

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2007-00143
ATTORNEY GENERAL'S
SUPPLEMENTAL REQUEST FOR INFORMATION
Item 40 of 41

Witness: Michael Miller

40. Follow-up to OAG 1 - 310. Please provide the operating expense budgets requested in the original request for American Water Works Service Company.

Response:

Please see the attached documents for the budgets. Those documents include the 2007-2011 AWWSC Plan assumptions, Plan Summary, 2006 Plans for AWWSC –Corporate & SE Region, 2007 Plans for AWWSC – Corporate & SE Region, 2008 Plan for the SE Region.

For electronic version, refer to KAW_R_AGDR2#40_071607.pdf

Supplemental Response:

The attached documents were inadvertently omitted from the July 16, 2007 response to this question. They are attached to this supplemental response.

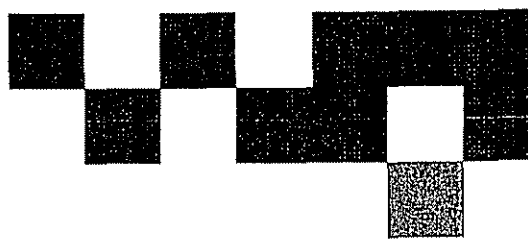
AMERICAN WATER - SERVICE COMPANY
2007-2011 BUDGET
Assumptions

	2007	2008	2009	2010	2011
Inflation Rate	2.50%	2.50%	2.50%	2.50%	2.50%
Merit Increase	4.00%	4.00%	4.00%	4.00%	4.00%
Group Insurance Increase	12.00%	12.00%	12.00%	12.00%	12.00%
401K - Before 2005	2.50%	2.50%	2.50%	2.50%	2.50%
401K - After 2005	4.00%	4.00%	4.00%	4.00%	4.00%
401K - Before 2005 Participatir	72.00%	72.00%	72.00%	72.00%	72.00%
401K - After 2005 Participation	100.00%	100.00%	100.00%	100.00%	100.00%
EIP	0.00%	0.00%	0.00%	0.00%	0.00%
EIP Participation	100.00%	100.00%	100.00%	100.00%	100.00%
DCA	5.25%	5.25%	5.25%	5.25%	5.25%
DCA Participation	100.00%	100.00%	100.00%	100.00%	100.00%
FUTA	0.80%	0.80%	0.80%	0.80%	0.80%
FUTA Limit	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00
FICA	6.20%	6.20%	6.20%	6.20%	6.20%
FICA Limit	\$94,200.00	\$94,200.00	\$94,200.00	\$94,200.00	\$94,200.00
FICA Medicare	1.45%	1.45%	1.45%	1.45%	1.45%
SUTA	0.93%	0.93%	0.93%	0.93%	0.93%
SUTA Limit	\$23,900.00	\$23,900.00	\$23,900.00	\$23,900.00	\$23,900.00



Business Plan 2007 - 2011

Corporate Service Company





Key Operational Objectives

- Finance - develop processes/capabilities to support SEC quality financial reporting
- All - enhance control environment to levels consistent with US Public Company standards
- ITS - eliminate systems inefficiencies that compromise productivity
- Operations - maintain operational integrity
- Call Center - improve service quality to levels satisfactory to Regulated Business Partners
- Rates & Regulation - secure regulatory approval for divestiture
- External Affairs - avoid condemnations & position AW in market
- Human Resources - develop critical organizational capabilities & leadership bench strength



Assumptions and Key Drivers

- Sarbanes-Oxley compliance and SEC quality reporting capabilities are imperatives for AW
- Divestiture related expenditure, with exception of Sarbanes-Oxley, are charged to Parent Company
- No new major ITS platforms are introduced (except FP&A tool)
- Service Company organization remains constant
- Divestiture related expenditure qualify for “one-time event” treatment for valuation purposes



Functional Variances to Prior Year Plan Explanations

■ Finance:

- New Investor Relations function
- Increased resources to support SEC reporting, improved planning & Business Performance Reviews and to support increased focus on benefit plans investment portfolio
- Increased audit fees

■ Human Resources:

- Increased resources to eliminate benefits administration issues
- Cost of compliance with new benefit plan regulations

■ External Affairs:

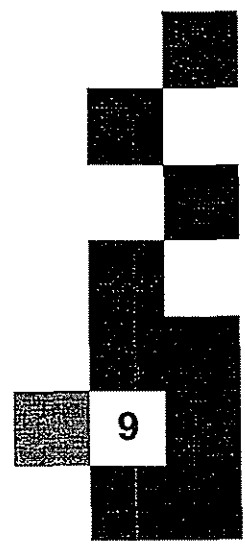
- External communications (annual reports, sponsorships, public relations, association memberships, website, etc)
- Government Affairs (staff member and consultant)

