

**KENTUCKY-AMERICAN WATER COMPANY**  
**CASE NO. 2008-00427**  
**BASE PERIOD UPDATE AND REVISED FILING REQUIREMENTS**  
**EXHIBIT NO. 37**

**Description of Filing Requirement:**

<b><u>Schedule</u></b>	<b><u>Description</u></b>
A.	Jurisdictional Financial Summary for the Base and Forecasted Period
B.	Jurisdictional Rate Base Summary for the Base and Forecasted Period
C.	Jurisdictional Operating Income Summary for Base and Forecasted Period
D.	Jurisdictional Adjustment of Operating Income
E.	Jurisdictional Federal and State Income Tax Summary for Base and Forecasted Periods
F.	Organizational Membership Dues, Initiation Fees, Country Club Expenditures, Charitable Contributions, Marketing Expenses, Sales Expenses, Advertising Expenses, Professional Service Expenses, Civic and Political Activity Expenses, Employee Parties and Outing Expenses, Employee Gift Expenses, and Rate Case Expenses for the Base and Forecasted Periods
G.	Payroll Cost Analysis
H.	No update required for Schedule H.
I.	Comparative Income Statements, Revenue Statistics and Sales Statistics for Five Most Recent Calendar Years, the Base Period, Forecasted Period and Two Calendar Years Beyond the Forecast Period
J.	Cost of Capital Summary for Base Period and Forecasted Period
K.	Comparative Financial Data and Earning Measures for the Ten Most Recent Calendar Years, Base Period and Forecasted Period
L.	No update required for Schedule L.
M.	Revenue Summary for Base Period and Forecasted Period with Detailed Billing Analysis for all Customer Classes
N.	No update required for Schedule N.

**Response:**

Accounting Schedules provided under separate cover.

For the electronic version, refer to KAW\_SAPP\_EX37\_030909.pdf.

FILING REQUIREMENTS		Description	Base Period Update	Revision
STATEMENT AND NOTICE				
TABLE OF CONTENTS				
EXHIBIT NO.	36	Cost of service study	N/A	X
EXHIBIT NO.	37	Accounting Schedules		
EXHIBIT NO.	37 (A)	Jurisdictional financial summary for the base and forecast period	N/A	X
EXHIBIT NO.	37 (B)	Jurisdictional rate base summary for base and forecast period		
	37B-1	Rate base summary - page 1	X	
	37B-1	Rate base summary - page 2		X
	37B-2	Plant in service by major grouping - page 1	X	
	37B-2	Plant in service by major grouping - page 2		N/A
	37B-2.1	Plant in service by account and subaccounts - page 1 & 2	X	
	37B-2.1	Plant in service by account and subaccounts - page 3 & 4		N/A
	37B-2.2	Proposed adjustments to plant in service - page 1 & 2	N/A	N/A
	37B-2.3	Gross additions, retirements, and transfers - page 1 & 2	X	
	37B-2.3	Gross additions, retirements, and transfers - page 3 & 4		N/A
	37B-2.4	Property merged or acquired - page 1 & 2	N/A	N/A
	37B-2.5	Leased property - page 1 & 2	N/A	N/A
	37B-2.6	Property held for future use	N/A	N/A
	37B-2.7	Property excluded from rate base	N/A	N/A
	37B-3	Accumulated Depreciation and Amortization-base period-pages 1 & 2	X	
	37B-3	Accumulated Depreciation and Amortization-forecast period-pages 3 & 4		X
	37B-3.1	Adjustments to Accumulated Depreciation and Amortization-pages 1 & 2	N/A	N/A
	37B-3.2	Depreciation Accrual Rates & Accumulated Balances by Account-base period-pages 1 & 2	X	
	37B-3.2	Depreciation Accrual Rates & Accumulated Balances by Account-forecast period-pages 1 & 2		X
	37B-4	Construction Work in Progress - base period page 1 of 2	X	
	37B-4	Construction Work in Progress - forecast period page 2 of 2		X
	37B-4.1	Construction Work in Progress Percent Complete - base period page 1 of 2	X	
	37B-4.1	Construction Work in Progress Percent Complete - forecast period page 2 of 2		X
	37B-5	Allowance for Working Capital-base period page 1 of 2	X	
	37B-5	Allowance for Working Capital-forecast period page 2 of 2		X
	37B-5.1	Working Capital Components-base period page 1 of 2	X	
	37B-5.1	Working Capital Components-forecast period page 2 of 2		X
	37B-5.2	Working Capital Lead/Lag Study-base period -pages 1 thru 3 of 6	X	
	37B-5.2	Working Capital Lead/Lag Study-forecast period -pages 4 thru 6 of 6		X
	37B-6	Deferred Credits and Accumulated Deferred Income Taxes-base period page 1 of 2	X	
	37B-6	Deferred Credits and Accumulated Deferred Income Taxes-forecast period page 2 of 2		X
	37B-7	Jurisdictional Percentages	N/A	N/A
	37B-7.1	Jurisdictional Statistics-Rate Base	N/A	N/A
	37B-7.2	Explanation of change in jurisdictional procedures	N/A	N/A
	37B-8	Comparative Balance Sheets	X	X
EXHIBIT NO.	37 (C)	Jurisdictional operating income summary for base and forecast period - page 1	X	X
	37C-2	Overall financial summary - base and forecast period - page 1	X	X
	37C-2.1	Overall financial summary - base period - page 1	X	
	37C-2.2	Comparison of total company account balances	X	
EXHIBIT NO.	37 (D)	Jurisdictional adjustments to operating income - pages 1 to 19	X	X
	37D-2.1	Detailed adjustments - billed revenues - pages 1 to 3	X	X
	37D-2.2	Detailed adjustments - other revenues - page 1	X	X
	37D-2.3	Detailed adjustments - expenses - pages 1 & 2	X	X
	37D-2.4	Detailed adjustments - depreciation, amortization, and general taxes - page 1	X	X
	37D-2.5	Summary of jurisdictional factors	N/A	N/A
	37D-2.6	Jurisdictional statistics	N/A	N/A
	37D-2.7	Explanation of change in jurisdictional procedures	N/A	N/A
EXHIBIT NO.	37 (E)	Jurisdictional federal and state income tax summary for base and forecast period	X	X
	37E-1.1	Federal income tax calculation - base period - page 1 & 2	X	
	37E-1.2	State income tax calculation - base period - page 1 & 2	X	
	37E-1.3	Federal income tax calculation - forecast period - page 1 & 2		X
	37E-1.4	State income tax calculation - forecast period - page 1 & 2		X
	37E-1.5	Summary of income tax adjustments - base & forecast period	X	X
	37E-2	Development of jurisdictional federal and state income taxes	N/A	N/A
EXHIBIT NO.	37 (F)	Organizational membership dues, initiation fees, country club expenditures, charitable contributions, marketing expenses, sales expenses, advertising expenses, professional service expenses, civic and political activity expenses, employee gift expenses, and rate case expenses for the base and forecasted periods		
	37F-1	Social and service club dues	X	
	37F-2.1	Charitable Contributions	X	
	37F-2.2	Initiation fees/country club expenses	N/A	N/A
	37F-2.3	Employee party, outing and gift expenses	X	
	37F-3	Customer service, sales promotion and miscellaneous advertising expense	X	
	37F-4	Advertising	X	
	37F-5	Professional service expenses	X	
	37F-6	Rate case expense	X	
	37F-7	Civic, political, and related expenses	X	
EXHIBIT NO.	37 (G)	Payroll cost analysis		
	37G-1	Payroll costs	X	X
	37G-2	Payroll analysis by employee classification - pages 1 to 6	X	X
	37G-3	Executive compensation - page 1 to 3	X	X
EXHIBIT NO.	37 (H)	Computation of gross revenue conversion factor	N/A	N/A
EXHIBIT NO.	37 (I)	Comparative income statements, revenue statistics and sales statistics for five most recent calendar years, the base period, forecasted period and two calendar years beyond the forecast period	X	X
	37I-1	Comparative income statement	X	X
	37I-2	Revenue statistics - total company	X	X
	37I-3	Revenue statistics - jurisdictional	N/A	N/A
	37I-4	Sales statistics - total company	X	X
EXHIBIT NO.	37 (J)	Cost of capital summary for base period and forecasted period	X	X
	37J-1	Overall financial summary - page 1 of 2		X
	37J-1	Overall financial summary - page 2 of 2	X	
	37J-1.1/1.2	Cost of capital summary at current and proposed rates		X
	37J-2	Embedded cost of short-term debt - page 1 of 2		X
	37J-2	Embedded cost of short-term debt - page 2 of 2	X	
	37J-3	Embedded cost of long-term debt - page 1 of 2		X
	37J-3	Embedded cost of long-term debt - page 2 of 2	X	
	37J-4	Embedded cost of preferred stock - page 1 of 2		X
	37J-4	Embedded cost of preferred stock - page 2 of 2	X	
EXHIBIT NO.	37 (K)	Comparative financial data and earning measures for the ten most recent calendar years, base period and forecast period - pages 1 to 3	X	X
EXHIBIT NO.	37 (L)	Narrative description and explanation of all proposed tariff changes	N/A	N/A
EXHIBIT NO.	37 (M)	Revenue summary for base period and forecasted period with detailed billing analysis for all customer classes	X	X
	37M-3	Revenues at present and proposed rates - page 1 of 2	X	
	37M-3	Revenues at present and proposed rates - page 1 of 2		X
	37M-3.1	Annualized class and schedule revenue summary - base period - pages 1 to 8	X	
	37M-3.2	Annualized class and schedule revenue summary - forecast period - pages 1 to 8		X
EXHIBIT NO.	37 (N)	Typical bill comparison under present and proposed rates for all customer classes	N/A	N/A

**EXHIBIT 37  
SCHEDULE A**

**JURISDICTIONAL FINANCIAL SUMMARY FOR THE RATE BASE AND FORCASTED PERIOD**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
A	Overall Financial Summary

For the electronic version, refer to KAW\_SAPP\_EX37A\_030909.pdf.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
OVERALL FINANCIAL SUMMARY  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE A  
Page 1 of 1  
Witness Responsible: M.A. Miller/S. A. Miller

DATA: \_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): WIP-1 (TOTAL COMPANY)

Line No.	Description	Supporting Schedule Reference	Forecast Jurisdictional Rev Req	Base Period Jurisdictional Rev Req
1				
2				
3				
4	RATE BASE	B-1	\$304,615,988	\$244,347,295
5				
6	FORECASTED OPERATING INCOME AT CURRENT RATES	C-1	14,803,955	13,225,540
7				
8	EARNED RATE OF RETURN		4.86%	5.41%
9				
10	RATE OF RETURN	J-1	8.61%	7.82%
11				
12	REQUIRED OPERATING INCOME		26,227,437	19,107,958
13				
14	OPERATING INCOME DEFICIENCY		11,423,482	5,882,418
15				
16	GROSS REVENUE CONVERSION FACTOR	H-1	1,651,9988	1,651,9988
17				
18	REVENUE DEFICIENCY (1)		18,871,578	9,717,748
19				
20	ADJUSTED OPERATING REVENUES	C-1	62,521,146	59,292,150
21				
22	REVENUE REQUIREMENT		\$81,392,724	\$69,009,898
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**EXHIBIT 37  
SCHEDULE B**

**JURISDICTIONAL RATE BASE SUMMARY FOR THE BASE AND FORCASTED PERIOD**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

Schedule	Description
B-1	Rate Base Summary
B-2	Plant in Service by Major Grouping
B-2.1	Plant in Service by Account and Subaccounts
B-2.2	Proposed Adjustments to Plant in Service
B-2.3	Gross Additions, Retirements and Transfers
B-2.4	Property Merged or Acquired
B-2.5	Leased Property
B-2.6	Property Held for Future Use Included in Rate Base
B-2.7	Property Excluded from Rate Base
B-3	Accumulated Depreciation and Amortization
B-3.1	Adjustments to Accumulated Depreciation and Amortization
B-3.2	Depreciation Accrual Rates and Accumulated Balances by Account
B-4	Construction Work in Progress
B-4.1	Construction Work in Progress - Percent Complete
B-5	Allowance for Working Capital
B-5.1	Working Capital Components
B-5.2	Working Capital - Lead / Lag Study
B-6	Deferred Credits and Accumulated Deferred Income Taxes
B-7	Jurisdictional Percentages
B-7.1	Jurisdictional Statistics - Rate Base
B-7.2	Explanation of Changes in Jurisdictional Procedures
B-8	Comparative Balance Sheets

For the electronic version, refer to KAW\_SAPP\_EX37B\_030909.pdf.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
RATE BASE SUMMARY  
AS OF JANUARY 31, 2009

SCHEDULE B-1  
PAGE 1 OF 2  
Witness Responsible: S.A. Miller / L. Bridwell

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	Rate Base Component	Supporting Schedule Reference	Base Period
1			
2	Utility Plant In Service	B-2	\$ 366,900,510
3	Property Held for Future Use	B-2.6	0
4	Utility Plant Acquisition Adjustments	W/P-1-2	29,364
5	Accumulated Depreciation	B-3	(92,922,485)
6			
7			
8			
9			
10	Net Utility Plant In Service		274,007,389
11			
12			
13			
14			
15	Construction Work in Progress	B-5	59,966,446
16	Working Capital Allowance	B-5	4,367,000
17	Other Working Capital Allowance	B-6	677,654
18	Contributions in Aid of Construction	B-6	(46,000,716)
19	Customer Advances	B-6	(14,663,409)
20	Deferred Income Taxes	B-6	(34,733,493)
21	Deferred Investment Tax Credits	B-6	(93,534)
22	Deferred Maintenance	W/P-1-10	1,675,512
23	Deferred Debits	W/P-1-11	1,869,523
24	Other Rate Base Elements	W/P-1-11	(2,725,075)
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45	Jurisdictional Rate Base		
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			<u>\$244,347,295</u>

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
RATE BASE SUMMARY  
AS OF MAY 31, 2010

SCHEDULE B-1  
PAGE 2 OF 2  
Witness Responsible: S.A. Miller / L. Bridwell

DATA: BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	Rate Base Component	Supporting Schedule Reference	End of Period Amount	13 Month Avg Forecasted Period Amount
2	Utility Plant In Service	B-2	\$395,901,041	\$387,567,724
3	Property Held for Future Use	B-2.6	0	0
4	Utility Plant Acquisition Adjustments	W/P-1-2	11,963	18,488
5	Accumulated Depreciation	B-3	(102,285,596)	(98,516,471)
6	Net Utility Plant In Service		293,627,408	289,069,741
7	Construction Work in Progress	B-4 / W/P-1-4	135,704,098	102,817,344
8	Working Capital Allowance	B-5	3,417,000	3,417,000
9	Other Working Capital Allowance	B-5	575,573	575,573
10	Contributions in Aid of Construction	B-6	(46,235,776)	(45,274,826)
11	Customer Advances	B-6	(16,780,247)	(15,618,202)
12	Deferred Income Taxes	B-6	(34,087,888)	(33,963,284)
13	Deferred Investment Tax Credits	B-6	(83,326)	(87,154)
14	Deferred Maintenance	W/P-1-10	3,793,755	2,951,785
15	Deferred Debits	W/P-1-11	1,893,448	1,940,458
16	Other Rate Base Elements	W/P-1-11	(1,015,992)	(1,212,447)
17	Jurisdictional Rate Base		\$340,808,053	\$304,615,988



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PLANT IN SERVICE BY MAJOR GROUPING  
AS OF JANUARY 31, 2009

SCHEDULE B-2  
PAGE 1 of 2  
Witness Responsible: S.A. Miller

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	Major Property Grouping	Base Period	Jurisdictional Percent	Jurisdictional	Adjustment	End of Period Adjusted Jurisdiction
1						
2						
3	Intangibles	\$ (165,967)	100%	\$ (165,967)	-	\$ (165,967)
4						
5	Source of Supply and Pumping	30,925,369		30,925,369	-	30,925,369
6						
7	Water Treatment	40,219,908		40,219,908	-	40,219,908
8						
9	Transmission and Distribution	268,178,257		268,178,257	-	268,178,257
10						
11	General	27,742,943		27,742,943	-	27,742,943
12						
13	Completed Construction not Classified	-		-	-	-
14						
15	Other	-		-	-	-
16						
17	Total	\$ 366,900,510		\$ 366,900,510	\$ -	\$ 366,900,510
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PLANT IN SERVICE BY MAJOR GROUPING  
AS OF MAY 31, 2010

DATA: \_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-1

SCHEDULE B-2  
PAGE 2 OF 2  
Witness Responsible: S.A. Miller

Line No.	Major Property Grouping	Forecasted Period	Jurisdictional Percent	Jurisdictional	Adjustments	End of Period Adjusted Jurisdiction	13 Month Average
1	Intangibles	\$ 729,649	100%	\$ 729,649	-	\$ 729,649	\$ 660,957
2	Source of Supply and Pumping	34,296,868		34,296,868	-	34,296,868	33,720,174
3	Water Treatment	40,053,355		40,053,355	-	40,053,355	40,010,174
4	Transmission and Distribution	290,317,836		290,317,836	-	290,317,836	283,355,004
5	General	30,503,333		30,503,333	-	30,503,333	29,821,415
6	Completed Construction not Classified	-		-	-	-	-
7	Other	-		-	-	-	-
8		\$ 395,901,041		\$ 395,901,041	-	\$ 395,901,041	\$ 387,567,724

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS  
AS OF JANUARY 31, 2009

DATA\_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ X\_UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-1  
SCHEDULE B-2.1  
PAGE 1 of 4  
Witness Responsible: S.A. Miller

Line No.	Acct No.	Account Title	Base Period	Jurisdictional Percent	Jurisdictional	Adjustment	Adjusted Jurisdiction
1							
2		<u>Intangible Plant</u>					
3		Organization					
4	301	Franchise/Consents	\$ 37,450	100%	\$ 37,450	-	\$ 37,450
5	302	Other P/E Intangibles	70,261		70,261	-	70,261
6	3031	Other P/E Comprehensive Studies	8,375		8,375	-	8,375
7	3036		(282,053)		(282,053)	-	(282,053)
8		Total Intangibles	<u>\$ (165,967)</u>		<u>\$ (165,967)</u>		<u>\$ (165,967)</u>
9							
10		<u>Source of Supply and Pumping Plant</u>					
11	310	Land and Land Rights - SS	\$ 335,512		\$ 335,512	-	\$ 335,512
12	311	Structures and Improvements	2,678,944		2,678,944	-	2,678,944
13	312	Collecting and Impounding Reservoirs	1,005,086		1,005,086	-	1,005,086
14	313	Lake, River and Other Intakes	537,098		537,098	-	537,098
15	314	Wells and Springs	0		0	-	0
16	316	Supply Mains	5,143,916		5,143,916	-	5,143,916
17	320	Land and Land Rights - Pumping	91,827		91,827	-	91,827
18	321	Structures and Improvements	5,162,912		5,162,912	-	5,162,912
19	323	Other Power Production Equipment	918,140		918,140	-	918,140
20	325	Electric Pumping Equipment	9,390,162		9,390,162	-	9,390,162
21	326	Diesel Pumping Equipment	718,476		718,476	-	718,476
22	328	Other Pumping Equipment	4,943,296		4,943,296	-	4,943,296
23							
24							
25							
26		Total Source of Supply & Pumping	<u>\$ 30,925,369</u>		<u>\$ 30,925,369</u>		<u>\$ 30,925,369</u>
27							
28		<u>Water Treatment Plant</u>					
29		Land and Land Rights	\$ 68,164		\$ 68,164	-	\$ 68,164
30	330	Structures and Improvements	9,930,131		9,930,131	-	9,930,131
31	332	Water Treatment Equipment	30,221,614		30,221,614	-	30,221,614
32	334	Water Treatment - GAC	-		-	-	-
33							
34		Total Water Treatment	<u>\$ 40,219,909</u>		<u>\$ 40,219,909</u>		<u>\$ 40,219,909</u>
35							
36		<u>Transmission and Distribution Plant</u>					
37		Land and Land Rights	\$ 4,019,854		\$ 4,019,854	-	\$ 4,019,854
38	340	T & D Structures and Improvements	816,697		816,697	-	816,697
39	342	Distribution Reservoirs and Standpipes	11,995,827		11,995,827	-	11,995,827
40	343	Transmission and Distribution Mains	170,756,142		170,756,142	-	170,756,142
41	345	Services	40,417,831		40,417,831	-	40,417,831
42	346	Meters	12,699,699		12,699,699	-	12,699,699
43	347	Meter Installations	15,916,464		15,916,464	-	15,916,464
44	348	Hydrants	11,555,742		11,555,742	-	11,555,742
45		Total Transmission and Distribution	<u>\$ 268,178,257</u>		<u>\$ 268,178,257</u>		<u>\$ 268,178,257</u>
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CASE NO: 2008-00427  
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS  
AS OF JANUARY 31, 2009

SCHEDULE B-2.1  
PAGE 2 of 4  
Witness Responsible: S.A. Miller

DATA: X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	Acct No.	Account Title	Base Period	Jurisdictional Percent	Jurisdictional	Adjustment	Adjusted Jurisdiction
1							
2							
3		General Plant					
4	3892	Stores Shop & Garage Land	\$ -		\$ -		\$ -
5	390	Structures and Improvements	8,914,186	100%	8,914,186		8,914,186
6	391	Office Furniture and Equipment	7,167,092		7,167,092		7,167,092
7	392	Transportation Equipment	3,740,096		3,740,096		3,740,096
8	393	Stores Equipment	33,927		33,927		33,927
9	394	Tools, Shop and Garage Equipment	1,878,306		1,878,306		1,878,306
10	395	Laboratory Equipment	824,725		824,725		824,725
11	396	Power Operated Equipment	1,599,114		1,599,114		1,599,114
12	397	Communication Equipment	2,185,439		2,185,439		2,185,439
13	398	Miscellaneous Equipment	1,261,572		1,261,572		1,261,572
14	399	Other Tangible Property	138,485		138,485		138,485
15		Total General	\$ 27,742,943		\$ 27,742,942	\$ -	\$ 27,742,942
16							
17							
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19							
20		Total Utility Plant in Service	\$ 366,900,510		\$ 366,900,509	\$ -	\$ 366,900,509
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE  
AS OF JANUARY 31, 2009

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-1

SCHEDULE B-2.2  
PAGE 1 OF 2  
Witness Responsible: S.A. Miller / L. Bridwell

Line No.	Acct No.	Account Title	Total Company Adjustment	Jurisdictional Percent	Jurisdictional Adjustment	Workpaper Reference Number	Description/Purpose of Adjustment
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Not Applicable

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE  
AS OF MAY 31, 2010

DATA: \_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.2  
PAGE 2 OF 2  
Witness Responsible: S.A. Miller / L. Bridwell

Line No.	Acct No.	Account Title	Total Company Adjustment	Jurisdictional Percent	Jurisdictional Adjustment	Workpaper Reference Number	Description/Purpose of Adjustment
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Not Applicable





KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
GROSS ADDITIONS, RETIREMENTS AND TRANSFERS  
FEBRUARY 28, 2008 TO JANUARY 31, 2009

SCHEDULE B-2.3  
PAGE 2 OF 4  
Witness Responsible: S.A. Miller / L. Bridwell

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	Acct No.	Account Title	Base Period		Retirements	Additions	Transfers/Reclassifications	Other Accts Involved	Base Period Ending Balance
			Beginning Balance	Amount					
2									
3									
4	3892	General Plant							
5	390	Stores Shop & Garage Land							
6	391	Structures and Improvements	7,147,135	1,857,631	90,580				8,914,186
7	392	Office Furniture and Equipment	7,520,270	104,568	457,735				7,167,092
8	393	Transportation Equipment	3,121,533	803,105	184,542				3,740,096
9	394	Stores Equipment	33,927						33,927
10	395	Tools, Shop and Garage Equipment	1,537,619	351,489	10,802				1,878,306
11	396	Laboratory Equipment	856,181	23,545	55,001				824,725
12	397	Power Operated Equipment	1,589,811	9,303					1,599,114
13	398	Communication Equipment	1,930,705	257,455	2,721				2,185,439
14	399	Miscellaneous Equipment	1,265,419	10,881	14,727				1,261,572
15		Other Tangible Property	138,485						138,485
16		Total General	\$ 25,141,085	\$ 3,417,966	\$ 816,108				\$ 27,742,943
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		Total Utility Plant in Service	\$ 341,280,053	\$ 28,395,800	\$ 2,775,343				\$ 366,900,510





KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PROPERTY MERGED OR ACQUIRED  
AS OF JANUARY 31, 2009

SCHEDULE B-2.4  
PAGE 1 OF 2  
Witness Responsible: S.A. Miller / L. Bridwell

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

Line No.	Acct No.	Description of Property	Acquisition Cost	Cost Basis	Acquisition Adjustment	Commission Approval Date	Explanation of Treatment
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NOT APPLICABLE

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PROPERTY MERGED OR ACQUIRED  
AS OF MAY 31, 2010

SCHEDULE B-2.4  
PAGE 2 OF 2  
Witness Responsible: S.A. Miller / L. Bridwell

DATA: \_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S):

Line No.	Acct No.	Description of Property	Acquisition Cost	Cost Basis	Acquisition Adjustment	Commission Approval Date	Explanation of Treatment
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NOT APPLICABLE

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
LEASED PROPERTY  
AS OF JANUARY 31, 2009

SCHEDULE B-2.5  
PAGE 1 OF 2  
Witness Responsible: L. Bridwell

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

Line No.	Identification or Ref No.	Description and Use of Property	Name of Lessee	Frequency of Payment	Amount of Lease Payment	Dollar Value of Property	Explain Method of Capitalization
1							
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KENTUCKY-AMERICAN DOES NOT HAVE ANY CAPITAL LEASES.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
LEASED PROPERTY  
AS OF MAY 31, 2010

SCHEDULE B-2.5  
PAGE 2 OF 2  
Witness Responsible: L. Bridwell

DATA: \_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S):

Line No.	Identification or Ref No.	Description and Use of Property	Name of Lessee	Frequency of Payment	Amount of Lease Payment	Dollar Value of Property	Explain Method of Capitalization
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KENTUCKY-AMERICAN DOES NOT HAVE ANY CAPITAL LEASES.



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE  
AS OF JANUARY 31, 2009

SCHEDULE B-2.6  
PAGE 1 OF 2  
Witness Responsible: S.A. Miller

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

Line No.	Description/Location of Property	Acquisition Date	Original Cost	Accumulated Depreciation	Net Original Cost	Amount	Revenue Realized		Expenses Incurred	
							Amount	Acct No.	Amount	Acct No.
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NOT APPLICABLE IN THIS RATE CASE.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE  
AS OF MAY 31, 2010

SCHEDULE B-2.6  
PAGE 2 OF 2  
Witness Responsible: S.A. Miller

DATA: \_\_\_ BASE PERIOD X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_\_\_X\_ REVISED  
WORKPAPER REFERENCE NO(S):

Line No.	Description/Location of Property	Acquisition Date	Original Cost	Accumulated Depreciation	Net Original Cost	Amount	Revenue Realized		Expenses Incurred	
							Acct No.	Amount	Acct No.	Amount
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NOT APPLICABLE IN THIS RATE CASE.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PROPERTY EXCLUDED FROM RATE BASE  
AS OF JANUARY 31, 2009

SCHEDULE B-2.7  
PAGE 1 OF 2  
Witness Responsible: S.A. Miller

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

Line No.	Acct. No.	Description	In-Service Date	Original Cost	Accumulated Depreciation	Net Original Cost	Period Revenue and Expenses		Reasons for Exclusion
							Amount	Description	
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NONE

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PROPERTY EXCLUDED FROM RATE BASE  
AS OF MAY 31, 2010

SCHEDULE B-2.7  
PAGE 2 OF 2  
Witness Responsible: S.A. Miller

DATA: \_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S):

Line No.	Acct. No.	Description	In-Service Date	Original Cost	Accumulated Depreciation	Net Original Cost	Period Revenue and Expenses		Reasons for Exclusion
							Amount	Description	
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NONE



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
AS OF JANUARY 31, 2009

DATA: \_\_\_ X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD \_\_\_  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ X\_ UPDATED \_\_\_ REVISED \_\_\_  
WORKPAPER REFERENCE NO(S): WIP-1-3

SCHEDULE B-3  
PAGE 2 of 4  
Witness Responsible: S.A. Miller

Line No.	Acct No.	Account Title	Base Period		Jurisdictional Percent	Accumulated Reserve Balances		Adjustments	Adjusted Jurisdiction
			Total Company	Total Company		Jurisdictional Total	Total		
2									
3									
4	389.2	General Plant							
5	390	Stores Shop & Garage Land	\$ 8,914,186	\$ 1,454,940		\$ 1,454,940		\$ -	\$ 1,454,940
6	391	Structures and Improvements	7,167,092	8,137,274		8,137,274		-	8,137,274
7	392	Office Furniture and Equipment	3,740,096	2,722,799		2,722,799		-	2,722,799
8	393	Transportation Equipment	33,927	31,307		31,307		-	31,307
9	394	Stores Equipment	1,878,306	762,893	100%	762,893		-	762,893
10	395	Tools, Shop and Garage Equipment	824,725	676,946		676,946		-	676,946
11	396	Laboratory Equipment	1,599,114	895,988		895,988		-	895,988
12	397	Power Operated Equipment	2,185,439	771,544		771,544		-	771,544
13	398	Communication Equipment	1,261,572	411,214		411,214		-	411,214
14	399	Miscellaneous Equipment	138,485	318,103		318,103		-	318,103
15		Other Tangible Property							
16		BWA Acquisition							
17		Total General	27,742,943	16,203,007		16,203,008		-	16,203,008
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		Total Utility Plant in Service	\$366,900,510	\$92,922,485		\$92,922,485		-	\$92,922,485

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
FEBRUARY 1, 2009 TO MAY 31, 2010

DATA: \_\_\_\_\_BASE PERIOD\_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_\_ORIGINAL\_\_\_\_UPDATED\_X\_REVISED  
WORKPAPER REFERENCE NO(S): WIP-1-3

SCHEDULE B-3  
PAGE 3 of 4  
Witness Responsible: S.A. Miller

Line No.	Acct No.	Account Title	Forecasted Period Total Company	Accumulated Reserve Balances			13 Month Average
				Total Company	Jurisdictional Percent	Jurisdictional Total	
2							
3		<u>Intangible Plant</u>					
4		Organization					
5	301	Franchise/Consents/Plant Studies	\$ 37,534	\$ -		\$ -	\$ -
6	302/303	Other P/E Intangibles	70,261	3,061	100%	3,061	2,227
7	3031	Other P/E Comprehensive Studies	8,375	181,667		181,667	123,883
8	3036	Total Intangibles	613,479	184,728		184,728	126,110
9			729,649				
10		<u>Source of Supply and Pumping Plant</u>					
11	310	Land and Land Rights - SS	\$ 335,512	\$ -		\$ -	\$ -
12	311	Structures and Improvements	3,708,045	141,331		141,331	118,706
13	312	Collecting and Impounding Reservoirs	1,012,457	366,870		366,870	359,274
14	313	Lake, River and Other Intakes	537,098	57,811		57,811	51,661
15	314	Wells and Springs	-	-		-	-
16	316	Supply Mains	5,138,874	1,199,831		1,199,831	1,153,067
17	320	Land and Land Rights - Pumping	91,827	-		-	-
18	321	Structures and Improvements	5,477,547	1,879,020		1,879,020	1,825,890
19	323	Other Power Production Equipment	791,800	349,190		349,190	336,680
20	325	Electric Pumping Equipment	15,608,890	3,782,281		3,782,281	3,591,073
21	326	Diesel Pumping Equipment	724,442	364,546		364,546	355,600
22	328	Other Pumping Equipment	870,376	37,065		37,065	27,009
23			-	-		-	-
24			-	-		-	-
25							
26		<u>Total Source of Supply &amp; Pumping</u>	34,296,868	8,177,945		8,177,945	7,818,960
27							
28		<u>Water Treatment Plant</u>					
29	330	Land and Land Rights	\$ 68,164	\$ -		\$ -	\$ -
30	331	Structures and Improvements	8,720,959	311,875		311,875	228,589
31	332	Water Treatment Equipment	31,264,232	15,229,130		15,229,130	14,883,871
32	334	Water Treatment - GAC	-	-		-	-
33							
34		<u>Total Water Treatment</u>	40,053,355	15,541,005		15,541,005	15,112,460
35							
36		<u>Transmission and Distribution Plant</u>					
37	340	Land and Land Rights	\$ 4,055,394	\$ -		\$ -	\$ -
38	341	T & D Structures and Improvements	831,753	553,746		553,746	535,698
39	342	Distribution Reservoirs and Standpipes	12,757,006	3,577,609		3,577,609	3,434,095
40	343	Transmission and Distribution Mains	186,158,193	29,618,914		29,618,914	28,410,072
41	345	Services	41,085,323	16,230,555		16,230,555	15,849,325
42	346	Meters	17,202,189	1,907,248		1,907,248	1,723,307
43	347	Meter Installations	16,118,956	4,841,121		4,841,121	4,623,148
44	348	Hydrants	12,109,023	3,189,584		3,189,584	3,098,766
45							
46		<u>Total Transmission and Distribution</u>	290,317,837	59,918,777		59,918,777	57,674,411
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION  
AS OF JANUARY 31, 2008

