

**Case No. 2013-00237**

**Exhibit 12**

Water Service Corporation of Kentucky depreciates its water plant at a rate of 2%; its vehicles at 25%; and its Mainframe Computers at 20%, Mini-computers at 33.3%, Computer Systems at 12.5%, and its Software Amortization at 33.3%. Four years is the average life span for vehicles. Mainframe computers have an average life span of five years, mini-computers have an average life span of three years, Computer systems have an average life span of eight years, and Software have an average life span of three years. Water plant, if not based on a class of asset depreciation, is typically depreciated over 50 years for most Utilities, Inc. companies.