

<b>State/Company</b>	<b>Deferred Security Costs at 12/31/03</b>	<b>Number of Customers</b>	<b>Status Notes</b>	<b>Ratemaking Treatment of Deferred Costs</b>
Arizona-American	-	118,195	7	No deferral made see response to KAW_R_HDR1#18
California-American	-	172,624	2, 7	No deferral made see response to KAW_R_HDR1#18
Etown/MH Water Company	-	220,705	7	No deferral made see response to KAW_R_HDR1#18
Hawaii-American	-	10,241	7	No deferral made see response to KAW_R_HDR1#18
Illinois-American	-	295,934	2, 3	Denied, under appeal
Indiana-American	2,787,786	272,036	1	Amortization expense allowed. Unamortized balance not in rate base.
Iowa-American	139,619	58,565	1	Amortization expense allowed. Unamortized balance not in rate base.
Kentucky-American	2,655,002	107,787		
Long Island-American	85,407	74,226	1	Amortization expense allowed. Unamortized balance not in rate base.
Maryland-American	179	4,782	4	The Company has not filed a rate case requested security recovery
Michigan-American	-	3,888	5	No deferral made see response to KAW_R_HDR1#18
Missouri-American	4,555,155	444,557	5	Amortization expense allowed. Unamortized balance not in rate base.
New Jersey-American	4,308,795	383,222	5	Amortization expense allowed. Unamortized balance not in rate base.
New Mexico-American	-	15,787	7	No deferral made see response to KAW_R_HDR1#18
Ohio-American	1,626,329	57,066	5	Amortization expense allowed. Unamortized balance not in rate base.
Pennsylvania-American	17,853,406	622,623	1	Amortization expense allowed. Unamortized balance not in rate base.
Tennessee-American	277,369	71,059	5, 8	Amortization approved & Unamortized balance included in rate base
Virginia-American	162,346	53,030	5, 8	Amortization approved & Unamortized balance included in rate base
West Virginia-American	4,319,304	165,229	1, 8	Amortization approved & Unamortized balance included in rate base
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.