

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

CONSUMERS ILLINOIS WATER COMPANY

Petition under Section 7-101 regarding issuance and)
sale of \$5,900,000 of common stock to an affiliated) 03-____
interest.)

PETITION

TO THE ILLINOIS COMMERCE COMMISSION:

Consumers Illinois Water Company (the "Company") states as follows:

1. The Company is a corporation organized and existing under and by virtue of the laws of the State of Illinois with its principal office in Kankakee, Illinois. The Company is a public utility within the meaning of Section 3-105 of the Illinois Public Utilities Act, as amended (the "Act"). The Company furnishes water and/or sewer utility service to the public in portions of the following Illinois counties: Kankakee County; Vermilion County; Knox County; Boone County; Lee County; Will County; and Lake County. The Company supplies water at wholesale to the City of Westville Water District and the City of Catlin Water District. All of the issued and outstanding shares of common stock of Consumers are owned by Consumers Water Company ("CWC") and all outstanding securities of CWC are owned by Philadelphia Suburban Corporation ("Philadelphia Suburban").

2. The Company proposes, subject to the approval of the Commission under Sections 6-102 and 7-101 of the Act, to issue and sell to CWC, an affiliated interest, common stock for an aggregate price of not to exceed \$5,900,000. The Company is filing simultaneously herewith an Informational Statement for approval under Section 6-102(d) of the issuance of the common stock (the "Informational Statement"). The proposed sale will be pursuant to a Stock

Purchase Agreement between the Company and CWC, the proposed form of which will be in substantially the form of Exhibit A hereto. By virtue of its ownership of all of the Company's outstanding common stock, CWC is an "affiliated interest" of the Company within the meaning of the Act. The number of shares of common stock to be issued will depend on the cash to be paid by CWC and a price per share determined at the time of issuance based on the common equity value per share as shown on the most recently available balance sheet of the Company.

3. The issuance of common stock is contemplated to occur on or prior to December 31, 2003 but not prior to the date of the Commission's order herein. The Company requests that the subject of this Petition and Informational Statement be consolidated for review by the Commission and a single order be issued, on an expedited basis, no later than December 17, 2003.

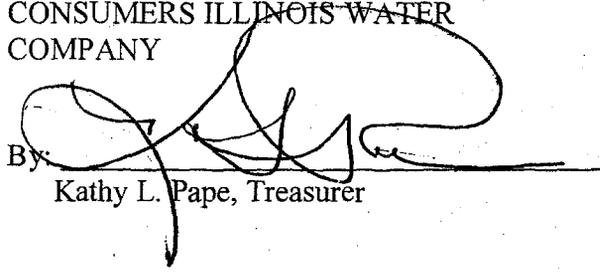
4. The fee due under Section 6-108 of the Act with respect to the common stock would equal \$7,080 (12 cents for every \$100 of common stock issued).

5. The issuance of the common stock as outlined above is in the public interest.

WHEREFORE, Consumers Illinois Water Company respectfully requests that the Commission enter an order pursuant to Section 7-101 and Section 6-108 granting its consent to, approval and authorization of the issuance by the Company of \$5,900,000 of common stock to CWC, an affiliated interest, pursuant to the Stock Purchase Agreement.

Dated: November 14, 2003

CONSUMERS ILLINOIS WATER
COMPANY

By: 

Kathy L. Pape, Treasurer

Attorneys for the Company:

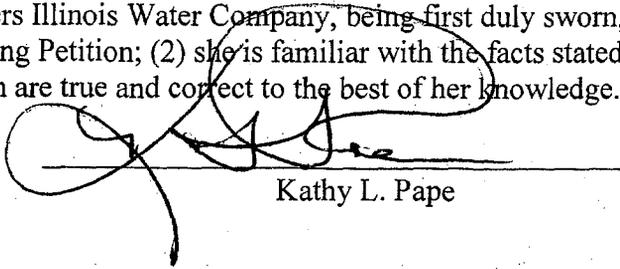
Boyd J. Springer
bjspringer@jonesday.com

William J. Harmon
wjharmon@jonesday.com

Jones Day
77 West Wacker
Suite 3500
Chicago, Illinois 60601
(312) 782-3939

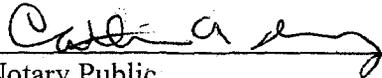
VERIFICATION

Kathy L. Pape, Treasurer of Consumers Illinois Water Company, being first duly sworn, states that (1) she has read the foregoing Petition; (2) she is familiar with the facts stated therein; and (3) the facts stated therein are true and correct to the best of her knowledge.



Kathy L. Pape

SUBSCRIBED AND SWORN TO before
me this 14th day of November, 2003.



Notary Public

Notary Seal
Catherine A. Iezzi, Notary Public
Lower Merion Twp., Montgomery County
My Commission Expires Dec 31, 2004

Member, Pennsylvania Association of Notaries

STOCK PURCHASE AGREEMENT

Consumers Illinois Water Company, an Illinois corporation (the "Company"), and Consumers Water Company, a Pennsylvania corporation ("Consumers"), agree as follows:

1. The Company agrees to sell to Consumers, and Consumers agrees to purchase approximately _____ shares of the Company's common stock, \$5.00 par value per share (the "New Common Stock"), for an aggregate price of \$5,900,000.
2. The Company's obligation to sell, and Consumers' obligation to purchase the New Common Stock pursuant to this Agreement is conditioned upon the authorization of the issue and sale of the New Common Stock by the Illinois Commerce Commission and by all governmental authorities, if any, whose authorization is required, which authorization shall not contain any conditions deemed by the Company to be burdensome to it.
3. Delivery and payment shall be made at such place, date and time as shall be mutually agreed to. The Company shall deliver certificates representing the New Common Stock upon receipt of the consideration therefor specified in paragraph 1.
4. Consumers represents and agrees that its purchase of the New Common Stock is for investment only and not with a view to the distribution thereof, and that its acceptance of delivery of the New Common Stock shall be a confirmation of that representation. In addition, Consumers agrees to deliver such further instruments to that effect at the time of delivery of the New Common Stock as the Company may reasonably request.

This Agreement shall constitute a binding agreement, containing all the terms of the agreement between the Company and Consumers.

Dated: _____, 2003

CONSUMERS ILLINOIS
WATER COMPANY

CONSUMERS WATER COMPANY

By _____
President

By _____
President