

Kentucky American Water
Alternative Rate Filing- Sewer Utility
Depreciation Schedule per ARF Form-1 Item 14
Case No. 2021-00434

Line #	Utility Account	Utility Account Description	NARUC Account Group	Asset Original Cost at 12/31/20	Depreciation Rate	Useful Life (Calculated, In Years)	Accumulated Depreciation Balance at 12/31/20	Annual Depreciation Expense
1	394000	Laboratory Equipment		\$ 14,117.29	20.00%	5.00	\$ 3,069.04	\$ 2,823.46
2	363000	Services Sewer		\$ 211,948.22	2.00%	50.00	\$ 33,057.55	\$ 4,238.96
3	389600	Oth Plant & Misc Equipment		\$ 360,620.60	10.00%	10.00	\$ 101,334.77	\$ 36,062.06
4	395000	Laboratory Equipment		\$ 42,900.00	10.00%	10.00	\$ 50,348.42	\$ 4,290.00
5	392000	Office Furniture		\$ -	10.00%	10.00	\$ 4,256.07	\$ -
6	361101	Collecting Mains		\$ 660,102.91	2.00%	50.00	\$ 610,643.20	\$ 13,297.32
7	360000	Collection Sewers		\$ 1,027,493.61	2.00%	50.00	\$ 683,790.46	\$ 21,595.23
8	371200	Pump Equipment - Oth Pwr		\$ 5,914.14	5.00%	20.00	\$ 2,818.28	\$ 295.71
9	354300	Struct & Imp - SPP		\$ 1,818,045.99	2.50%	40.00	\$ 1,465,496.58	\$ 43,778.05
10	364000	Flow Measuring Device		\$ 13,490.56	2.00%	50.00	\$ 781.47	\$ 269.81
11	361100	Collecting Mains		\$ 2,273,393.28	2.50%	40.00	\$ 373,076.54	\$ 45,467.87
12	396000	Communication Equip		\$ 10,834.46	10.00%	10.00	\$ 3,362.28	\$ 1,083.45
13	354500	Struct & Imp - General		\$ 339,664.76	10.00%	10.00	\$ 192,363.62	\$ 33,966.48
14	393000	TD Equipment		\$ 45,678.66	20.00%	5.00	\$ 48,132.37	\$ 4,567.87
15	380000	Transmission & D244Distributio		\$ 1,617,360.23	20.00%	5.00	\$ 703,091.50	\$ 119,718.73
16	390300	Office Furniture		\$ 1,527.77	6.87%	14.56	\$ 1,085.00	\$ 104.96
17	353500	Land & Land Rights - General		\$ 39,244.00	0.00%		\$ -	\$ -
18	354200	Struct & Imp - Coll		\$ 207,763.26	5.00%	20.00	\$ 89,863.43	\$ 25,449.30
19	391000	Office Furniture		\$ -	20.00%	5.00	\$ -	\$ -
20	354400	Struct & Imp - TDP		\$ 4,405,588.97	10.00%	10.00	\$ 1,213,766.10	\$ 131,771.43
21	371160	Pump Equipment - Elect		\$ 77,496.23	20.00%	5.00	\$ 72,472.39	\$ 15,499.25
22	391100	Office Furniture		\$ -	10.00%	10.00	\$ 43,328.04	\$ -
23	381000	Plant Sewers		\$ 3,884.68	5.00%	20.00	\$ 699.08	\$ 145.68
24	390200	Office Furniture		\$ -	20.00%	5.00	\$ 7,334.05	\$ -
25	397000	Misc Equipment		\$ 28,881.77	10.00%	10.00	\$ 29,102.02	\$ 2,888.18
26	371100	Pump Equipment - Elect		\$ 463,306.26	5.00%	20.00	\$ 87,304.63	\$ 23,165.31
27	390000	Office Furniture		\$ -	10.00%	10.00	\$ 9,354.53	\$ -
28								
29	Sum			<u>\$ 13,669,257.65</u>			<u>\$ 5,829,931.42</u>	<u>\$ 530,479.07</u>

Kentucky American Water
Alternative Rate Filing- Sewer Utility
Interest Expense Attachment to Revenue Requirement
Case No. 2021-00434

Line #	Item	Value at 12/31/20
1	Step 1 - Sewer Rate Base at 12/31/20	
2		
3	Net Plant	
4	Utility Plant In Service	\$ 13,669,257.65
5	Accumulated Depreciation	\$ (5,826,983.38)
6	Accumulated Cost of Removal	<u>\$ 2,386,695.42</u>
7	Net Plant (Sum Lines 4 through 6)	<u>\$ 10,228,969.69</u>
8		
9	Adds:	
10	Materials and Supplies	\$ 10,482.73
	Working Capital	<u>\$ 110,979.38</u>
11	Total Adds (Line 10)	<u>\$ 121,462.11</u>
12		
13	Deducts:	
14	CIAC	\$ (1,714,482.62)
	Deferred Taxes	\$ (1,198,849.12)
15	Total Deducts (Line 14)	<u>\$ (2,913,331.74)</u>
16		
17	Total Rate Base (Line 7 + Line 11 + Line 15)	<u><u>\$ 7,437,100.06</u></u>
18		
19		
20	Step 2 - Weighted Cost of Debt at 12/31/20	<u>1.92%</u>
21		
22	Step 3 - Interest Expense (Line 17 x Line 20)	<u><u>\$ 142,792.32</u></u>
23		

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2021-00434
COST OF CAPITAL SUMMARY
AS OF DECEMBER 31, 2020

Line No.	Class of Capital	Reference	Net Carrying Amount	% of Total	Add (1)	Adjusted Capital	Cost Rate	Terminal Weighted Cost
1								
2	Short-Term Debt		\$31,195,453	6.400%	\$8,720	\$31,204,173	0.237%	0.020%
3								
4	Long-Term Debt		218,953,592	44.918%	61,204	219,014,796	4.240%	1.900%
5								
6	Preferred Stock		2,243,852	0.460%	627	2,244,479	8.510%	0.040%
7								
8	Common Equity		235,056,857	48.222%	65,706	235,122,563		0.000%
9								
10	Total Capital		<u>\$487,449,753</u>	100.00%	<u>\$136,257</u>	<u>\$487,586,010</u>		<u>1.960%</u> Weighted Cost of Debt and Preferred Stock
11								
12								
13								
14								
15								
16	(1) JDITC	<u>\$136,257</u>						