DATA: \_\_\_ X \_\_\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ X \_\_\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.1  
PAGE 1 OF 2  
Witness Responsible: S.A. Miller

Line No.	Adjustment Title	Total Company Adjustment	Jurisdictional Percent	Jurisdictional Adjustment	Workpaper Reference	Description and Purpose of Adjustment
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NONE

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION  
FEBRUARY 1, 2009 TO MAY 31, 2010

DATA: \_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.1  
PAGE 2 OF 2  
Witness Responsible: S.A. Miller

Line No.	Adjustment Title	Total Company Adjustment	Jurisdictional Percent	Jurisdictional Adjustment	Workpaper Reference	Description and Purpose of Adjustment
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NONE



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT  
AS OF JANUARY 31, 2008

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S): WIP - 1-3

SCHEDULE B-3.2  
PAGE 2 OF 4  
Witness Responsible: S.A. Miller

Line No.	Acct No.	Account Title	Adjusted Jurisdiction Plant Investment	Accumulated Reserve	Current Accrual Rate	Calculated Depreciation Expense	% Net Salvage	Average Service Life	Curve Form
1									
2									
3									
4	390.1	Office Structures	5,995,613	978,582	2.01%	120,512	-5%	39.2	R2.5
5	390.2	Stores, Shop & Garage Structures	989,656	161,528	2.33%	23,059	0%	32.6	R3
6	390.3	Misc Structures	1,928,918	314,631	4.19%	80,822	0%	21.2	R1.5
7	391.1	Office Furniture	741,427	841,791	7.48%	55,459	0%	4.8	SQ
8	391.2	Mainframe Computer & Periph Equipment	76,923	87,336	8.04%	6,185	0%	4.5	SQ
9	391.21	Personal Computer & Periph Equipment	854,822	970,536	9.52%	81,379	0%	2.1	SQ
10	391.22	Other Office Machines and Equipment	218,724	248,332	17.49%	38,255	0%	0.0	SQ
11	391.25	Mainframe Software	4,547,519	5,163,098	6.87%	312,415	0%	2.5	SQ
12	391.26	Personal Computer Software	777	882	0.00%	-	0%	0.0	SQ
13	391.28	Other Software	629,593	714,819	18.00%	113,327	0%	1.0	SQ
14	391.3	Other Office	97,308	110,480	7.17%	6,977	0%	5.1	SQ
15	392.11	Transportation Equipment - Light Trucks	1,965,203	1,430,673	7.22%	141,888	20%	7.1	S2.5
16	392.12	Transportation Equipment - Heavy Trucks	1,223,459	890,681	6.48%	79,280	15%	8.1	S2.5
17	392.2	Transportation Equipment - Cars	224,006	163,077	10.90%	24,417	15%	3.2	R4
18	392.3	Other Transportation Equipment	327,428	236,368	6.39%	20,923	0%	13.7	L2.5
19	393	Stores Equipment	33,927	31,307	5.18%	1,757	0%	5.6	SQ
20	394	Tools, Shop, and Garage Equipment	1,878,306	782,893	5.67%	106,500	0%	12.2	SQ
21	395	Laboratory Equipment	824,725	676,946	7.10%	58,555	0%	7.4	SQ
22	396	Power Operated Equipment	1,599,114	895,988	4.45%	71,161	0%	12.5	L2.5
23	397	Communication Equipment	2,127,590	751,121	6.12%	130,208	0%	7.7	SQ
24	397.1	Communication Equipment	57,849	20,423	6.12%	3,540	0%	7.7	SQ
25	397.2	Communication Equipment	-	-	6.12%	-	0%	7.7	SQ
26	398	Misc Equipment	1,261,573	411,214	5.23%	65,980	0%	14.8	SQ
27	399	Other Tangible Property	138,485	318,103	5.55%	7,686	0%	10.8	SQ
28		BIWA Acquisition							
29									
30									
31			\$304,851,072	\$92,922,487		\$7,268,047			
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Adjusted jurisdiction plant investment represents UPS net of Non-Depreciable Plant and Contributions In Aid of Construction.  
Current depreciation rates based on rates approved by the Commission in Case No. 2007-00143



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT  
FEBRUARY 1, 2009 TO MAY 31, 2010

DATA: \_\_\_ BASE PERIOD \_\_\_ X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_\_\_ X\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.2  
PAGE 4 OF 4  
Witness Responsible: S.A. Miller

Line No.	Acct No.	Account Title	Adjusted Jurisdiction Plant Investment	Accumulated Reserve	Current Accrual Rate	Calculated Depreciation Expense	% Net Salvage	Average Service Life	Curve Form
1									
2									
3									
4	390.1	Office Structures	4,506,592	1,086,282	2.01%	90,582	-5%	39.2	R2.5
5	390.2	Stores, Shop & Garage Structures	1,018,771	245,568	2.33%	23,737	0%	32.6	R3
6	390.3	Misc Structures	1,954,957	471,228	4.19%	81,913	0%	21.2	R1.5
7	391.1	Office Furniture	2,955,112	2,852,557	7.48%	221,042	0%	4.8	SQ
8	391.2	Mainframe Computer & Periph Equipment	18,921	18,264	8.04%	1,521	0%	4.5	SQ
9	391.21	Personal Computer & Periph Equipment	878,694	848,199	9.52%	83,652	0%	2.1	SQ
10	391.22	Other Office Machines and Equipment	210,383	203,082	17.49%	36,796	0%	0.0	SQ
11	391.25	Mainframe Software	4,553,519	4,395,492	6.87%	312,827	0%	2.5	SQ
12	391.26	Personal Computer Software	349,991	337,845	0.00%	-	0%	0.0	SQ
13	391.28	Other Software	636,859	614,757	18.00%	114,635	0%	1.0	SQ
14	391.3	Other Office Equipment	105,285	101,631	7.17%	7,549	0%	5.1	SQ
15	392.11	Transportation Equipment - Light Trucks	1,763,197	1,267,898	7.22%	127,303	20%	7.1	S2.5
16	392.12	Transportation Equipment - Heavy Trucks	1,073,461	771,915	6.48%	69,560	15%	8.1	S2.5
17	392.2	Transportation Equipment - Cars	435,314	313,030	10.90%	47,449	15%	3.2	R4
18	392.3	Other Transportation Equipment	540,998	389,026	6.39%	34,570	0%	13.7	L2.5
19	393	Stores Equipment	33,927	33,643	5.18%	1,757	0%	5.6	SQ
20	394	Tools, Shop, and Garage Equipment	2,755,839	869,374	5.67%	156,256	0%	12.2	SQ
21	395	Laboratory Equipment	1,342,673	847,239	7.10%	95,330	0%	7.4	SQ
22	396	Power Operated Equipment	1,592,421	990,314	4.45%	70,863	25%	12.5	L2.5
23	397	Communication Equipment	2,124,456	865,796	6.12%	130,017	0%	7.7	SQ
24	397.1	Communication Equipment	236,887	96,540	6.12%	14,497	0%	7.7	SQ
25	397.2	Communication Equipment	-	-	6.12%	-	0%	7.7	SQ
26	398	Misc Equipment	1,276,591	515,118	5.23%	66,766	0%	14.8	SQ
27	399	Other Tangible Property	138,485	328,343	5.55%	7,686	0%	10.8	SQ
28		BIWA Acquisition							
29									
30			\$330,617,421	\$102,285,596		\$8,092,694			

Adjusted jurisdiction plant investment represents UPS net of Non-Depreciable Plant and Contributions In Aid of Construction.  
Current depreciation rates based on rates approved by the Commission in Case No. 2007-00143

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
CONSTRUCTION WORK IN PROGRESS  
AS OF JANUARY 31, 2009

SCHEDULE B-4  
PAGE 1 OF 2  
Witness Responsible: L. Bridwell

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S): WIP-1-4

Line No.	Project Number	Description of Project	Construction Amount	AFUDC Capitalized	Indirect Costs	Total Costs	Jurisdictional Percent	Total Jurisdictional Cost	Estimated Percent Complete
1						\$412,323	100%	\$412,323	NA
2	DV	Mains	412,259	64.84	-	\$412,323			NA
3	DV	Services	-	-	-	-			NA
4	DV	Meter Installations	-	-	-	-			NA
5	DV	Hydrants	-	-	-	-			NA
6	A	Mains - New	8,407	184	-	8,590			NA
7	B	Mains - Planned Replacement / Restored	142,358	2,388	-	144,746			NA
8	C	Mains - Unschedule Replacements	69,015	-	-	69,015			NA
9	D	Mains - Relocation	62,511	3,469	-	65,980			NA
10	E	Hydrants, Valves, and Manholes - New	67,881	775	-	68,656			NA
11	F	Hydrants, Valves, and Manholes - Replaced	3,405	-	-	3,405			NA
12	G	Services and Laterals - New	39,585	-	-	39,585			NA
13	H	Services and Laterals - Replaced	68,156	-	-	68,156			NA
14	I	Meters New	61,210	-	-	61,210			NA
15	J	Meter - Replaced	44,539	-	-	44,539			NA
16	K	ITS Equipment and Systems	1,488	-	-	1,488			NA
17	L	SCADA Equipment and Systems	-	-	-	-			NA
18	M	Security Equipment and System	3,539	79	-	3,618			NA
19	N	Offices and Operations Centers	30,996	1,441	-	32,437			NA
20	O	Vehicles	-	-	-	-			NA
21	P	Tools and Equipment	-	-	-	-			NA
22	Q	Process Plant Facilities and Equipment	50,250	539	-	50,789			NA
23	R	Capitalized Tank Rehabilitation / Painting	59,910	956	-	60,865			NA
24	S	Engineering Studies	123,330	5,761	-	129,091			NA
25	1202-5	Rep N Broadway Water Line	306,291	4,578	-	310,869			11.22%
26	1202-6	US 460 Main Extension	68,294	1,636	-	69,931			2.59%
27	1232-1	Owenton Bulk Storage Design	78,839	3,021	-	81,860			9.92%
28	12020201	Leestown Road Main Improvements	150,955	-	-	150,955			100.00%
29	12020204	Development-Reg SOS Solution	1,986,892	-	-	1,986,892			94.78%
30	12020607	Ins WTR TRT PLT KY River Pool 3	51,401,439	1,080,861	-	52,482,300			32.78%
31	12020701	Ins Incline Chain (Replacements)	(2,733)	1,545	-	(1,188)			19.30%
32	12020402	Major highway realocations	36,910	-	-	36,910			100.00%
33	12020508	KY Reliability Improvements	3,220,078	247,903	-	3,467,981			100.00%
34	12020702	Major Highway Relocations	102,663	12,980	-	115,643			70.89%
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			\$58,598,466	\$1,368,181		\$59,966,647		\$59,966,647	

Note: Budget Projects DV - S represent normal on-going construction expenditures and are comprised of numerous construction jobs. The cost of these projects can range from approximately \$1,000 to \$95,000. The construction period may be as little as one week or as long as two months.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
CONSTRUCTION WORK IN PROGRESS  
FEBRUARY 1, 2009 TO MAY 31, 2010

SCHEDULE B-4  
PAGE 2 OF 2  
Witness Responsible: L. Bridwell

DATA: BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL\_UPDATED\_X\_REVIS  
WORKPAPER REFERENCE NO(S): WIP-1-4

Line No.	Project Number	Description of Project	Construction Amount	AFUDC Capitalized	Indirect Costs	Total Costs	Jurisdictional Percent	Total Jurisdictional Cost	Estimated Percent Complete
1									
2	DV	Mains	\$631,757	\$0		\$631,757	100%	\$631,757	N/A
3	DV	Services	-	-	-	-	-	-	N/A
4	DV	Meter Installations	-	-	-	-	-	-	N/A
5	DV	Hydrants	-	-	-	-	-	-	N/A
6	A	Mains - New	8,458	4,035	-	12,493	-	12,493	N/A
7	B	Mains - Planned Replacement / Restored	85,338	7,162	-	92,500	-	92,500	N/A
8	C	Mains - Unschedule Replacements	7,334	1,705	-	9,039	-	9,039	N/A
9	D	Mains - Relocation	82,837	7,163	-	90,000	-	90,000	N/A
10	E	Hydrants, Valves, and Manholes - New	27,420	1,387	-	28,807	-	28,807	N/A
11	F	Hydrants, Valves, and Manholes - Replaced	14,139	1,086	-	15,225	-	15,225	N/A
12	G	Services and Laterals - New	87,246	-	-	87,246	-	87,246	N/A
13	H	Services and Laterals - Replaced	94,235	-	-	94,235	-	94,235	N/A
14	I	Meters New	54,327	-	-	54,327	-	54,327	N/A
15	J	Meter - Replaced	207,739	-	-	207,739	-	207,739	N/A
16	K	ITS Equipment and Systems	17,758	-	-	17,758	-	17,758	N/A
17	L	SCADA Equipment and Systems	-	-	-	-	-	-	N/A
18	M	Security Equipment and System	-	-	-	-	-	-	N/A
19	N	Offices and Operations Centers	10,666	-	-	10,666	-	10,666	N/A
20	O	Vehicles	3,703	-	-	3,703	-	3,703	N/A
21	P	Tools and Equipment	55,000	-	-	55,000	-	55,000	N/A
22	Q	Process Plant Facilities and Equipment	51,992	-	-	51,992	-	51,992	N/A
23	R	Capitalized Tank Rehabilitation / Painting	-	-	-	-	-	-	N/A
24	S	Engineering Studies	2,791	1,011	-	3,802	-	3,802	N/A
25	1202-5	Rep N Broadway Water Line	(9,827)	9,827	-	-	-	-	100.00%
26	1202-6	US 460 Main Extension	-	-	-	-	-	-	100.00%
27	12020204	Development-Reg SOS Solution	1,807,445	156,511	-	1,963,956	-	1,963,956	98.20%
28	12020607	Ins WTR TRT PLT KY River Pool 3	128,342,865	2,838,118	-	131,180,983	-	131,180,983	81.94%
29	12020701	Ins Incline Chain (Replacement)	(24,789)	24,789	-	-	-	-	100.00%
30	12020402	Major highway relocations	-	-	-	-	-	-	100.00%
31	12020508	KY Reliability Improvements	-	-	-	-	-	-	100.00%
32	IP-1232-1	Owenton Bulk Storage Design	-	-	-	-	-	-	100.00%
33	12020505	Replace Trac-Vac System	-	-	-	-	-	-	100.00%
34	12020506	Sludge Handling Improvement	-	-	-	-	-	-	100.00%
35	12020702	Major Highway Relocations	(26,115)	26,115	-	-	-	-	100.00%
36	12020602	Ins 8' DI Yarnallton Road Ext.	-	-	-	-	-	-	100.00%
37	12020501	Ground Storage Tank	1,076,790	16,080	-	1,092,870	-	1,092,870	62.45%
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						\$132,609,109	\$3,094,989	\$0	\$135,704,098
									\$135,704,098

Note: Budget Projects DV - S represent normal on-going construction expenditures and are comprised of numerous construction jobs. The cost of these projects can range from approximately \$1,000 to \$95,000. The construction period may be as little as one week or as long as two months.



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE  
AS OF JANUARY 31, 2009

SCHEDULE B-4.1  
PAGE 1 OF 2  
Witness Responsible: L. Bridwell

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL\_X UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): WIP-1-4

Line No.	Project Number	Date Construction Began	Estimated Completion Date	% of Elapsed Time	Original Budget Estimate	Current Budget Estimate	Total Project Expenditures	% of Total Expenditures to Budget Est.
1								
2	DV	NA	NA	NA	NA	NA	412,323	NA
3	DV	NA	NA	NA	NA	NA	-	NA
4	DV	NA	NA	NA	NA	NA	-	NA
5	DV	NA	NA	NA	NA	NA	-	NA
6	A	NA	NA	NA	NA	NA	8,590	NA
7	B	NA	NA	NA	NA	NA	144,746	NA
8	C	NA	NA	NA	NA	NA	69,015	NA
9	D	NA	NA	NA	NA	NA	65,980	NA
10	E	NA	NA	NA	NA	NA	68,656	NA
11	F	NA	NA	NA	NA	NA	3,405	NA
12	G	NA	NA	NA	NA	NA	39,585	NA
13	H	NA	NA	NA	NA	NA	68,156	NA
14	I	NA	NA	NA	NA	NA	61,210	NA
15	J	NA	NA	NA	NA	NA	44,539	NA
16	K	NA	NA	NA	NA	NA	1,488	NA
17	L	NA	NA	NA	NA	NA	-	NA
18	M	NA	NA	NA	NA	NA	3,618	NA
19	N	NA	NA	NA	NA	NA	32,437	NA
20	O	NA	NA	NA	NA	NA	-	NA
21	P	NA	NA	NA	NA	NA	-	NA
22	Q	NA	NA	NA	NA	NA	-	NA
23	R	NA	NA	NA	NA	NA	50,789	NA
24	S	NA	NA	NA	NA	NA	60,865	NA
25	1202-5	Apr-08	Jul-09	62.50%	2,850,037	2,770,076	310,869	11.22%
26	1202-6	May-08	May-10	34.62%	2,700,000	2,700,000	69,931	2.59%
27	1232-1	Apr-08	May-10	39.13%	824,804	936,758	81,860	8.74%
28	12020201						150,955	100.00%
29	12020204	Apr-02	Nov-10	80.77%	600,000	2,000,000	1,986,892	99.34%
30	12020607	Aug-06	Nov-10	61.54%	139,528,531	160,098,063	52,482,300	32.78%
31	12020701	Dec-07	Dec-10	36.11%	1,149,793	1,181,960	(1,188)	19.30%
32	12020402	NA	NA	NA	700,000	3,178,618	36,910	1.16%
33	12020508	Jan-06	Dec-08	100.00%	5,000,000	7,407,332	3,467,981	100.00%
34	12020702						115,643	100.00%
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\$59,966,647

\$153,353,165 \$180,272,807

Note: Investment Projects DV - S represent normal on-going construction expenditures and are comprised of numerous construction jobs. The cost of these projects can range from approximately \$1,000 to \$95,000. The construction period may be as little as one week or as long as three months.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE  
FEBRUARY 1, 2009 TO MAY 31, 2010

SCHEDULE B-4.1  
PAGE 2 OF 2  
Witness Responsible: L. Bridwell

DATA: BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL\_UPDATED\_X\_REVIS  
WORKPAPER REFERENCE NO(S): WIP-1-4

Line No.	Project Number	Date Construction Began	Estimated Completion Date	% of Elapsed Time	Original Budget Estimate	Current Budget Estimate	Total Project Expenditures	% of Total Expenditures to Budget Est.
1								
2	DV	NA	NA	NA	NA	NA	\$631,757	NA
3	DV	NA	NA	NA	NA	NA	-	NA
4	DV	NA	NA	NA	NA	NA	-	NA
5	DV	NA	NA	NA	NA	NA	-	NA
6	A	NA	NA	NA	NA	NA	12,493	NA
7	B	NA	NA	NA	NA	NA	92,500	NA
8	C	NA	NA	NA	NA	NA	9,039	NA
9	D	NA	NA	NA	NA	NA	90,000	NA
10	E	NA	NA	NA	NA	NA	28,807	NA
11	F	NA	NA	NA	NA	NA	15,225	NA
12	G	NA	NA	NA	NA	NA	87,246	NA
13	H	NA	NA	NA	NA	NA	94,235	NA
14	I	NA	NA	NA	NA	NA	54,327	NA
15	J	NA	NA	NA	NA	NA	207,739	NA
16	K	NA	NA	NA	NA	NA	17,758	NA
17	L	NA	NA	NA	NA	NA	-	NA
18	M	NA	NA	NA	NA	NA	-	NA
19	N	NA	NA	NA	NA	NA	10,666	NA
20	O	NA	NA	NA	NA	NA	3,703	NA
21	P	NA	NA	NA	NA	NA	55,000	NA
22	Q	NA	NA	NA	NA	NA	51,982	NA
23	R	NA	NA	NA	NA	NA	-	NA
24	S	NA	NA	NA	NA	NA	3,802	NA
25	1202-5	Apr-08	Jul-09	100.00%	2,850,037	2,770,076	-	0.00%
26	1202-6	May-08	Jun-09	100.00%	2,700,000	2,700,000	-	0.00%
27	12020204	Apr-02	Nov-10	94.23%	600,000	2,000,000	1,963,956	98.20%
28	12020607	Aug-06	Nov-10	88.46%	139,528,531	160,098,063	131,180,983	81.94%
29	12020701	Dec-07	Dec-09	100.00%	1,149,793	1,181,960	-	0.00%
30	12020402	NA	NA	100.00%	2,169,181	3,178,618	-	0.00%
31	12020508	Jan-06	Dec-08	100.00%	5,000,000	7,407,332	-	0.00%
32	IP-1232-1	Apr-08	Jan-09	100.00%	824,804	936,758	-	0.00%
33	12020505	Nov-05	Dec-08	100.00%	749,000	1,277,875	-	0.00%
34	12020506	Jan-06	Nov-08	100.00%	1,198,000	2,196,412	-	0.00%
35	12020702	Mar-07	Dec-10	84.78%	2,408,191	2,480,731	-	NA
36	12020602	Jul-06	Dec-08	100.00%	200,000	329,610	-	0.00%
37	12020501	Oct-09	Dec-10	53.33%	1,750,000	1,750,000	1,092,870	62.45%
38								
39								
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\$161,127,537

\$188,307,435

\$135,704,098

Note: Investment Projects DV - S represent normal on-going construction expenditures and are comprised of numerous construction jobs. The cost of these projects can range from approximately \$1,000 to \$95,000. The construction period may be as little as one week or as long as two months.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
ALLOWANCE FOR WORKING CAPITAL  
AS OF JANUARY 31, 2009

SCHEDULE B-5  
PAGE 1 OF 2  
Witness Responsible: S.A. Miller

DATA: X BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): SCH 5.1/5.2

Line No.	Working Capital Component	Description of Methodology Used to Determine Jurisdictional Requirement	Workpaper Reference	Total Company	Jurisdictional Percent	Jurisdictional Amount
1						
2						
3	Working Capital	Lead/Lag Study	B-5.2, Page 1/3	<u>\$4,367,000</u>	<u>100.00%</u>	<u>\$4,367,000</u>
4						
5						
6						
7	Materials and Supplies	13 Month Average Balance	B-5.1	<u>\$677,654</u>	<u>100.00%</u>	<u>\$677,654</u>
8						
9						
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11						
12						
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
ALLOWANCE FOR WORKING CAPITAL  
FEBRUARY 1, 2009 TO MAY 31, 2010

SCHEDULE B-5  
PAGE 2 OF 2  
Witness Responsible: S.A. Miller

DATA: \_\_\_ BASE PERIOD \_\_\_ X FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_\_\_ X REVISED  
WORKPAPER REFERENCE NO(S): SCH 5.1/5.2

Line No.	Working Capital Component	Description of Methodology Used to Determine Jurisdictional Requirement	Workpaper Reference	Total Company	Jurisdictional Percent	Jurisdictional Amount
1						
2						
3						
4						
5						
6	Working Capital	Lead/Lag Study	B-5.2, Page 1/3	<u>\$3,417,000</u>	<u>100.00%</u>	<u>\$3,417,000</u>
7						
8						
9						
10	Materials and Supplies	13 Month Average Balance	B-5.1	<u>\$575,573</u>	<u>100.00%</u>	<u>\$575,573</u>
11						
12						
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14						
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
WORKING CAPITAL COMPONENTS  
AS OF JANUARY 31, 2009

SCHEDULE B-5.1  
PAGE 1 OF 2  
Witness Responsible: S.A. Miller

DATA: X BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ X\_UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-1-6

Line No.	Description	Total Company	13 - Month Average For Period Jurisdictional Percent	Jurisdictional Amount	Total Company	Period Balance Jurisdictional Percent	Jurisdictional Amount
1							
2							
3	Materials and Supplies						
4							
5							
6	Plant Materials	\$476,692	100.00%	\$476,692	\$476,692	100.00%	\$476,692
7							
8	Chemicals	200,963		200,963	200,963		200,963
9							
10		\$677,654		\$677,655	\$677,655		\$677,655
11							
12							
13							
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
WORKING CAPITAL COMPONENTS  
FEBRUARY 1, 2009 TO MAY 31, 2010

SCHEDULE B-5.1  
PAGE 2 OF 2  
Witness Responsible: S.A. Miller

DATA: \_\_\_ BASE PERIOD X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED\_X\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-1-6

Line No.	Description	Total Company	13 - Month Average For Period Jurisdictional Percent	Jurisdictional Amount	Total Company	Period Balance Jurisdictional Percent	Jurisdictional Amount
1							
2							
3							
4							
5							
6							
7							
8							
9							
10	Materials and Supplies						
11	Plant Materials	\$419,912	100.00%	\$419,912	\$419,912	100.00%	\$419,912
12	Chemicals	155,661		155,661	155,661		155,661
13							
14							
15							
16							
17							
18							
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
WORKING CAPITAL - LEAD/LAG STUDY  
AS OF JANUARY 31, 2009

SCHEDULE B-5.2  
PAGE 1 OF 6  
Witness Responsible: S.A. Miller

DATA: X BASE PERIOD \_\_\_ FORECASTED PERIOD \_\_\_  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ X UPDATED \_\_\_ REVISED \_\_\_  
WORKPAPER REFERENCE NO(S): Sch 5.2

Line No.	Description	Days	Amount
1			
2			
3	Total Operating Funds		<u>\$67,018,555</u>
4			
5	Average Daily Operating Funds		183,612
6			
7	Composite Average Days Interval Between:		
8			
9	(A) Date Service Furnished and Date Collections Deposited	42.63	
10			
11	(B) Date Expenses Incurred and Date of Payment	<u>18.84</u>	
12			
13	(C) Net Interval	<u>23.79</u>	
14			
15	Total Working Capital		<u>\$4,367,483</u>
16			
17			
18	Use		<u>\$4,367,000</u>
19			
20			
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
WORKING CAPITAL - LEAD/LAG STUDY  
AS OF JANUARY 31, 2009

DATA: X BASE PERIOD \_\_\_ FORECASTED PERIOD \_\_\_  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_\_\_ REVISED \_\_\_  
WORKPAPER REFERENCE NO(S):

Line No.	Description	Amount	Post Payment or (Lead) Days	Dollar Days
1				
2				
3	Payrolls Charged to Expense - Union/ATS Group	\$4,423,554	12.00	\$53,082,648
4	Payrolls Charged to Expense - Salaried	2,111,878	12.00	25,342,536
5	Fuel, Power and Electric	3,142,164	26.96	84,712,741
6	Chemicals	1,794,899	30.49	54,726,471
7	Service Company Charges	7,990,979	0.40	3,196,392
8	Group Insurance	1,103,921	(6.81)	(7,517,702)
9	Opex	611,481	23.13	14,143,556
10	Pensions	688,188	(2.27)	(1,562,187)
11	Insurance Other than Group	489,698	(44.70)	(21,889,501)
12	Transportation Expense	569,981	13.56	7,728,942
13	Rents	33,433	18.39	614,833
14	Telephone Expense	185,274	10.31	1,910,175
15	Postage Expense	598,641	23.47	13,111,304
16	Stock E	97,734	28.03	2,739,484
17	Maintenance Expense	1,247,810	18.54	23,134,397
18	Amortization	13,051	0.00	-
19	Uncollectibles	541,411	0.00	-
20	Waste Disposal	239,291	25.97	6,214,387
21	Other Operating Expenses	3,305,043	24.44	80,775,255
22	Total O & M Expenses	29,148,431		340,463,731
23				
24				
25	Depreciation and Amortization	7,826,283	0.00	-
26	Taxes, Other than Income			
27	Payroll - FUTA	7,144	69.86	499,080
28	Payroll - SUTA	10,622	75.14	798,137
29	Payroll - FICA	495,399	15.00	7,430,985
30	Other	2,657,476	70.95	188,547,922
31	Income Taxes - Current - SIT	532,469	52.75	28,087,740
32	Income Taxes - Current - FIT	1,056,081	30.13	31,819,721
33	Deferred Income Taxes	4,345,756	0.00	0
34	Interest Expense - Long - Term Debt	5,294,278	119.64	633,407,429
35	Interest Expense - Short - Term Debt	716,103	14.60	10,455,104
36	Preferred Dividends	460,688	46.40	21,375,907
37	Net Income	14,467,825	0.00	-
38	Net Operating Funds	\$67,018,555		\$1,262,885,756
39				
40				
41	Average Days Interval between Date Expenses are Incurred and Date of Payment			18.84
42				
43				
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
WORKING CAPITAL - LEAD/LAG STUDY  
AS OF JANUARY 31, 2009

SCHEDULE B-5.2  
PAGE 3 OF 6  
Witness Responsible: S.A. Miller

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

Line No.	Revenues Amount	Median Service Days	Dollar Days
1			
2			
3			
4			
5			
6			
7			
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9			
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11			
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Monthly - Arrears Full Bills \$812,593,874  
 Other Revenues 86,771,284  
 Fire Service (54,679,586)  
Total \$844,685,572

Revenues Amount: \$53,424,975  
 2,512,197  
 3,583,197  
59,520,369

Median Service Days: 15.21  
 34.54  
 (15.26)

Average Median Service Days: 14.19  
 Number of Days between the Reading Date and the Billing Date: 4.17  
 Number of Days between the Billing Date and the Date the Bills are Paid: 24.27  
 Total Average Days' Interval between Number of Days from Date Services are Furnished to Date Collections are Received: 42.63

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
WORKING CAPITAL - LEAD/LAG STUDY  
FEBRUARY 1, 2009 TO MAY 31, 2010

SCHEDULE B-5.2  
PAGE 4 OF 6  
Witness Responsible: S.A. Miller

DATA: \_\_\_ BASE PERIOD X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED\_X\_ REVISED  
WORKPAPER REFERENCE NO(S): Sch 5.2  
AGDR2#19(4, 5, & 6)

Line No.	Description	Days	Amount
1			
2			
3	Total Operating Funds		<u>\$81,217,515</u>
4			
5	Average Daily Operating Funds		222,514
6			
7	Composite Average Days Interval Between:		
8			
9		41.02	
10			
11	(A) Date Service Furnished and Date Collections Deposited		
12		25.66	
13	(B) Date Expenses Incurred and Date of Payment		
14		15.36	
15	(C) Net Interval		
16			<u>\$3,417,082</u>
17	Total Working Capital		
18			
19	Use		<u>\$3,417,000</u>
20			
21			
22			
23			
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
WORKING CAPITAL - LEAD/LAG STUDY  
FEBRUARY 1, 2009 TO MAY 31, 2010

DATA: \_\_\_ BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED\_X\_REVIS  
WORKPAPER REFERENCE NO(S):  
AGDR2#19(4, 5, & 6)

Line No.	DESCRIPTION	Amount	Post Payment or (Lead) Days	Dollar Days
1	Payrolls Charged to Expense - Union/ATS Group	\$4,701,933	12.00	56,423,196
2	Payrolls Charged to Expense - Salaried	2,244,761	12.00	26,937,372
3				
4				
5	Fuel and Power	3,600,382	26.96	97,066,304
6	Chemicals	2,746,805	30.45	83,750,083
7	Service Company Charges	7,770,973	0.40	3,108,389
8	Group Insurance	1,253,556	(6.81)	(8,536,716)
9	Opex	891,729	23.13	20,625,683
10	Pensions	1,277,425	(2.27)	(2,899,755)
11	Insurance Other than Group	695,098	(44.70)	(31,070,867)
12	Transportation Expense	544,602	13.56	7,384,809
13	Rents	31,968	18.39	587,892
14	Telephone Expense	227,514	10.31	2,345,669
15	Postage Expense	569,610	23.47	13,368,747
16	Stock E	100,242	28.03	2,809,783
17	Maintenance Expense, excluding Amortizations	725,604	18.54	13,452,698
18	Amortization	365,759	0.00	-
19	Uncollectibles	431,734	0.00	-
20	Waste Disposal	297,231	25.97	7,719,089
21	Other Operating Expenses	3,883,362	24.44	94,909,359
22	Total O & M Expenses	32,360,308		304,621,167
23				
24				
25	Depreciation and Amortization	8,398,250	0.00	-
26	Taxes, Other than Income			
27	Payroll - FUTA	5,507	69.86	384,719
28	Payroll - SUTA	5,179	75.14	389,150
29	Payroll - FICA	5,287,555	15.00	7,931,325
30	Other	3,211,078	70.95	227,825,984
31	Income Taxes - Current - SIT	1,417,858	52.75	74,792,010
32	Income Taxes - Current - FIT	7,774,590	30.13	234,248,397
33	Deferred Income Taxes	1,288,553	0.00	-
34	Interest Expense - Long - Term Debt	10,021,866	119.64	1,199,016,048
35	Interest Expense - Short - Term Debt	913,848	14.60	13,342,181
36	Preferred Dividends	456,924	46.40	21,201,274
37	Net Income	14,834,799	0.00	-
38	Net Operating Funds	\$81,217,515		\$2,083,752,255
39				
40				
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Average Days Interval between Date Expenses are Incurred and Date of Payment 25.66