■ Shared Services:

- Increased resources to support Sarbanes-Oxley compliant control environment:

■ Corporate Admin:

- 2006 Plan included \$4m "stretch" savings not assigned to Functions





Capital Expenditures by Year

The updated Capex Plan increased to \$25 million and provides for normal replacements and limited new investments, including:

- Security upgrades and replacements - \$3.0m
- ITS infrastructure and workstation upgrades and replacements - \$7.1m
- FP&A tool - \$2.0m
- Billing & Collections - \$4.5m
- Production systems upgrades - \$3.6m
- Advantex 8.0 upgrade, with high availability - \$2.6m
- Office space expansions and renovations - \$2.0m

Certain projects included in the Plan have embedded risk in that some aspect of related cost may not qualify for capex treatment and may have to be expensed as incurred.

Growth



Key targets/activities:

■ Increase competitiveness:

- Organizational design
- Overhead allocations
- Joint ventures
- Individual competencies

■ Educate the audiences:

- Value of public / private partnerships and municipalities
- Applicability of Regulated Utility Model
- Appropriate stock market appreciation of "long term contracts"

■ Close transactions:

- Expand O&M portfolio
- Continue "tuck-in" activity
- Prepare for medium/large scale M&A activity
- Utilize Concession Model

AMERICAN WATER - SERVICE COMPANY
2006 BUDGET
Summary by Location & Department

Location	BU	BU Description	2006 Budget (4th Submission)			
			Mgmt Fees	Non-Mgmt Fee	Total	Headcount
Corporate	032001	CORP-Marlton Office		0		
Corporate	032062	CORP-Building Services	7,200,689	0	7,200,689	7
Corporate	032063	CORP-Woodcrest Facility Services	1,912,992	0	1,912,992	4
Corporate	032090	CORP-Property Management	1,000,465	0	1,000,465	7
		Total Building/Property	10,114,145	0	10,114,145	18
Corporate	032007	CORP-Finance	5,132,208	0	5,132,208	23
Corporate	032017	CORP-SC Finance	563,047	0	563,047	5
Corporate	032027	CORP-Reporting & Compliance	0	0	0	0
		Total Finance	5,695,255	0	5,695,255	28
Corporate	032008	CORP-Legal Admin	851,260	0	851,260	2
Corporate	032015	CORP-Legal	1,262,773	0	1,262,773	7
Corporate	032060	CORP-Audit	1,745,981	0	1,745,981	10
		Total Legal/Audit	3,860,014	0	3,860,014	19
Corporate	032002	CORP-HR Comp/Benefits	1,213,231	0	1,213,231	3
Corporate	032003	CORP-HR Talent Development	1,750,829	0	1,750,829	7
Corporate	032004	CORP-HR Labor Relations	447,083	0	447,083	1
Corporate	032006	CORP-Business Center HR	317,702	0	317,702	3
Corporate	032012	CORP-HR Strategic Staffing	0	0	0	0
Corporate	032013	CORP-HR Systems & Staffing	264,371	0	264,371	2
Corporate	032018	CORP-Human Resources	1,195,464	0	1,195,464	3
		Total Human Resources	5,188,680	0	5,188,680	19
Corporate	032011	CORP-COO	529,629	0	529,629	2
Corporate	032019	CORP-Operational Risk	1,043,341	632,927	1,676,268	10
Corporate	032064	CORP-Operational Services/BOP	2,429,431	0	2,429,431	11
Corporate	032065	CORP-Asset Management	(0)	768,407	768,407	5
Corporate	032066	CORP-Innovation & Technology	1,367,044	332,653	1,699,697	13
Corporate	032094	CORP-COE O&M	1,219,088	0	1,219,088	5
Corporate	036550	CORP-COE Engineering	(0)	2,583,024	2,583,024	18
		Total Operations & Investment	6,588,533	4,317,012	10,905,545	64
Corporate	032020	CORP-Business Development	1,444,333	0	1,444,333	6
Corporate	032068	CORP-Marketing	1,402,324	0	1,402,324	4
Corporate	032092	CORP-Strategy & Planning	0	0	0	0
Corporate	032096	CORP-Chief Growth Officer	3,214,817	0	3,214,817	11
Corporate	032097	CORP-Products & innovation	0	0	0	0
		Total CGO	6,061,474	0	6,061,474	21
Corporate	032025	CORP-External Affairs	509,019	0	509,019	3
Corporate	032085	CORP-External Communications	441,591	0	441,591	1
Corporate	032086	CORP-Internal Communications	430,623	0	430,623	2
Corporate	032087	CORP-Corp Social Responsibility	469,306	0	469,306	1
		Total External Affairs	1,850,538	0	1,850,538	7
Corporate	032069	CORP-Regulatory	1,313,461	128,439	1,441,899	5
Corporate	032089	CORP-WW Development		0		
		Total Other	1,313,461	128,439	1,441,899	5
Corporate	032005	CORP-CEO	790,269	0	790,269	4
Corporate	032098	CORP-Non-Dept Costs	9,327,235	873,601	10,200,836	0
Corporate	032099	CORP-Unallocated Adjustments	(3,950,000)	0	(3,950,000)	0
		Total Non-Department	6,167,503	873,601	7,041,104	4
		Total Corporate	46,839,604	5,319,051	52,158,655	185
Corporate	032070	CORP-Bus Shared Services	471,428	0	471,428	1
Corporate	032XXX	Initiatives' Savings	0	0	0	0
		Total Bus Shared Services	471,428	0	471,428	1
SSC	032084	SSC-P2P	1,709,227	0	1,709,227	23
SSC	032505	SSC-Admin	852,987	(44,245)	808,742	4
SSC	032570	SSC-General Accounting	1,748,374	1,782	1,750,156	24
SSC	032571	SSC-Tax	2,224,623	0	2,224,623	16
SSC	032572	SSC-Service Quality	1,111,941	0	1,111,941	10
SSC	032573	SSC-Planning & Reporting	0	0	0	0
SSC	032574	SSC-Rates & Regulation	451,005	300,670	751,676	7
SSC	032575	SSC-Cash Management	1,473,428	29,274	1,502,702	20
SSC	032576	SSC-Facility Services	682,575	0	682,575	0
SSC	032577	SSC-Fixed Assets/Job Cost	1,131,206	11,316	1,142,522	16
SSC	032578	SSC-Business Change	326,924	0	326,924	3

