

Exhibit___(MJM-1)
Summary Schedules

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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2007-00143
COMPARATIVE OVERALL FINANCIAL SUMMARY
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2008

Line No.	Description	Company Forecast Jurisdictional Rev Req (a)	AG Forecast Jurisdictional Rev Req (b)	Difference (c)=(b)-(a)
1				
2				
3				
4	RATE BASE	\$202,100,690	\$202,245,239	\$144,549
5				
6	FORECASTED OPERATING INCOME AT CURRENT RATES	10,805,614	12,785,107	1,979,492
7				
8	EARNED RATE OF RETURN	5.35%	6.32%	
9				
10	RATE OF RETURN	8.64%	7.77%	
11				
12	REQUIRED OPERATING INCOME	17,461,500	15,714,455	(1,747,045)
13				
14	OPERATING INCOME DEFICIENCY	6,655,886	2,929,348	(3,726,537)
15				
16	GROSS REVENUE CONVERSION FACTOR	1.6534938	1.6524921	
17				
18	REVENUE DEFICIENCY (1)	11,005,465	4,840,724	(6,164,741)
19				
20	ADJUSTED OPERATING REVENUES	53,003,297	53,003,297	0
21				
22	REVENUE REQUIREMENT	\$64,008,762	\$57,844,021	(\$6,164,741)