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
WORKING CAPITAL - LEAD/LAG STUDY  
FEBRUARY 1, 2009 TO MAY 31, 2010

SCHEDULE B-5.2  
PAGE 6 OF 6  
Witness Responsible: S.A. Miller

DATA: \_\_\_ BASE PERIOD X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED\_X\_ REVISED  
WORKPAPER REFERENCE NO(S):  
AGDR2#19(4, 5, & 6)

Line No.	Revenues Amount	Median Service Days	Dollar Days
1			
2			
3			
4			
5			
6			
7	3,712,665	(15.26)	(56,655,268)
8			
9	<u>\$56,900,460</u>		<u>\$752,331,094</u>
10			
11			
12			
13			
14			
15			
16			
17			
18			
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Monthly - Arrears Full Bills \$53,187,795 15.21 \$808,986,362

Fire Service 3,712,665 (15.26) (56,655,268)

Total \$56,900,460 \$752,331,094

Average Median Service Days 13.22

Number of Days between the Reading Date and the Billing Date 4.17

Number of Days between the Billing Date and the Date the Bills are Paid 24.27

Total 41.66 2,370,272,846

Other Revenues 34.54 194,138,494

Total 41.02 2,564,411,340

Total Average Days' Interval between Number of Days from Date Services are Furnished to Date Collections are Received

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES  
AS OF JANUARY 31, 2009

DATA: X BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL\_X\_UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-1

SCHEDULE B-6  
PAGE 1 OF 2  
Witness Responsible: M.A. Miller/S.A. Miller

Line No.	Acct No.	Description	Workpaper Reference	Total Company	Jurisdictional Percent	Jurisdictional Amount
2						
3	252	Customer Advances	W/P-1-7	\$ 14,663,409		\$14,663,409
4					100.00%	
5	271	Contributions in Aid of Constr	W/P-1-7	\$ 46,000,716		\$46,000,716
6						
7	255	Investment Tax Credits:	W/P-1-9	\$93,534		\$93,534
8		Pre 1971 3% Credit				
9		1971-1975 4% Credit				
10		1975-12/31/85 10% Credit				
11						
12						
13						
14						
15						
16	282	Deferred Taxes:	W/P-1-8	\$33,354,475		\$33,354,475
17		Utility Plant in Service	W/P-1-8	651,774		651,774
18		Deferred Maintenance	W/P-1-8	727,244		727,244
19		Deferred Debits				
20						
21						
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50						
				<u>34,733,494</u>		<u>\$34,733,493</u>

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES  
FEBRUARY 1, 2009 TO MAY 31, 2010

DATA: \_\_\_ BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-1  
AGDR2#19(3)

SCHEDULE B-6  
PAGE 2 OF 2  
Witness Responsible: M.A. Miller/S.A. Miller

Line No.	Acct No.	Description	Workpaper Reference	Total Company	Jurisdictional Percent	Jurisdictional Amount	13-Month Average Balance
2							
3	252	Customer Advances	W/P-1-7	\$16,780,247	100.00%	\$16,780,247	\$15,618,202
5	271	Contributions in Aid of Constr	W/P-1-7	\$46,235,776		\$46,235,776	\$45,274,826
7	255	Investment Tax Credits:					
8		Pre 1971 3% Credit	W/P-1-9	\$83,326		\$83,326	\$87,154
9		1971-1975 4% Credit					
10		1975-12/31/85 10% Credit					
11							
12							
13							
14							
15							
16	282	Deferred Taxes:					
17		Utility Plant in Service	W/P-1-8	\$31,875,567		\$31,875,567	\$32,060,202
18		Deferred Maintenance	W/P-1-8	1,475,770		1,475,770	1,148,244
19		Deferred Debits	W/P-1-8	736,551		736,551	754,838
20							
21							
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original filing	34,001,726	33,911,117
variance	86,162	52,167







**EXHIBIT 37  
SCHEDULE C**

**JURISDICTIONAL OPERATING INCOME SUMMARY FOR BASE AND FORECASTED PERIOD**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
C-1	Operating Income Summary
C-2	Adjusted Operating Income Statement
C-2.1	Operating Revenues and Expenses by Account - Jurisdictional
C-2.2	Comparison of Total Company Account Balances

For the electronic version, refer to KAW\_SAPP\_EX37C\_030909.pdf.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
OVERALL FINANCIAL SUMMARY  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010  
SCHEDULE C-1, PAGE 1 OF 1  
Witness Responsible: M.A. Miller/S. A. Miller

DATA: \_\_\_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_\_ ORIGINAL \_X\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): SCH C-2 (TOTAL COMPANY)

Line No.	Description	Forecasted Return at Current Rates	Proposed Increase	Forecasted Return at Proposed Rates
2	Operating Revenues	\$62,521,146	\$18,871,578	\$81,392,724
3	Operating Expenses			
4	Operation and Maintenance	32,360,308	144,053	32,504,361
5	Depreciation and Amortization	8,398,250	0	8,398,250
6	Taxes Other Than Income	3,750,519	31,157	3,781,676
7	State Income Taxes	477,395	1,121,782	1,599,177
8	Federal Income Taxes	2,730,719	6,151,105	8,881,824
9	Total Operating Expenses	47,717,191	7,448,097	55,165,288
10	Utility Operating Income	\$14,803,955	\$11,423,481	\$26,227,436
11	Rate Base	\$ 304,615,988		\$304,615,988
12	Rate of Return	4.86%		8.61%

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
OVERALL FINANCIAL SUMMARY  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010  
SCHEDULE C-2, PAGE 1 OF 1  
Witness Responsible: M.A. Miller/S. A. Miller

DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-2,3,4,5 & 6 (TOTAL COMPANY)

Line No.	Major Group Classification	Base Year Revenues & Expenses	Adjustments	Schedule Reference	Forecasted Revenues & Expenses
1					
2	<b>Operating Revenues</b>				
3	Water Sales	\$56,775,071	\$125,389	Sch D-1	\$ 56,900,460
4	Other Operating Revenues	2,517,079	3,103,607	Sch D-1	5,620,686
5		<u>59,292,150</u>	<u>3,228,996</u>		<u>62,521,146</u>
6	<b>Operating Expenses</b>				
7	Labor	6,535,432	411,282	Sch D-1	6,946,714
8	Purchased Water	131,073	(16,487)	Sch D-1	114,586
9	Fuel and Power	3,142,164	458,218	Sch D-1	3,600,382
10	Chemicals	1,794,899	951,906	Sch D-1	2,746,805
11	Waste Disposal	239,287	57,944	Sch D-1	297,231
12	Management Fees	7,990,979	(220,006)	Sch D-1	7,770,973
13	Group Insurance	1,715,402	429,883	Sch D-1	2,145,285
14	Pensions	688,188	589,237	Sch D-1	1,277,425
15	Regulatory Expense	191,124	164,458	Sch D-1	355,582
16	Insurance Other than Group	489,698	205,400	Sch D-1	695,098
17	Customer Accounting	1,603,439	(4,362)	Sch D-1	1,599,077
18	Rents	33,433	(1,465)	Sch D-1	31,968
19	General Office Expense	543,590	32,666	Sch D-1	576,256
20	Miscellaneous	2,801,913	209,408	Sch D-1	3,011,321
21	Maintenance - Other	1,247,810	(56,205)	Sch D-1	1,191,605
22					
23	Total O & M Expenses	<u>29,148,431</u>	<u>3,211,877</u>		<u>32,360,308</u>
24					
25	Depreciation	7,300,425	601,236	Sch D-1	7,901,661
26	Amortization	512,807	(16,218)	Sch D-1	496,589
27	General Taxes				
28	Property and Capital Stock	2,572,853	540,113	Sch D-1	3,112,966
29	Gross Receipts and Sales	0	98,112	Sch D-1	98,112
30	Payroll	513,165	26,276	Sch D-1	539,441
31	Miscellaneous	84,623	(84,623)	Sch D-1	0
32	State Income Taxes				
33	Current	532,469	(236,393)	Sch E-1.5	296,076
34	Deferred	322,786	(141,467)	Sch E-1.5	181,319
35					
36					
37	Federal Income Taxes				
38	Current	1,066,081	567,404	Sch E-1.5	1,623,485
39	Deferred	4,107,766	(2,915,735)	Sch E-1.5	1,192,031
40	Deferred - ITC	(84,795)	(2)	Sch E-1.5	(84,797)
41					
42					
43					
44	Total Operating Expenses	<u>46,066,610</u>	<u>1,650,580</u>		<u>47,717,191</u>
45					
46	Utility Operating Income	<u>\$13,225,540</u>	<u>\$1,578,416</u>		<u>\$14,803,955</u>
47					
48					
49					
50					

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
OVERALL FINANCIAL SUMMARY  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010  
SCHEDULE C-2.1, PAGE 1 OF 1  
Witness Responsible: M.A. Miller/S. A. Miller

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL\_X\_UPDATED\_REVISED  
WORKPAPER REFERENCE NO(S): SCH D-1 (TOTAL COMPANY)

Line No.	Major Group Classification	Base Year		Jurisdictional Percent	Jurisdictional Method/Description
		Revenues & Expenses	Unadjusted Jurisdiction		
2	<b>Operating Revenues</b>				
3	Water Sales	\$56,775,071	\$56,775,071		
4	Other Operating Revenues	2,517,079	2,517,079		
5		59,292,150	59,292,150	100.00%	
6	<b>Operating Expenses</b>				
7	Labor	6,535,432	6,535,432		
8	Purchased Water	131,073	131,073		
9	Fuel and Power	3,142,164	3,142,164		
10	Chemicals	1,794,899	1,794,899		
11	Waste Disposal	239,287	239,287		
12	Management Fees	7,990,979	7,990,979		
13	Group Insurance	1,715,402	1,715,402		
14	Pensions	688,188	688,188		
15	Regulatory Expense	191,124	191,124		
16	Insurance Other than Group	489,698	489,698		
17	Customer Accounting	1,603,439	1,603,439		
18	Rents	33,433	33,433		
19	General Office Expense	543,590	543,590		
20	Miscellaneous	2,801,913	2,801,913		
21	Maintenance - Other	1,247,810	1,247,810		
22					
23	Total O & M Expenses	29,148,431	29,148,431		
24					
25	Depreciation	7,300,425	7,300,425		
26	Amortization	512,807	512,807		
27	General Taxes				
28	Property and Capital Stock	2,572,853	2,572,853		
29	Gross Receipts and Sales	0	0		
30	Payroll	513,165	513,165		
31	Miscellaneous	84,623	84,623		
32	State Income Taxes				
33	Current	532,469	532,469		
34	Deferred	322,786	322,786		
35					
36					
37	Federal Income Taxes				
38	Current	1,056,081	1,056,081		
39	Deferred	4,107,766	4,107,766		
40	Deferred - ITC	(84,795)	(84,795)		
41					
42					
43					
44	Total Operating Expenses	46,066,610	46,066,610		
45					
46	Utility Operating Income	\$13,225,540	\$13,225,539		
47					
48					
49					
50					

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(s):  
ACCOUNT/TITLE  
BASE PERIOD FEB 08 MAR 08 APR 08 MAY 08 JUN 08 JUL 08 AUG 08 SEP 08 OCT 08 NOV 08 DEC 08 JAN 09  
FORECAST PERIOD JUN 09 JUL 09 AUG 09 SEP 09 OCT 09 NOV 09 DEC 09 JAN 10 FEB 10 MAR 10 APR 10 MAY 10  
TOTAL

SCHEDULE C-2.2  
Page 1 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT	403000	Maint Exp	ARO/Net	Neg Sa/Depr	Expense													PERCENT CHANGE
BASE PERIOD	675,663	675,761	679,688	684,884	696,466	701,080	701,198	700,625	701,896	703,684	717,381	716,185	8,354,511					
FORECAST PERIOD	703,400	712,205	718,431	720,439	723,173	725,638	746,447	746,447	747,623	749,830	752,036	754,242	8,799,911					
DIFFERENCE	-27,737	-36,444	-38,743	-35,555	-26,707	-24,558	-45,249	-45,822	-45,727	-46,146	-34,655	-38,057	-445,400	-5.06%				

ACCOUNT	403100	Depr Exp--Amort	CIAC Tax													PERCENT CHANGE
BASE PERIOD	-154,526	290,459	-107,141	-109,320	-110,210	-111,049	-111,418	-111,978	-112,526	-113,604	-113,848	-113,913	-979,074			
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0			
DIFFERENCE	-154,526	290,459	-107,141	-109,320	-110,210	-111,049	-111,418	-111,978	-112,526	-113,604	-113,848	-113,913	-979,074	100.00%		

ACCOUNT	404430	Amort-Reg	Asset	AFUDC													PERCENT CHANGE
BASE PERIOD	5,282	7,272	4,969	5,946	5,946	5,946	5,946	5,946	5,946	5,946	5,946	5,946	71,037				
FORECAST PERIOD	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000				
DIFFERENCE	-718	1,272	-1,031	-54	-54	-54	-54	-54	-54	-54	-54	-54	-963	-1.34%			

ACCOUNT	404440	Amort-Reg	Asset													PERCENT CHANGE
BASE PERIOD	575	575	575	575	575	575	575	575	575	575	575	575	6,900			
FORECAST PERIOD	575	575	575	575	575	575	575	575	575	575	575	575	6,900			
DIFFERENCE	0	0	0	0	0	0	0	0	0	0	0	0	0	100.00%		

ACCOUNT 406000 Amortization of UPAA

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD SCHEDULE C-2.2  
TYPE OF FILING: ORIGINAL X UPDATED REVISED Page 2 of 31  
WORKPAPER REFERENCE NO(S): WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	1,801	1,801	1,801	1,801	1,801	1,801	1,934	2,699	1,801	1,814	1,814	1,814	1,814	22,682
FORECAST PERIOD	1,801	1,801	1,801	1,801	1,801	1,801	1,801	1,801	1,801	1,801	1,801	1,801	1,801	21,612
DIFFERENCE	0	0	0	0	0	0	133	898	0	13	13	13	13	1,070
														PERCENT CHANGE
														4.95%
ACCOUNT	407000	Amort-Prop Losses												
BASE PERIOD	34,349	34,349	34,349	34,349	34,349	34,349	34,349	34,349	34,349	34,349	34,349	34,349	34,349	412,188
FORECAST PERIOD	36,016	36,016	36,016	36,016	36,016	36,016	36,016	36,016	36,016	36,016	36,016	36,016	36,016	432,192
DIFFERENCE	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-20,004
														PERCENT CHANGE
														-4.63%
ACCOUNT	408030	Other Taxes and Licenses												
BASE PERIOD	-13,775	23,284	6,968	14,917	6,968	6,968	-3,039	10,928	10,254	7,050	7,050	7,050	7,050	84,623
FORECAST PERIOD	9,039	9,039	9,039	12,239	9,039	9,039	9,039	9,762	9,762	9,762	9,762	9,762	9,762	115,283
DIFFERENCE	-22,814	14,245	-2,071	2,678	-2,071	-2,071	-12,078	1,166	492	-2,712	-2,712	-2,712	-2,712	-30,660
														PERCENT CHANGE
														-26.60%
ACCOUNT	408100	Property Taxes												
BASE PERIOD	232,588	232,588	232,588	232,588	55,136	221,045	221,045	221,045	221,045	250,973	223,368	228,844	228,844	2,572,853
FORECAST PERIOD	246,946	246,946	246,946	246,946	246,946	246,946	246,946	260,379	260,379	260,379	260,379	260,379	260,379	3,030,517
DIFFERENCE	-14,358	-14,358	-14,358	-14,358	-191,810	-25,901	-25,901	-39,334	-39,334	-9,406	-37,011	-31,535	-31,535	-457,664
														PERCENT CHANGE
														-15.10%
ACCOUNT	408140	FUTA												

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
ACCOUNT/TITLE  
SCHEDULE C-2.2  
Page 3 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	TOTAL
BASE PERIOD	533	-191	106	40	44	32	15	76	54	127	2,085	4,346	7,267
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	533	-191	106	40	44	32	15	76	54	127	2,085	4,346	7,267
ACCOUNT	408160	FICA											PERCENT CHANGE 100.00%
BASE PERIOD	32,088	56,767	37,343	35,585	59,081	41,090	33,516	42,643	39,179	34,430	48,161	40,420	500,303
FORECAST PERIOD	43,808	46,095	42,111	44,284	43,899	43,552	47,192	49,952	45,669	49,560	50,913	49,018	556,053
DIFFERENCE	-11,720	10,672	-4,768	-8,699	15,182	-2,462	-13,676	-7,309	-6,490	-15,130	-2,752	-8,598	-55,750
ACCOUNT	408180	SUTA											PERCENT CHANGE -10.03%
BASE PERIOD	1,016	1,386	126	77	41	54	17	86	169	150	2,442	5,227	10,791
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	1,016	1,386	126	77	41	54	17	86	169	150	2,442	5,227	10,791
ACCOUNT	409100	SIT-Current											PERCENT CHANGE 100.00%
BASE PERIOD	39,260	-8,115	28,432	28,001	126,839	83,129	103,108	-20,602	55,407	53,909	86,060	17,373	592,801
FORECAST PERIOD	118,482	164,990	161,139	135,156	132,427	82,648	66,242	53,712	20,491	37,012	16,438	39,464	1,028,201
DIFFERENCE	-79,222	-173,105	-132,707	-107,155	-5,588	481	36,866	-74,314	34,916	16,897	69,622	-22,091	-435,400
ACCOUNT	409110	SIT-Prior Year Adj											PERCENT CHANGE -42.35%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
ACCOUNT/TITLE  
SCHEDULE C-2.2  
Page 4 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL	PERCENT CHANGE	PERCENT CHANGE
409150 FIT-Current	0	0	0	21,261	0	0	0	0	0	0	0	0	0	21,261		100.00%
BASE PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
DIFFERENCE	0	0	0	21,261	0	0	0	0	0	0	0	0	0	21,261		
409160 FIT-Prior Year Adj	293,606	-155,588	170,455	167,869	717,424	313,390	599,566	-246,362	282,838	274,467	485,388	89,987	2,993,040	4,133,510	485,388	89,987
BASE PERIOD	293,606	-155,588	170,455	167,869	717,424	313,390	599,566	-246,362	282,838	274,467	485,388	89,987	2,993,040	4,133,510	485,388	89,987
FORECAST PERIOD	472,130	653,161	638,170	537,031	526,410	332,649	268,789	220,005	90,696	155,001	74,920	164,548	4,133,510	4,133,510	74,920	164,548
DIFFERENCE	-178,524	-808,749	-467,715	-369,162	191,014	-19,259	330,777	-466,367	192,142	119,466	410,468	-74,561	-1,140,470	-1,140,470	410,468	-74,561
409210 Int LTD-Outside Reg	0	0	0	-1,734,426	0	0	0	0	0	0	0	0	0	-1,734,426		-27.59%
BASE PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
DIFFERENCE	0	0	0	-1,734,426	0	0	0	0	0	0	0	0	0	0		
410400 Def SIT-Pr Yr Adj	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,837	1,521,758	1,521,758	126,978	126,837
BASE PERIOD	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,837	1,521,758	1,521,758	126,978	126,837
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
DIFFERENCE	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,978	126,837	1,521,758	1,521,758	126,978	126,837

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.



KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

SCHEDULE C-2.2  
Page 5 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(s):

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	TOTAL
BASE PERIOD	-81	-25,917	281	-81	-81	-81	-81	-81	-81	-81	31,191	380	5,287
FORECAST PERIOD													
DIFFERENCE													

ACCOUNT	410600	Def SIT-Other Liab	PERCENT CHANGE										
BASE PERIOD	19,942	-16,050	31,903	5,497	64,884	29,664	37,493	99,945	35,389	36,820	-48,075	7,972	305,384
FORECAST PERIOD	-19,536	-67,870	-49,410	-32,542	-37,499	-8,038	-6,747	8,556	35,205	26,230	45,507	34,743	-71,401
DIFFERENCE	39,478	51,820	81,313	38,039	102,383	37,702	44,240	91,389	184	10,590	-93,582	-26,771	376,785
ACCOUNT	410700	Def FIT-Reg Liab	PERCENT CHANGE										
BASE PERIOD	16,038	16,038	16,038	16,038	16,038	16,038	16,038	16,038	16,038	16,038	16,038	18,564	194,982
FORECAST PERIOD													
DIFFERENCE													

ACCOUNT	410900	Def FIT-Other Liab	PERCENT CHANGE										
BASE PERIOD	31,534	308,849	166,516	2,162,544	-400,609	142,534	182,630	929,409	230,593	237,596	-278,139	48,467	3,761,924
FORECAST PERIOD	245,755	69,092	198,094	210,607	178,532	216,025	175,860	201,887	321,767	294,878	381,379	378,393	2,872,269
DIFFERENCE	-214,221	239,757	-31,578	1,951,937	-579,141	-73,491	6,770	727,522	-91,174	-57,282	-659,518	-329,926	889,655
ACCOUNT	412210	ITC Restored - 3%	PERCENT CHANGE										
BASE PERIOD													
FORECAST PERIOD													
DIFFERENCE													

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

SCHEDULE C-2.2  
Page 6 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(s):

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	-638	-638	-638	-638	-638	-638	-638	-638	-638	-638	-638	-638	-638	-7,656
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	-638	-638	-638	-638	-638	-638	-638	-638	-638	-638	-638	-638	-638	-7,656
ACCOUNT	412220 ITC Restored - 4%													PERCENT CHANGE 100.00%
BASE PERIOD	-525	-525	-525	-525	-525	-525	-525	-525	-525	-525	-525	-525	-525	-6,300
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	-525	-525	-525	-525	-525	-525	-525	-525	-525	-525	-525	-525	-525	-6,300
ACCOUNT	412230 ITC Restored - 10%													PERCENT CHANGE 100.00%
BASE PERIOD	-5,903	-5,903	-5,903	-5,903	-5,903	-5,903	-5,903	-5,903	-5,903	-5,903	-5,903	-5,903	-5,903	-70,836
FORECAST PERIOD	-4,891	-13,325	-20,315	956	-10,785	-4,012	-10,271	-628	-7,797	4,789	-9,565	-8,953	-8,953	-84,797
DIFFERENCE	-1,012	7,422	14,412	-6,859	4,882	-1,891	4,368	-5,275	1,894	-10,692	3,662	3,050	3,050	13,961
ACCOUNT	415100 M&J Revenues-Outside													PERCENT CHANGE -16.46%
BASE PERIOD	-10,368	-2,938	-6,805	-1,060	-29,886	-4,813	-11,580	-2,930	-36,690	-4,164	-10,218	905	905	-120,547
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	-10,368	-2,938	-6,805	-1,060	-29,886	-4,813	-11,580	-2,930	-36,690	-4,164	-10,218	905	905	-120,547
ACCOUNT	416100 M&J Expenses-Outside													PERCENT CHANGE 100.00%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(s):  
SCHEDULE C-2.2  
Page 7 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL	
BASE PERIOD	4,550	3,919	4,329	4,997	4,726	16,104	6,114	39,606	6,942	7,717	13,102	9,861	121,967		
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0		
DIFFERENCE	4,550	3,919	4,329	4,997	4,726	16,104	6,114	39,606	6,942	7,717	13,102	9,861	121,967		
ACCOUNT	416110	M&J Expenses-Inside												PERCENT CHANGE	100.00%
BASE PERIOD	0	0	120	902	644	1,118	272	0	0	0	-565	271	2,762		
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0		
DIFFERENCE	0	0	120	902	644	1,118	272	0	0	0	-565	271	2,762		
ACCOUNT	420100	AFUDC - Equity												PERCENT CHANGE	100.00%
BASE PERIOD	-88,371	-99,956	-108,972	-174,453	-97,159	-97,840	-112,428	22,787	-74,175	-188,050	-228,985	-231,425	-1,479,027		
FORECAST PERIOD	-254,060	-41,633	-82,103	-118,240	-152,409	-185,789	-204,553	-224,168	-247,583	-287,676	-321,483	-359,444	-2,479,141		
DIFFERENCE	165,689	-58,323	-26,869	-56,213	55,250	87,949	92,125	246,955	173,408	99,626	92,498	128,019	1,000,114		
ACCOUNT	420210	AFUDC Debt												PERCENT CHANGE	-40.34%
BASE PERIOD	-41,661	-46,761	-51,180	-47,059	-45,632	-45,889	-52,783	-10,127	-16,022	-86,303	-107,547	-123,332	-674,296		
FORECAST PERIOD	-115,378	-18,907	-37,286	-53,697	-69,215	-84,373	-92,895	-101,803	-112,436	-130,644	-145,997	-163,237	-1,125,868		
DIFFERENCE	73,717	-27,854	-13,894	6,638	23,583	38,484	40,112	91,676	96,414	44,341	38,450	39,905	451,572		
ACCOUNT	425100	Amort UPAA												PERCENT CHANGE	-40.11%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 8 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	TOTAL
BASE PERIOD	-35	-35	-35	-35	-35	-35	-35	-35	-35	-35	-35	-35	-420
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	-35	-35	-35	-35	-35	-35	-35	-35	-35	-35	-35	-35	-420
ACCOUNT	425300 Amort PS Exp w/ mandator												PERCENT CHANGE 100.00%
BASE PERIOD	64	64	64	64	64	64	64	64	64	64	64	64	768
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	64	64	64	64	64	64	64	64	64	64	64	64	768
ACCOUNT	426100 Donations Deduct												PERCENT CHANGE 100.00%
BASE PERIOD	16,375	6,880	19,277	24,528	22,448	9,560	13,220	13,232	2,466	9,515	4,109	13,337	154,947
FORECAST PERIOD	16,640	6,132	5,623	6,524	1,379	3,373	1,379	64,184	6,684	18,830	18,566	22,099	171,413
DIFFERENCE	-265	748	13,654	18,004	21,069	6,187	11,841	-50,952	-4,218	-9,315	-14,457	-8,762	-16,466
ACCOUNT	426160 Other Lobbying Expenses												PERCENT CHANGE -9.61%
BASE PERIOD	0	5,393	0	0	0	0	0	0	0	0	0	0	5,393
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	7,725	0	0	7,725
DIFFERENCE	0	5,393	0	0	0	0	0	0	0	-7,725	0	0	-2,332
ACCOUNT	426200 Other Income Deductions												PERCENT CHANGE -30.19%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427  
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(s):  
SCHEDULE C-2.2  
Page 9 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	4,500	850	2,215	2,000	1,550	20,000	8,394	11,240	5,417	2,593	0	23,184		81,943
FORECAST PERIOD	27,873	5,530	6,432	7,336	5,690	5,424	5,424	60,447	6,649	5,574	8,000	13,903		158,282
DIFFERENCE	-23,373	-4,680	-4,217	-5,336	-4,140	14,576	2,970	-49,207	-1,232	-2,981	-8,000	9,281		-76,339
														PERCENT CHANGE
														-48.23%
ACCOUNT	427120	Int LTD-Inside AW46												
BASE PERIOD	329,216	328,624	311,468	311,468	311,468	311,468	311,468	311,468	311,468	311,468	311,468	311,468		3,772,520
FORECAST PERIOD	678,021	678,021	678,021	678,021	829,061	829,061	829,061	829,061	829,061	811,314	811,314	896,899		9,376,916
DIFFERENCE	-348,805	-349,397	-366,553	-366,553	-517,593	-517,593	-517,593	-517,593	-517,593	-499,846	-499,846	-585,431		-5,604,396
														PERCENT CHANGE
														-59.77%
ACCOUNT	428000	Amort Debt Disc & Exp												
BASE PERIOD	7,225	7,225	7,224	7,784	7,313	7,231	7,392	8,150	7,332	7,335	7,332	7,332		88,875
FORECAST PERIOD	10,501	10,501	10,501	10,501	13,751	13,751	13,751	13,751	13,751	13,751	13,751	15,501		153,762
DIFFERENCE	-3,276	-3,276	-3,277	-2,717	-6,438	-6,520	-6,358	-5,592	-6,422	-6,416	-6,419	-8,169		-64,887
														PERCENT CHANGE
														-42.20%
ACCOUNT	431100	Interest STD Inside												
BASE PERIOD	67,065	63,275	52,720	58,912	51,743	34,793	35,656	44,702	84,652	83,792	97,914	40,879		716,103
FORECAST PERIOD	78,702	91,498	100,837	116,986	85,774	49,047	74,830	106,771	118,875	112,585	116,630	116,313		1,168,848
DIFFERENCE	-11,637	-28,223	-48,117	-58,074	-34,031	-14,254	-39,174	-62,069	-34,223	-28,793	-18,716	-75,434		-452,745
														PERCENT CHANGE
														-38.73%
ACCOUNT	437100	Div Dec PS-Out w/ mand												

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
ACCOUNT/TITLE  
SCHEDULE C-2.2  
Page 10 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	38,323	38,323	38,322	38,310	38,263	38,242	38,277	38,260	38,274	38,274	38,274	39,549	460,691	
FORECAST PERIOD	6,511	6,511	6,511	6,511	6,511	6,511	6,511	6,511	6,511	6,511	6,511	6,511	78,132	
DIFFERENCE	31,812	31,812	31,811	31,799	31,752	31,731	31,766	31,749	31,763	31,763	31,763	33,038	382,559	
ACCOUNT	438100	Div Dec Common Stk - In											PERCENT CHANGE	489.63%
BASE PERIOD	0	1,097,174	0	0	956,109	0	0	1,394,978	0	0	2,554,847	0	6,003,108	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	0	1,097,174	0	0	956,109	0	0	1,394,978	0	0	2,554,847	0	6,003,108	
ACCOUNT	461000	Dom WW Serv Billed											PERCENT CHANGE	100.00%
BASE PERIOD	-16,646	-14,505	-15,050	-15,672	-17,251	-15,910	-18,750	-15,616	-15,944	-16,798	-14,833	-16,526	-193,501	
FORECAST PERIOD	-17,772	-17,318	-16,621	-17,820	-14,871	-16,068	-16,207	-16,036	-15,115	-15,722	-17,141	-15,281	-195,972	
DIFFERENCE	1,126	2,813	1,571	2,148	-2,380	158	-2,543	420	-829	-1,076	2,308	-1,245	2,471	
ACCOUNT	461020	Com WW Serv Billed											PERCENT CHANGE	-1.26%
BASE PERIOD	-10,235	-9,482	-9,046	-7,931	-8,240	-7,248	-7,892	-10,946	-8,051	-12,907	-8,175	-10,279	-110,432	
FORECAST PERIOD	-9,049	-8,906	-8,881	-8,932	-8,502	-9,086	-11,872	-9,612	-8,821	-9,237	-9,346	-8,500	-110,744	
DIFFERENCE	-1,186	-576	-165	1,001	262	1,838	3,980	-1,334	770	-3,670	1,171	-1,779	312	
ACCOUNT	461100	Res Sales Billed											PERCENT CHANGE	-0.28%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD SCHEDULE C-2.2  
 TYPE OF FILING: ORIGINAL X UPDATED REVISED Page 11 of 31  
 WORKPAPER REFERENCE NO(S): WITNESS RESPONSIBLE: M. MILLER / S. MILLER  
 ACCOUNT/TITLE

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	-2,384,607	-2,206,863	-2,227,329	-2,407,390	-2,642,854	-2,826,153	-3,017,419	-3,035,888	-2,854,745	-2,495,013	-2,356,927	-2,524,896	-30,980,084	
FORECAST PERIOD	-3,300,598	-3,573,980	-3,639,427	-3,501,143	-3,407,392	-3,090,607	-2,985,671	-3,019,708	-2,877,838	-2,993,444	-2,923,526	-3,151,971	-38,465,305	
DIFFERENCE	915,991	1,367,117	1,412,098	1,093,753	764,538	264,454	-31,748	-16,180	23,093	498,431	566,599	627,075	7,485,221	
ACCOUNT	461110	Res Sales Unbilled											PERCENT CHANGE	-19.46%
BASE PERIOD	154,567	-76,139	-39,533	-39,650	-94,395	-119,090	-16,759	240,523	-133,557	-109,294	142,747	203,318	112,738	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	154,567	-76,139	-39,533	-39,650	-94,395	-119,090	-16,759	240,523	-133,557	-109,294	142,747	203,318	112,738	
ACCOUNT	461200	Com Sales Billed											PERCENT CHANGE	100.00%
BASE PERIOD	-1,100,930	-994,127	-1,029,664	-1,160,554	-1,228,236	-1,318,797	-1,511,810	-1,444,539	-1,412,031	-1,215,550	-1,045,765	-1,080,176	-14,542,179	
FORECAST PERIOD	-1,655,242	-1,764,467	-1,856,755	-1,770,295	-1,710,830	-1,513,802	-1,413,019	-1,419,835	-1,357,923	-1,464,855	-1,447,967	-1,550,812	-18,925,802	
DIFFERENCE	554,312	770,340	827,091	609,741	482,594	195,005	-98,791	-24,704	-54,108	249,305	402,202	470,636	4,383,623	
ACCOUNT	461210	Com Sales Unbilled											PERCENT CHANGE	-23.16%
BASE PERIOD	33,878	-122,774	6,037	-29,596	-44,723	115,586	-215,896	-34,176	754	46,287	148,864	179,139	83,380	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	33,878	-122,774	6,037	-29,596	-44,723	115,586	-215,896	-34,176	754	46,287	148,864	179,139	83,380	
ACCOUNT	461300	Ind Sales Billed											PERCENT CHANGE	100.00%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
ACCOUNT/TITLE  
SCHEDULE C-2.2  
Page 12 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	-120,170	-114,376	-116,980	-141,567	-97,832	-151,229	-130,724	-146,271	-135,950	-121,080	-101,715	-83,317	-1,461,211	
FORECAST PERIOD	-185,301	-207,320	-201,789	-217,045	-207,756	-173,339	-172,927	-149,719	-159,827	-170,601	-176,668	-174,387	-2,196,679	
DIFFERENCE	65,131	92,944	84,809	75,478	109,924	22,110	42,203	3,448	23,877	49,521	74,953	91,070	735,468	
ACCOUNT	461310	Ind Sales Unbilled											PERCENT CHANGE	-33.48%
BASE PERIOD	2,795	587	-15,868	8,818	-9,564	5,692	-8,004	-26	1,011	210	16,616	27,386	29,653	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	2,795	587	-15,868	8,818	-9,564	5,692	-8,004	-26	1,011	210	16,616	27,386	29,653	
ACCOUNT	461400	Misc Sales Billed											PERCENT CHANGE	100.00%
BASE PERIOD	-412	-91	-346	748	-3,367	-4,346	-3,353	-4,268	-64	-9,182	-1,627	-167	-26,475	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	-412	-91	-346	748	-3,367	-4,346	-3,353	-4,268	-64	-9,182	-1,627	-167	-26,475	
ACCOUNT	462000	Priv Fire Billed											PERCENT CHANGE	100.00%
BASE PERIOD	-105,194	-106,757	-100,755	-111,084	-156,067	-107,553	-114,957	-107,492	-111,435	-113,905	-112,046	-117,089	-1,364,334	
FORECAST PERIOD	-249,405	-249,921	-250,437	-250,952	-251,468	-251,984	-252,499	-253,015	-253,531	-254,046	-254,562	-255,078	-3,026,898	
DIFFERENCE	144,211	143,164	149,682	139,868	95,401	144,431	137,542	145,523	142,096	140,141	142,516	137,989	1,662,564	
ACCOUNT	462100	Priv Fire Unbilled											PERCENT CHANGE	-54.93%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.



KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD), AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 13 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	543	-998	1,027	-1	-526	329	-804	54	-52	11	962	-835	-290	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	543	-998	1,027	-1	-526	329	-804	54	-52	11	962	-835	-290	
ACCOUNT	462210	Ind WW Serv Billed												100.00%
PERCENT CHANGE														
BASE PERIOD	-608	-588	-1,086	-183	-112	-1,097	-612	-1,066	-102	-575	-618	-74	-6,721	
FORECAST PERIOD	-3,304	-2,786	-2,141	-4,733	-4,511	-2,693	-1,126	-2,174	-3,328	-1,979	-2,781	-3,056	-34,612	
DIFFERENCE	2,696	2,198	1,055	4,550	4,399	1,596	514	1,108	3,226	1,404	2,163	2,982	27,891	
ACCOUNT	463000	Pub Fire Billed												-80.58%
PERCENT CHANGE														
BASE PERIOD	-193,020	-193,020	-192,401	-193,020	-194,001	-197,285	-195,109	-195,198	-195,790	-196,032	-196,087	-197,064	-2,338,027	
FORECAST PERIOD	-129,198	-129,309	-129,419	-129,529	-129,640	-129,750	-129,861	-129,971	-130,082	-130,192	-130,303	-130,413	-1,557,667	
DIFFERENCE	-63,822	-63,711	-62,982	-63,491	-64,361	-67,535	-65,248	-65,227	-65,708	-65,840	-65,784	-66,651	-780,360	
ACCOUNT	464200	Pub Auth Billed												50.10%
PERCENT CHANGE														
BASE PERIOD	-339,731	-327,714	-399,733	-362,740	-402,249	-434,491	-526,843	-565,377	-491,954	-433,596	-336,637	-336,839	-4,957,904	
FORECAST PERIOD	-496,098	-562,246	-546,183	-597,452	-570,475	-423,458	-432,614	-384,046	-321,435	-442,238	-437,336	-436,115	-5,649,696	
DIFFERENCE	156,367	234,532	146,450	234,712	168,226	-11,033	-94,229	-181,331	-170,519	8,642	100,699	99,276	691,792	
ACCOUNT	464210	Pub Auth Unbilled												-12.24%
PERCENT CHANGE														

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 14 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	-3,066	14,872	-66,020	7,116	34,613	-117,411	31,879	-33,903	-2,327	69,771	-70,098	136,292	1,718	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	-3,066	14,872	-66,020	7,116	34,613	-117,411	31,879	-33,903	-2,327	69,771	-70,098	136,292	1,718	
ACCOUNT	466000	SFR Billed												PERCENT CHANGE 100.00%
BASE PERIOD	-98,609	-94,408	-89,369	-92,333	-106,771	-128,323	-152,534	-162,666	-159,174	-173,905	-93,292	-107,774	-1,459,158	
FORECAST PERIOD	-165,667	-140,194	-151,330	-172,491	-148,463	-177,106	-116,561	-85,606	-93,987	-78,801	-90,042	-121,252	-1,541,500	
DIFFERENCE	67,058	45,786	61,961	80,158	41,692	48,783	-35,973	-77,060	-65,187	-95,104	-3,250	13,478	82,342	
ACCOUNT	466100	Sales for Resale Unbille												PERCENT CHANGE -5.34%
BASE PERIOD	13,618	16,052	-12,078	5,770	-21,295	-44,198	27,680	-22,160	24,491	23,755	-175	33,110	44,570	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	13,618	16,052	-12,078	5,770	-21,295	-44,198	27,680	-22,160	24,491	23,755	-175	33,110	44,570	
ACCOUNT	471100	Oth Rev-Reconnection Cha												PERCENT CHANGE 100.00%
BASE PERIOD	-59,123	-68,770	-63,050	-62,169	-55,653	-58,370	-50,726	-61,600	-56,199	-58,084	-50,860	-46,046	-690,650	
FORECAST PERIOD	-41,600	-41,600	-41,600	-41,600	-41,600	-41,600	-41,600	-41,600	-41,600	-41,600	-41,600	-41,600	-499,200	
DIFFERENCE	-17,523	-27,170	-21,450	-20,569	-14,053	-16,770	-9,126	-20,000	-14,599	-16,484	-9,260	-4,446	-191,450	
ACCOUNT	471200	Oth Rev-NSF Check Charge												PERCENT CHANGE 38.35%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
 TYPE OF FILING: ORIGINAL X UPDATED REVISED  
 WORKPAPER REFERENCE NO(S):  
 SCHEDULE C-2.2  
 Page 15 of 31  
 WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	-45,538	-45,772	-44,946	-53,260	-61,628	-65,850	-72,490	-73,997	-54,394	-49,921	-41,699	-40,145	-649,640	
FORECAST PERIOD	-51,849	-51,849	-51,849	-51,849	-51,849	-51,849	-51,849	-51,849	-51,849	-51,849	-51,849	-51,849	-622,188	
DIFFERENCE	6,311	6,077	6,903	-1,411	-9,779	-14,001	-20,641	-22,148	-2,545	1,928	10,150	11,704	-27,452	
													PERCENT CHANGE	4.41%
ACCOUNT	472000	Oth Rev-Rents Water Prop												
BASE PERIOD	-7,835	-8,335	-7,835	-7,835	-8,595	-7,835	-7,835	-7,835	-21,223	-5,740	-6,406	-8,406	-105,715	
FORECAST PERIOD	-7,835	-7,835	-7,835	-7,835	-7,835	-7,835	-7,835	-7,835	-7,835	-7,835	-7,835	-7,835	-94,020	
DIFFERENCE	0	-500	0	0	-760	0	0	0	-13,388	2,095	1,429	-571	-11,695	
													PERCENT CHANGE	12.44%
ACCOUNT	474100	Oth Rev-Collect for Othe												
BASE PERIOD	-87,479	-84,229	-84,027	-90,172	-90,863	-89,786	-89,350	-80,543	-89,953	-98,700	-102,175	-78,223	-1,065,500	
FORECAST PERIOD	-84,201	-84,201	-84,201	-84,201	-84,201	-84,201	-84,201	-84,201	-84,201	-84,201	-84,201	-84,201	-1,010,412	
DIFFERENCE	-3,278	-28	174	-5,971	-6,662	-5,585	-5,149	3,658	-5,752	-14,499	-17,974	5,978	-55,088	
													PERCENT CHANGE	5.45%
ACCOUNT	474300	Oth Rev-Other Water Rev												
BASE PERIOD	-711	0	2	0	0	-2,457	-904	-1,009	-952	-970	-856	-840	-8,697	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	-711	0	2	0	0	-2,457	-904	-1,009	-952	-970	-856	-840	-8,697	
													PERCENT CHANGE	100.00%
ACCOUNT	602000	Purchased Water-Outside												

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
 TYPE OF FILING: ORIGINAL X UPDATED REVISED  
 WORKPAPER REFERENCE NO(S):  
 SCHEDULE C-2.2  
 Page 16 of 31  
 WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
603100 Trash Removal SS	7,358	9,364	10,854	9,759	11,151	12,165	10,966	10,502	18,431	9,939	9,760	10,414	130,663	
BASE PERIOD	10,091	7,753	12,023	16,453	9,693	6,603	16,512	11,988	8,450	14,165	15,960	12,815	142,506	
FORECAST PERIOD	-2,733	1,611	-1,169	-6,694	1,458	5,562	-5,546	-1,486	9,981	-4,226	-6,200	-2,401	-11,843	
DIFFERENCE														PERCENT CHANGE
														-8.31%
610000 Labor Maint SS	2,766	2,370	2,052	3,771	4,602	573	428	4,024	4,216	1,045	2,666	552	29,065	
BASE PERIOD	3,410	3,410	3,410	3,765	3,410	3,410	3,410	3,935	3,571	3,571	3,571	3,935	42,808	
FORECAST PERIOD	-644	-1,040	-1,358	6	1,192	-2,837	-2,982	89	645	-2,526	-905	-3,383	-13,743	
DIFFERENCE														PERCENT CHANGE
														-32.10%
617100 Mat and Sup Maint SS	0	0	23	0	83	428	0	84,593	0	0	149	0	85,276	
BASE PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
FORECAST PERIOD	0	0	23	0	83	428	0	84,593	0	0	149	0	85,276	
DIFFERENCE														PERCENT CHANGE
														100.00%
623110 Fuel for Power Prod SS	21,062	3,937	11,201	12,594	2,665	4,075	8,699	74,449	110,749	11,350	9,267	1,098	271,146	
BASE PERIOD	8,750	18,250	8,750	8,750	8,750	8,750	14,750	9,625	9,625	9,625	57,325	19,625	182,575	
FORECAST PERIOD	12,312	-14,313	2,451	3,844	-6,085	-4,675	-6,051	64,824	101,124	1,725	-48,058	-18,527	88,571	
DIFFERENCE														PERCENT CHANGE
														48.51%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 17 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	189,982	267,269	213,738	295,466	295,642	309,632	431,095	346,504	338,675	290,942	258,775	250,967	3,488,687	
FORECAST PERIOD	387,544	430,614	436,206	422,734	409,987	357,495	256,360	256,636	238,476	268,389	252,000	364,291	4,080,732	
DIFFERENCE	-197,562	-163,345	-222,468	-127,268	-114,345	-47,863	174,735	89,868	100,199	22,553	6,775	-113,324	-592,045	
ACCOUNT	626500	Misc Oper P											PERCENT CHANGE	-14.51%
BASE PERIOD	450	-78	1,132	-927	616	-494	271	2,163	-1,506	179	533	-126	2,213	
FORECAST PERIOD	250	250	250	250	250	250	250	262	262	262	262	262	3,060	
DIFFERENCE	200	-328	882	-1,177	366	-744	21	1,901	-1,768	-83	271	-388	-847	
ACCOUNT	630200	Labor Maint P											PERCENT CHANGE	-27.68%
BASE PERIOD	5,424	3,848	5,756	5,976	4,939	6,532	4,653	5,535	5,413	6,482	7,846	5,167	67,571	
FORECAST PERIOD	1,066	1,066	1,066	1,066	1,066	1,100	1,100	0	0	0	0	0	7,530	
DIFFERENCE	4,358	2,782	4,690	4,910	3,873	5,432	3,553	5,535	5,413	6,482	7,846	5,167	60,041	
ACCOUNT	641100	Chemicals WT											PERCENT CHANGE	797.36%
BASE PERIOD	127,439	115,854	111,187	101,462	115,721	114,310	150,445	227,389	198,929	122,917	127,850	153,316	1,666,819	
FORECAST PERIOD	211,234	269,947	290,298	329,265	258,902	211,748	194,779	211,578	150,431	189,346	207,835	222,569	2,747,932	
DIFFERENCE	-83,795	-154,093	-179,111	-227,803	-143,181	-97,438	-44,334	15,811	48,498	-66,429	-79,985	-69,253	-1,081,113	
ACCOUNT	641110	Chemicals Carbon AWSI											PERCENT CHANGE	-39.34%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(s):  
SCHEDULE C-2.2  
Page 18 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	TOTAL
BASE PERIOD	0	0	0	47,180	10,841	16,627	10,841	6,574	14,319	10,447	10,447	10,447	137,723
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	0	0	0	47,180	10,841	16,627	10,841	6,574	14,319	10,447	10,447	10,447	137,723
PERCENT CHANGE													100.00%
ACCOUNT	642100	Labor Oper WT Super/Eng											
BASE PERIOD	111,713	121,642	117,507	119,857	127,123	188,792	122,997	124,045	114,414	111,720	197,522	124,995	1,582,327
FORECAST PERIOD	9,485	12,985	9,485	12,985	9,485	16,934	16,934	0	0	0	0	0	88,293
DIFFERENCE	102,228	108,657	108,022	106,872	117,638	171,858	106,063	124,045	114,414	111,720	197,522	124,995	1,494,034
PERCENT CHANGE													1692.13%
ACCOUNT	642300	Contr Svc-Lab Testing Op											
BASE PERIOD	15,421	16,594	13,693	7,060	10,952	19,275	11,143	8,788	17,268	8,573	12,470	15,892	157,129
FORECAST PERIOD	15,308	10,048	18,175	17,063	8,865	18,210	14,062	10,451	12,784	12,887	15,277	18,215	171,345
DIFFERENCE	113	6,546	-4,482	-10,003	2,087	1,065	-2,919	-1,663	4,484	-4,314	-2,807	-2,323	-14,216
PERCENT CHANGE													-8.30%
ACCOUNT	643100	Uniforms WT											
BASE PERIOD	8,237	6,443	5,907	5,483	9,767	5,192	10,322	8,680	4,884	7,697	9,626	7,833	90,071
FORECAST PERIOD	7,011	6,998	7,005	7,005	6,998	7,017	6,979	7,333	7,343	7,348	7,299	7,284	85,620
DIFFERENCE	1,226	-555	-1,098	-1,522	2,769	-1,825	3,343	1,347	-2,459	349	2,327	549	4,451
PERCENT CHANGE													5.20%
ACCOUNT	643300	Waste Disposal Exp WT											

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 19 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	15,620	15,556	16,086	13,210	13,700	17,445	15,662	8,498	14,886	16,394	16,201	14,059		177,317
FORECAST PERIOD	17,638	20,094	15,536	16,580	15,268	14,165	14,993	15,533	16,510	20,464	18,426	15,414		200,621
DIFFERENCE	-2,018	-4,538	550	-3,370	-1,568	3,280	669	-7,035	-1,624	-4,070	-2,225	-1,355		-23,304
													PERCENT CHANGE	-11.62%
ACCOUNT	643310	Amort Waste Disp Exp												
BASE PERIOD	8,438	8,438	8,438	8,438	8,438	8,438	8,438	8,438	8,438	8,438	8,438	8,438	0	84,380
FORECAST PERIOD	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
DIFFERENCE	-1,562	-1,562	-1,562	-1,562	-1,562	-1,562	-1,562	-1,562	-1,562	-1,562	-1,562	-1,562	-10,000	-35,620
													PERCENT CHANGE	-29.68%
ACCOUNT	650000	Labor Maint WT Super/Eng												
BASE PERIOD	5,714	5,590	7,505	7,761	7,350	10,718	7,234	5,454	7,612	4,025	10,064	8,739		87,766
FORECAST PERIOD	1,066	1,066	1,066	1,066	1,066	1,100	1,100	0	0	0	0	0		7,530
DIFFERENCE	4,648	4,524	6,439	6,695	6,284	9,618	6,134	5,454	7,612	4,025	10,064	8,739		80,236
													PERCENT CHANGE	1065.55%
ACCOUNT	651100	Mat and Sup Maint WT												
BASE PERIOD	23,768	34,090	23,181	28,853	29,263	34,480	28,275	35,794	29,594	26,677	32,608	22,107		348,690
FORECAST PERIOD	56,682	61,682	26,267	26,267	30,267	26,267	26,267	28,699	27,851	27,851	36,651	27,851		402,602
DIFFERENCE	-32,914	-27,592	-3,086	2,586	-1,004	8,213	2,008	7,095	1,743	-1,174	-4,043	-5,744		-53,912
													PERCENT CHANGE	-13.39%
ACCOUNT	652100	Misc Maint WT Equip												

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.2  
Page 20 of 31

WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	TOTAL
BASE PERIOD	JUN 09	JUL 09	AUG 09	SEP 09	OCT 09	NOV 09	DEC 09	JAN 10	FEB 10	MAR 10	APR 10	MAY 10	
662100 Uniforms TD	0	0	0	0	25,085	0	0	0	0	0	0	0	25,085
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	0	0	0	0	25,085	0	0	0	0	0	0	0	25,085
													PERCENT CHANGE 100.00%
662200 Labor Oper TD Lines	1,475	669	1,999	1,534	1,066	953	3,820	1,244	1,475	2,390	2,616	1,156	20,397
FORECAST PERIOD	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,551	1,551	1,551	1,551	1,551	18,255
DIFFERENCE	-25	-831	499	34	-434	-547	2,157	-307	-286	839	1,065	-456	2,142
													PERCENT CHANGE 11.73%
665300 Telephone TD	63,688	66,715	63,007	75,887	77,727	261,629	68,075	74,684	73,734	75,454	140,648	69,140	1,110,388
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
DIFFERENCE	63,688	66,715	63,007	75,887	77,727	261,629	68,075	74,684	73,734	75,454	140,648	69,140	1,110,388
													PERCENT CHANGE 100.00%
666000 Rents-Real Prop Oper TD	22,845	21,618	20,126	22,890	29,663	12,194	9,817	16,986	19,038	36,610	18,041	23,177	253,005
FORECAST PERIOD	25,202	30,702	29,202	30,702	26,202	28,202	25,702	27,336	26,821	29,396	26,100	26,100	331,667
DIFFERENCE	-2,357	-9,084	-9,076	-7,812	3,461	-16,008	-15,885	-10,350	-7,783	7,214	-8,059	-2,923	-78,662
													PERCENT CHANGE -23.72%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.



KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

SCHEDULE C-2.2  
Page 21 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING. ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(s):

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	TOTAL	
BASE PERIOD	796	543	490	1,113	802	25	198	150	0	1,243	1,000	50	6,410	
FORECAST PERIOD	315	315	315	315	315	315	315	324	324	324	324	324	3,825	
DIFFERENCE	481	228	175	798	487	-290	-117	-174	-324	919	676	-274	2,585	
ACCOUNT	670000 Labor Maint TD												PERCENT CHANGE	67.58%
BASE PERIOD	1,248	282	639	1,158	865	2,456	1,131	1,574	1,249	1,651	1,078	130	13,461	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	1,248	282	639	1,158	865	2,456	1,131	1,574	1,249	1,651	1,078	130	13,461	
ACCOUNT	671200 Labor Maint TD Super/Eng												PERCENT CHANGE	100.00%
BASE PERIOD	553	676	1,085	957	957	1,085	1,340	638	894	479	1,340	1,085	11,089	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	553	676	1,085	957	957	1,085	1,340	638	894	479	1,340	1,085	11,089	
ACCOUNT	672120 Amort Def Maint TD												PERCENT CHANGE	100.00%
BASE PERIOD	8,773	8,773	8,773	8,773	8,773	8,773	8,773	6,113	6,113	6,113	6,113	6,113	91,976	
FORECAST PERIOD	721	721	721	721	721	721	721	721	721	721	721	721	8,652	
DIFFERENCE	8,052	8,052	8,052	8,052	8,052	8,052	8,052	5,392	5,392	5,392	5,392	5,392	83,324	
ACCOUNT	672200 Labor Maint TD Dist Res												PERCENT CHANGE	963.06%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 22 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	TOTAL	
BASE PERIOD	2,555	1,286	2,040	1,202	1,191	2,054	1,628	1,334	1,510	1,390	1,153	1,982	19,325	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	2,555	1,286	2,040	1,202	1,191	2,054	1,628	1,334	1,510	1,390	1,153	1,982	19,325	
ACCOUNT	676200 Labor Maint TD Meters												PERCENT CHANGE	100.00%
BASE PERIOD	6,183	5,752	8,237	6,930	6,902	-14,064	6,636	7,346	12,069	2,917	-15,406	9,656	43,158	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	6,183	5,752	8,237	6,930	6,902	-14,064	6,636	7,346	12,069	2,917	-15,406	9,656	43,158	
ACCOUNT	678100 Paving/Backfill TD												PERCENT CHANGE	100.00%
BASE PERIOD	21,498	42,671	7,622	46,211	20,458	9,742	31,740	23,616	46,576	23,291	63,140	27,416	363,981	
FORECAST PERIOD	45,175	50,675	41,675	45,675	42,175	41,675	31,675	36,888	36,888	42,563	46,368	43,068	504,500	
DIFFERENCE	-23,677	-8,004	-34,053	536	-21,717	-31,933	65	-13,272	9,688	-19,272	16,772	-15,652	-140,519	
ACCOUNT	903100 Misc Oper CA												PERCENT CHANGE	-27.85%
BASE PERIOD	446	529	-1,409	496	612	472	728	406	720	-1,371	-502	1,726	2,853	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	446	529	-1,409	496	612	472	728	406	720	-1,371	-502	1,726	2,853	
ACCOUNT	903200 Labor Oper CA												PERCENT CHANGE	100.00%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427  
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 23 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	6,352	9,485	5,297	4,858	10,765	12,600	6,812	12,835	8,231	5,789	27,148	14,103		124,275
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0		0
DIFFERENCE	6,352	9,485	5,297	4,858	10,765	12,600	6,812	12,835	8,231	5,789	27,148	14,103		124,275
ACCOUNT	903300	Collection Agencies CA									PERCENT CHANGE			100.00%
BASE PERIOD	28,216	13,321	-10,174	21,701	21,498	17,459	15,884	20,743	24,493	19,474	21,228	15,840		209,683
FORECAST PERIOD	20,900	20,900	20,900	20,900	20,900	20,900	20,900	21,527	21,527	21,527	21,527	21,527		253,935
DIFFERENCE	7,316	-7,579	-31,074	801	598	-3,441	-5,016	-784	2,966	-2,053	-299	-5,687		-44,252
ACCOUNT	903520	Postage CA									PERCENT CHANGE			-17.43%
BASE PERIOD	49,362	49,041	53,229	52,555	53,605	54,768	53,302	57,425	56,557	51,714	55,391	55,506		642,455
FORECAST PERIOD	55,933	55,933	55,933	55,933	55,933	55,933	55,933	60,728	55,285	58,080	58,080	58,080		681,784
DIFFERENCE	-6,571	-6,892	-2,704	-3,378	-2,328	-1,165	-2,631	-3,303	1,272	-6,366	-2,689	-2,574		-39,329
ACCOUNT	904000	Uncollectible Accts-MI's									PERCENT CHANGE			-5.77%
BASE PERIOD	-8,009	-15,933	58,289	90,287	102,963	12,995	27,920	56,448	116,356	46,333	16,672	37,092		541,413
FORECAST PERIOD	53,779	57,659	58,945	57,758	55,906	50,112	47,877	47,345	45,193	48,147	47,506	50,634		620,861
DIFFERENCE	-61,788	-73,592	-656	32,529	47,057	-37,117	-19,957	9,103	71,163	-1,814	-30,834	-13,542		-79,448
ACCOUNT	905100	Office & Admin Supplies									PERCENT CHANGE			-12.80%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(s):  
SCHEDULE C-2.2  
Page 24 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	247	591	1,388	-244	-6	93	244	1,872	-729	663	1,102	-634	4,587	
FORECAST PERIOD	525	525	525	525	525	525	525	551	551	551	551	551	6,430	
DIFFERENCE	-278	66	863	-769	-531	-432	-281	1,253	-1,280	112	551	-1,185	-1,843	
											PERCENT CHANGE			-28.66%
ACCOUNT	920000	Labor Oper AG												
BASE PERIOD	71,874	78,168	85,034	293,619	58,767	-189,106	78,301	103,353	131,852	68,405	-42,628	103,879	841,518	
FORECAST PERIOD	538,838	563,018	516,553	540,442	538,838	528,159	573,544	624,395	570,866	619,496	636,416	612,720	6,863,285	
DIFFERENCE	-466,964	-484,850	-431,519	-246,823	-480,071	-717,265	-495,243	-521,042	-439,014	-551,091	-679,044	-508,841	-6,021,767	
											PERCENT CHANGE			-87.74%
ACCOUNT	920500	IP-Off-Annual-P/R JE												
BASE PERIOD	22,324	37,662	26,082	42,843	47,191	49,173	30,778	26,629	31,024	31,800	29,486	27,696	402,688	
FORECAST PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIFFERENCE	22,324	37,662	26,082	42,843	47,191	49,173	30,778	26,629	31,024	31,800	29,486	27,696	402,688	
											PERCENT CHANGE			100.00%
ACCOUNT	921100	Meals Deduct												
BASE PERIOD	14,798	6,520	17,820	24,985	21,301	55,394	33,598	17,311	23,801	10,968	8,023	14,310	248,829	
FORECAST PERIOD	32,486	23,235	26,735	15,810	16,835	18,192	16,212	12,908	12,974	26,620	16,742	14,686	233,435	
DIFFERENCE	-17,688	-16,715	-8,915	9,175	4,466	37,202	17,386	4,403	10,803	-15,652	-8,719	-376	15,394	
											PERCENT CHANGE			6.59%
ACCOUNT	921130	Dues/Membership Deduct												

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
 TYPE OF FILING: ORIGINAL X UPDATED REVISED  
 WORKPAPER REFERENCE NO(s):  
 SCHEDULE C-2.2  
 Page 25 of 31  
 WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	-4,570	692	1,382	792	966	1,287	617	2,063	1,657	1,421	2,523	5,965		14,795
FORECAST PERIOD	1,500	1,100	700	2,487	85	315	170	9,859	4,155	1,309	2,080	1,777		25,537
DIFFERENCE	-6,070	-408	682	-1,695	881	972	447	-7,796	-2,498	112	443	4,188		-10,742
														PERCENT CHANGE
														-42.06%
ACCOUNT	921200	M & S Oper AG												
BASE PERIOD	44,140	41,615	42,035	31,929	49,437	47,604	52,895	53,765	43,448	42,776	67,186	43,861		560,691
FORECAST PERIOD	41,333	43,406	43,622	42,118	46,070	45,857	50,189	53,324	51,693	50,119	52,132	43,408		563,271
DIFFERENCE	2,807	-1,791	-1,587	-10,189	3,367	1,747	2,706	441	-8,245	-7,343	15,054	453		-2,580
														PERCENT CHANGE
														-0.46%
ACCOUNT	921220	Office & Admin Supplies												
BASE PERIOD	1,698	137	2,564	2,438	2,977	1,503	3,073	2,919	3,718	807	-2,297	1,187		20,724
FORECAST PERIOD	2,638	2,438	2,538	2,538	2,538	2,538	2,538	2,597	2,897	2,497	2,697	2,597		31,051
DIFFERENCE	-940	-2,301	26	-100	439	-1,035	535	322	821	-1,690	-4,994	-1,410		-10,327
														PERCENT CHANGE
														-33.26%
ACCOUNT	923100	Lab-Shrd Bus Srv Fees												
BASE PERIOD	629,399	709,697	672,753	647,544	762,748	634,226	638,708	636,836	648,109	610,103	672,990	378,068		7,641,181
FORECAST PERIOD	650,353	667,327	610,408	648,022	638,092	622,371	661,908	637,180	605,148	672,811	661,412	640,017		7,715,049
DIFFERENCE	-20,954	42,370	62,345	-478	124,656	11,855	-23,200	-344	42,961	-62,708	11,578	-261,949		-73,868
														PERCENT CHANGE
														-0.96%
ACCOUNT	923200	Contr Svc-Accig Oper AG												

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 26 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	TOTAL	
BASE PERIOD	6,065	6,016	6,000	6,000	6,000	6,000	10,857	7,619	8,450	4,260	6,207	8,968	82,442	
FORECAST PERIOD	6,206	6,206	6,206	6,206	6,206	6,206	6,206	6,392	6,392	6,392	6,392	6,392	75,402	
DIFFERENCE	-141	-190	-206	-206	-206	-206	4,651	1,227	2,058	-2,132	-185	2,576	7,040	
ACCOUNT													PERCENT CHANGE	9.34%
923300 Contr Svc-Legal Oper AG	6,828	11,968	36,540	-21,046	4,509	30,500	24,843	24,328	16,118	3,347	7,723	7,379	153,037	
FORECAST PERIOD	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	78,600	
DIFFERENCE	278	5,418	29,990	-27,596	-2,041	23,950	18,293	17,778	9,568	-3,203	1,173	829	74,437	
ACCOUNT													PERCENT CHANGE	94.70%
923500 Contr Svc-Temp Empl Oper	37,959	28,429	50,471	72,223	65,205	62,579	70,539	50,079	59,087	25,525	66,014	32,322	620,432	
FORECAST PERIOD	73,784	59,834	58,984	69,934	60,284	56,034	55,884	57,227	59,692	71,037	63,248	83,032	768,974	
DIFFERENCE	-35,825	-31,405	-8,513	2,289	4,921	6,545	14,655	-7,148	-605	-45,512	2,766	-50,710	-148,542	
ACCOUNT													PERCENT CHANGE	-19.32%
924000 Ins Other Oper AG	4,550	30,903	28,303	29,453	29,313	29,467	29,203	-107,205	10,025	10,025	10,026	13,221	117,284	
FORECAST PERIOD	3,368	3,368	3,368	3,368	3,368	3,368	3,368	3,705	3,705	3,705	3,705	3,705	42,101	
DIFFERENCE	1,182	27,535	24,935	26,085	25,945	26,099	25,835	-110,910	6,320	6,320	6,321	9,516	75,183	
ACCOUNT													PERCENT CHANGE	178.58%
925110 Ins Work Comp AG														

