

Aqua Illinois, Inc.
Statement of Operating Income
For the Test Year Ending December 31, 2005
Oak Run Water Division

Schedule 6.1 (OR)
Page 1 of 2

Line No.	Description	Company Original Pro Forma Proposed (AQUA Ex. 5 Sch. C-1 & WP-C1)	5/5/2005 Staff Adjustments	5/5/2005 Staff Adjustments Accepted by Company	6/15/2005 Company Rebuttal Adjustments	Company Rebuttal Pro Forma Proposed (Col a + c + d)	
		(a)	(b)	(c)	(d)	(e)	
1	Total Operating Revenue	\$ 543,099	\$ (77,277)	\$ -	\$ (22,612)	\$ 520,487	
2							
3	Uncollectible Expense	12,847	(10,560)	-	(5,462)	7,385	
4	Salaries & Wages	17,050	-	-	-	17,050	
5	Pensions & Benefits	3,144	-	-	521	3,665	
6	Purchased Power & Fuel	10,300	-	-	-	10,300	
7	Chemicals	3,272	-	-	-	3,272	
8	Materials & Supplies	7,428	-	-	-	7,428	
9	Contractual Services	110,073	(9,143)	-	-	110,073	
10	Lease Expense	1,752	-	-	-	1,752	
11	Transportation Expense	9,120	-	-	-	9,120	
12	Insurance Expense	6,062	-	-	-	6,062	
13	Regulatory Expense Amortization	43,292	(38,662)	-	-	43,292	
14	Miscellaneous Expense	18,531	-	-	-	18,531	
15	Depreciation Expense	72,033	(3,777)	(3,777)	-	68,256	
16	Amortization	-	-	-	-	-	
17	Taxes other than Income	16,761	-	-	-	16,761	
18	Total Operating Expense						
19	Before Income Taxes	331,664	(62,142)	(3,777)	(4,941)	322,947	
20							
21	State Income Tax	11,051	(808)	-	(608)	10,443	
22	Federal Income Tax	50,000	(3,589)	-	(3,588)	46,412	
23	ITCs Net	-	-	-	-	-	
24	Total Operating Expenses	392,715	(66,539)	(3,777)	(9,137)	379,802	
25							
26	NET OPERATING INCOME	\$ 150,384	\$ (10,738)	\$ 3,777	\$ (13,475)	\$ 140,685	
27							
28	Rate Base (Schedule R-1.0, page 2 of 2)	\$ 1,670,992	\$ (82,305)	\$ (81,162)	\$ (24)	1,589,806	
29	Overall Rate of Return	9.00%				8.85%	
30							
31	Company Pro Forma Present Operating Revenues	\$ 329,890	-	-	-	\$ 329,890	
32							
33	Revenue Change	\$ 213,209	(77,277)	-	(22,612)	\$ 190,597	
34							
35	Percentage Revenue Change	64.63%				57.78%	
36							
37							
38							
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41							
42	Note - Company accept's Staff's Proposed Capital Structure and Return on Equity						

Aqua Illinois, Inc.
Rate Base
For the Test Year Ending December 31, 2005
Oak Run Water Division

Schedule 6.1 (OR)
Page 2 of 2

Line No.	Description	Company Pro Forma Rate Base AQUA Ex. 5 (Schedule B-1) (a)	5/5/2005 Staff Adjustments (b)	5/5/2005 Staff Adjustments Accepted by Company (c)	6/15/2005 Company Rebuttal Adjustments (d)	6/15/2005 Company Rebuttal Rate Base (Col a + c + d) (e)
1	Gross Utility Plant in Service at Orig. Cost	\$ 2,413,932	\$ (76,158)	\$ (76,158)	\$ -	\$ 2,337,774
2	Allocation of Corporate Gross Util. Plant	76,578	-	-	-	76,578
3	Accum. Amort. Of Utility Plant Acq. Adj.	-	-	-	-	-
4	Add: Non-AFUDC CWIP	-	-	-	-	-
5	Less: Reserve for Accum. Depreciation	740,089	(12,503)	(12,503)	-	727,586
6	Allocation of Corp. Res. For Accum. Dep.	14,341	-	-	-	14,341
7	Net Utility Plant	\$ 1,736,079	\$ (63,655)	\$ (63,655)	\$ -	\$ 1,672,424
8						
9	Additions					
10						
11	Property Held For Future Use	-	-	-	-	-
12	Deferred Charges	115,919	(8,919)	(8,919)	-	107,000
13	Materials & Supplies	5,652	-	-	-	5,652
14	Cash Working Capital	24,840	(1,143)	-	65	24,905
15	Amort. of Contributions In Aid of Const.	9,119	-	-	-	9,119
16						
17	Deductions					
18						
19	FAS 87 Pension	3,642	-	-	148	3,790
20	Customer Advances	-	-	-	-	-
21	Contributions In Aid of Construction	16,580	-	-	-	16,580
22	Deferred Income Taxes - Total	200,395	8,588	8,588	(59)	208,924
23						
24						
25						
26						
27	Rate Base	\$ 1,670,992	\$ (82,305)	\$ (81,162)	\$ (24)	\$ 1,589,806

