY										
Common Stock										
Retained Earnings										
Total Equity										

	FORECAST YEAR 1	FORECAST YEAR 2	FORECAST YEAR 3	FORECAST YEAR 4	FORECAST YEAR 5	FORECAST YEAR 6	FORECAST YEAR 7	FORECAST YEAR 8	FORECAST YEAR 9	FORECAST YEAR 10
NET INCOME										
Operating Income										
Other Income										
Total Income										
Income Taxes										
Net Income										
Dividends										
Retained Earnings										

[REDACTED]

PELTONKYLÄ WATER COMPANY  
 ACQUISITION AND RECONSTRUCTION  
 ECONOMIC PROFIT CALCULATION

Federal Tax Expense

Due Income Tax  
 Dividends  
 Total

[REDACTED]

MANAGEMENT DEFERRAL CHARGES

ACCOUNT	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Prepaid	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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