AMERICAN WATER - SERVICE COMPANY
2006 BUDGET
Summary by Location & Department

SSC	032579	SSC-Employee Services	2,370,091	0	2,370,091	34
		Total SSC	14,082,380	298,797	14,381,177	157
CSC-Alton	034005	CCA-Admin	614,152	0	614,152	5
CSC-Alton	034018	CCA-Human Resources	823,427	0	823,427	5
CSC-Alton	034070	CCA-Call Handling	4,455,039	0	4,455,039	86
CSC-Alton	034071	CCA-Billing	3,719,350	0	3,719,350	77
CSC-Alton	034072	CCA-Collections	4,048,123	0	4,048,123	39
CSC-Alton	034073	CCA-Operations & Performance	6,573,651	0	6,573,651	17
CSC-Alton	034074	CCA-Business Services	2,012,808	0	2,012,808	35
CSC-Alton	034075	CCA-Education & Development	1,249,302	0	1,249,302	17
CSC-Pensacola	037005	CCP-Admin	1,034,024	0	1,034,024	3
CSC-Pensacola	037018	CCP-Human Resources	491,365	0	491,365	3
CSC-Pensacola	037070	CCP-Call Handling	5,783,965	0	5,783,965	139
CSC-Pensacola	037071	CCP-Billing	1,486,013	0	1,486,013	37
CSC-Pensacola	037072	CCP-Collections	1,219,330	0	1,219,330	18
CSC-Pensacola	037073	CCP-Operations & Performance	3,535,923	0	3,535,923	6
CSC-Pensacola	037074	CCP-Business Services	0	0	0	0
CSC-Pensacola	037075	CCP-Education & Development	891,905	0	891,905	14
CSC-Alton	0340XX	4th Submission Adjustment	7,000,000	0	7,000,000	111
		Total Call Center	44,938,377	0	44,938,377	612
Belleville Lab	034517	BVLAB-Water Quality	4,968,964	0	4,968,964	36
		Total Belleville Lab	4,968,964	0	4,968,964	36
Supply Chain	032009	CORP-Pass Thru	0	28,200	28,200	0
Supply Chain	032010	CORP-Sourcing	2,420,563	836,500	3,257,064	27
Supply Chain	033010	WE-Supply Chain	156,252	65,189	221,442	2
Supply Chain	033510	CE-Supply Chain	152,878	65,954	218,832	2
Supply Chain	035010	SE-Supply Chain	157,651	68,201	225,852	2
Supply Chain	036510	NE-Supply Chain	136,655	60,202	196,857	2
		Total Supply Chain	3,023,999	1,124,247	4,148,246	35
ITS	032030	CORP-ITS Client Relations Admin	211,723	0	211,723	1
ITS	032031	CORP-ITS Client Relations/Helpdesk	365,519	0	365,519	12
ITS	032032	CORP-ITS Business Development	0	0	0	0
ITS	032071	CORP-ITS Admin	883,014	0	883,014	2
ITS	032072	CORP-ITS PMO	125,549	1,129,937	1,255,485	10
ITS	032073	CORP-ITS Infra/Oper Admin	413,007	0	413,007	3
ITS	032074	CORP-ITS Production	8,002,366	0	8,002,366	15
ITS	032075	CORP-ITS Enterprise Servers	3,592,811	1,482,313	5,075,124	15
ITS	032076	CORP-ITS Network Communications	2,474,538	0	2,474,538	4
ITS	032077	CORP-ITS Telecom	469,471	151,157	620,629	7
ITS	032078	CORP-ITS Core Bus Systems Admin	2,278,874	0	2,278,874	1
ITS	032079	CORP-ITS Application Development	199,014	1,373,710	1,572,725	15
ITS	032080	CORP-ITS Application Architecture	146,450	1,833,380	1,979,830	19
ITS	032081	CORP-ITS Quality Assurance	95,947	979,476	1,075,423	13
ITS	032082	CORP-ITS Tech Architecture	38,400	770,890	809,290	7
ITS	032083	CORP-ITS Strategy/Governance	367,529	0	367,529	2
ITS	032093	CORP-ITS Design Authority	1,045,893	74,152	1,120,045	4
ITS	033031	WE-ITS Client Relations	473,901	72,494	546,395	5
ITS	033531	CE-ITS Client Relations	1,177,724	116,000	1,293,724	12
ITS	035031	SE-ITS Client Relations	1,331,291	0	1,331,291	14