Aqua Illinois, Inc.
Statement of Operating Income
For the Test Year Ending December 31, 2005
Woodhaven Water Division

Schedule 6.1 (WW)
Page 1 of 2

Line No.	Description	Company Original Pro Forma Proposed (AQUA Ex. 4 Sch. C-1 & WP-C1)	5/5/2005 Staff Adjustments	5/5/2005 Staff Adjustments Accepted by Company	6/15/2005 Company Rebuttal Adjustments	Company Rebuttal Pro Forma Proposed (Col a + c + d)
		(a)	(b)	(c)	(d)	(e)
1	Total Operating Revenue	\$ 1,298,554	\$ (247,423)	\$ -	\$ (18,803)	\$ 1,279,751
2						
3	Uncollectible Expense	86,456	(16,429)	-	(1,251)	85,205
4	Salaries & Wages	136,976	-	-	-	136,976
5	Pensions & Benefits	31,812	-	-	4,045	35,857
6	Purchased Power & Fuel	37,778	-	-	-	37,778
7	Chemicals	6,573	-	-	-	6,573
8	Materials & Supplies	10,584	-	-	-	10,584
9	Contractual Services	328,139	(166,361)	-	(43,380)	284,759
10	Lease Expense	7,896	-	-	-	7,896
11	Transportation Expense	33,960	-	-	-	33,960
12	Insurance Expense	15,950	-	-	-	15,950
13	Regulatory Expense Amortization	40,238	(31,098)	-	-	40,238
14	Miscellaneous Expense	16,561	-	-	44,500	61,061
15	Depreciation Expense	141,605	(18,024)	(18,024)	1,730	125,311
16	Amortization	-	-	-	-	-
17	Taxes other than Income	46,141	-	-	-	46,141
18	Total Operating Expense					
19	Before Income Taxes	940,668	(231,912)	(18,024)	5,644	928,289
20						
21	State Income Tax	18,771	(827)	-	(238)	18,533
22	Federal Income Tax	84,933	(3,676)	-	(2,563)	82,370
23	ITCs Net	-	-	-	-	-
24	Total Operating Expenses	1,044,372	(236,415)	(18,024)	2,843	1,029,192
25						
26	NET OPERATING INCOME	\$ 254,182	\$ (11,008)	\$ 18,024	\$ (21,646)	\$ 250,559
27						
28	Rate Base (Schedule R-1.0, page 2 of 2)	\$ 2,824,333	\$ (57,858)	\$ (37,063)	\$ 44,184	2,831,454
29	Overall Rate of Return	9.00%				8.85%
30						
31	Company Pro Forma Present Operating Revenues	\$ 798,270	-	-	-	\$ 798,270
32						
33	Revenue Change	\$ 500,284	(247,423)	-	(18,803)	\$ 481,481
34						
35	Percentage Revenue Change	62.67%				60.32%
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42	Note - Company accept's Staff's Proposed Capital Structure and Return on Equity					

Aqua Illinois, Inc.
Rate Base
For the Test Year Ending December 31, 2005
Woodhaven Water Division

Line No.	Description	Company Pro Forma Rate Base AQUA Ex. 4 (Schedule B-1) (a)	5/5/2005 Staff Adjustments (b)	5/5/2005 Staff Adjustments Accepted by Company (c)	6/15/2005 Company Rebuttal Adjustments (d)	6/15/2005 Company Rebuttal Rate Base (Col a + c + d) (e)
1	Gross Utility Plant in Service at Orig. Cost	\$ 4,686,719	\$ (130,640)	\$ (130,640)	\$ 48,433	\$ 4,604,512
2	Allocation of Corporate Gross Util. Plant	373,120	-	-	-	373,120
3	Accum. Amort. Of Utility Plant Acq. Adj.	-	-	-	-	-
4	Add: Non-AFUDC CWIP	-	-	-	-	-
5	Less: Reserve for Accum. Depreciation	1,631,236	(130,640)	(130,640)	864	1,501,460
6	Allocation of Corp. Res. For Accum. Dep.	69,877	-	-	-	69,877
7	Net Utility Plant	\$ 3,358,725	\$ -	\$ -	\$ 47,569	\$ 3,406,294
8						
9	Additions					
10						
11	Property Held For Future Use	-	-	-	-	-
12	Deferred Charges	190,000	(77,900)	(77,900)	-	112,100
13	Materials & Supplies	25,168	-	-	-	25,168
14	Cash Working Capital	81,985	(20,795)	-	646	82,631
15	Amort. of Contributions In Aid of Const.	480,208	-	-	-	480,208
16						
17	Deductions					
18						
19	FAS 87 Pension	28,310	-	-	1,150	29,460
20	Customer Advances	-	-	-	-	-
21	Contributions In Aid of Construction	929,319	-	-	-	929,319
22	Deferred Income Taxes - Total	354,124	(40,837)	(40,837)	2,881	316,168
23						
24						
25						
26						
27	Rate Base	<u>\$ 2,824,333</u>	<u>\$ (57,858)</u>	<u>\$ (37,063)</u>	<u>\$ 44,184</u>	<u>\$ 2,831,454</u>