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
 TYPE OF FILING: ORIGINAL X UPDATED REVISED  
 WORKPAPER REFERENCE NO(s):  
 SCHEDULE C-2.2  
 Page 27 of 31  
 WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	14,497	14,902	14,902	14,902	14,902	14,902	14,902	14,902	14,902	14,902	14,902	14,699	14,699	178,216
FORECAST PERIOD	12,680	12,680	12,680	12,680	12,680	12,680	12,680	13,611	13,611	13,611	13,611	13,611	13,611	156,815
DIFFERENCE	1,817	2,222	2,222	2,222	2,222	2,222	2,222	1,291	1,291	1,291	1,291	1,088	1,088	21,401
														PERCENT CHANGE
														13.65%
ACCOUNT	925300	Injuries and Damages												
BASE PERIOD	-900	900	0	-1,393	-100	-100	0	-457	-2,400	354	547	-2,164	-5,713	
FORECAST PERIOD	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	
DIFFERENCE	-1,900	-100	-1,000	-2,393	-1,100	-1,100	-1,000	-1,457	-3,400	-646	-453	-3,164	-17,713	
														PERCENT CHANGE
														-147.61%
ACCOUNT	925400	Ins Gen Liab Oper AG												
BASE PERIOD	23,329	-37,880	7,537	7,537	-25,839	9,430	8,195	121,552	25,861	26,519	40,399	29,388	236,028	
FORECAST PERIOD	43,870	43,870	43,870	43,870	43,870	43,870	43,870	47,590	47,590	47,590	47,590	47,590	545,040	
DIFFERENCE	-20,541	-81,750	-36,333	-36,333	-69,709	-34,440	-35,675	73,962	-21,729	-21,071	-7,191	-18,202	-309,012	
														PERCENT CHANGE
														-56.70%
ACCOUNT	926100	PBOP Oper AG												
BASE PERIOD	54,361	54,110	53,386	53,072	52,957	43,471	48,110	48,350	48,709	41,604	25,036	88,315	611,481	
FORECAST PERIOD	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,616	47,616	47,616	47,616	47,616	567,080	
DIFFERENCE	15,198	15,198	15,198	15,198	15,198	15,198	15,198	14,582	14,582	14,582	14,582	51,781	44,401	
														PERCENT CHANGE
														7.83%
ACCOUNT	926110	Group Ins Oper AG												

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 28 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
926200 Employee Physical Exam A	160,727	116,302	113,659	117,262	118,625	110,436	117,356	117,361	118,523	120,185	112,826	119,343	1,442,605	
BASE PERIOD	110,083	110,083	110,083	110,083	110,083	110,083	110,083	114,577	114,577	114,577	114,577	114,577	1,343,466	
FORECAST PERIOD	50,644	6,219	3,576	7,179	8,542	353	7,273	2,784	3,946	5,608	-1,751	4,766	99,139	
DIFFERENCE														PERCENT CHANGE 7.38%
926250 401k Oper AG	15,790	10,984	4,522	2,562	1,180	13,763	2,540	7,570	3,713	4,454	4,756	6,041	77,875	
BASE PERIOD	5,900	4,000	11,300	5,100	20,000	5,300	5,950	11,600	14,400	10,000	4,935	1,300	99,785	
FORECAST PERIOD	9,890	6,984	-6,778	-2,538	-18,820	8,463	-3,410	-4,030	-10,687	-5,546	-179	4,741	-21,910	
DIFFERENCE														PERCENT CHANGE -21.96%
926400 Pension Oper AG	7,313	8,608	7,962	8,301	8,339	8,801	7,420	8,562	9,179	8,448	8,882	9,513	101,328	
BASE PERIOD	9,173	9,786	8,946	9,399	9,333	9,247	10,036	10,303	9,419	10,222	10,501	10,110	116,475	
FORECAST PERIOD	-1,860	-1,178	-984	-1,098	-994	-446	-2,616	-1,741	-240	-1,774	-1,619	-597	-15,147	
DIFFERENCE														PERCENT CHANGE -13.00%
926600 Retiree Med Oper AG	57,523	57,218	56,958	57,195	57,071	47,922	52,946	53,186	53,545	44,478	26,837	123,308	688,187	
BASE PERIOD	50,479	50,479	50,479	50,479	50,479	50,479	50,479	47,231	47,231	47,231	47,231	47,231	589,508	
FORECAST PERIOD	16,555	16,555	16,555	16,555	16,555	16,555	16,555	19,803	19,803	19,803	19,803	87,963	98,679	
DIFFERENCE														PERCENT CHANGE 16.74%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 29 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	5,166	5,570	7,212	7,192	6,929	7,492	5,490	8,128	8,337	7,905	12,191	8,395		90,007
FORECAST PERIOD	9,600	9,800	9,800	9,800	9,900	9,900	9,900	9,900	9,900	9,900	10,000	10,000		118,400
DIFFERENCE	-4,434	-4,230	-2,588	-2,608	-2,971	-2,408	-4,410	-1,772	-1,563	-1,995	2,191	-1,605		-28,393
											PERCENT CHANGE	PERCENT CHANGE		-23.98%
ACCOUNT	928100 Reg Comm Amort Rate Case													
BASE PERIOD	42,460	12,415	12,631	12,566	12,631	11,317	12,307	12,392	12,443	12,443	12,443	12,443		178,491
FORECAST PERIOD	29,367	29,367	29,367	29,367	29,367	29,367	29,367	29,367	29,367	29,367	29,367	29,367		352,404
DIFFERENCE	13,093	-16,952	-16,736	-16,801	-16,736	-18,050	-17,060	-16,975	-16,924	-16,924	-16,924	-16,924		-173,913
											PERCENT CHANGE	PERCENT CHANGE		-49.35%
ACCOUNT	928300 Reg Comm Amort Depr Stud													
BASE PERIOD	853	853	884	853	853	2,208	1,022	1,022	1,022	1,022	1,022	1,022		12,636
FORECAST PERIOD	853	853	853	853	853	853	853	853	853	853	853	853		10,236
DIFFERENCE	0	0	31	0	0	1,355	169	169	169	169	169	169		2,400
											PERCENT CHANGE	PERCENT CHANGE		23.45%
ACCOUNT	930210 PCard Undistributed													
BASE PERIOD	24,377	76,954	32,583	1,547	41,151	44,679	32,584	49,186	63,454	36,469	10,764	46,995		460,743
FORECAST PERIOD	66,311	38,594	37,320	38,196	22,649	28,583	106,524	34,295	46,628	54,712	29,454	57,695		560,961
DIFFERENCE	-41,934	38,360	-4,737	-36,649	18,502	16,096	-73,940	14,891	16,826	-18,243	-18,690	-10,700		-100,218
											PERCENT CHANGE	PERCENT CHANGE		-17.87%
ACCOUNT	930230 Software Licenses & Supp													

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
 TYPE OF FILING: ORIGINAL X UPDATED REVISED  
 WORKPAPER REFERENCE NO(S):  
 SCHEDULE C-2.2  
 Page 30 of 31  
 WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	TOTAL	
BASE PERIOD	3,369	3,369	3,216	591	2,780	2,780	2,780	4,333	2,720	5,338	2,864	2,367	36,507	
FORECAST PERIOD	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	55,200	
DIFFERENCE	-1,231	-1,231	-1,384	-4,009	-1,820	-1,820	-1,820	-267	-1,880	738	-1,736	-2,233	-18,693	
ACCOUNT	930260	Meals Non Deduct											PERCENT CHANGE	-33.86%
BASE PERIOD	1,513	1,219	976	2,427	1,004	1,702	1,918	2,361	2,105	1,820	2,053	548	19,646	
FORECAST PERIOD	1,821	2,251	1,721	1,828	2,051	2,028	3,637	2,210	1,818	2,664	1,816	2,271	26,116	
DIFFERENCE	-308	-1,032	-745	599	-1,047	-326	-1,719	151	287	-844	237	-1,723	-6,470	
ACCOUNT	930600	Trans Oper AG Lease Main											PERCENT CHANGE	-24.77%
BASE PERIOD	61,873	64,326	67,116	85,972	65,400	58,606	71,684	66,953	60,749	53,821	47,591	48,772	752,863	
FORECAST PERIOD	83,162	83,162	83,162	83,162	83,162	83,162	83,162	83,162	83,858	83,162	83,162	83,162	998,640	
DIFFERENCE	-21,289	-18,836	-16,046	2,810	-17,762	-24,556	-11,478	-16,209	-23,109	-29,341	-35,571	-34,390	-245,777	
ACCOUNT	930880	Co Dues Deduct NAWC											PERCENT CHANGE	-24.61%
BASE PERIOD	2,285	28,571	2,101	2,004	2,053	2,053	4,768	2,073	2,053	2,078	2,053	2,168	54,260	
FORECAST PERIOD	2,537	3,337	2,537	2,537	2,537	2,537	2,537	2,613	2,723	30,938	2,613	2,613	60,059	
DIFFERENCE	-252	25,234	-436	-533	-484	-484	-2,231	-540	-670	-28,860	-560	-445	-5,799	
ACCOUNT	930890	Directors Fees											PERCENT CHANGE	-9.66%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2008-00427

COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES  
THE TWELVE MONTHS ENDED JANUARY 31, 2009 (BASE PERIOD) AND MAY 31, 2010 (FORECAST PERIOD)

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED REVISED  
WORKPAPER REFERENCE NO(S):  
SCHEDULE C-2.2  
Page 31 of 31  
WITNESS RESPONSIBLE: M. MILLER / S. MILLER

ACCOUNT/TITLE	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	JAN 09	MAY 10	TOTAL
BASE PERIOD	1,000	3,000	6,906	2,012	874	4,088	5,340	2,425	5,584	2,948	11,712	8,643		54,532
FORECAST PERIOD	2,167	4,106	1,712	3,334	4,212	1,712	212	4,212	1,712	2,334	9,517	5,373		40,603
DIFFERENCE	-1,167	-1,106	5,194	-1,322	-3,338	2,376	5,128	-1,787	3,872	614	2,195	3,270		13,929
											PERCENT CHANGE			34.31%
ACCOUNT	931000 Rents-Equipment Oper AG													
BASE PERIOD	-650	1,417	3,826	691	2,135	5,976	-34	-1,077	4,050	2,133	3,426	5,128		27,021
FORECAST PERIOD	4,414	4,414	4,414	4,414	4,414	4,414	4,414	4,546	4,546	4,546	4,546	4,546		53,628
DIFFERENCE	-5,064	-2,997	-588	-3,723	-2,279	1,562	-4,448	-5,623	-496	-2,413	-1,120	582		-26,607
											PERCENT CHANGE			-49.61%
ACCOUNT	932100 Mat and Sup Maint AG													
BASE PERIOD	1,828	1,828	1,828	3,961	748	2,179	2,179	2,179	2,179	2,179	2,179	2,179		25,446
FORECAST PERIOD	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,433	3,433	3,433	3,433	3,433		40,496
DIFFERENCE	-1,505	-1,505	-1,505	628	-2,585	-1,154	-1,154	-1,254	-1,254	-1,254	-1,254	-1,254		-15,050
											PERCENT CHANGE			-37.16%
ACCOUNT	932700 Contr Svc-Other Maint AG													
BASE PERIOD	19,358	8,506	10,951	4,528	9,507	25,061	6,392	8,569	19,833	-3,043	10,379	8,584		128,625
FORECAST PERIOD	7,240	6,865	8,099	6,847	7,408	6,900	7,789	10,940	9,207	12,444	6,950	10,302		100,991
DIFFERENCE	12,118	1,641	2,852	-2,319	2,099	18,161	-1,397	-2,371	10,626	-15,487	3,429	-1,718		27,634
											PERCENT CHANGE			27.36%

Note: This schedule ties to the budget and does not reflect adjustments made for rate relief.

**EXHIBIT 37  
SCHEDULE D**

**JURISDICTIONAL ADJUSTMENT OF OPERATING INCOME**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
D-1	Summary of Adjustments to Operating Income
D-2.1	Detailed Adjustments
D-2.2	Detailed Adjustments
D-2.3	Detailed Adjustments
D-2.4	Detailed Adjustments
D-3	Summary of Jurisdictional Factors
D-4	Jurisdictional Statistics
D-5	Explanation of Change in Jurisdictional Procedures

For the electronic version, refer to KAW\_SAPP\_EX37D\_030909.pdf.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE D-1  
Page 1 of 19  
Witness Responsible: M.A. Miller/S. A. Miller

DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_ORIGINAL\_X\_ UPDATED\_X\_ REVISEE  
WORKPAPER REFERENCE NO(S): SCH D-2.1/D-2.2 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj. D-1 Sch D-2.1	Adj. D-2 Sch D-2.2	Adj. D-3 Sch D-2.2	Total Adjustments
<b>Water Revenues</b>							
1			\$ 30,980,084	\$ (391,749)	\$ 0	\$ 0	(\$391,749)
2	461100	Residential - Billed	(112,738)	112,738	0	0	112,738
3	461110	Residential - Unbilled	14,542,179	514,353	0	0	514,353
4	461200	Commercial - Billed	(83,380)	83,380	0	0	83,380
5	461210	Commercial - Unbilled	1,461,211	162,232	0	0	162,232
6	461300	Industrial - Billed	(29,653)	29,653	0	0	29,653
7	461310	Industrial - Unbilled	26,475	(4,849)	0	0	(4,849)
8	461400	Miscellaneous - Billed	0	0	0	0	0
9	461410	Miscellaneous - Water Sales Billed Unmetered	1,282,090	1,679	0	0	1,679
10	462000	Private Fire - Billed	0	0	0	0	0
11	462100	Private Fire - Unbilled	2,338,027	90,869	0	0	90,869
12	463000	Public Fire - Billed	0	0	0	0	0
13	463100	Public Fire - Unbilled	4,957,905	(449,013)	0	0	(449,013)
14	464200	OPA - Billed	(1,718)	1,718	0	0	1,718
15	464210	OPA - Unbilled	1,459,159	(70,192)	0	0	(70,192)
16	466000	Sales for Resale - Billed	(44,570)	44,570	0	0	44,570
17	466100	Sales for Resale - Unbilled	56,775,071	125,389	0	0	125,389
18		Total Water Revenues					
19							
20		<b>Sewer Revenues</b>					
21	461000	Residential - Billed	0	0	0	0	0
22	461010	Residential - Billed Surcharge	0	0	0	0	0
23	461020	Commercial - Billed	0	0	0	0	0
24	461030	Commercial - Unbilled	0	0	0	0	0
25	462210	Industrial - Billed	0	0	0	0	0
26	462110	Industrial - Unbilled	0	0	0	0	0
27		Total Sewer Revenues					
28							
29							
30		<b>OTHER OPERATING REVENUES</b>					
31	471100	Reconnection Charges/Activation fees	1,306,222	0	5,602	0	5,602
32	471200	Other Miscellaneous Service Revenues	30,946	0	(1,955)	0	(1,955)
33	472000	Rents from Water Property	105,715	0	(572)	0	(572)
34	474100	Billing & Collection Services	1,065,500	0	5,739	0	5,739
35	474300	Other Water Revenues	8,696	0	(196)	0	(196)
36		AFUDC	0	0	3,094,989	0	3,094,989
37		TOTAL OTHER OPERATING REVENUES	2,517,079	0	8,618	3,094,989	3,103,607
38							
39		TOTAL OPERATING REVENUES	\$59,292,150	\$125,389	\$8,618	\$3,094,989	\$3,228,996
40							
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE D-1  
Page 5 of 19  
Witness Responsible: M.A. Miller/S. A. Miller

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
<b>WATER TREATMENT EXPENSES (WT)</b>													
1	640000	Operation Supervision & Engineering	\$0	\$815,083	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$815,083
2	641110	Chemicals-Carbon	0	0	0	0	0	0	0	0	0	0	0
3	641100	General Chemicals	1,794,899	0	0	951,906	0	0	0	0	0	0	951,906
4	641200	Softening Chemicals	0	0	0	0	0	0	0	0	0	0	0
5	642100	General WT Labor	1,552,911	(456,212)	0	0	0	0	0	0	0	0	(456,212)
6	642200	Softening Labor	0	0	0	0	0	0	0	0	0	0	0
7	642300	General WT Expenses	133,752	0	0	0	0	0	0	0	0	0	133,752
8	642390	General WT Administration	0	0	0	0	0	0	0	0	0	0	0
9	642400	Softening Expenses	0	0	0	0	0	0	0	0	0	0	0
10	643100	Misc Expenses	88,741	0	0	0	0	0	0	0	0	0	88,741
11	643190	Misc Expenses - Service Co	0	0	0	0	0	0	0	0	0	0	0
12	643200	Misc Labor	0	0	0	0	0	0	0	0	0	0	0
13	643300	Waste Disposal Expenses	154,910	0	0	0	32,321	0	0	0	0	0	32,321
14	643310	Amort Waste Disposal Expenses	84,377	0	0	0	25,623	0	0	0	0	0	25,623
15	644000	Rents	0	0	0	0	0	0	0	0	0	0	0
16	650000	Maint Supervision & Engineering Ord	87,765	(87,765)	0	0	0	0	0	0	0	0	(87,765)
17	650010	Maint Supervision & Engineering Prg	0	0	0	0	0	0	0	0	0	0	0
18	651100	Maint WT Struc & Improvements-Mat Ord	196,832	0	0	0	0	0	0	0	0	0	196,832
19	651110	Maint WT Struc & Improvements-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
20	651120	Amort WT Structures	174,749	0	0	0	0	0	0	0	0	0	174,749
21	651200	Maint WT Struc & Improvements-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
22	651210	Maint WT Struc & Improvements-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
23	652100	Maint General WT Equipment-Mat Ord	0	0	0	0	0	0	0	0	0	0	0
24	652110	Maint General WT Equipment-Mat Prg	0	0	0	0	0	0	0	0	0	0	0
25	652200	Maint Softening Equipment-Materials	0	0	0	0	0	0	0	0	0	0	0
26	652300	Maint General WT Equipment-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
27	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
28	652310	Maint General WT Equipment-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
29													
30		TOTAL WT EXPENSES	4,268,836	271,106	0	951,906	57,944	0	0	0	0	0	1,280,956







KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

SCHEDULE D-1  
Page 9 of 19  
Witness Responsible: M.A. Miller/S. A. Miller

Line No.	Account Number	Description	Base Period	Adj D-4 Sch D-2.3	Adj D-5 Sch D-2.3	Adj D-6 Sch D-2.3	Adj D-7 Sch D-2.3	Adj D-8 Sch D-2.3	Adj D-9 Sch D-2.3	Adj D-10 Sch D-2.3	Adj D-11 Sch D-2.3	Adj D-12 Sch D-2.3	Total Adjustments
1		<b>REGULATORY &amp; GENERAL EXP(A&amp;G) - CONT</b>											
2		<b>REGULATORY COMMISSION EXPENSES</b>											
3	928100	Amort Expense of Rate Proceedings	\$178,490	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$159,829	\$0	\$159,829
4	928110	Amort Serv Study Exp Cost	0	0	0	0	0	0	0	0	0	0	0
5	928200	Tax Savings	0	0	0	0	0	0	0	0	0	0	0
6	928300	Amort of Other Regulatory Expenses	12,634	0	0	0	0	0	0	0	4,629	0	4,629
7	928400	Other Regulatory Expenses - Current	0	0	0	0	0	0	0	0	0	0	0
8	930200	Amort Misc Charges	0	0	0	0	0	0	0	0	0	0	0
9	930210	Misc General Expenses Current	464,170	0	0	0	0	0	0	0	0	0	0
10	930220	Amort Orig Cost Study	0	0	0	0	0	0	0	0	0	0	0
11	930230	Misc General Expenses	36,507	0	0	0	0	0	0	0	0	0	0
12	930240	Misc Gen Exp - Community Relations	0	0	0	0	0	0	0	0	0	0	0
13	930250	Amort Plant Expansion Study	0	0	0	0	0	0	0	0	0	0	0
14	930260	Meals & Travel Expenses - Taxable	19,617	0	0	0	0	0	0	0	0	0	0
15	930270	Donations	0	0	0	0	0	0	0	0	0	0	0
16	930290	Data Processing Communication Exp	0	0	0	0	0	0	0	0	0	0	0
17	930300	Research & Development Expenses	54	0	0	0	0	0	0	0	0	0	0
18	930390	Research & Development Exp - Ser Co	0	0	0	0	0	0	0	0	0	0	0
19	930500	Non-deductible Penalties	0	0	0	0	0	0	0	0	0	0	0
20	930510	Lobbying Expenses	4,000	0	0	0	0	0	0	0	0	0	0
21	930600	Transportation Expenses	569,981	0	0	0	0	0	0	0	0	0	0
22	930610	Transportation Cap (A&B)	0	0	0	0	0	0	0	0	0	0	0
23	930620	Transportation Cap (C&F)	0	0	0	0	0	0	0	0	0	0	0
24	930630	Transportation Cap (H)	0	0	0	0	0	0	0	0	0	0	0
25	930880	Misc Gen Exp - Company Dues	54,260	0	0	0	0	0	0	0	0	0	0
26	930980	Misc Gen Exp - Other	54,531	0	0	0	0	0	0	0	0	0	0
27	930980	Misc General Exp-Taxable Co Dues	0	0	0	0	0	0	0	0	0	0	0
28	931000	Rents	27,022	0	0	0	0	0	0	0	0	0	0
29	932100	Maint A&G Struc & Improv-Material Ord	111,740	0	0	0	0	0	0	0	0	0	0
30	932110	Maint A&G Struc & Improv-Material Prg	0	0	0	0	0	0	0	0	0	0	0
31	932120	Amort A&G Struc & Improv	0	0	0	0	0	0	0	0	0	0	0
32	932200	Maint A&G Struc & Improv-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
33	932210	Maint A&G Struc & Improv-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
34	932300	Maint A&G Office Furniture-Material Ord	0	0	0	0	0	0	0	0	0	0	0
35	932310	Maint A&G Office Furniture-Material Prg	0	0	0	0	0	0	0	0	0	0	0
36	932400	Maint A&G Office Furniture-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
37	932410	Maint A&G Office Furniture-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
38	932500	Maint A&G Communication Equip-Material	0	0	0	0	0	0	0	0	0	0	0
39	932600	Maint A&G Com Equip-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
40	932610	Maint A&G Com Equip-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
41	932700	Maint A&G Misc Property-Material Ord	42,329	0	0	0	0	0	0	0	0	0	0
42	932710	Maint A&G Misc Property-Material Prg	0	0	0	0	0	0	0	0	0	0	0
43	932800	Maint A&G Misc Property-Labor Ord	0	0	0	0	0	0	0	0	0	0	0
44	932810	Maint A&G Misc Property-Labor Prg	0	0	0	0	0	0	0	0	0	0	0
45		Total A & G Expenses	15,306,857	(18,060)	0	0	0	(220,006)	429,883	589,237	164,458	205,400	1,150,911
46		Total O & M Expenses	\$29,148,431	\$411,282	\$458,218	\$951,906	\$57,944	(\$220,006)	\$429,883	\$589,237	\$164,458	\$205,400	\$3,048,321

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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
SUMMARY OF ADJUSTMENTS TO OPERATING INCOME ACCOUNTS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE D-1  
Page 19 of 19  
Witness Responsible: M.A. Miller/S. A. Miller

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): SCH D-2.3 (TOTAL COMPANY)

Line No.	Account Number	Description	Base Period	Adj D-18 Sch D-2.4	Adj D-19 Sch D-2.4	Adj D-20 Sch D-2.4	Total Adjustment
1	403000	Depreciation	\$8,261,466	(\$359,805)	\$0	\$0	(\$359,805)
2	403100	Depreciation - CIAC	(961,041)	961,041	\$0	\$0	961,041
3			\$7,300,425	\$601,236	\$0	\$0	\$601,236
4							
5			6.00%	\$36,074	\$0	\$0	\$36,074
6		State Income Tax Impact	35.00%	\$197,807	\$0	\$0	\$197,807
7		Federal Income Tax Impact		\$0	\$0	\$0	\$0
8		Net Operating Income Impact		\$367,355	\$0	\$0	\$367,355
9							
10		AMORTIZATION EXPENSE					
11	404100	Amortization Lim Term Ut Plant	\$0	\$0	\$0	\$0	\$0
12	404110	Amortization Franchise Expense	0	0	0	0	0
13	404430	Amortization Regulatory Asset - AFUDC	77,937	0	(6,591)	0	(6,591)
14	406000	Amortization Utility Plant Acquisition Adj	22,682	0	(9,631)	0	(9,631)
15	407000	Amortization Property Losses	412,188	0	4	0	4
16		TOTAL AMORTIZATION	\$512,807	\$0	(\$16,218)	\$0	(\$16,218)
17							
18		State Income Tax Impact	6.00%	\$0	(\$973)	\$0	(\$973)
19		Federal Income Tax Impact	35.00%	\$0	(\$5,336)	\$0	(\$5,336)
20				\$0	(\$9,909)	\$0	(\$9,909)
21		Net Operating Income Impact					
22							
23							
24		TAXES, OTHER THAN INCOME					
25	408100	Real & Personal Property Taxes	\$2,572,853	\$0	\$0	\$540,113	\$540,113
26	408110	Gross Income & Receipts Taxes	0	0	0	98,112	98,112
27	408120	Invested Capital Tax	0	0	0	0	0
28	408030	Other General Taxes	84,623	0	0	(84,623)	(84,623)
29	408140	FUTA	7,144	0	0	12,284	12,284
30	408150	FUTA Capitalized - (A Work Order)	0	0	0	(13,921)	(13,921)
31	408040	FUTA Capitalized - (H Work Order)	0	0	0	0	0
32	408050	FUTA Capitalized - (C & R Work Order)	0	0	0	0	0
33	408160	FICA	495,399	0	0	166,477	166,477
34	408170	FICA Capitalized - (A Work Order)	0	0	0	(133,121)	(133,121)
35	408060	FICA Capitalized - (H Work Order)	0	0	0	0	0
36	408070	FICA Capitalized - (C & R Work Order)	0	0	0	0	0
37	408180	SUTA	10,622	0	0	3,257	3,257
38	408190	SUTA Capitalized - (A Work Order)	0	0	0	(8,700)	(8,700)
39	408080	SUTA Capitalized - (H Work Order)	0	0	0	0	0
40	408090	SUTA Capitalized - (C & R Work Order)	0	0	0	0	0
41	408220	Environmental Tax	0	0	0	0	0
42			\$3,170,641	\$0	\$0	\$579,878	\$579,878
43							
44		State Income Tax Impact	6.00%	\$0	\$0	\$34,793	\$34,793
45		Federal Income Tax Impact	35.00%	\$0	\$0	\$190,780	\$190,780
46		Net Operating Income Impact		\$0	\$0	\$554,305	\$554,305
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
DETAILED ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): W/P-2 (TOTAL COMPANY)

SCHEDULE D-2.1  
Page 1 of 3  
Witness Responsible: S.A. Miller

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1			
2	To adjust Residential billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
3		W/P-2	\$30,588,335
4			<u>30,980,084</u>
5			<u>(\$391,749)</u>
6	To adjust Commercial billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
7		W/P-2	\$15,066,532
8			<u>14,542,179</u>
9			<u>\$514,353</u>
10			
11	To adjust Industrial billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
12		W/P-2	\$1,623,443
13			<u>1,461,211</u>
14			<u>\$162,232</u>
15			
16	To adjust Other Public Authority billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
17		W/P-2	\$4,508,892
18			<u>4,957,905</u>
19			<u>(\$449,013)</u>
20			
21	To adjust Sales For Resale (OWU) billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
22		W/P-2	\$1,388,967
23			<u>1,459,159</u>
24			<u>(\$70,192)</u>
25			
26	To adjust Public Fire Service billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
27		W/P-2	\$2,428,896
28			<u>2,338,027</u>
29			<u>\$90,869</u>
30			
31	To adjust Private Fire Service billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
32		W/P-2	\$1,283,769
33			<u>1,282,090</u>
34			<u>\$1,679</u>
35			
36	To adjust Miscellaneous billed water revenue for the change in billing determinants at present rates for the forecasted test period.		
37		W/P-2	\$21,626
38			<u>26,475</u>
39			<u>(\$4,849)</u>
40			
41			
42			
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.		
44			<u>(\$146,670)</u>
45			
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KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2008-00427

DETAILED ADJUSTMENTS

FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

DATA: X BASE PERIOD X FORECASTED PERIOD  
 TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
 WORKPAPER REFERENCE NO(S): W/P-2 (TOTAL COMPANY)

SCHEDULE D-2.1  
 Page 2 of 3  
 Witness Responsible: S.A. Miller

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1			
2	To eliminate the net change in Residential water unbilled accrued utility revenues recorded during the base period.		
3		W/P-2	\$0
4			(112,738)
5			\$112,738
6	To eliminate the net change in Commercial water unbilled accrued utility revenues recorded during the base period.		
7		W/P-2	\$0
8			(83,380)
9			\$83,380
10			
11	To eliminate the net change in Industrial water unbilled accrued utility revenues recorded during the base period.		
12		W/P-2	\$0
13			(29,653)
14			\$29,653
15			
16	To eliminate the net change in Other Public Authority water unbilled accrued utility revenues recorded during the base period.		
17		W/P-2	\$0
18			(1,718)
19			\$1,718
20			
21	To eliminate the net change in Sales for Resale (OWU) water unbilled accrued utility revenues recorded during the base period.		
22		W/P-2	\$0
23			(44,570)
24			\$44,570
25			
26			
27		W/P-2	\$0
28			0
29			\$0
30			
31		W/P-2	\$0
32			0
33			\$0
34			
35		W/P-2	\$0
36			0
37			\$0
38			
39		W/P-2	\$0
40			0
41			\$0
42			
43	The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.		
44			\$272,059
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KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2008-00427

DETAILED ADJUSTMENTS

FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

DATA: X BASE PERIOD X FORECASTED PERIOD

TYPE OF FILING: ORIGINAL X UPDATED X REVISED

WORKPAPER REFERENCE NO(S): W/P-2 (TOTAL COMPANY)

SCHEDULE D-2.1

Page 3 of 3

Witness Responsible: S.A. Miller

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1			
2	To eliminate Residential billed sewer revenue for forecasted test period.		
3			
4			
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6	To eliminate Commercial billed sewer revenue for the forecasted test period.		
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12	To eliminate Industrial billed sewer revenue for the forecasted test period.		
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43	The purpose of each adjustment is to eliminate the sewer revenue for the forecasted test period.		
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Billed Revenues, Adjustment D-1

RESIDENTIAL			
Forecasted Amount	W/P-2		\$0
Base Period Amount			0
Pro Forma Adjustment			\$0
COMMERCIAL			
Forecasted Amount	W/P-2		\$0
Base Period Amount			0
Pro Forma Adjustment			\$0
INDUSTRIAL			
Forecasted Amount	W/P-2		\$0
Base Period Amount			0
Pro Forma Adjustment			\$0

Total Sewer Revenue Adjustment			0
Total Revenue Adjustment			\$125,389

The purpose of each adjustment is to eliminate the sewer revenue for the forecasted test period.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
DETAILED ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE D-2.2  
Page 1 of 1  
Witness Responsible: S.A. Miller

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): W/P-2 (TOTAL COMPANY)

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1			
2	To adjust Activation Fees and reconnection fees for the forecast period.		
3			\$1,311,824
4			1,306,222
5			<u>\$5,602</u>
6	To adjust Returned Check Charges for the forecasted test period level of bad checks.		
8			\$28,991
9			30,946
10			<u>(\$1,955)</u>
11			
12	To adjust for all other revenues for more current information. This includes an adjustment for billing and collecting for landfill services for the Lexington-Fayette Urban County Government.		
13			\$1,184,882
14			1,179,911
15			<u>\$4,971</u>
16			
17			<u>\$8,618</u>
18			
19			
20			
21			
22	To reflect AFUDC above the line based on the overall rate of return and qualifying CWIP. This includes the gross-up of the equity piece of AFUDC per SFAS 109.		
23			\$3,094,989
24			0
25			<u>\$3,094,989</u>
26			
27			
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The purpose of each adjustment is to reflect an appropriate level of revenue for the forecasted test period.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
DETAILED ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): W/P-3 (TOTAL COMPANY)