ITS	036531	NE-ITS Client Relations	1,015,394	0	1,015,394	11
ITS		4th Submission Adjustment	2,000,000	0	2,000,000	-4
		Total ITS	26,708,414	7,983,509	34,691,923	168
		Total CSBS	94,193,564	9,406,553	103,600,117	1,009
Total Non-Regional Service Company			141,033,168	14,725,604	155,758,772	1,194
Business Change	032088	CORP-Business Change	6,275,000	0	6,275,000	5
Business Change	032091	CORP-STEP Project	0	21,313,747	21,313,747	23
		Total Business Change	6,275,000	21,313,747	27,588,747	28
Regions	0330xx	Western Region	0	0	0	79
Regions	0335xx	Central Region	0	0	0	206
Regions	0350xx	Southeast Region	0	0	0	134
Regions	0365xx	Northeast Region	0	0	0	62
		Total Regions	0	0	0	481
Total Service Company			147,308,168	36,039,351	183,347,519	1,703

SERVICE COMPANY REGIONAL EXPENSES 2006 PLAN		2006 PLAN												
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOT
TOTAL EXPENSES SER SERVICE COMPANY		221,125	214,504	226,865	210,696	214,491	230,155	206,045	205,000	212,205	206,331	208,244	263,826	2,619,487
SALARIES		717,588	688,244	788,113	744,046	779,189	779,194	744,222	608,944	776,876	744,683	777,315	776,684	9,125,098
AIP		104,680	99,965	114,436	108,230	113,281	113,281	108,230	117,996	113,114	108,230	113,114	113,057	1,327,614
VEHICLE ALLOW		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
401K		16,213	15,515	17,717	16,733	17,512	17,512	16,733	18,156	17,442	16,733	17,442	17,418	205,126
GROUP INS		117,552	117,552	117,553	117,552	117,552	117,552	117,552	117,552	117,552	117,552	117,552	117,512	1,410,584
SUTA		27,486	11,923	3,789	50	-	-	-	-	-	-	-	-	43,248
FUTA		5,714	1,954	401	-	-	-	-	-	-	-	-	-	8,078
OASDI		50,259	45,337	51,743	48,452	49,665	49,600	46,336	47,602	43,341	40,636	37,918	32,833	543,720
HI		11,754	11,253	12,847	12,133	12,697	12,697	12,133	13,171	12,652	12,133	12,652	12,635	148,754
TOTAL		1,056,246	996,752	1,111,599	1,052,195	1,094,896	1,094,836	1,050,204	1,128,421	1,085,977	1,044,966	1,060,992	1,075,139	12,872,223
TOTAL COSTS		1,277,371	1,211,256	1,338,464	1,262,891	1,309,387	1,324,991	1,256,249	1,333,421	1,298,182	1,251,297	1,289,236	1,338,965	15,491,710
CUST @123104														
KY 107787 0.106356		135,856	128,824	142,353	134,316	139,261	140,920	133,609	141,817	138,069	133,083	137,118	142,407	1,647,633
MD 4782 0.004719		6,027	5,715	6,316	5,959	6,178	6,252	5,928	6,292	6,125	5,904	6,083	6,318	73,098
PA 609571 0.601477		768,309	728,542	805,055	759,600	787,566	796,951	755,605	802,022	780,826	752,626	775,446	805,357	9,317,906
TN 71059 0.070115		89,563	84,928	93,847	88,548	91,808	92,902	88,083	93,493	91,023	87,735	90,395	93,882	1,086,208
UVA 2138 0.00211		2,695	2,555	2,824	2,664	2,762	2,795	2,650	2,813	2,739	2,640	2,720	2,825	32,681
VA 53030 0.052326		66,840	63,380	70,036	66,082	68,515	69,331	65,734	69,772	67,928	65,475	67,460	70,062	810,617
WW 165090 0.162898		208,081	197,311	218,033	205,722	213,296	215,838	204,640	217,212	211,471	203,834	210,014	218,115	2,523,567
1013457 1		1,277,371	1,211,256	1,338,464	1,262,891	1,309,387	1,324,991	1,256,249	1,333,421	1,298,182	1,251,297	1,289,236	1,338,965	15,491,710