KENTUCKY-AMERICAN WATER COMPANY

SUMMARY OF ATTORNEY GENERAL ADJUSTMENTS

Line No.	Major Group Classification	Company Forecasted Revenues & Expenses	AG Adj. 1	AG Adj. 2	AG Adj. 3	AG Adj. 4	AG Adj. 5	AG Adj. 6	AG Adj. 7	AG Adj. 8	AG Adj. 9	AG Adj. 10	Total AG	AG Recommended Revenues and Expenses
			Depreciation Impact on Ratebase	Cash Working Capital	Consolidated Taxes	Excess Management Fees	Depreciation Expense	Incentive Pay	Group Insurance	Bus. Devel. Portion of Mgmt. Fees	Wastewater Technician Synchronization	Interest	Adjustments	
1	Operating Revenues													
2	Water Sales	\$ 49,242,905	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,242,905
3	Other Operating Revenues	3,760,392	-	-	-	-	-	-	-	-	-	-	-	3,760,392
4		\$ 53,003,297	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,003,297
5	Operating Expenses													
6	Labor	\$ 6,248,477	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (252,550)	\$ -	\$ -	\$ (12,497)	\$ -	\$ (265,047)	\$ 5,983,430
7	Purchased Water	477,463	-	-	-	-	-	-	-	-	-	-	-	477,463
8	Fuel and Power	2,986,277	-	-	-	-	-	-	-	-	-	-	-	2,986,277
9	Chemicals	1,505,218	-	-	-	-	-	-	-	-	-	-	-	1,505,218
10	Waste Disposal	262,237	-	-	-	-	-	-	-	-	-	-	-	262,237
11	Management Fees	6,201,194	-	-	-	(922,871)	-	-	-	(79,365)	-	-	(1,002,236)	5,198,958
12	Group Insurance	1,876,895	-	-	-	-	-	-	(114,696)	-	-	-	(114,696)	1,762,199
13	Pensions	502,684	-	-	-	-	-	-	-	-	-	-	-	502,684
14	Regulatory Expense	292,195	-	-	-	-	-	-	-	-	-	-	-	292,195
15	Insurance Other than Group	663,910	-	-	-	-	-	-	-	-	-	-	-	663,910
16	Customer Accounting	1,376,372	-	-	-	-	-	-	-	-	-	-	-	1,376,372
17	Rents	52,165	-	-	-	-	-	-	-	-	-	-	-	52,165
18	General Office Expense	475,196	-	-	-	-	-	-	-	-	-	-	-	475,196
19	Miscellaneous	3,002,289	-	-	-	-	-	-	-	-	-	-	-	3,002,289
20	Maintenance - Other	1,507,210	-	-	-	-	-	-	-	-	-	-	-	1,507,210
21														
22	Total O & M Expenses	\$ 27,429,783	\$ -	\$ -	\$ (922,871)	\$ -	\$ (252,550)	\$ (114,696)	\$ (79,365)	\$ (12,497)	\$ -	\$ -	\$ (1,381,979)	\$ 26,047,804
23	Depreciation	\$ 8,038,653	\$ -	\$ -	\$ -	\$ (416,463)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (416,463)	\$ 7,622,190
24	Amortization	450,971	-	-	-	-	-	-	-	-	-	-	-	450,971
25														
26	Total General Taxes	3,297,769	-	-	-	-	-	-	-	-	-	-	-	3,297,769
27														
28	Total Income Taxes	2,980,507	-	-	(894,416)	358,997	162,004	98,242	44,617	30,873	4,861	13,772	(181,050)	2,799,457
29														
30	Total Operating Expenses	\$ 42,197,683	\$ -	\$ -	\$ (894,416)	\$ (563,874)	\$ (254,459)	\$ (154,308)	\$ (70,079)	\$ (48,492)	\$ (7,636)	\$ 13,772	\$ (1,979,492)	\$ 40,218,190
31	Utility Operating Income	\$ 10,805,614	\$ -	\$ -	\$ 894,416	\$ 563,874	\$ 254,459	\$ 154,308	\$ 70,079	\$ 48,492	\$ 7,636	\$ (13,772)	\$ 1,979,492	\$ 12,785,107
32														
33	Rate Base	\$ 202,100,690	\$ 413,549	\$ (269,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 202,245,239
34	KAWC Proposed ROR	8.64%												
35	AG Recommended ROR	7.77%	7.77%	7.77%										
36	NOI Effect	\$ (1,758,276)	\$ 32,133	\$ (20,901)										
37	KAWC Revenue Conversion Factor	1.65249	1.65249	1.65249										
38	AG Revenue Conversion Factor	1.65249	1.65249	1.65249	-1.65249	-1.65249	-1.65249	-1.65249	-1.65249	-1.65249	-1.65249	-1.65249	-1.65249	
39	Incremental Revenue Requirement	\$ (2,905,537)	\$ 53,099	\$ (34,539)	\$ (1,478,016)	\$ (931,798)	\$ (420,492)	\$ (254,993)	\$ (115,805)	\$ (80,133)	\$ (12,618)	\$ 22,759	\$ (6,158,073)	

Note: Difference from Schedule 1 due to rounding.

**KENTUCKY-AMERICAN WATER COMPANY
 GROSS REVENUE CONVERSION FACTOR AND INCOME TAX FACTORS
 FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2008**

Line No.	Description	Company	AG	AG Pre-Tax Conversion Factor
1				
2				
3	Operating Revenues	100.000000%	100.000000%	
4				
5	Less: Uncollectibles	0.850000%	0.790000% 1/	
6				
7	Less: PSC Fees	<u>0.168000%</u>	<u>0.168000%</u>	
8				
9	Net Revenues	98.9820%	99.0420%	100.0000% 2/
10				
11	SIT Rate:	<u>6.00%</u>	<u>5.94252%</u>	<u>6.00000%</u>
12				
13	Income before Federal Income Taxes	93.04308%	93.09948%	94.00000%
14				
15	FIT Rate:	<u>35.00%</u>	<u>32.58482%</u>	<u>32.90000%</u>
16				
17	Operating Income Percentage	<u>60.47800%</u>	<u>60.51466%</u>	<u>61.10000%</u>
18				
19				
20	Gross Revenue Conversion Factor (1)	<u>1.6534938</u>	<u>1.6524921</u>	
21				
22	Tax Rate			38.90%

1/ 2006 percentage. See response to PSC 2-32.

2/ Net of uncollectibles and PSC Assessments