

**Kentucky American Water
PSC DR 4 Item 28**

State/Company	Deferred Security Costs at 12/31/03	Number of Customers	Status Notes
Arizona-American	-	118,195	7
California-American	-	172,624	2, 7
Etown/MH Water Company	-	220,705	7
Hawaii-American	-	10,241	7
Illinois-American	-	295,934	2, 3
Indiana-American	2,787,786	272,036	1
Iowa-American	139,619	58,565	1
Kentucky-American	2,655,002	107,787	
Long Island-American	85,407	74,226	1
Maryland-American	179	4,782	4
Michigan-American	-	3,888	5
Missouri-American	4,555,155	444,557	5
New Jersey-American	4,308,795	383,222	5
New Mexico-American	-	15,787	7
Ohio-American	1,626,329	57,066	5
Pennsylvania-American	17,853,406	622,623	1, 3
Tennessee-American	277,369	71,059	5
Virginia-American	162,346	53,030	5
West Virginia-American	4,319,304	165,229	1
Total	38,770,697	3,151,556	

Status Note Key:

- 1 Deferred costs have been explicitly approved for recovery in rates.
- 2 Deferred cost recovery has been denied.
- 3 Commission orders regarding deferred security costs are under appeal.
- 4 Issue has not been raised in a regulatory proceeding.
- 5 Deferred Costs are being recovered in rates, but issue was stipulated, and no explicit language approving them is available.
- 6 Deferred costs are not included in approved revenue requirement.
- 7 Deferred costs have already been amortized.
- 8 Unamortized balance in rate base.