AMERICAN WATER - SERVICE COMPANY
2007 BP 3rd Submission
Summary by EMT Level & Function

Location	BU	BU Description	2007 Business Plan			HC
			Mgmt Fees	Total		
Corporate	032060	CORP-Audit	1,441,182	50,798	1,491,980	9
		Total Audit	1,441,182	50,798	1,491,980	9
	Audit	Vacant	1,441,182	50,798	1,491,980	9
Corporate	032001	CORP-Marlton Office	-	-	-	-
Corporate	032042	CORP-1000 Voorhees	431,552	37,526	469,078	-
Corporate	032046	CORP-3905 Church Rd	142,430	12,385	154,815	-
Corporate	032062	CORP-Building Services	5,980,604	1,596,016	7,576,620	6
Corporate	032063	CORP-Woodcrest Facility Services	3,239,626	297,257	3,536,883	5
Corporate	032090	CORP-Property Management	-	-	-	-
		Total Building/Property	9,794,212	1,943,184	11,737,395	11
Corporate	032061	CORP-LOP	-	-	-	-
Corporate	032089	CORP-Graham Wood	-	-	-	-
		Total Other Pass-Throughs	0	0	0	0
	AWE	Graham Wood	9,794,212	1,943,184	11,737,395	11
Corporate	032007	CORP-Finance	6,267,235	383,673	6,650,908	28
Corporate	032017	CORP-SC Finance	602,757	10,478	613,235	6
Corporate	032037	CORP-Investor Relations	587,550	274,227	861,777	3
Corporate	032047	CORP-Tax	1,527,020	35,202	1,562,222	9
		Total Finance	8,984,562	703,580	9,688,142	46
SSC	032084	SSC-P2P	1,657,150	46,555	1,703,705	29
SSC	032505	SSC-Admin	2,063,799	67,138	2,130,938	11
SSC	032560	SSC-Financial Reporting	492,143	10,006	502,149	4
SSC	032570	SSC-General Accounting	2,637,677	109,766	2,747,443	33
SSC	032571	SSC-Tax	905,512	20,543	927,055	9
SSC	032572	SSC-Business Support Services	845,891	20,991	866,883	8
SSC	032573	SSC-Planning & Reporting	-	-	-	-
SSC	032574	SSC-Rates & Regulation	424,680	428,483	853,163	8
SSC	032575	SSC-Cash Management	1,533,645	96,474	1,630,119	23
SSC	032576	SSC-Facility Services	-	-	-	-
SSC	032577	SSC-Fixed Assets/Job Cost	1,400,912	31,599	1,432,511	19
SSC	032578	SSC-Project Management	206,973	142,924	349,897	3
SSC	032579	SSC-Employee Services	2,132,168	101,289	2,233,457	30
		Total SSC	14,301,551	1,075,767	15,377,318	175
ITS	032030	CORP-ITS Client Relations Admin	319,730	10,308	330,038	2
ITS	032031	CORP-ITS Client Relations/Helpdesk	1,195,930	62,673	1,258,604	15
ITS	032032	CORP-ITS Business Development	467,955	21,134	489,089	5
ITS	032071	CORP-ITS Admin	1,823,991	155,763	1,979,754	3
ITS	032072	CORP-ITS PMO	615,511	978,090	1,593,601	11
ITS	032073	CORP-ITS Infra/Oper Admin	619,893	85,398	705,292	6
ITS	032074	CORP-ITS Production	7,139,713	1,867,340	9,007,053	9
ITS	032075	CORP-ITS Enterprise Servers	5,780,685	1,249,649	7,030,334	14
ITS	032076	CORP-ITS Network Communications	1,721,833	377,210	2,099,044	7
ITS	032077	CORP-ITS Telecom	-	-	-	-
ITS	032078	CORP-ITS Core Bus Systems Admin	172,328	20,338	192,666	1
ITS	032079	CORP-ITS Application Development	1,864,510	1,350,539	3,215,049	29
ITS	032080	CORP-ITS Application Architecture	1,144,821	448,410	1,593,231	14
ITS	032081	CORP-ITS Quality Assurance	485,193	265,271	750,463	8
ITS	032082	CORP-ITS Tech Architecture	-	-	-	-
ITS	032083	CORP-ITS Strategy/Governance	335,733	8,859	344,592	1
ITS	032093	CORP-ITS Design Authority	586,299	21,536	607,835	4
ITS	033031	WE-ITS Client Relations	-	-	-	-
ITS	033531	CE-ITS Client Relations	1,510,313	230,540	1,740,852	16
ITS	035031	SE-ITS Client Relations	-	-	-	-
ITS	036531	NE-ITS Client Relations	2,182,393	172,768	2,355,161	24
		Total ITS	27,966,832	7,325,825	35,292,657	168
	CFO	Ellen Wolf	51,252,945	9,105,173	60,358,117	389
Corporate	032020	CORP-Business Development	1,489,117	30,372	1,519,489	5
Corporate	032092	CORP-Strategy & Planning	-	-	-	-
Corporate	032095	CORP-Project STAR	-	-	-	-
Corporate	032096	CORP-Chief Growth Officer	-	-	-	-
Corporate	032097	CORP-Products & Innovation	-	-	-	-
		Total CGO	1,489,117	30,372	1,519,489	5
	CGO	Walter Howard - Interim	1,489,117	30,372	1,519,489	5
Corporate	032011	CORP-COO	1,162,067	21,825	1,183,892	3
Corporate	032019	CORP-Operational Risk	1,681,245	569,258	2,250,503	10
Corporate	032064	CORP-Operational Services/BOP	872,579	154,735	1,027,314	5
Corporate	032065	CORP-Asset Management	180,347	1,054,843	1,235,190	9
Corporate	032066	CORP-Innovation & Technology	1,065,305	477,746	1,543,051	13