SCHEDULE D-2.3  
Page 1 of 2  
Witness Responsible: S.A. Miller

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1			
2	Labor expense is being adjusted to reflect an increase due to union wage contracts and an increase of 4% for non-union employees to become effective April 1, 2009 and 2010. Also included are allocations from KAWC to Owenton Sewer, Rockwell Village Sewer, and Bluegrass Station O&M Contract.	<u>Labor Adjustment D-4</u> W/P-3-1	Forecasted Amount \$6,946,714 Base Period Amount 6,535,432 Pro Forma Adjustment \$411,282
3			
4	Fuel and Power expense is being adjusted to reflect the forecasted sales.	<u>Fuel &amp; Power Adjustment D-5</u> W/P-3-2	Forecasted Amount \$3,600,382 Base Period Amount 3,142,164 Pro Forma Adjustment \$458,218
5			
6			
7	Chemical expense is being adjusted to reflect the level of forecasted sales. Also reflected is the adjustment for contracted chemical prices made to the forecast.	<u>Chemicals Adjustment D-6</u> W/P-3-3	Forecasted Amount \$2,746,805 Base Period Amount 1,794,899 Pro Forma Adjustment \$951,906
8			
9			
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11			
12	Waste Disposal expense reflects two year amortization of the leagoon cleaning along with other normal recurring waste disposal expenses.	<u>Waste Disposal Adjustment D-7</u> W/P-3-4	Forecasted Amount \$297,231 Base Period Amount 239,287 Pro Forma Adjustment \$57,944
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16			
17	Management Fees expense reflects the forecasted charges from the Service Company for services rendered during the forecasted period including costs from the Eastern Region Service Company office, Shared Services Center, and the Customer Call Center. Also included are allocations from KAWC to Owenton Sewer, Rockwell Village Sewer, and Bluegrass Station O&M Contract.	<u>Management Fees Adjustment D-8</u> W/P-3-5	Forecasted Amount \$7,770,973 Base Period Amount 7,990,979 Pro Forma Adjustment (\$220,006)
18			
19			
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21			
22	Group Insurance reflects the premium to be paid for insurance coverage for employees plus costs associated with FAS 106.	<u>Group Insurance Adjustment D-9</u> W/P-3-6	Forecasted Amount \$2,145,285 Base Period Amount 1,715,402 Pro Forma Adjustment \$429,883
23			
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32	Pension Expense reflects the forecasted level based on FAS 87 pension costs.	<u>Pensions Adjustment D-10</u> W/P-3-7	Forecasted Amount \$1,277,425 Base Period Amount 688,188 Pro Forma Adjustment \$589,237
33			
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36			
37	Regulatory Expense reflects a three year amortization of the cost of the current filing, as well as a five year amortization of the cost of service study.	<u>Regulatory Expense Adjustment D-11</u> W/P-3-8	Forecasted Amount \$355,582 Base Period Amount 191,124 Pro Forma Adjustment \$164,458
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45	Insurance Other than Group expense reflects the Company's forecasted cost for liability insurance, workers compensation and property insurance based upon the Company's projections for the forecast. Also included are allocations from KAWC to Owenton Sewer, Rockwell Village Sewer, and Bluegrass Station O&M Contract.	<u>Insurance Other than Group Adjustment D-12</u> W/P-3-9	Forecasted Amount \$685,098 Base Period Amount 469,698 Pro Forma Adjustment \$205,400
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50	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
DETAILED ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE D-2.3  
Page 2 of 2  
Witness Responsible: S.A. Miller

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): W/P-3 (TOTAL COMPANY)

Line No.	Purpose and Description of Adjustment	Workpaper Reference	Amount
1			
2	Customer Accounting expense reflects the cost of customer billing, meter reading and other expenses related to this function, as well as allocations from KAWC to Owenton Sewer, Rockwell Village Sewer, and Bluegrass Station O&M Contract.	<u>Customer Accounting Adjustment D-13</u> W/P-3-10	\$1,599,077
3			1,603,439
4			<u>(\$4,362)</u>
5			
6			
7	Rent expense reflects all leases and rental agreements that the company has entered into or is forecasted to enter into during the forecasted test period.	<u>Rents Adjustment D-14</u> W/P-3-11	\$31,968
8			33,433
9			<u>(\$1,465)</u>
10			
11			
12	General Office expense reflects all expenses related to the Company's office including telephone, employee expenses, supplies, as well as allocations from KAWC to Owenton Sewer, Rockwell Village Sewer, and Bluegrass O&M Contract.	<u>General Office Expense Adjustment D-15</u> W/P-3-12	\$576,256
13			543,590
14			<u>\$32,666</u>
15			
16			
17	Miscellaneous expenses reflect all remaining expenses that are not specifically assigned to the above discussed adjustments. Refer to workpapers for detailed listing. This also includes allocations from KAWC to Owenton Sewer, Rockwell Village Sewer, and Bluegrass Station O&M Contract.	<u>Miscellaneous Expenses Adjustment D-16</u> W/P-3-13	\$3,011,321
18			2,801,913
19			<u>\$209,408</u>
20			
21			
22	Maintenance expense reflect the costs of maintaining the property and assets of the Company. These expenses include amortizations of prior and forecasted deferred maintenance projects. It also includes normal maintenance of pumping equipment, mains, meters, as well as allocations from KAWC to Owenton Sewer, Rockwell Village Sewer, and Bluegrass Station O&M Contract.	<u>Maintenance Expense Adjustment D-17</u> W/P-3-14	\$1,191,605
23			1,247,810
24			<u>(\$56,205)</u>
25			
26			
27	Purchased Water represents water purchased from the Winchester Municipal System, Georgetown Municipal System, and Carroll County Water & Gallatin County Water.	<u>Purchased Water Expense Adjustment D-21</u> W/P-3-15	\$114,586
28			131,073
29			<u>(\$16,487)</u>
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The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
DETAILED ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE D-2.4  
Page 1 of 1  
Witness Responsible: M.A. Miller/S. A. Miller

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): W/P-4 & W/P-5 (TOTAL COMPANY)

Line No.	Purpose and Description of Adjustment	Worksheet Reference	Amount
1			
2	Depreciation expense reflects an increase due to an increased level of Utility Plant in Service.	W/P-4-1	\$7,901,661
3			7,300,425
4			<u>\$601,236</u>
5			
6			
7	Amortization expense reflects the amortization of UPAA, Property Losses and Regulatory Asset on the equity gross-up of AFUDC.	W/P-4-1	\$486,589
8			512,807
9			<u>(\$16,218)</u>
10			
11			
12	General Taxes represent Property Taxes, Payroll Taxes, PSC Fees calculated for the forecasted test year.	W/P-5	\$3,750,519
13			3,170,641
14			<u>\$579,878</u>
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32	The purpose of each adjustment is to reflect an appropriate level of expense for the forecasted test period.		
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
SUMMARY OF JURISDICTIONAL FACTORS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE D-3  
Page 1 of 1  
Witness Responsible: S.A. Miller

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): (TOTAL COMPANY)

Line No.	Acct.	Account Title	Jurisdictional Factor	Description of Factor and/or method of Allocation
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
JURISDICTIONAL STATISTICS  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE D-4  
Page 1 of 1

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): (TOTAL COMPANY)

Line No.	Description	Statistic Total Company	Adjustment	Adjusted Total Company	Statistic for Jurisdiction	Jurisdictional Ratio
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.



KENTUCKY-AMERICAN WATER COMPANY  
 CASE NO: 2008-00427  
 EXPLANATION OF CHANGE IN JURISDICTIONAL PROCEDURES  
 FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

DATA: X BASE PERIOD X FORECASTED PERIOD  
 TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
 WORKPAPER REFERENCE NO(S): (TOTAL COMPANY)

SCHEDULE D-5  
 Page 1 of 1

Line No.	Account No.	Description	Procedure Approved in Prior Case	Rational for Change
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.

**EXHIBIT 37  
SCHEDULE E**

**JURISDICTIONAL FEDERAL AND STATE INCOME TAX SUMMARY FOR BASE AND FORECASTED PERIODS**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
E-1.1	Federal Income Tax Calculation
E-1.2	State Income Tax Calculation
E-1.3	Federal Income Tax Calculation
E-1.4	State Income Tax Calculation
E-1.5	Summary of Income Tax Adjustment
E-2	Development of Jurisdictional Income Taxes

For the electronic version, refer to KAW\_SAPP\_EX37E\_030909.pdf.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
FEDERAL INCOME TAX CALCULATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
TOTAL COMPANY

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-6

SCHEDULE E-1.1  
PAGE 1 of 2  
Witness Responsible: M.A. Miller

Line No.	Description	At Current Rates Unadjusted	Adjustments	Adjusted
1				
2	Operating Revenues	\$59,292,150	\$0	\$59,292,150
3	Operating Expenses			
4	Operation & Maintenance Expenses	29,148,431	0	29,148,431
5	Depreciation & Amortization	7,813,232	0	7,813,232
6	Taxes other than Income	3,170,641	0	3,170,641
7	State Income Taxes - Current	575,312	0	575,312
8	Federal Income Taxes	0	0	0
9	Net below the line income (loss)	(1,912,006)	1,912,006	0
10	Total Operating Expenses before FIT	38,795,610	1,912,006	40,707,616
11				
12	Operating Income before Federal Income Taxes	20,496,540	(1,912,006)	18,584,534
13	Reconciling Items:			
14	Interest Charges	(6,482,243)	0	(6,482,243)
15	Permanent differences			
16	Taxable Meals/lobbying	19,425	0	19,425
17	Nondeductible penalties & dividend mandatory red	414,165	0	414,165
18	Medicare Subsidy	(155,894)	0	(155,894)
19		277,696	0	277,696
20	Book Depreciation	7,300,425	0	7,300,425
21	Tax Depreciation	(11,474,311)	0	(11,474,311)
22	Taxable Customer Adv and CIAC	(746,600)	0	(746,600)
23	Other Amortizations	0	0	0
24	Tax AFUDC	(1,319,849)	0	(1,319,849)
25	Deferred Maintenance	156,049	0	156,049
26	Abandonment losses	(868,061)	0	(868,061)
27	Misc Deferred Debits	47,646	0	47,646
28	Uncollectible	144,870	0	144,870
29	Vacation Pay	(49,514)	0	(49,514)
30	All other	912,181	0	912,181
31	Reserved	0	0	0
32	Reserved	0	0	0
33	Reserved	0	0	0
34	Reserved	0	0	0
35	Reserved	0	0	0
36	Total Reconciling Items	(5,897,164)	0	(5,897,164)
37	less current year NOL	(18,472)		
38	Federal Taxable Income	8,413,301	(1,912,006)	6,482,823
39	Federal Income Tax Rate	35.00%	35.00%	35.00%
40	Federal Income Tax Liability	2,944,655		2,268,988
41	Adjustment of Prior Year	(1,888,574)	1,888,574	0
42	Federal Income Taxes - Current	1,056,081		2,268,988
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The Company uses an effective tax rate for budgeting income taxes. The full detail for the base period reconciling items will not be available until the Company provides the update to the base period data.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
FEDERAL INCOME TAX CALCULATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
TOTAL COMPANY

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-6

SCHEDULE E-1.1  
PAGE 2 of 2  
Witness Responsible: M.A. Miller

Line No.	Description	At Current Rates Unadjusted	Adjustments	Adjusted
1	Deferred Income Taxes:			
2				
3				
4	Def FIT Regulatory Asset/Liability	194,983	\$0	\$194,983
5	Def FIT Other	1,759,795	0	1,759,795
6	Def FIT Prior Year	2,152,988	(2,152,988)	0
7		4,107,766	(2,152,988)	1,954,778
8	Amort Deferred ITC	(84,795)	0	(84,795)
9				
10	Total Deferred Federal Income Taxes	\$4,022,971	(\$2,152,988)	\$1,869,983
11				
12	Total Federal Income Taxes	\$5,079,052	(\$2,152,988)	\$4,138,971
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
STATE INCOME TAX CALCULATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
TOTAL COMPANY

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-6

SCHEDULE E-1.2  
PAGE 1 of 2  
Witness Responsible: M.A. Miller

Line No.	Description	At Current Rates Unadjusted	Adjustments	Adjusted
1				
2	Operating Revenues	\$59,292,150	\$0	\$59,292,150
3				
4	Operating Expenses			
5	Operation & Maintenance Expenses	29,148,431	0	29,148,431
6	Depreciation & Amortization	7,813,232	0	7,813,232
7	Taxes other than Income	3,170,641	0	3,170,641
8	State Income Taxes - Current	0	0	0
9	Federal Income Taxes	0	0	0
10	Net below the line income (loss)	(1,912,006)	1,912,006	0
11	Total Operating Expenses before SIT	38,220,298	1,912,006	43,956,315
12				
13				
14	Operating Income before State Income Taxes	21,071,852	0	15,335,835
15	Reconciling Items:			
16	Interest Charges	(6,482,243)	0	(6,482,243)
17	Permanent differences			
18	Taxable Meals/lobbying	19,425	0	19,425
19	Nondeductible penalties & dividend mandatory red	414,165	0	414,165
20	Medicare Subsidy	(155,894)	0	(155,894)
21		277,696		277,696
22	Book Depreciation	7,300,425	0	7,300,425
23	Tax Depreciation	(11,474,311)	0	(11,474,311)
24	Taxable Customer Adv and CIAC	(746,600)	0	(746,600)
25	Other Amortizations	0	0	0
26	Tax AFUDC	(1,319,849)	0	(1,319,849)
27	Deferred Maintenance	156,049	0	156,049
28	Abandonment losses	(868,061)	0	(868,061)
29	Misc Deferred Debits	47,646	0	47,646
30	Uncollectible	144,870	0	144,870
31	Vacation Pay	(49,514)	0	(49,514)
32	All other	912,181	0	912,181
33	Reserved	0	0	0
34	Reserved	0	0	0
35	Reserved	0	0	0
36	Reserved	0	0	0
37	Total Reconciling Items	(5,897,164)	0	(5,897,164)
38	State Taxable Income	8,970,141	0	8,970,141
39	State Depr in excess of Federal	618,392	0	618,392
40	State Income Tax Rate	6.00%	6.00%	6.00%
41	State Income Tax Liability	575,312	0	575,312
42				
43	State Income Taxes - Current	575,312		575,312
44	Less: Prior Year Adjustment	(42,843)	42,843	0
45		\$532,469	\$42,843	\$575,312
46				
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The Company uses an effective tax rate for budgeting income taxes. The full detail for the base period reconciling items will not be available until the Company provides the update to the base period data.

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2008-00427  
STATE INCOME TAX CALCULATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
TOTAL COMPANY

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-6

SCHEDULE E-1.2  
PAGE 2 of 2  
Witness Responsible: M.A. Miller

Line No.	Description	At Current Rates Unadjusted	Adjustments	Adjusted
1				
2				
3	Deferred State Income Taxes:			
4	Def SIT Regulatory Asset/Liability	(\$25,977)	\$ -	\$ (25,977)
5	Def SIT Other	305,384	0	305,384
6	Def SIT Prior Year Adj	43,379	(43,379)	0
7		322,786	(43,379)	279,407
8	Amort Deferred ITC	0	0	0
9				
10		\$ 322,786	\$ (43,379)	\$ 279,407
11	Total Deferred State Income Taxes			
12		\$ 855,255	\$ (536)	\$ 854,719
13	Total State Income Taxes			
14				
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
FEDERAL INCOME TAX CALCULATION  
FOR THE TWELVE MONTHS ENDED: MAY 2010  
TOTAL COMPANY

DATA: \_\_\_BASE PERIOD \_\_\_X\_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ORIGINAL\_\_\_ UPDATED \_\_\_X\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-6

SCHEDULE E-1.3  
PAGE 1 of 2  
Witness Responsible: M.A. Miller

Line No.	Description	At Current Rates Unadjusted	Adjustments	Adjusted	At Proposed Rates Adjustments	Adjusted
1						
2	Operating Revenues	\$62,521,146	\$0	\$62,521,146	\$18,871,578	\$81,392,724
3						
4	Operating Expenses	32,360,308	0	32,360,308	144,053	32,504,361
5	Operation & Maintenance Expenses	8,398,250	0	8,398,250	0	8,398,250
6	Depreciation & Amortization	3,750,519	0	3,750,519	31,157	3,781,676
7	Taxes other than Income	296,076	0	296,076	1,121,782	1,417,858
8	State Income Taxes - Current					
9	Federal Income Taxes					
10						
11	Total Operating Expenses before FIT	44,805,153	0	44,805,153	1,296,992	46,102,145
12						
13	Operating Income before Federal Income Taxes	17,715,993	0	17,715,993	17,574,586	35,290,579
14	Reconciling Items;					
15	Interest Charges	(10,935,714)	0	(10,935,714)	0	(10,935,714)
16						
17	Permanent Differences					
18	Taxable meals/lobbying	6,935	0	6,935	0	6,935
19	Nondeductible donations	0	0	0	0	0
20	Medicare Subsidy	(156,133)	0	(156,133)	0	(156,133)
21		(149,198)	0	(149,198)	0	(149,198)
22						
23	Book Depreciation	7,901,661	0	7,901,661	0	7,901,661
24	Tax Depreciation	(13,333,429)	0	(13,333,429)	0	(13,333,429)
25	Non-Deductible Meals/lobbying	0	0	0	0	0
26	Additional Taxable AFUDC	1,550,683	0	1,550,683	0	1,550,683
27	Deferred Debits	436,077	0	436,077	0	436,077
28	Amortization of UPAA	13,051	0	13,051	0	13,051
29	Deferred Maintenance	365,759	0	365,759	0	365,759
30	Property Losses	0	0	0	0	0
31	Amort Regulatory Assets / Liabilities	71,346	0	71,346	0	71,346
32	Taxable Advances and CIAC	1,002,300	0	1,002,300	0	1,002,300
33	Reserved	0	0	0	0	0
34	Reserved	0	0	0	0	0
35	Reserved	0	0	0	0	0
36	Reserved	0	0	0	0	0
37						
38	Total Reconciling Items	(1,992,552)	0	(1,992,552)	0	(1,992,552)
39						
40	Federal Taxable Income	4,638,530	0	4,638,530	17,574,586	22,213,116
41						
42	Federal Income Tax Rate	35.00%	35.00%	35.00%	35.00%	35.00%
43						
44	Federal Income Tax - Current	1,623,485	0	1,623,485	6,151,105	7,774,590
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
FEDERAL INCOME TAX CALCULATION  
FOR THE TWELVE MONTHS ENDED: MAY 2010  
TOTAL COMPANY

DATA: \_\_\_BASE PERIOD \_\_\_X\_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ORIGINAL\_\_\_ UPDATED \_\_\_X\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-6

SCHEDULE E-1.3  
PAGE 2 of 2  
Witness Responsible: M.A. Miller

Line No.	Description	At Current Rates		At Proposed Rates	
		Unadjusted	Adjustments	Adjusted	Adjusted
1					
2	Deferred Income Taxes:				
3	Def FIT Regulatory Asset/Liability	\$232,447	\$0	\$232,447	\$232,447
4	Def FIT UPIS	1,227,675	0	1,227,675	1,227,675
5	Def FIT Deferred Maintenance	(120,335)	0	(120,335)	(120,335)
6	Def FIT Deferred Debits	(147,756)	0	(147,756)	(147,756)
7	Def FIT Property Losses	0	0	0	0
8					
9					
10		1,192,031	0	1,192,031	1,192,031
11	Amort Deferred ITC	(84,797)	0	(84,797)	(84,797)
12					
13	Total Deferred Federal Income Taxes	1,107,234	0	1,107,234	1,107,234
14					
15	Total Federal Income Taxes	\$2,730,719	\$0	\$2,730,719	\$2,730,719
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
STATE INCOME TAX CALCULATION  
FOR THE TWELVE MONTHS ENDED: MAY 2010  
TOTAL COMPANY

DATA: \_\_\_BASE PERIOD \_\_\_X\_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ORIGINAL\_\_\_ UPDATED \_\_\_X\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-6

SCHEDULE E-1.4  
PAGE 1 of 2  
Witness Responsible: M.A. Miller

Line No.	Description	At Current Rates Unadjusted	Adjustments	Adjusted	At Proposed Rates Adjustments	Adjusted
1						
2	Operating Revenues	\$ 62,521,146	\$ -	\$ 62,521,146	\$ 18,871,578	\$ 81,392,724
3						
4	Operating Expenses	\$ 32,360,308	\$ -	\$ 32,360,308	\$ 144,053	\$ 32,504,361
5	Operation & Maintenance Expenses	8,398,250	0	8,398,250	0	8,398,250
6	Depreciation & Amortization	3,750,519	0	3,750,519	31,157	3,781,676
7	Taxes other than Income					
8	State Income Taxes - Current					
9	Federal Income Taxes					
10						
11	Total Operating Expenses before FIT	\$ 44,509,077	\$ -	\$ 44,509,077	\$ 175,210	\$ 44,684,287
12						
13	Operating Income before Federal Income Taxes	\$ 18,012,069	\$ -	\$ 18,012,069	\$ 18,696,368	\$ 36,708,437
14	Reconciling Items;					
15	Interest Charges	(10,935,714)	0	(10,935,714)	0	(10,935,714)
16						
17	Permanent differences					
18	Taxable meals/lobbying	6,935	0	6,935	0	6,935
19	Nondeductible donations	0	0	0	0	0
20	Medicare Subsidy	(156,133)	0	(156,133)	0	(156,133)
21		(149,198)	0	(149,198)	0	(149,198)
22						
23	Book Depreciation	7,901,661	0	7,901,661	0	7,901,661
24	Tax Depreciation	(13,333,429)	0	(13,333,429)	0	(13,333,429)
25	Non-Deductible Meals/lobbying	0	0	0	0	0
26	Additional Taxable AFUDC	1,550,683	0	1,550,683	0	1,550,683
27	Deferred Debits	436,077	0	436,077	0	436,077
28	Amortization of UPAA	13,051	0	13,051	0	13,051
29	Deferred Maintenance	365,759	0	365,759	0	365,759
30	Property Losses	0	0	0	0	0
31	Amort Regulatory Assets / Liabilities	71,346	0	71,346	0	71,346
32	Taxable Advances and CIAC	1,002,300	0	1,002,300	0	1,002,300
33	Reserved	0	0	0	0	0
34	Reserved	0	0	0	0	0
35	Reserved	0	0	0	0	0
36	Reserved	0	0	0	0	0
37						
38	Total Reconciling Items	\$ (1,992,552)	\$ -	\$ (1,992,552)	\$ -	\$ (1,992,552)
39						
40	State Taxable Income	\$ 4,934,606	\$ -	\$ 4,934,606	\$ 18,696,368	\$ 23,630,974
41						
42	State Income Tax Rate	6.00%	6.00%	6.00%	6.00%	6.00%
43						
44	State Income Tax Liability	\$ 296,076	\$ -	\$ 296,076	\$ 1,121,782	\$ 1,417,858
45						
46						
47	State Income Taxes - Current	\$ 296,076	\$ -	\$ 296,076	\$ 1,121,782	\$ 1,417,858
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
STATE INCOME TAX CALCULATION  
FOR THE TWELVE MONTHS ENDED: MAY 2010  
TOTAL COMPANY

DATA: \_\_\_ BASE PERIOD \_\_\_X\_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_\_\_X\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-6

SCHEDULE E-1.4  
PAGE 2 of 2  
Witness Responsible: M.A. Miller

Line No.	Description	At Current Rates		At Proposed Rates	
		Unadjusted	Adjustments	Adjusted	Adjusted
1					
2	Deferred Income Taxes:				
3	Def SIT Regulatory Asset/Liability	\$6,326	\$0	\$6,326	\$6,326
4	Def SIT UPIS	223,892	0	223,892	223,892
5	Def SIT Deferred Maintenance	(21,947)	0	(21,947)	(21,947)
6	Def SIT Deferred Debits	(26,952)	0	(26,952)	(26,952)
7	Def SIT Property Losses	0	0	0	0
8					0
9					
10		181,319	0	181,319	181,319
11	Amort Deferred ITC	0	0	0	0
12					
13	Total Deferred State Income Taxes	181,319	0	181,319	181,319
14					
15	Total State Income Taxes	\$477,395	\$0	\$477,395	\$1,121,782
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
SUMMARY OF INCOME TAX ADJUSTMENTS  
TOTAL COMPANY

DATA: \_\_X\_\_BASE PERIOD \_\_X\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_ORIGINAL\_\_X\_\_UPDATED\_\_X\_\_REVISED  
WORKPAPER REFERENCE NO(S): W/P-6

SCHEDULE E-1.5  
PAGE 1 of 1  
Witness Responsible: M.A. Miller

Line No.	Reference Base Period	Description	Forecasted Period	At Current Rates Base Period	Present Rates Forecasted Period	Adjustment
3	Sch E-1.2	State Income Taxes				
4	Sch E-1.2	Current	Sch E-1.4	\$575,312	\$ 296,076	(\$279,236)
5	Sch E-1.2	Deferred	Sch E-1.4	279,407	181,319	(98,088)
6		Reserved		0	0	0
7		Reserved		0	0	0
9		Total State Income Taxes		\$ 854,719	\$ 477,395	\$ (377,324)
13	Sch E-1.1	Federal Income Taxes				
14	Sch E-1.1	Current	Sch E-1.3	2,268,988	\$ 1,623,485	(\$645,503)
15	Sch E-1.1	Deferred - ITC	Sch E-1.3	1,954,778	1,192,031	(762,747)
16	Sch E-1.1	Reserved	Sch E-1.3	(84,795)	(84,797)	(2)
17		Reserved		0	0	0
19		Total Federal Income Taxes		\$ 4,138,971	\$ 2,730,719	\$ (1,408,252)
23		Total Income Taxes		\$ 4,993,689	\$ 3,208,114	\$ (1,785,575)

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES  
FOR THE TWELVE MONTHS ENDED: MAY 2010  
TOTAL COMPANY

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE E-2  
PAGE 1 of 1  
Witness Responsible: M.A. Miller

Line No.	Account Title	Total Utility	Jurisdictional Percent	Jurisdiction	Jurisdictional Code / Explanation
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NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.  
100% JURISDICTIONAL FOR KENTUCKY-AMERICAN WATER COMPANY.

**EXHIBIT 37  
SCHEDULE F**

**ORGANIZATIONAL MEMBERSHIP DUES, INITIATION FEES, COUNTRY CLUB EXPENDITURES, CHARITABLE CONTRIBUTIONS, MARKETING EXPENSES, SALES EXPENSES, ADVERTISING EXPENSES, PROFESSIONAL SERVICE EXPENSES, CIVIC AND POLITICAL ACTIVITY EXPENSES, EMPLOYEE PARTIES AND OUTING EXPENSES, EMPLOYEE GIFT EXPENSES, AND RATE CASE EXPENSES FOR THE BASE AND FORECASTED PERIODS**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

Schedule	Description
F-1	Social and Service Club Dues
F-2.1	Charitable Contributions
F-2.2	Initiation Fees/Country Club Expenses
F-2.3	Employee Party, Outing and Gift Expenses
F-3	Customer Service, Sales Promotion and Advertising Expense
F-4	Advertising
F-5	Professional Service Expense
F-6	Rate Case Expense
F-7	Civic, Political and Related Activities

For the electronic version, refer to KAW\_SAPP\_EX37F\_030909.pdf.

CASE NO: 2008-00427  
SOCIAL AND SERVICE CLUB DUES  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

DATA: X\_BASE PERIOD X\_FORECASTED PERIOD  
TYPE OF FILING: \_ORIGINAL\_X\_UPDATED\_X\_REVIS  
WORKPAPER REFERENCE NO(S): SCH C-2.2

SCHEDULE F - 1  
PAGE 1 OF 1  
Witness Responsible: N Rowe

Line No.	Account No.	Social Organization / Service Club	Base Period		Forecasted Period	
			Total Utility	Jurisdictional %	Total Utility	Jurisdictional %
1						
2						
3						
4	921130	Chamber of Commerce	0	100.00%	1,769	100.00%
5	921130	Rotary Club	465		0	
6	921130	Georgetown-Scott County	500		271	
7	921130	Home Builders Association of Lexington	450		468	
8	921130	Jessamine Co Chamber of Commerce	860		318	
9	921130	Kentucky Rural Water Associati	600		0	
10	921130	Scott County Home Builders Association	360		520	
11	921130	Lexington Forum Inc	450		0	
12	921130	American Society of Civil Engineering	697		0	
13	921130	American Design Drafting	129		0	
14	921130	Ky Board of Engineers	150		0	
15	921130	Commerce Lexington	5,000		5,202	
16	921130	Better Business Bureau	715		650	
17	921130	Ky Historical Society	0		260	
18	930880	A/WWA Partnership for Safe Water	0		2,496	
19	921130	Woodford Co. Chamber	0		1,167	
20	921130	Bourbon Co. Chamber	495		531	
21	921130	Harrison Co. Chamber	350		371	
22	921130	Clark Co. Chamber	500		489	
23	921130	Owen Co. Chamber	0		531	
24	921130	Bluegrass Tomorrow	1,000		1,061	
25	921130	Home Builders Association	0		468	
26	921130	Kentucky World Trade Center	0		716	
27	921130	Lexington Apartment Assn	450		345	
28	921130	Lexington-Bluegrass Assn of Realtors	300		318	
29	921130	Kentucky League of Cities	1,667		0	
30	921130	Blue Grass Trust	0		1,040	
31	921130	Downtown Lexington Corporation	0		832	
32	921130	Kentucky Historical Society	0		260	
33	921130	American Institute of CPAs	230		0	
34	921130	Professional Women's Forum	95		0	
35	921130	Kentucky Bar Association	240		0	
36	921130	Society for Human Resources	160		0	
37	921130	Bluegrass Cross Connection	396		0	
38	921130	American Water Works Association	1,872		0	
39	921130	Audubon Society	60		0	
40	930880	Kentucky Society of CPAs	215		0	
41	921130	Kentucky Association for Economic Development	188		0	
42	921130	Kentucky City Judge Executive Association	200		0	
43	930880	The Supper Club	2,500		0	
44						
45						
46						
47						
48						
49						
50						
			<u>21,294</u>		<u>20,083</u>	
			<u>21,294</u>		<u>20,083</u>	









KENTUCKY-AMERICAN WATER COMPANY  
CASE NO.: 2008-00427  
CHARITABLE CONTRIBUTIONS  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

DATA: X\_BASE PERIOD X\_FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X\_UPDATED X\_REVIS  
WORKPAPER REFERENCE NO(S): SCH C-2.2

SCHEDULE F - 2.1  
PAGE 4 OF 4  
Witness Responsible: N Rowe

Line No.	Account No.	Charitable Organization	Total Utility	Base Period Jurisdictional %	Jurisdiction	Total Utility	Forecasted Period Jurisdictional %	Jurisdiction
1	4262	Southland Association Inc.	1,000		1,000			
2	4261	Alzheimers Association	100		100			
3	4261	American Cancer Society	160		160			
4	4261	Hands on Ministry	200	100.00%	200		100.00%	
5	4261	Ky Sheriffs Boys and Girls Ranch	300		300			
6	4261	Tuska Studio	1,000		1,000			
7	4262	Building a Better Bluegrass	1,000		1,000			
8	4261	American Diabetes Association	1,250		1,250			
9	4261	Governor's Conference on the En	300		300			
10	4261	Lexington Humane Society	150		150			
11	4262	Miscellaneous	0		0			19,185
12	4262	BCTSC Env. & Science Tech Scholar	0		0			2,509
13	4262	Clark County Projects	0		0			201
14	4262	Environmental Grant Program	0		0			20,074
15	4262	Home Builders Assoc. Magazine Cover	0		0			803
16	4262	KAW H2O Help to Others	0		0			20,074
17	4262	KAW Ripple Effect Scholarship	5,000		5,000			5,019
18	4262	Kentucky Science Olympiad	0		0			1,004
19	4262	KET DragonFly science program	3,500		3,500			5,019
20	4262	KIDC Conference Booth	0		0			1,004
21	4262	KY/TN AWWA Utility Council	1,550		1,550			1,004
22	4262	Lexington Legends billboards	9,500		9,500			9,535
23	4262	Lexington Legends tickets	10,166		10,166			5,185
24	4262	Lexington Strides Ahead(5th of 5)	0		0			15,056
25	4262	Owen County Projects	3,600		3,600			201
26	4262	Scott County projects	2,500		2,500			703
27	4262	Toyota Classic Tournament	2,500		2,500			502
28	4262	UK Tickets	8,494		8,494			3,302
29	4261	Southland Association	0		0			0
30	4262	Bluegrass Pride	20,000		20,000			0
31	4261	Miscellaneous	0		0			6,339
32	4261	North American Counties - Science Expo	1,000		1,000			0
33	4261	Lexington Heritage Foundation	1,500		1,500			0
34	4261	Chapel Hill Presbyterian Church	2,500		2,500			0
35	4262	Church of the Good	1,500		1,500			0
36	4261	Just Fund Education	2,500		2,500			0
37	4261	Kentucky League of Cities	2,500		2,500			0
38	4261	YMCA of Greater Lexington	1,150		1,150			0
39	4261	Commerce Lexington	1,450		1,450			0
40	4261	Kentucky Park and Recreation	1,000		1,000			0
41	4261	Special Olympics	250		250			0
42	4261	YMCA Annual donation	1,000		1,000			0
43	4262	City of Winchester	1,000		1,000			0
44	4262	Paul Laurence Dunbar High School	1,235		1,235			0
45	4262	Central Music Academy	1,798		1,798			0
46	4261	ASCE Bluegrass Chapter	300		300			0
47								
48								
49								
50								
Totals			228,258		227,258	270,026		270,026

