

Kentucky American Water Company  
Adjustments to rate filing

	revenue requirement	variance	Related Data Request
Original filing	18,494,634		
adjust DCP - Owenion & TV (14,685)	18,479,691	(14,943) included in expense in error	AGDR1#97
eliminate dup. of Boonesboro amtz (13,051)	18,478,353	(1,338) duplication	AGDR1#41
corr Sch B-6 ITC balances	18,477,899	(454) transposition error	AGDR1#50
Adj rev lag days 41.04	18,413,219	(64,680) lead lag error	AGDR1#18
adj chem lag days 30.49	18,392,133	(21,086) lead lag error	AGDR1#20
adj pension lag days -2.27	18,391,542	(591) lead lag error	AGDR1#21
adj maintenance exp (72,000)	18,318,275	(73,267) reduction to budget	AGDR1#77
adj janitorial 575500.14 (\$35,438)	18,282,268	(36,006) reduction to budget	AGDR1#78
adj janitorial 575500.13 (\$5832)	18,276,381	(5,887) reduction to budget	AGDR1#78
add 3' meters to OPA class	18,274,947	(1,434) revenue error	AGDR1#54c
adj misc revenues - going level	18,260,232	(14,715) revenue error	AGDR1#37
adj private fire - 13 mo average	18,268,198	7,966 adjustment to budget	AGDR1#59c
adj public fire - 13 mo average	18,305,365	37,167 adjustment to budget	AGDR1#60
adj OWU City of Nicholasville (32,192) (incl adj to fuel & power, chem, and uncollectibles)	18,285,233	(20,132) revenue error	AGDR1#56
corr working capital between maint & Other operating expenses:			
Maint overstated 100,242 @ lag days of 18.54	18,284,997	(236) lead lag error	PSCDR2#51
Other op exp understated 100,242 @ lag days of 24.44	18,284,997	0 no effect - 0 lead/lag days for depreciation	PSCDR2#51
corr working capital -duplicate boonessboro amtz	18,154,332	(130,665) reduction to budget	PSCDR1#37
adjust paving expense (128,513)	18,075,655	(78,677) known change-movement between companies	PSCDR2#9
Eliminate Nick Rowe from filing & add to mgmt fees	18,121,411	45,756 known change-movement between companies	LFUCGDR1#8
Add Donna Braxton/Michael Shryock to KAWC employee list	17,950,349	(171,062) reduction to budget	PSCDR2#23/PSCDR1#22
Reduce management fees (168,426)	17,949,707	(642) expense error	n/a
corr prop taxes -Sadleville (446)	17,908,092	(41,615) charged incorrectly in budget	AGDR1#83
Eliminate institutional advertising (41,243) plus alloc adj	17,853,807	(54,285) rate base error	AGDR2#5
correct composite IT rate on AFUDC calc	17,853,461	(346) expense error	AGDR2#26
eliminate sewer incentive amounts	17,847,419	(6,042) lead lag error	AGDR2#4
correct NI amount on working cap AGDR2#4	17,809,059	(38,360) adjustment to budget	AGDR2#10
revise Private fire connections AG2 #10	17,809,390	331 adjustment to budget	AGDR2#10
adj to uncollectibles from chg in private fire connections	17,809,402	12 expense error	n/a
delete incentive - P Buelher - allocations file (error)	17,809,391	(11) adjustment to budget	n/a
adj allocations of uncollectibles	17,724,906	(84,484) adjustment to budget	PSCDR3#7
eliminate treatment plant operator 3rd shift position	18,061,047	336,141 known change-more current information	new actuarial study
add! management fees for pensions & OPEB's	18,771,239	710,192 known change-more current information	new actuarial study
add! pension expense - Kentucky Am	19,106,235	334,996 known change-more current information	new actuarial study
add! OPEB's expense - Kentucky Am	19,105,162	(1,073) known change-more current information	new actuarial study
adjust labor allocation due to OH rates of pension/opeb's	18,922,748	(182,415) known change-more current information	AGDR1#94
reduction to misc expense for current gasoline prices	18,923,950	1,202 known change-more current information	AGDR1#94
adjust allocations due to reduction in transportation exp	18,623,435	(300,515) known change-more current information	Revised Exhibit MAM-5
Adjust short term debt rate	19,116,995	493,560 known change-more current information	Revised Exhibit MAM-5
Adjust long term debt rate	18,878,503	(238,492) adjustment to budget	AGDR1#52 & AG2#9
Adj misc revenues to 12 months ending Dec 08	18,871,580	(6,923) adjustment to budget	AGDR1#37(d)
Adj misc revenues to 13 months ending Dec 08		<u>376,946</u> adjustment to revenue requirement	