AMERICAN WATER - SERVICE COMPANY
2007 BP 3rd Submission
Summary by EMT Level & Function

Location	BU	BU Description	2007 Business Plan			HC
			Mgmt Fees		Total	
Corporate	032094	CORP-COE O&M	-	-	-	-
Corporate	036550	CORP-Construction Services	287,862	1,340,085	1,627,947	11
Corporate	036551	CORP-Technical Services	214,458	1,155,942	1,370,401	10
		Total Operations & Investment	5,463,864	4,774,435	10,238,298	60
CSC-Altton	034005	CCA-Admin	1,300,790	1,586	1,302,377	10
CSC-Altton	034018	CCA-Human Resources	1,131,096	2,720	1,133,816	5
CSC-Altton	034070	CCA-Call Handling	10,506,551	17,621	10,524,172	233
CSC-Altton	034071	CCA-Billing	4,843,903	7,780	4,851,683	99
CSC-Altton	034072	CCA-Collections	4,855,252	2,991	4,858,243	34
CSC-Altton	034073	CCA-Operations & Performance	7,877,317	31,178	7,908,495	19
CSC-Altton	034074	CCA-Business Services	1,176,484	1,124	1,177,608	12
CSC-Altton	034075	CCA-Education & Development	1,136,952	1,660	1,138,612	16
CSC-Pensacola	037005	CCP-Admin	641,133	-	641,133	1
CSC-Pensacola	037018	CCP-Human Resources	501,572	-	501,572	3
CSC-Pensacola	037070	CCP-Call Handling	7,832,685	-	7,832,685	178
CSC-Pensacola	037071	CCP-Billing	8,960	-	8,960	-
CSC-Pensacola	037072	CCP-Collections	-	-	-	-
CSC-Pensacola	037073	CCP-Operations & Performance	2,336,798	-	2,336,798	5
CSC-Pensacola	037074	CCP-Business Services	-	-	-	-
CSC-Pensacola	037075	CCP-Education & Development	724,435	-	724,435	11
		Total Call Center	44,873,929	66,660	44,940,589	625
Belleville Lab	034517	BVLAB-Water Quality	5,385,255	-	5,385,255	37
		Total Belleville Lab	5,385,255	0	5,385,255	37
Supply Chain	032009	CORP-Pass Thru	10,906	1,094	12,000	-
Supply Chain	032010	CORP-Sourcing	2,522,347	860,935	3,383,282	30
Supply Chain	033010	WE-Supply Chain	122,301	39,800	162,101	1
Supply Chain	033510	CE-Supply Chain	170,078	68,337	238,414	2
Supply Chain	035010	SE-Supply Chain	175,632	66,045	241,677	2
Supply Chain	036510	NE-Supply Chain	151,486	56,190	207,677	2
		Total Supply Chain	3,152,749	1,092,402	4,245,151	37
	COO	John Young	58,875,798	5,933,496	64,809,294	759
Corporate	032022	CORP-Gov't Affairs	416,945	8,046	424,991	1
Corporate	032025	CORP-External Affairs	810,079	18,681	828,760	2
Corporate	032068	CORP-Marketing	1,257,040	25,959	1,282,999	4
Corporate	032085	CORP-External Communications	1,202,626	9,779	1,212,405	3
Corporate	032086	CORP-Internal Communications	465,669	14,921	480,590	3
Corporate	032087	CORP-Corp Social Responsibility	383,931	35,494	419,425	-
		Total External Affairs	4,536,290	112,880	4,649,170	13
	C & EA	Dan Kelleher	4,536,290	112,880	4,649,170	13