Aqua Illinois, Inc.
Statement of Operating Income
For the Test Year Ending December 31, 2005
Woodhaven Sewer Division

Line No.	Description	Company Original Pro Forma Proposed (AQUA Ex. 4 Sch. C-1 & WP-C1) (a)	5/5/2005 Staff Adjustments (b)	5/5/2005 Staff Adjustments Accepted by Company (c)	6/15/2005 Company Rebuttal Adjustments (d)	Company Rebuttal Pro Forma Proposed (Col a + c + d) (e)
1	Total Operating Revenue	\$ 1,209,899	\$ (213,661)	\$ -	\$ (55,134)	\$ 1,154,765
2						
3	Uncollectible Expense	86,600	(15,251)	-	(3,946)	82,654
4	Salaries & Wages	102,109	-	-	-	102,109
5	Pensions & Benefits	23,856	-	-	3,178	27,034
6	Purchased Power & Fuel	19,189	-	-	-	19,189
7	Chemicals	-	-	-	-	-
8	Materials & Supplies	9,504	-	-	-	9,504
9	Contractual Services	295,822	(146,069)	-	(38,199)	257,623
10	Lease Expense	888	-	-	-	888
11	Transportation Expense	14,364	-	-	-	14,364
12	Insurance Expense	18,098	-	-	-	18,098
13	Regulatory Expense Amortization	40,238	(31,315)	-	-	40,238
14	Miscellaneous Expense	4,385	-	-	-	4,385
15	Depreciation Expense	189,265	(16,488)	(16,488)	-	172,777
16	Amortization	-	-	-	-	-
17	Taxes other than Income	41,650	-	-	-	41,650
18	Total Operating Expense					
19	Before Income Taxes	845,967	(209,123)	(16,488)	(38,967)	790,513
20						
21	State Income Tax	19,074	(245)	-	383	19,457
22	Federal Income Tax	86,303	(1,088)	-	175	86,478
23	ITCs Net	-	-	-	-	-
24	Total Operating Expenses	951,344	(210,456)	(16,488)	(38,409)	896,448
25						
26	NET OPERATING INCOME	\$ 258,555	\$ (3,205)	\$ 16,488	\$ (16,725)	\$ 258,317
27						
28	Rate Base (Schedule R-1.0, page 2 of 2)	\$ 2,872,922	\$ 32,074	\$ 50,333	\$ (4,145)	2,919,110
29	Overall Rate of Return	9.00%				8.85%
30						
31	Company Pro Forma Present Operating Revenues	\$ 750,585	-	-	-	\$ 750,585
32						
33	Revenue Change	\$ 459,314	(213,661)	-	(55,134)	\$ 404,180
34						
35	Percentage Revenue Change	61.19%				53.85%
36						
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41						
42	Note - Company accept's Staff's Proposed Capital Structure and Return on Equity					

Aqua Illinois, Inc.
Rate Base
For the Test Year Ending December 31, 2005
Woodhaven Sewer Division

Line No.	Description	Company Pro Forma Rate Base AQUA Ex. 4 (Schedule B-1) (a)	5/5/2005 Staff Adjustments (b)	5/5/2005 Staff Adjustments Accepted by Company (c)	6/15/2005 Company Rebuttal Adjustments (d)	6/15/2005 Company Rebuttal Rate Base (Col a + c + d) (e)
1	Gross Utility Plant in Service at Orig. Cost	\$ 5,820,069	\$ (4,490)	\$ (4,490)	\$ -	\$ 5,815,579
2	Allocation of Corporate Gross Util. Plant	326,998	-	-	-	326,998
3	Accum. Amort. Of Utility Plant Acq. Adj.	-	-	-	-	-
4	Add: Non-AFUDC CWIP	-	-	-	-	-
5	Less: Reserve for Accum. Depreciation	2,038,887	(82,436)	(82,436)	-	1,956,451
6	Allocation of Corp. Res. For Accum. Dep.	61,239	-	-	-	61,239
7	Net Utility Plant	\$ 4,046,940	\$ 77,946	\$ 77,946	\$ -	\$ 4,124,886
8						
9	Additions					
10						
11	Property Held For Future Use	-	-	-	-	-
12	Deferred Charges	34,515	(8,173)	(8,173)	-	26,342
13	Materials & Supplies	8,161	-	-	-	8,161
14	Cash Working Capital	64,453	(18,259)	-	(4,378)	60,075
15	Amort. of Contributions In Aid of Const.	525,009	-	-	-	525,009
16						
17	Deductions					
18						
19	FAS 87 Pension	22,244	-	-	903	23,147
20	Customer Advances	184,207	-	-	-	184,207
21	Contributions In Aid of Construction	1,226,564	-	-	-	1,226,564
22	Deferred Income Taxes - Total	373,141	19,440	19,440	(1,136) (1)	391,445
23						
24						
25						
26						
27	Rate Base	\$ 2,872,922	\$ 32,074	\$ 50,333	\$ (4,145)	\$ 2,919,110

(1) Includes \$(358) FAS 87 and \$(778) correction of Staff calculation.