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
INITIATION FEES/COUNTRY CLUB EXPENSES  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE F - 2.2  
PAGE 1 OF 1  
Witness Responsible: N Rowe

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: \_ ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): SCH C-2.2

Line No.	Account No.	Payee Organization	Total Utility	Base Period Jurisdictional %	Jurisdiction	Total Utility	Forecasted Period Jurisdictional %	Jurisdiction
1								
2								
3								
4		None to report						
5								
6				100.00%			100.00%	
7								
8								
9								
10								
11								
12								
13								
14								
15			\$0			\$0		\$0
16								
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Totals			\$0			\$0		\$0





KENTUCKY-AMERICAN WATER COMPANY  
CASE NO.: 2008-00427  
ADVERTISING  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

DATA: X\_BASE PERIOD X\_FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL X\_UPDATED X\_REVIS  
WORKPAPER REFERENCE NO(S): N/A

SCHEDULE F-4  
PAGE 1 OF 1  
Witness Responsible: M.A. Miller

Line No.	Item	Sales or Promotional Advertising	Institutional Advertising	Conservation Advertising	Rate Case	Other	Total
2	Base Period:						
3	Newspaper	\$0	\$4,548	\$2,700	\$0	\$0	\$7,248
4							
5	Magazine and Other	0	18,492	2,582	0	15,288	36,362
6							
7	Television	0	0	17,600	0	0	17,600
8							
9	Radio	0	0	31,631	0	8,503	40,134
10							
11	Direct Mail	0	0	0	0	570	570
12							
13	Sales	0	0	0	0	0	0
14							
15	Customer Handouts	0	32,606	0	0	11,718	44,324
16							
17	Outdoor billboard	0	1,421	90,362	0	0	91,783
18							
19	Misc Bus Adv	0	49,606	249	0	0	49,855
20							
21	Totals	<u>\$0</u>	<u>\$106,673</u>	<u>\$145,124</u>	<u>\$0</u>	<u>\$36,079</u>	<u>\$287,876</u>
22							
23							
24	Amount Assigned to Kentucky Retail	<u>\$0</u>	<u>\$106,673</u>	<u>\$145,124</u>	<u>\$0</u>	<u>\$36,079</u>	<u>\$287,876</u>
25							
26							
27							
28							
29	Forecasted Period:						
30	Newspaper	0	9,101	3,699	0	0	12,800
31							
32	Magazine and Other	0	61,957	0	0	0	61,957
33							
34	Television	0	0	23,496	0	0	23,496
35							
36	Radio	0	0	16,352	0	0	16,352
37							
38	Direct Mail	0	0	0	0	0	0
39							
40	Sales	0	29,358	8,173	0	0	37,532
41							
42	Customer Handouts	0	30,987	6,845	0	0	37,832
43							
44	Outdoor billboard	0	0	101,898	0	0	101,898
45							
46	Totals	<u>\$0</u>	<u>\$131,403</u>	<u>\$160,463</u>	<u>\$0</u>	<u>\$0</u>	<u>\$291,867</u>
47							
48							
49	Amount Assigned to Kentucky Retail	<u>\$0</u>	<u>\$131,403</u>	<u>\$160,463</u>	<u>\$0</u>	<u>\$0</u>	<u>\$291,867</u>
50							



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO.: 2008-00427  
RATE CASE EXPENSE

FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE F - 6  
PAGE 1 OF 1  
Witness Responsible: S.A. Miller

DATA: X\_BASE PERIOD X\_FORECASTED PERIOD  
TYPE OF FILING: \_ORIGINAL\_X\_UPDATED\_X\_REVIS  
WORKPAPER REFERENCE NO(S): W/P-3

Line No.	Item of Expense	Current Case		Case No. 2007		Case No. 2004		Case No. 2004	
		Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
1									
2									
3	<u>Comparison of projected expenses associated with the current case to prior rate cases:</u>								
4									
5	Accounting	75,000	72,903	\$ 150,000	\$ 219,591	\$ 156,940			
6	Legal	300,000	179,115	325,000	441,694	280,000			
7	Rate of Return Study	40,000	30,750	27,000	37,875	26,350			
8	Cost of Service Study	25,000	18,786	25,000	0	0			
9	Other	80,000	125,905	103,000	364,105	142,000			
10	Weather Normalization Consultant	27,000	7,800	25,000	18,450	17,119			
11	Customer Notification	45,000	31,483	45,000	0	0			
12									
13	Totals	\$592,000	\$466,742	\$700,000	\$1,081,715	\$622,409			
14									
15									
16									
17									
18									
19	<u>Schedule of Rate Case Expense Amortization:</u>								
20									
21									
22									
23									
24	Current Rate Case Estimate	592,000	2008-427	N/A	3 Years	0	\$197,333	0	
25									
26	Case No. 2007-143	466,742	2007-143	12/2007	3 Years	103,054	155,581	156,233	
27									
28	Case No. 2004-103	1,081,715	2004-103	12/2004	3 years	1,051,629	0	30,086	
29									
30									
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50									

Forecasted Period: \$352,914  
Base Period: \$186,320



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO.: 2008-00427  
CIVIC, POLITICAL, AND RELATED ACTIVITIES  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_ ORIGINAL \_X\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): SCH C-2.2

SCHEDULE F - 7  
PAGE 1 OF 1  
Witness Responsible: M.A. Miller

Line No.	Item	Amount
1		
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	<u>Base Period:</u>	
	Donations	228,258
	Civic Activities	21,294
	Political Activities	4,000
	Other	0
	Totals	<u>\$253,552</u>
	<u>Forecasted Period:</u>	
	Donations	270,026
	Civic Activities	20,083
	Political Activities	0
	Other	0
	Totals	<u>\$290,109</u>

**EXHIBIT 37  
SCHEDULE G**

**PAYROLL COST ANALYSIS**

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
G-1	Payroll Costs
G-2	Payroll Analyses by Employee Classification
G-3	Executive Compensation

For the electronic version, refer to KAW\_SAPP\_EX37G\_030909.pdf.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PAYROLL COSTS  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE G - 1  
PAGE 1 of 1  
Witness Responsible: S.A. Miller

DATA: ...X\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL \_X\_ UPDATE \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3						
4						
5	<b>Base Period:</b>					
6	Total Salary	\$8,051,165	100.00%	\$8,051,165	\$0	\$8,051,165
7	Other Allowances and Compensation	402,688		402,688	0	402,688
8	Sub-total	8,453,853		8,453,853	0	8,453,853
9	<b>Employee Benefits:</b>					
10	Pension	872,568		872,568	0	872,568
11	Group Insurance	2,226,180		2,226,180	0	2,226,180
12	Defined Contribution Plan	113,319		113,319	0	113,319
13	401-K Plan	126,339		126,339	0	126,339
14	Sub-total	3,338,406		3,338,406	0	3,338,406
15	<b>Payroll Taxes:</b>					
16	F.I.C.A.	625,583		625,583	0	625,583
17	Federal Unemployment	9,021		9,021	0	9,021
18	State Unemployment	13,413		13,413	0	13,413
19	Sub-total	648,017		648,017	0	648,017
20	Total Compensation	\$12,440,276		\$12,440,276	\$0	\$12,440,276
21						
22						
23						
24						
25						
26	<b>Forecasted Period:</b>					
27	Total Salary	8,454,374	100.00%	8,454,374	0	8,454,374
28	Other Allowances and Compensation	323,851		323,851	0	323,851
29	Sub-total	8,778,225		8,778,225	0	8,778,225
30	<b>Employee Benefits:</b>					
31	Pension	736,890		736,890	0	736,890
32	Group Insurance	2,717,614		2,717,614	0	2,717,614
33	Defined Contribution Plan	139,946		139,946	0	139,946
34	401-K Plan	148,184		148,184	0	148,184
35	Sub-total	3,742,634		3,742,634	0	3,742,634
36	<b>Payroll Taxes:</b>					
37	F.I.C.A.	668,869		668,869	0	668,869
38	Federal Unemployment	19,631		19,631	0	19,631
39	State Unemployment	14,022		14,022	0	14,022
40	Sub-total	702,522		702,522	0	702,522
41	Total Compensation	\$13,223,381		\$13,223,381	\$0	\$13,223,381
42						
43						
44						
45						
46						
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48						
49						
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE G - 2  
PAGE 1 of 6  
Witness Responsible: S.A. Miller

DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL \_X\_ UPDATE \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	2003	% Change	2004	% Change	2005	% Change	2006	% Change	2007	% Change	Base Period	% Change	Forecasted Period
2	<b>Total Company</b>													
3	Employee Hours:													
4	Straight-Time Hours	273,454	-7.95%	251,711	-2.54%	245,318	8.41%	265,938	8.41%	268,132	0.82%	279,152	4.11%	302,760
5	Overtime Hours	19,532	5.61%	20,628	8.15%	22,309	5.19%	23,466	5.19%	25,722	9.62%	27,757	7.91%	24,106
6	Total Employee Hours	<u>292,986.00</u>	-7.05%	<u>272,339.00</u>	-7.05%	<u>267,627.00</u>		<u>289,404.00</u>		<u>293,854.14</u>		<u>306,909.43</u>		<u>326,866.00</u>
7	Ratio of Overtime Hours to Straight-Time Hours	<u>7.14%</u>		<u>8.20%</u>		<u>9.09%</u>		<u>8.62%</u>		<u>9.59%</u>		<u>9.94%</u>		<u>7.96%</u>
8	Labor Dollars:													
9	Straight-Time Dollars	6,189,839	-14.14%	5,314,870	4.47%	5,552,393	3.65%	5,755,307	3.65%	6,412,945	11.43%	7,016,065	9.40%	7,864,142
10	Overtime Dollars	520,884	10.12%	573,583	12.81%	647,055	9.11%	706,026	9.11%	809,884	14.71%	1,035,100	27.81%	790,232
11	Total Labor Dollars	<u>\$6,710,723</u>		<u>\$5,888,453</u>		<u>\$6,199,448</u>		<u>\$6,461,333</u>		<u>\$7,222,829</u>		<u>\$8,051,165</u>		<u>\$8,454,374</u>
12	Ratio of Overtime Dollars to Straight-Time Dollars	<u>8.42%</u>		<u>10.79%</u>		<u>11.65%</u>		<u>12.27%</u>		<u>12.63%</u>		<u>14.75%</u>		<u>10.31%</u>
13	O&M Labor Dollars	5,553,892	-12.14%	4,879,792	6.70%	5,206,961	1.04%	5,261,097	1.04%	5,657,504	7.53%	6,132,742	8.40%	6,714,232
14	Ratio of Labor Dollars to Total Labor Dollars	<u>82.76%</u>		<u>82.87%</u>		<u>83.99%</u>		<u>81.42%</u>		<u>78.33%</u>		<u>76.17%</u>		<u>79.42%</u>
15	Total Employee Benefits	3,039,565	-5.50%	2,872,395	3.53%	2,973,767	2.07%	3,035,344	2.07%	3,089,203	1.77%	3,338,406	8.07%	3,742,634
16	Employee Benefits Expensed	2,515,544	-5.37%	2,380,354	4.93%	2,497,667	-1.05%	2,471,377	-1.05%	2,419,773	-2.09%	2,542,864	5.09%	2,972,400
17	Ratio of Employee Benefits Expensed to Total Employee Benefits	<u>82.76%</u>		<u>82.87%</u>		<u>83.99%</u>		<u>81.42%</u>		<u>78.33%</u>		<u>76.17%</u>		<u>79.42%</u>
18	Total Payroll Taxes	518,760	-10.10%	466,357	-3.06%	452,069	9.71%	495,948	9.71%	574,181	15.77%	648,017	12.86%	702,522
19	Payroll Taxes Expensed	429,326	-9.98%	386,470	-1.75%	379,693	6.35%	403,801	6.35%	449,756	11.38%	493,595	9.75%	544,103
20	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>82.76%</u>		<u>82.87%</u>		<u>83.99%</u>		<u>81.42%</u>		<u>78.33%</u>		<u>76.17%</u>		<u>77.45%</u>
21	Average Employee Levels	<u>121</u>	0.00%	<u>121</u>	-7.44%	<u>112</u>	3.57%	<u>116</u>	3.57%	<u>129</u>	11.21%	<u>137</u>	6.20%	<u>143</u>
22	Year-End Employee Levels	<u>125</u>	-8.80%	<u>114</u>	-4.39%	<u>109</u>	12.84%	<u>123</u>	12.84%	<u>134</u>	8.94%	<u>140</u>	4.48%	<u>145</u>

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE G - 2  
PAGE 2 of 6  
Witness Responsible: S.A. Miller

DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL \_X\_ UPDATE \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	2003	% Change	2004	% Change	2005	% Change	2006	% Change	2007	% Change	Base Period	% Change	Forecasted Period
1	<b>Production</b>													
2	Employee Hours:													
3	Straight-Time Hours	62,140	-0.51%	61,820	-3.96%	59,374	15.02%	68,280	-4.37%	65,305.87	1.47%	66,267.50	13.52%	75,225.00
4	Overtime Hours	3,917	24.99%	4,896	-28.74%	3,489	24.82%	4,355	-0.79%	4,320.66	7.62%	4,650.00	37.55%	6,396.00
5	Total Employee Hours	66,057.00	1.00%	66,716.00		62,863.00		72,645.00		69,626.53		70,917.50		81,621.00
6	Ratio of Overtime Hours to Straight-Time Hours	6.30%		7.92%		5.88%		6.38%		6.62%		7.02%		8.50%
7	Labor Dollars:													
8	Straight-Time Dollars	\$1,374,847	3.99%	\$1,429,653	-2.59%	\$1,392,691	13.14%	\$1,575,713	0.75%	\$1,587,604	6.32%	\$1,687,877	16.07%	\$1,959,057
9	Overtime Dollars	115,063	26.03%	145,012	-24.90%	108,902	27.88%	139,282	3.19%	143,709	74.45%	250,703	-12.55%	219,237
10	Total Labor Dollars	\$1,489,910	5.69%	\$1,574,665		\$1,501,593		\$1,714,975		\$1,731,313		\$1,938,580		\$2,178,294
11	Ratio of Overtime Dollars to Straight-Time Dollars	8.37%		10.14%		7.82%		8.84%		9.05%		14.85%		11.19%
12	O&M Labor Dollars	1,489,910		1,574,665		1,501,593		1,714,975		1,731,313		1,938,580		2,178,294
13	Ratio of Labor Dollars to Total Labor Dollars	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%
14	Total Employee Benefits	674,830	13.82%	768,119	-6.23%	720,282	11.85%	805,602	-8.08%	740,501	8.55%	803,808	19.97%	964,334
15	Employee Benefits Expensed	674,830	13.82%	768,119	-6.23%	720,282	11.85%	805,602	-8.08%	740,501	8.55%	803,808	19.97%	964,334
16	Ratio of Employee Benefits Expensed to Total Employee Benefits	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%
17	Total Payroll Taxes	115,173	8.28%	124,710	-12.20%	109,497	20.21%	131,628	4.56%	137,635	13.36%	156,027	13.14%	176,523
18	Payroll Taxes Expensed	115,173	8.28%	124,710	-12.20%	109,497	20.21%	131,628	4.56%	137,635	13.36%	156,027	13.14%	176,523
19	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%
20	Average Employee Levels	25	0.00%	25	0.00%	25	8.00%	27	14.81%	31	9.68%	34	5.88%	36
21	Year-End Employee Levels	25	-4.00%	24	8.33%	26	7.69%	28	17.86%	33	6.06%	35	5.71%	37

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE G - 2  
PAGE 3 of 6  
Witness Responsible: S.A. Miller

DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL \_X\_ UPDATE \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	2003	% Change	2004	% Change	2005	% Change	2006	% Change	2007	% Change	Base Period	% Change	Forecasted Period
2	<u>Distribution</u>													
3	Employee Hours:													
5	Straight-Time Hours	141,763	-12.05%	124,644	0.04%	124,690	6.33%	132,586	-7.11%	123,154	2.21%	125,875	14.77%	144,449
6	Overtime Hours	11,762	7.13%	12,601	23.05%	15,505	1.06%	15,669	8.90%	17,063	2.99%	17,573	-14.99%	14,938
7	Total Employee Hours	153,525.00	-10.60%	137,245.00		140,195.00		148,255.00		140,216.59		143,448.11		159,387.00
8	Ratio of Overtime Hours to Straight-Time Hours	8.30%		10.11%		12.43%		11.82%		13.86%		13.96%		10.34%
14	Labor Dollars:													
15	Straight-Time Dollars	\$2,551,107	-11.85%	\$2,248,730	4.61%	\$2,352,395	11.46%	\$2,621,947	-3.03%	\$2,542,376	6.57%	\$2,709,535	16.87%	\$3,166,665
16	Overtime Dollars	311,992	9.88%	342,823	29.07%	442,476	5.29%	465,866	13.65%	529,445	16.64%	617,532	-22.20%	480,414
17	Total Labor Dollars	\$2,863,099	-9.48%	\$2,591,553		\$2,794,871		\$3,087,813		\$3,071,822		\$3,327,067		\$3,647,079
19	Ratio of Overtime Dollars to Straight-Time Dollars	12.23%		15.25%		18.81%		17.77%		20.82%		22.79%		15.17%
23	O&M Labor Dollars	2,863,099		2,591,553		2,794,871		3,087,813		3,071,822		3,327,067		3,647,079
25	Ratio of Labor Dollars to Total Labor Dollars	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%
27	Total Employee Benefits													
28	Ratio of Employee Benefits Expensed to Total Employee Benefits	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%
29	Total Employee Benefits	1,296,794	-2.52%	1,264,155	6.05%	1,340,639	8.19%	1,450,486	-9.42%	1,313,850	5.00%	1,379,526	17.04%	1,614,567
30	Payroll Taxes Expensed	1,296,794	-2.52%	1,264,155	6.05%	1,340,639	8.19%	1,450,486	-9.42%	1,313,850	5.00%	1,379,526	17.04%	1,614,567
31	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%
32	Total Payroll Taxes	221,323	-7.26%	205,246	-0.70%	203,803	16.29%	236,997	3.04%	244,201	9.66%	267,779	10.37%	295,549
33	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%
34	Total Payroll Taxes	221,323	-7.26%	205,246	-0.70%	203,803	16.29%	236,997	3.04%	244,201	9.66%	267,779	10.37%	295,549
35	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%
36	Total Payroll Taxes	221,323	-7.26%	205,246	-0.70%	203,803	16.29%	236,997	3.04%	244,201	9.66%	267,779	10.37%	295,549
37	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%
38	Total Payroll Taxes	221,323	-7.26%	205,246	-0.70%	203,803	16.29%	236,997	3.04%	244,201	9.66%	267,779	10.37%	295,549
39	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%
40	Total Payroll Taxes	221,323	-7.26%	205,246	-0.70%	203,803	16.29%	236,997	3.04%	244,201	9.66%	267,779	10.37%	295,549
41	Average Employee Levels	65	-3.08%	63	-3.17%	61	13.11%	69	11.59%	77	2.60%	79	2.53%	81
42	Year-End Employee Levels	65	-7.69%	60	3.33%	62	22.58%	76	2.63%	78	2.56%	80	2.50%	82



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE G - 2  
PAGE 5 of 6  
Witness Responsible: S.A. Miller

DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL \_X\_ UPDATE \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	2003	% Change	2004	% Change	2005	% Change	2006	% Change	2007	% Change	Base Period	% Change	Forecasted Period
1	<b>Administrative &amp; General</b>													
2	Employee Hours:													
3	Straight-Time Hours	29,113	-16.76%	24,235	19,743	-11.32%	17,508	23.28%	21,584	1.86%	21,986	14.30%	25,129	
4	Overtime Hours	788	-21.57%	618	54	-27.78%	39	414.49%	201	217.19%	636	30.10%	828	
5	Total Employee Hours	<u>29,901.00</u>		<u>24,853.00</u>	<u>19,797.00</u>		<u>17,547.00</u>		<u>21,785.03</u>		<u>22,622.00</u>		<u>25,957.00</u>	
6	Ratio of Overtime Hours to Straight-Time Hours	<u>2.71%</u>		<u>2.55%</u>	<u>0.27%</u>		<u>0.22%</u>		<u>0.93%</u>		<u>2.89%</u>		<u>3.29%</u>	
7	Labor Dollars:													
8	Straight-Time Dollars	\$1,180,805	-41.09%	\$696,352	\$908,984	-49.70%	\$457,255	85.44%	\$847,954	0.94%	855,962	0.32%	\$859,687	
9	Overtime Dollars	20,078	-14.22%	17,222	1,513	-30.34%	1,054	508.65%	6,415	73.56%	11,134	170.99%	30,172	
10	Total Labor Dollars	<u>\$1,200,883</u>		<u>\$713,574</u>	<u>\$910,497</u>		<u>\$458,309</u>		<u>\$854,369</u>		<u>\$867,096</u>		<u>\$889,859</u>	
11	Ratio of Overtime Dollars to Straight-Time Dollars	<u>1.70%</u>		<u>2.47%</u>	<u>0.17%</u>		<u>0.23%</u>		<u>0.76%</u>		<u>1.30%</u>		<u>3.51%</u>	
12	O&M Labor Dollars	1,200,883		713,574	910,497	468,309	100.00%	854,369	100.00%	100.00%	867,096	100.00%	888,859	
13	Ratio of Labor Dollars to Total Labor Dollars	<u>100.00%</u>		<u>100.00%</u>	<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>	
14	Total Employee Benefits	420,740	-40.58%	250,007	436,746	-50.71%	215,289	69.74%	365,423	-1.61%	359,530	9.45%	393,499	
15	Employee Benefits Expensed	420,740	-40.58%	250,007	436,746	-50.71%	215,289	69.74%	365,423	-1.61%	359,530	9.45%	393,499	
16	Ratio of Employee Benefits Expensed to Total Employee Benefits	<u>100.00%</u>		<u>100.00%</u>	<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>	
17	Total Payroll Taxes	92,830	-39.12%	56,514	66,394	-47.02%	35,176	93.09%	67,920	2.75%	69,788	3.21%	72,031	
18	Payroll Taxes Expensed	92,830	-39.12%	56,514	66,394	-47.02%	35,176	93.09%	67,920	2.75%	69,788	3.21%	72,031	
19	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>100.00%</u>		<u>100.00%</u>	<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>	
20	Average Employee Levels	<u>31</u>	6.45%	<u>33</u>	<u>26</u>	-23.08%	<u>20</u>	5.00%	<u>21</u>	14.29%	<u>24</u>	8.33%	<u>26</u>	
21	Year-End Employee Levels	<u>35</u>	-14.29%	<u>30</u>	<u>21</u>	-9.52%	<u>19</u>	21.05%	<u>23</u>	8.70%	<u>25</u>	4.00%	<u>26</u>	





KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
EXECUTIVE COMPENSATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE G - 3  
PAGE 1 of 3  
Witness Responsible: M.A. Miller

DATA: X, BASE PERIOD X, FORECASTED PERIOD  
TYPE OF FILING ORIGINAL X, UPDATE X, REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3	Title of Executive: President					
4						
5	<b>Base Period:</b>					
6	Total Salary	\$186,580	100.00%	\$186,580	\$0	\$186,580
7	Other Allowances and Compensation (AIP)	236,260		\$236,260	0	236,260
8	Sub-total	422,840		422,840	0	422,840
9						
10	<b>Employee Benefits:</b>					
11	Pension	20,221		20,221	0	20,221
12	Group Insurance	16,249		16,249	0	16,249
13	Defined Contribution Plan	0		0	0	0
14	401-K Plan	3,732		3,732	0	3,732
15	Sub-total	40,202		40,202	0	40,202
16						
17	<b>Payroll Taxes:</b>					
18	F.I.C.A.	14,273		14,273	0	14,273
19	Federal Unemployment	56		56	0	56
20	State Unemployment	40		40	0	40
21	Sub-total	14,369		14,369	0	14,369
22						
23	Total Compensation	\$477,411		\$477,411	\$0	\$477,411
24						
25						
26						
27	<b>Forecasted Period:</b>					
28	Total Salary	\$0	100.00%	\$0	\$0	\$0
29	Other Allowances and Compensation (AIP)	0		0	0	0
30	Sub-total	0		0	0	0
31						
32	<b>Employee Benefits:</b>					
33	Pension	0		0	0	0
34	Group Insurance	0		0	0	0
35	Defined Contribution Plan	0		0	0	0
36	401-K Plan	0		0	0	0
37	Sub-total	0		0	0	0
38						
39	<b>Payroll Taxes:</b>					
40	F.I.C.A.	0		0	0	0
41	Federal Unemployment	0		0	0	0
42	State Unemployment	40		40	0	40
43	Sub-total	40		40	0	40
44	Total Compensation	\$0		\$40	\$0	\$40
45						
46						
47						
48						
49						
50						

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
EXECUTIVE COMPENSATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE G - 3  
PAGE 2 of 3  
Witness Responsible: M.A. Miller

DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL \_X\_ UPDATE \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3						
4						
5	Title of Executive: Vice President Operations					
6	<b>Base Period:</b>					
7	Total Salary	\$116,676	100.00%	\$116,676	\$0	\$116,676
8	Other Allowances and Compensation	19,579		19,579	0	19,579
9	Sub-total	136,255		136,255	0	136,255
10	<b>Employee Benefits:</b>					
11	Pension	12,645		12,645	0	12,645
12	Group Insurance	16,249		16,249	0	16,249
13	Defined Contribution Plan	0		0	0	0
14	401-K Plan	2,917		2,917	0	2,917
15	Sub-total	31,811		31,811	0	31,811
16	<b>Payroll Taxes:</b>					
17	F.I.C.A.	8,926		8,926	0	8,926
18	Federal Unemployment	56		56	0	56
19	State Unemployment	40		40	0	40
20	Sub-total	9,022		9,022	0	9,022
21						
22						
23	Total Compensation	\$177,088		\$177,088	\$0	\$177,088
24						
25						
26						
27	<b>Forecasted Period:</b>					
28	Total Salary	\$131,354	100.00%	\$131,354	\$0	\$131,354
29	Other Allowances and Compensation	26,271		26,271	0	26,271
30	Sub-total	157,625		157,625	0	157,625
31	<b>Employee Benefits:</b>					
32	Pension	11,449		11,449	0	11,449
33	Group Insurance	19,004		19,004	0	19,004
34	Defined Contribution Plan	0		0	0	0
35	401-K Plan	3,284		3,284	0	3,284
36	Sub-total	33,737		33,737	0	33,737
37	<b>Payroll Taxes:</b>					
38	F.I.C.A.	8,709		8,709	0	8,709
39	Federal Unemployment	56		56	0	56
40	State Unemployment	40		40	0	40
41	Sub-total	8,805		8,765	0	8,765
42						
43	Total Compensation	\$200,167		\$200,127	\$0	\$200,127
44						
45						
46						
47						
48						
49						
50						

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
EXECUTIVE COMPENSATION  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE G - 3  
PAGE 3 of 3  
Witness Responsible: M.A. Miller

DATA: \_X\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL \_X\_ UPDATE \_X\_ REVISED  
WORKPAPER REFERENCE NO(S):: N/A

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3						
4						
5						
6	Title of Executive: Vice President Treasurer and Comptroller					
7	<b>Base Period:</b>					
8	Total Salary	0	100.00%	\$0	\$0	\$0
9	Other Allowances and Compensation	0		0	0	0
10	Sub-total	0		0	0	0
11	<b>Employee Benefits:</b>					
12	Pension	0		0	0	0
13	Group Insurance	0		0	0	0
14	Defined Contribution Plan	0		0	0	0
15	401-K Plan	0		0	0	0
16	Sub-total	0		0	0	0
17	<b>Payroll Taxes:</b>					
18	F.I.C.A.			0	0	0
19	Federal Unemployment			0	0	0
20	State Unemployment			0	0	0
21	Sub-total	0		0	0	0
22						
23	Total Compensation	\$0		\$0	\$0	\$0
24						
25						
26						
27	<b>Forecasted Period:</b>					
28	Total Salary	0	100.00%	\$0	\$0	\$0
29	Other Allowances and Compensation	0		0	0	0
30	Sub-total	0		0	0	0
31	<b>Employee Benefits:</b>					
32	Pension	0		0	0	0
33	Group Insurance	0		0	0	0
34	Defined Contribution Plan	0		0	0	0
35	401-K Plan	0		0	0	0
36	Sub-total	0		0	0	0
37	<b>Payroll Taxes:</b>					
38	F.I.C.A.			0	0	0
39	Federal Unemployment			0	0	0
40	State Unemployment			0	0	0
41	Sub-total	0		0	0	0
42						
43	Total Compensation	\$0		\$0	\$0	\$0
44						
45						
46						
47						
48						
49						
50						

**EXHIBIT 37  
SCHEDULE H**

**COMPUTATION OF GROSS REVENUE CONVERSION FACTOR**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
H	No update required for Schedule H.

For the electronic version, refer to KAW\_SAPP\_EX37H\_030909.pdf.

**EXHIBIT 37  
SCHEDULE I**

**COMPARITIVE INCOME STATEMENTS, REVENUE STATISTICS AND SALES STATISTICS  
FOR FIVE MOST RECENT CALENDAR YEARS, THE BASE PERIOD, FORECASTED PERIOD  
AND TWO CALENDAR YEARS BEYOND THE FORECAST PERIOD**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

Schedule	Description
I-1	Comparative Income Statement
I-2	Revenue Statistics - Total Company
I-3	Sales Statistics - Total Company
I-4	Revenue Statistics - Jurisdictional
I-5	Sales Statistics - Jurisdictional

For the electronic version, refer to KAW\_SAPP\_EX37I\_030909.pdf.



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
REVENUE STATISTICS - TOTAL COMPANY  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE I - 2  
PAGE 1 of 1  
Witness Responsible: M. A. Miller

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: \_ ORIGINAL \_X\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	2003	2004	2005	2006	2007	Base Period	Forecasted Period	2009	2010
<b>Revenue by Customer Class:</b>										
1	Residential	\$21,394,943	\$22,094,519	\$26,440,906	\$27,262,686	\$27,594,445	\$30,975,098	\$30,588,335	\$30,824,869	\$31,367,838
2	Commercial	10,378,280	10,477,600	12,193,418	12,143,005	12,388,694	\$14,545,332	\$15,056,532	15,115,132	15,139,740
3	Industrial	1,442,871	1,359,278	1,569,209	1,444,547	1,480,187	\$1,461,255	\$1,623,443	1,623,436	1,623,436
4	Other Public Authorities	3,376,301	3,177,804	3,771,324	3,565,255	3,896,261	\$4,957,847	\$4,508,892	4,505,973	4,505,973
5	Other Water Utilities	829,887	824,589	1,000,284	1,109,393	1,151,111	\$1,458,955	\$1,388,967	1,223,890	1,223,890
6	Miscellaneous	16,503	9,780	5,768	19,513	18,789	\$26,488	\$21,626	0	0
7	Fire Service	2,668,532	2,753,265	3,103,614	3,234,422	3,354,596	\$3,583,197	\$3,712,665	3,641,067	3,731,388
8										
9										
10										
11	<b>Total</b>	<b>\$40,107,317</b>	<b>\$40,696,835</b>	<b>\$48,084,523</b>	<b>\$48,778,821</b>	<b>\$49,884,083</b>	<b>\$57,008,172</b>	<b>\$56,900,460</b>	<b>\$56,934,367</b>	<b>\$57,592,265</b>
12										
13										
14	<b>Number of Customers:</b>									
15	<b>12-Month Average:</b>									
16	Residential	96,858	98,567	100,729	104,104	105,572	106,817	109,529	108,724	110,655
17	Commercial	8,163	8,179	8,241	8,512	8,623	8,730	8,896	8,855	8,954
18	Industrial	17	18	21	23	21	21	21	21	21
19	Other Public Authorities	482	486	483	485	487	501	495	495	495
20	Other Water Utilities	9	10	10	11	13	11	10	11	11
21	Miscellaneous	0	0	0	0	0	0	0	0	0
22	Fire Service	1,459	2,509	1,674	1,839	1,868	1,937	2,147	2,105	2,153
23										
24	<b>Total</b>	<b>106,988</b>	<b>109,769</b>	<b>111,158</b>	<b>114,974</b>	<b>116,584</b>	<b>118,018</b>	<b>121,098</b>	<b>120,211</b>	<b>122,289</b>
25										
26										
27	<b>End of Period:</b>									
28	Residential	97,801	99,267	101,683	104,780	106,068	106,914	110,405	109,467	111,398
29	Commercial	8,254	8,164	8,262	8,586	8,585	8,731	8,939	8,901	9,000
30	Industrial	17	20	21	23	21	22	21	21	21
31	Other Public Authorities	487	484	484	486	488	504	495	495	495
32	Other Water Utilities	9	10	10	11	13	12	10	11	11
33	Miscellaneous	0	0	0	0	0	0	0	0	0
34	Fire Service	1,219	2,761	1,767	1,899	1,913	1,992	2,147	2,127	2,175
35										
36	<b>Total</b>	<b>107,787</b>	<b>110,706</b>	<b>112,227</b>	<b>115,785</b>	<b>117,088</b>	<b>118,175</b>	<b>122,017</b>	<b>121,022</b>	<b>123,100</b>
37										
38										
39	<b>Average Revenue per Customer:</b>									
40	Residential	\$221	\$224	\$263	\$262	\$261	\$290	\$279	\$284	\$283
41	Commercial	1,271	1,281	1,480	1,427	1,437	1,666	1,693	1,707	1,691
42	Industrial	84,875	75,515	74,724	62,806	70,485	68,496	77,307	77,307	77,307
43	Other Public Authorities	7,005	6,539	7,808	7,351	8,001	9,109	9,109	9,103	9,103
44	Other Water Utilities	92,210	82,459	100,028	100,854	88,547	128,731	138,897	111,263	111,263
45	Miscellaneous	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
46	Fire Service	1,829	1,097	1,854	1,759	1,796	1,850	1,729	1,730	1,733
47										
48										
49										
50										

Note: Revenue data represents billed revenues only and does not reflect additional revenues from the current or future rate filings.