Corporate	032002	CORP-HR Comp/Benefits	2,277,295	36,892	2,314,188	5
Corporate	032003	CORP-HR Talent Development	679,623	41,296	720,919	4
Corporate	032004	CORP-HR Labor Relations	385,577	14,385	399,962	2
Corporate	032006	CORP-Business Center HR	808,619	30,866	839,485	6
Corporate	032012	CORP-HR Strategic Staffing	468,889	13,668	482,557	2
Corporate	032013	CORP-HR Systems & Staffing	561,446	33,756	595,202	3
Corporate	032014	CORP-HR BSC	1,383,440	-	1,383,440	17
Corporate	032018	CORP-Human Resources	727,908	39,356	767,263	3
		Total Human Resources	7,292,796	210,219	7,503,015	42
	HR	James Mulski	7,292,796	210,219	7,503,015	42
Corporate	032008	CORP-Legal Admin	537,902	394,761	932,663	2
Corporate	032015	CORP-Legal	2,032,853	67,849	2,100,702	10
		Total Legal	2,570,755	462,610	3,033,365	12
	Legal	Dietrich Firnhaber	2,570,755	462,610	3,033,365	12
Corporate	032050	CORP-Backfill Reg App	23,228	138,150	161,377	2
Corporate	032069	CORP-Regulatory	442,379	1,035,701	1,478,079	7
		Total Regulatory	465,606	1,173,850	1,639,457	8
	Reg & Risk	John Bigelow	465,606	1,173,850	1,639,457	8
Corporate	032005	CORP-CEO	-	-	-	-
		Total CEO	0	0	0	0
	CEO	Don Correll	-	-	-	-
Corporate	032070	CORP-Bus Shared Services	-	-	-	-
Corporate	032091	CORP-STEP Project	-	-	-	-
Corporate	032098	CORP-Non-Dept Costs	6,617,797	1,633,823	8,251,620	-
Corporate	032099	CORP-Unallocated Adjustments	-	-	-	-

AMERICAN WATER - SERVICE COMPANY
2007 BP 3rd Submission
Summary by EMT Level & Function

Location	BU	BU Description	2007 Business Plan			HC
			Mgmt Fees	Total	Total	
Corporate	0320XX	CORP-Erroneous Charges	-	-	-	-
		Total Non-Department	6,617,797	1,633,823	8,251,620	0
	Non-Dept	All Functions	6,617,797	1,633,823	8,251,620	-
Total Operating Corporate Service Company			144,336,498	20,656,405	164,992,903	1,247
Corporate	032027	CORP-Reporting & Compliance	331,351	11,704,728	12,036,079	5
Business Change	032088	CORP-Business Change	-	3,081,261	3,081,261	-
Business Change	0320XX	CORP-Erroneous Charges	-	-	-	-
		Total Non-Operating	331,351	14,785,989	15,117,340	-
	IAS Non-Opex	Ellen Wolf	331,351	14,785,989	15,117,340	-
			Majority of P13880 Costs (534620 & 534650)			
Total Corporate Service Company			144,667,849	35,442,394	180,110,243	
Regions	0330xx	Western Region				
Regions	0335xx	Central Region				
Regions	0350xx	Southeast Region				
Regions	0365xx	Northeast Region				
Corporate	036576	NER-Woodcrest Facility Services	553,816	2,731	556,547	1
		Total Regions	553,816	2,731	556,547	
Total Service Company			145,221,665	35,445,125	180,666,790	

SER Regional Service Company
2007 Budget

Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Expenses SER Service Company	226,561	223,039	248,148	227,833	228,230	246,942	272,446	237,408	229,304	226,655	212,948	289,553	2,869,067
SERVICE CO.													
SALARY	742,767	665,730	726,969	720,540	783,769	730,003	763,963	796,156	713,942	796,267	764,521	743,991	8,948,618
AIP	133,308	117,631	129,055	127,503	139,312	128,986	134,626	140,581	124,924	140,581	134,676	130,363	1,581,546
VEHICLE	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
401K	16,858	15,318	16,732	16,540	18,004	16,734	17,761	18,512	16,543	18,512	17,768	17,250	206,532
DEFINED CONT	4,072	4,679	5,145	4,971	5,442	4,971	5,842	6,109	5,312	6,109	5,842	5,579	64,073
GRP INS	113,931	116,821	116,821	116,820	116,820	116,820	118,746	118,746	118,745	118,746	118,746	118,746	1,410,508
SUTA	26,232	9,199	3,342	2,581	2,530	2,530	2,988	2,662	2,604	2,530	2,530	2,530	62,257
FUTA	6,615	1,204	1,036	1,036	1,036	1,036	1,148	1,036	1,036	1,036	1,036	1,036	18,291
OASDI	47,449	42,533	46,419	45,769	48,316	45,047	46,442	46,049	38,705	40,647	35,593	31,667	514,636
HI	11,102	9,941	10,849	10,759	11,703	10,901	11,409	11,887	10,662	11,887	11,413	11,105	133,618
TOTALS	1,107,334	986,056	1,061,368	1,051,519	1,131,932	1,062,028	1,107,925	1,146,738	1,037,473	1,141,315	1,097,125	1,067,267	13,000,079

1,333,895	1,211,095	1,309,516	1,279,352	1,360,162	1,308,970	1,380,371	1,384,146	1,266,777	1,367,970	1,310,073	1,356,820	15,869,146
------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	-------------------

REGIONAL MGMT FEES		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
PA	58.7%	24	782,997	710,913	768,668	750,979	798,415	768,365	810,278	812,493	743,598	802,998	769,013	796,453	9,315,188
Virginia	5.9%	27	78,700	71,455	77,261	75,482	80,250	77,229	81,442	81,665	74,740	80,710	77,294	80,052	936,280
WA	17.6%	28	234,766	213,153	230,475	225,166	239,388	230,379	242,945	243,610	222,953	240,763	230,573	238,800	2,792,971
United Virginia	0.2%	42	2,668	2,422	2,619	2,559	2,720	2,618	2,761	2,768	2,534	2,736	2,620	2,714	31,739
Tennessee	6.6%	26	68,037	79,932	66,428	64,437	69,771	66,392	91,104	91,354	83,607	90,286	86,465	89,550	1,047,363
Kentucky	10.4%	12	138,725	125,954	136,190	133,053	141,457	136,133	143,559	143,951	131,745	142,269	136,248	141,109	1,650,393
Maryland	0.6%	13	8,003	7,267	7,857	7,676	8,161	7,854	8,282	8,305	7,601	8,208	7,860	8,141	95,215
	100.0%		1,333,896	1,211,096	1,309,516	1,279,352	1,360,162	1,308,970	1,380,371	1,384,146	1,266,778	1,367,970	1,310,073	1,356,819	15,869,149

SER Regional Service Company
2008 Budget
Business Unit

Description	2008
Total Expenses SER Service Company	2,519,042

SERVICE CO.	
SALARY	9,172,335
AIP	1,621,085
VEHICLE	61,500
401K	211,695
DEFINED CONT	65,675
GRP INS	1,445,771
SUTA	63,814
FUTA	18,748
OASDI	527,502
HI	136,958
TOTALS	13,325,083

15,844,125

REGIONAL MGMT FEES		2008	
PA	58.7%	24	9,300,501
Virginia	5.9%	27	934,803
WVA	17.6%	28	2,788,566
United Virginia	0.2%	42	31,688
Tennessee	6.6%	26	1,045,712
Kentucky	10.4%	12	1,647,789
Maryland	0.6%	13	95,065
	100.0%		15,844,124