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
REVENUE STATISTICS - JURISDICTIONAL  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE I - 3  
PAGE 1 of 1  
Witness Responsible: M. A. Miller

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: \_ ORIGINAL \_X\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	2003	2004	2005	2006	2007	Base Period	Forecasted Period	2 Projected Calendar Years 2009 2010
1									
2	Revenue by Customer Class:								
3	Residential								
4	Commercial								
5	Industrial								
6	Other Public Authorities								
7	Other Water Utilities								
8	Miscellaneous								
9	Fire Service								
10									
11	Total								
12									
13	Number of Customers:								
14	12-Month Average:								
15	Residential								
16	Commercial								
17	Industrial								
18	Other Public Authorities								
19	Other Water Utilities								
20	Miscellaneous								
21	Fire Service								
22									
23	Total								
24									
25									
26	End of Period:								
27	Residential								
28	Commercial								
29	Industrial								
30	Other Public Authorities								
31	Other Water Utilities								
32	Miscellaneous								
33	Fire Service								
34									
35	Total								
36									
37									
38	Average Revenue per Customer:								
39	Residential								
40	Commercial								
41	Industrial								
42	Other Public Authorities								
43	Other Water Utilities								
44	Miscellaneous								
45	Fire Service								
46									
47									
48									
49									
50									

ALL COMPANY OPERATIONS ARE JURISDICTIONAL

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
SALES STATISTICS - TOTAL COMPANY  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE I - 4  
PAGE 1 of 1  
Witness Responsible: M. A. Miller

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: \_ ORIGINAL \_X\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	2003	2004	2005	2006	2007	Base Period	Forecasted Period	2009	2010
<b>Sales by Customer Class:</b>										
1	Residential	7,575,499	7,638,396	8,837,505	8,587,371	8,890,472	8,648,860	8,406,538	8,541,297	8,692,916
2	Commercial	5,413,864	5,348,863	5,769,787	5,633,764	5,748,991	5,509,950	5,837,430	5,842,443	5,907,727
3	Industrial	1,092,087	1,007,927	1,077,592	998,637	1,023,987	817,842	910,670	910,668	910,668
4	Other Public Authorities	1,979,948	1,833,668	2,031,685	1,892,992	2,094,952	2,242,920	2,019,601	2,019,600	2,019,600
5	Other Water Utilities	535,201	531,179	592,584	518,505	817,456	702,621	668,896	668,897	668,897
6	Miscellaneous	123,667	3,953	448	1,789	5,075	823,779	0	0	0
7	Total	16,720,265	16,363,985	18,309,601	17,633,059	18,580,933	18,745,972	17,843,135	17,982,905	18,199,808
<b>Number of Customers:</b>										
<b>13-Month Average:</b>										
8	Residential	96,858	98,567	100,729	104,104	105,572	106,817	109,529	108,724	110,655
9	Commercial	8,163	8,179	8,241	8,512	8,623	8,730	8,896	8,855	8,954
10	Industrial	17	18	21	23	21	21	21	21	21
11	Other Public Authorities	482	486	483	485	487	501	495	495	495
12	Other Water Utilities	9	10	10	11	13	11	10	11	11
13	Miscellaneous	0	0	0	0	0	0	0	0	0
14	Total	105,529	107,260	109,484	113,135	114,716	116,081	118,951	118,106	120,136
<b>End of Period:</b>										
15	Residential	97,801	99,267	101,683	104,780	106,068	106,914	110,405	109,467	111,398
16	Commercial	8,254	8,164	8,262	8,586	8,585	8,731	8,939	8,901	9,000
17	Industrial	17	20	21	23	21	22	21	21	21
18	Other Public Authorities	487	484	484	486	488	504	495	495	495
19	Other Water Utilities	9	10	10	11	13	12	10	11	11
20	Miscellaneous	0	0	0	0	0	0	0	0	0
21	Total	106,568	107,945	110,460	113,886	115,175	116,183	119,870	118,895	120,925
<b>Average Sales per Customer:</b>										
22	Residential	78	78	88	83	84	81	77	79	79
23	Commercial	663	654	700	662	667	631	656	660	660
24	Industrial	64,240	55,996	51,314	43,419	48,761	38,336	43,365	43,365	43,365
25	Other Public Authorities	4,108	3,773	4,206	3,903	4,302	4,475	4,080	4,080	4,080
26	Other Water Utilities	59,467	53,118	59,258	47,137	62,881	61,996	66,890	60,809	60,809
27	Miscellaneous	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: Sales are stated in 100 Cubic Feet  
Note: Also adjusted years 2005 thru 2007 for credit adjustments that were not included in the original filing.

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
SALES STATISTICS - TOTAL COMPANY  
FOR THE TWELVE MONTHS ENDED: JANUARY 31, 2009  
FOR THE TWELVE MONTHS ENDED: MAY 31, 2010

SCHEDULE I - 5  
PAGE 1 of 1  
Witness Responsible: M. A. Miller

DATA: X BASE PERIOD X FORECASTED PERIOD  
TYPE OF FILING: \_ ORIGINAL \_X\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	2003	2004	2005	2006	2007	Base Period	Forecasted Period	2009	2010
1										
2	<u>Sales by Customer Class:</u>									
3	Residential									
4	Commercial									
5	Industrial									
6	Other Public Authorities									
7	Other Water Utilities									
8	Miscellaneous									
9										
10	Total									
11										
12										
13	<u>Number of Customers:</u>									
14	<u>12-Month Average:</u>									
15	Residential									
16	Commercial									
17	Industrial									
18	Other Public Authorities									
19	Other Water Utilities									
20	Miscellaneous									
21										
22	Total									
23										
24										
25	<u>End of Period:</u>									
26	Residential									
27	Commercial									
28	Industrial									
29	Other Public Authorities									
30	Other Water Utilities									
31	Miscellaneous									
32										
33	Total									
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36										
37	<u>Average Revenue per Customer:</u>									
38	Residential									
39	Commercial									
40	Industrial									
41	Other Public Authorities									
42	Other Water Utilities									
43	Miscellaneous									
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ALL COMPANY OPERATIONS ARE JURISDICTIONAL

Note: Sales are stated in 100 Cubic Feet

**EXHIBIT 37  
SCHEDULE J**

**COST OF CAPITAL SUMMARY FOR BASE PERIOD AND FORECASTED PERIOD**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
J-1	Cost of Capital Summary
J-1.1 / J-1.2	Cost of Capital Summary
J-2	Embedded Cost of Short-Term Debt
J-3	Embedded Cost of Long-Term Debt
J-4	Embedded Cost of Preferred Stock

For the electronic version, refer to KAW\_SAPP\_EX37J\_030909.pdf.



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
COST OF CAPITAL SUMMARY  
AS OF JANUARY 31, 2009

SCHEDULE J-1  
PAGE 2 of 2  
Witness Responsible: M.A. Miller

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
DATE OF CAPITAL STRUCTURE: AS OF END OF BASE PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-7

Line No.	Class of Capital	Reference	Amount	% of Total	Add (1)	Adjusted Capital	Cost Rate	Terminal Weighted Cost
2	Short-Term Debt	J-2, Page 2	\$56,383,691	23.985%	\$ 247,625	\$56,631,316	2.920%	0.700%
4	Long-Term Debt	J-3, Page 2	79,033,466	33.619%	347,088	79,380,554	6.930%	2.330%
6	Preferred Stock	J-4, Page 2	5,934,142	2.524%	26,058	5,960,200	7.750%	0.200%
8	Common Equity		93,731,692	39.872%	411,645	94,143,337	11.500%	4.590%
10	Total Capital		\$235,082,991	100.000%	\$ 1,032,416	\$236,115,407		7.820%

(1) JDITC: \$ 1,032,416

KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
COST OF CAPITAL SUMMARY AT CURRENT AND PROPOSED RATES  
13 MONTH AVERAGE

SCHEDULE J-1, 1/J-1.2  
PAGE 1 of 1  
Witness Responsible: M.A. Miller

DATA: \_\_\_ BASE PERIOD \_\_\_X\_ FORECASTED PERIOD  
DATE OF CAPITAL STRUCTURE: AVERAGE FOR FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_\_\_X\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-7

Line No.	Class of Capital	13 Month Average Amount	% of Total	Add (1)	Adjusted Capital	Cost Rate	Average Weighted Cost
2	Short-Term Debt	\$31,520,883	10.324%	\$ 99,950	\$31,620,833	2.920%	0.30%
4	Long-Term Debt	138,431,457	45.341%	438,963	138,870,420	7.250%	3.29%
6	Preferred Stock	5,934,782	1.944%	18,821	5,953,603	7.750%	0.15%
8	Common Equity	129,425,200	42.391%	410,403	129,835,603	11.500%	4.87%
	Total Capital	\$305,312,323	100.000%	\$ 968,137	\$306,280,460		8.61%

(1) JDITC: \$ 968,136

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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
EMBEDDED COST OF SHORT-TERM DEBT  
FROM FEBRUARY 1, 2008 TO MAY 31, 2010

SCHEDULE J-2  
PAGE 1 of 2  
Witness Responsible: M.A. Miller

DATA: \_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
DATE OF CAPITAL STRUCTURE: END OF FORECASTED TEST YEAR  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-7

Line No.	Issue	Amount Outstanding	Interest Rate	Interest Requirement
1				
2				
3				
4	Promissory Note	\$ 31,341,766	2.920%	\$ 915,180
5				
6				
7	Weighted Cost of Short-Term Debt	2.920%		
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
EMBEDDED COST OF SHORT-TERM DEBT  
AS OF JANUARY 31, 2009

SCHEDULE J-2  
PAGE 2 of 2  
Witness Responsible: M.A. Miller

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
DATE OF CAPITAL STRUCTURE: AS OF END OF BASE PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-7

Line No.	Issue	Amount Outstanding	Interest Rate	Interest Requirement
1				
2				
3				
4	Promissory Note	<u>\$56,383,691</u>	<u>2.920%</u>	<u>\$1,646,404</u>
5				
6				
7	Weighted Cost of Short-Term Debt	<u>2.920%</u>		
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**EXHIBIT 37  
SCHEDULE K**

**COMPARATIVE FINANCIAL DATA AND EARNING MEASURES FOR THE  
TEN MOST RECENT CALENDAR YEARS, BASE PERIOD AND FORECASTED PERIOD**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
K	Comparative Financial Data

For the electronic version, refer to KAW\_SAPP\_EX37K\_030909.pdf.



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
COMPARATIVE FINANCIAL DATA

DATA: X BASE PERIOD X FORECASTED PERIOD  
DATE CERTAIN: FOR THE PERIODS INDICATED.  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): N/A

SCHEDULE K  
PAGE 2 OF 3  
Witness Responsible: M.A. Miller/ S.A. Miller

Line No.	Description	Forecasted Period	Base Period	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
1													
2	Condensed Income Statement Data:												
3	Operating Revenues	\$59,426,157	\$59,292,150	\$ 52,778,218	\$ 49,010,147	\$ 50,119,619	\$ 42,454,681	\$ 42,800,150	\$ 43,626,950	\$ 41,477,827	\$ 38,719,864	\$ 39,103,841	\$ 37,744,117
4	Operating Expenses												
5	(Excluding Income Taxes)	44,509,077	40,132,304	38,083,778	37,336,707	36,095,827	37,937,891	30,259,986	28,619,892	25,611,432	22,412,482	22,788,899	21,509,024
6	State Income Taxes - Current	1,417,858	532,469	682,673	617,481	503,486	400,285	539,890	682,933	717,335	178,853	615,191	594,175
7	Deferred SIT - Accelerated Depreciation	0	0	0	0	0	0	0	0	0	0	0	0
8	Deferred SIT - Other	181,319	322,786	(94,605)	(162,588)	555,762	(71,316)	174,892	222,489	209,924	762,856	402,307	370,825
9	Federal Income Taxes - Current	7,774,590	1,056,081	4,426,454	3,472,508	1,759,785	(1,436,240)	1,971,557	1,676,515	2,852,920	784,743	2,535,247	2,457,630
10	Deferred FIT - Accelerated Depreciation	0	0	0	0	0	0	0	0	0	0	0	0
11	Deferred FIT - Other	1,192,031	4,107,766	(1,166,142)	(1,218,281)	629,311	995,778	735,039	1,676,242	688,814	2,820,169	1,368,381	1,226,462
12	Deferred FIT - ITC	0	0	0	0	0	0	0	0	0	0	0	0
13	Amortization of ITC	(84,797)	(84,795)	(84,836)	(84,757)	(95,596)	(95,596)	(85,352)	(84,797)	(84,796)	(84,798)	(84,795)	(84,796)
14													
15	Operating Income	4,436,079	13,225,540	10,930,896	9,049,077	10,671,044	4,723,879	9,204,138	10,833,676	11,482,198	11,845,559	11,478,611	11,670,797
16	AFUDC	3,094,989	2,241,710	1,227,277	390,200	494,177	173,521	655,695	652,328	449,628	606,971	1,101,362	602,891
17	Other Income (Deductions), Net	0	0	4,720	(235,523)	(317,556)	(198,937)	(326,435)	(420,864)	465,889	(1,060,065)	(180,425)	(73,909)
18													
19	Income Available for Fixed Charges	7,531,068	15,467,250	12,162,893	9,203,754	10,847,665	4,698,463	9,533,398	11,065,140	12,387,715	11,392,465	12,399,548	12,199,779
20	Interest Charges	10,650,436	6,391,480	6,104,079	5,596,915	5,632,875	5,145,289	4,706,384	5,043,371	5,387,498	5,733,317	5,265,126	5,341,685
21													
22	Net Income	(3,119,367)	9,075,770	6,058,814	3,606,839	5,214,790	(446,826)	4,827,014	6,021,769	7,010,217	5,659,148	7,134,422	6,858,094
23	Preferred Dividends	456,924	460,688	78,773	78,706	79,874	448,208	513,293	533,615	536,778	540,118	543,637	547,156
24													
25	Net Income to Common Equity	(\$3,576,291)	\$8,615,082	\$5,980,041	\$3,528,133	\$5,134,916	(\$895,034)	\$4,313,721	\$5,488,154	\$6,473,439	\$5,119,030	\$6,590,785	\$6,310,938
26													
27													
28													
29	AFUDC as a Percent of Net Income	-99.22%	24.70%	20.26%	10.82%	9.48%	-38.83%	13.58%	10.83%	6.41%	10.73%	15.44%	8.79%
30													
31	AFUDC as a Percent to Earnings Available for Common Equity	-86.54%	26.02%	20.52%	11.06%	9.62%	-19.39%	15.20%	11.89%	6.95%	11.86%	16.71%	9.55%
32													
33													
34	Cost of Capital:												
35	Embedded Cost of Long-Term Debt	7.25%	6.93%	6.06%	6.29%	6.91%	6.24%	6.87%	7.34%	9.27%	10.37%	7.85%	7.96%
36	Embedded Cost of Preferred Stock	7.75%	7.75%	5.37%	5.37%	5.44%	7.41%	8.50%	7.74%	7.74%	7.75%	7.75%	7.75%
37													
38	Fixed Charge Coverages:												
39	Pre-Tax Interest Coverage	1.69	3.35	2.61	2.11	2.52	0.87	2.73	3.02	3.11	2.77	3.27	3.14
40	Pre-Tax Interest Coverage (Excluding AFUDC)	1.40	3.00	2.41	2.04	2.43	0.84	2.60	2.89	3.03	2.66	3.06	3.03
41	After-Tax Interest Coverage	0.71	2.42	1.99	1.64	1.93	0.91	2.03	2.19	2.30	1.99	2.36	2.28
42	After-Tax Fixed Charge Coverage	0.68	2.26	1.97	1.62	1.90	0.84	1.83	1.98	2.09	1.82	2.13	2.07
43													
44													
45													
46													
47													
48													
49													
50													

Data for forecast excludes the effect of any additional revenues approved by the commission in this proceeding.



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
COMPARATIVE FINANCIAL DATA

DATA: X BASE PERIOD X FORECASTED PERIOD  
DATE CERTAIN: FOR THE PERIODS INDICATED.  
TYPE OF FILING: ORIGINAL X UPDATED X REVISED  
WORKPAPER REFERENCE NO(S): N/A

SCHEDULE K  
PAGE 3 OF 3  
Witness Responsible: M.A. Miller/ S.A. Miller

Line No.	Description	Forecasted Period	Base Period	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
2	<u>Stock and Bond Ratings:</u>												
3	Moody's Bond Rating												
4	S&P Bond Rating												
5	Moody's Preferred Stock Rating												
6	S&P Preferred Stock Rating												
7													
8	<u>Common Stock Related Data:</u>												
9	Shares Outstanding - Year-End	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391
10	Shares Outstanding - Monthly Average	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,410,183
11	Earnings per Share - Weighted Average	(\$2.28)	\$5.50	\$3.82	\$2.25	\$3.28	(\$0.57)	\$2.75	\$3.50	\$4.13	\$3.27	\$4.20	\$4.48
12	Dividends Paid per Share	(\$1.71)	\$4.13	\$2.66	\$1.28	\$1.10	\$1.22	\$2.17	\$3.01	\$3.06	\$2.60	\$3.29	\$3.32
13	Dividends Declared per Share	(\$1.71)	\$4.13	\$2.66	\$1.28	\$1.10	\$1.22	\$2.17	\$3.01	\$3.06	\$2.60	\$3.29	\$3.32
14	Dividend Payout Ratio (Declared Basis)	75.00%	75.09%	69.63%	56.89%	33.54%	-214.04%	78.91%	86.00%	74.09%	79.51%	71.00%	57.00%
15	Market Price - High/Low												
16	1st Quarter												
17	2nd Quarter												
18	3rd Quarter												
19	4th Quarter												
20	Book Value per Share (Year-End)	\$82.57	\$59.80	\$47.71	\$46.72	\$40.65	\$38.45	\$40.00	\$39.41	\$38.92	\$37.85	\$37.18	\$36.27
21	<u>Rate of Return Measures:</u>												
22	Return on Common Equity (Average)	-2.76%	9.72%	8.08%	5.15%	8.28%	-1.46%	6.93%	8.94%	10.76%	8.71%	11.45%	22.21%
23	Return on Total Capital - (Average)	1.62%	7.40%	7.55%	6.56%	7.22%	3.30%	6.71%	8.25%	9.31%	9.34%	10.10%	9.72%
24	Return on Net Plant in Service (Average)	0.91%	4.06%	3.97%	3.55%	4.54%	2.15%	4.36%	5.31%	5.88%	6.34%	6.40%	6.88%
25	<u>Other Financial and Operating Data:</u>												
26	Mix of Sales (Gas and Electric)												
27	Mix of Fuel (Gas and Electric)												
28	Composite Depreciation Rate	2.45%	2.43%	2.36%	2.50%	2.33%	2.75%	2.23%	2.27%	2.30%	2.31%	2.55%	2.27%
29	Return on net plant calculated by dividing utility operating income by average net plant.												

NO MARKET PRICE IS AVAILABLE FOR KENTUCKY-AMERICAN WATER COMPANY. STOCK IS NOT PUBLICLY TRADED

NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY

NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY

**EXHIBIT 37  
SCHEDULE L**

**NARRATIVE DESCRIPTION AND EXPLANATION OF ALL PROPOSED TARIFF CHANGE**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
L	No update required for Schedule L.

For the electronic version, refer to KAW\_SAPP\_EX37L\_030909.pdf.

**EXHIBIT 37  
SCHEDULE M**

**REVENUE SUMMARY FOR BASE PERIOD AND FORECASTED PERIOD  
WITH DETAILED BILLING ANALYSIS FOR ALL CUSTOMER CLASSES**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
M-3	Revenues at Present and Proposed Rates
M-3.1	Bill Analysis for the Base Period
M-3.2	Bill Analysis for the Forecasted Period

For the electronic version, refer to KAW\_SAPP\_EX37M\_030909.pdf.



KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
REVENUES AT PRESENT AND PROPOSED RATES  
TWELVE MONTHS ENDED MAY 31, 2010

DATA: \_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): SCH M-3.2

SCHEDULE M-3  
PAGE 2 OF 2  
Witness Responsible: M.A. Miller

Line No.	Rate Classification (A)	Sales (B)	Revenues at Present Rates (C)	Revenues at Proposed Rates (D)	Revenue Change (Amt) (E)	% of Revenues Change (F)
1						
2						
3						
4						
5						
6						
7	Residential	8,406,538	\$30,588,335	\$39,823,094	\$9,234,759	30.190%
8	Commercial	5,837,430	15,056,532	20,285,729	5,229,197	34.730%
9	Industrial	910,670	1,623,443	2,271,313	647,870	39.910%
10	Other Public Authority	2,019,601	4,508,892	6,205,880	1,696,988	37.640%
11	Sales for Resale	668,896	1,388,967	1,929,638	540,671	38.930%
12	Miscellaneous	0	21,626	21,626	0	0.000%
13	Private Fire Service	0	1,283,769	1,784,526	500,757	39.010%
14	Public Fire Service	0	2,428,896	3,073,261	644,365	26.530%
15						
16	Total	17,843,135	\$56,900,460	\$75,395,067	\$18,494,607	32.500%
17						
18	Profoma Other Operating Revenues					
19	Other Revenue-Rentis Water Property		\$105,143	\$105,143	\$0	0.000%
20	Other Revenue - Collections for Others		\$1,071,239	1,071,239	0	0.000%
21	Other Revenues - NSF Checks		\$25,646	25,646	0	0.000%
22	Reconnection Fee		\$694,652	694,652	0	0.000%
23	Activation Fee		\$617,172	617,172	0	0.000%
24	Other revenue - misc		11,845	11,845	0	0.000%
25	AFDUC		3,094,989	3,094,989	0	0.000%
26						
27	Profoma Total Operating Revenues		\$62,521,146	\$81,015,753	\$18,494,607	29.580%
28						
29						
30						
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KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
ANNUALIZED CLASS AND SCHEDULE REVENUE SUMMARY  
TWELVE MONTHS ENDED JANUARY 31, 2009

DATA: \_X\_ BASE PERIOD \_\_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_ REVISED  
WORKPAPER REFERENCE NO(S): WIP-2

SCHEDULE M-3.1  
PAGE 1 OF 8  
Witness Responsible: M.A. Miller

Line No.	Rate Code	Class / Description	Customer Bills	Sales	Proposed Rate	Proposed Total Revenue	% of Revenue to Total	Most Current Rate	Current Annualized Total Revenue	% of Revenue to Total	Dollar Increase	Total Revenue % Increase
1												
2		<b>Residential:</b>										
3		Customer Charge	1,285,190		\$8.60	\$11,052,634	27.325%	\$7.95	\$10,217,261	32.985%	\$835,373	8.18%
4		5/8" Monthly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
5		3/4" Monthly	12		12.90	155	0.000%	11.94	143	0.000%	12	8.39%
6		1" Monthly	21,306		21.50	458,079	1.132%	19.89	423,776	1.368%	34,303	8.09%
7		1" Quarterly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
8		1 1/2" Monthly	167		43.00	7,181	0.018%	39.77	6,642	0.021%	539	8.12%
9		1 1/2" Quarterly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
10		2" Monthly	938		68.80	64,534	0.160%	63.64	59,694	0.193%	4,840	8.11%
11		2" Quarterly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
12		3" Monthly	0		129.00	0	0.000%	119.32	0	0.000%	0	0.00%
13		3" Quarterly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
14		4" Monthly	0		215.00	0	0.000%	198.86	0	0.000%	0	0.00%
15		4" Quarterly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
16		6" Monthly	24		430.00	10,320	0.026%	397.73	9,546	0.031%	774	8.11%
17		6" Quarterly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
18		8" Monthly	0		688.00	0	0.000%	636.36	0	0.000%	0	0.00%
19		8" Quarterly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
20												
21												
22												
23												
24		<b>Block Consumption:</b>										
25		Monthly Accounts:										
26		All Usage (CCF)		8,805,304	3.3300	29,321,662	72.491%	2.3378	20,584,952	66.456%	8,736,710	42.44%
27												
28												
29												
30												
31												
32		Quarterly Accounts:		0	3.3300	0	0.000%	2.3378	0	0.000%	0	0.00%
33		All Usage (CCF)										
34												
35												
36												
37		Hidden Leak Usage		0	0.83295	0	0.000%	0.58445	0	0.000%	0	0.00%
38		Credit Adjustments		(156,444)		(465,666)	-1.151%		(326,916)	-1.055%	(138,750)	42.44%
39		Additional / Local Billings		0		0	0.000%		0	0.000%	0	0.00%
40												
41												
42												
43												
44												
45												
46												
47												
48												
49												
50												
			<u>1,307,637</u>	<u>8,648,860</u>		<u>\$40,448,899</u>	<u>100.00%</u>		<u>\$30,975,098</u>	<u>100.00%</u>	<u>\$9,473,801</u>	<u>30.59%</u>







KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
ANNUALIZED CLASS AND SCHEDULE REVENUE SUMMARY  
TWELVE MONTHS ENDED JANUARY 31, 2009

DATA: X BASE PERIOD FORECASTED PERIOD  
TYPE OF FILING: ORIGINAL\_X\_UPDATED REVISED  
WORKPAPER REFERENCE NO(S): WIP-2

SCHEDULE M-3.1  
PAGE 4 OF 8  
Witness Responsible: M.A. Miller

Line No.	Rate Code	Class / Description	Customer Bills	Sales	Proposed Rate	Proposed Total Revenue	% of Revenue to Total	Most Current Rate	Current Annualized Total Revenue	% of Revenue to Total	Dollar Increase	Total Revenue % Increase
<b>Other Public Authority:</b>												
1		Customer Charge	1,591		\$8.60	\$13,683	0.200%	\$7.95	\$12,648	0.255%	\$1,035	8.18%
2		5/8" Monthly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
3		5/8" Quarterly	0		12.90	0	0.000%	11.94	0	0.000%	0	0.00%
4		3/4" Monthly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
5		3/4" Quarterly	2,128		21.50	45,752	0.669%	19.89	42,326	0.854%	3,426	8.09%
6		1" Monthly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
7		1" Quarterly	324		43.00	13,932	0.204%	39.77	12,885	0.260%	1,047	8.13%
8		1 1/2" Monthly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
9		1 1/2" Quarterly	4,207		68.80	289,442	4.233%	63.64	267,733	5.400%	21,709	8.11%
10		2" Monthly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
11		2" Quarterly	12		129.00	1,548	0.023%	119.32	1,432	0.029%	116	8.10%
12		3" Monthly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
13		3" Quarterly	451		215.00	96,965	1.418%	198.86	89,686	1.809%	7,279	8.12%
14		4" Monthly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
15		4" Quarterly	108		430.00	46,440	0.679%	397.73	42,955	0.866%	3,485	8.11%
16		6" Monthly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
17		6" Quarterly	24		688.00	16,512	0.241%	636.36	15,273	0.308%	1,239	8.11%
18		8" Monthly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
19		8" Quarterly	0		0.00	0	0.000%	0.00	0	0.000%	0	0.00%
<b>Block Consumption:</b>												
<b>Monthly Accounts:</b>												
20		All Usage (CCF)		2,206,154	2.8160	6,212,530	90.855%	1.9950	4,401,299	88.774%	1,811,231	41.15%
<b>Quarterly Accounts:</b>												
21		All Usage (CCF)		0	2.8160	0	0.000%	1.9950	0	0.000%	0	0.00%
<b>Credit Adjustments</b>												
22		Additional / Local Billings		36,766		101,079	1.478%		71,610	1.444%	29,469	41.15%
23				0		0	0.000%		0	0.000%	0	0.00%
24			8,845	2,242,920		\$6,837,863	100.00%		\$4,957,847	100.00%	\$1,880,036	37.92%























KENTUCKY-AMERICAN WATER COMPANY  
CASE NO: 2008-00427  
ANNUALIZED CLASS AND SCHEDULE REVENUE SUMMARY  
TWELVE MONTHS ENDED MAY 31, 2010

DATA: \_\_\_BASE PERIOD\_X\_ FORECASTED PERIOD  
TYPE OF FILING:\_\_\_ORIGINAL\_\_\_UPDATED\_X\_REVIS  
WORKPAPER REFERENCE NO(S): WIP-2  
AGDR2#19(11)

SCHEDULE M-3.2  
PAGE 7 OF 8  
Witness Responsible: M.A. Miller

Line No.	Rate Code	Class / Description	Customer Bills	Sales	Proposed Rate	Proposed Total Revenue	% of Revenue to Total	Most Current Rate	Current Annualized Total Revenue	% of Revenue to Total	Dollar Increase	Total Revenue % Increase
1												
2												
3												
4												
5		<b>Private Fire Service:</b>										
6		2" Connections	56		\$ 83.76	\$ 4,691	0.263%	\$ 60.24	\$ 3,373	0.263%	\$ 1,318	39.08%
7		4" Connections	345		\$ 335.28	115,672	6.482%	241.20	83,214	6.482%	32,458	39.01%
8		6" Connections	769		\$ 753.48	579,426	32.469%	542.04	416,829	32.469%	162,597	39.01%
9		8" Connections	233		\$ 1,339.08	312,006	17.484%	963.36	224,463	17.485%	87,543	39.00%
10		10" Connections	7		\$ 2,092.56	14,648	0.821%	1,505.40	10,538	0.821%	4,110	39.00%
11		12" Connections	4		\$ 3,013.80	12,055	0.676%	2,168.16	8,673	0.676%	3,382	38.99%
12		14" Connections	0		\$ 4,102.44	0	0.000%	2,951.40	0	0.000%	0	0.00%
13		16" Connections	1		\$ 5,356.92	5,357	0.300%	3,853.92	3,854	0.300%	1,503	39.00%
14		Private Fire Hydrants	983		\$ 753.48	740,671	41.505%	542.04	532,825	41.505%	207,846	39.01%
15		Total Private Fire Service	<u>2,398</u>			<u>\$ 1,784,526</u>	<u>100.00%</u>		<u>\$ 1,283,769</u>	<u>100.00%</u>	<u>\$ 500,757</u>	<u>39.01%</u>



\  
**SCHEDULE N**

**TYPICAL BILL COMPARISON UNDER PRESENT AND PROPOSED RATES FOR ALL CUSTOMER CLASSES**

**KENTUCKY-AMERICAN WATER COMPANY**

**CASE NO: 2008-00427**

Forecasted Test Period FOR THE TWELVE MONTHS ENDED: MAY 2010

Base Period: FOR THE TWELVE MONTHS ENDED: JANUARY 2009

<u>Schedule</u>	<u>Description</u>
N-3	No update required for Schedule N.

For the electronic version, refer to KAW\_SAPP\_EX37N\_030909.pdf.