

ILLINOIS-AMERICAN WATER COMPANY  
 Jurisdictional Operating Income Summary  
 Period Reported: January 2010 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3005  
 Schedule C-1 First Revised  
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 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Total Company  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Description                                    | ICC Account No. | Prior Pro Forma Present Rates | Adjustments     | Revised Pro Forma Present Rates | Update Revenue Increase    | Pro Forma Update |
|----------|--|-----------------|-------------------------------|-----------------|---------------------------------|----------------------------|------------------|
| 1        | Operating revenues                             | 400             | \$ 202,312,542                | \$ (22,722,183) | \$ 179,590,359                  | \$ 60,519,567 <sup>1</sup> | \$ 240,109,926   |
| 2        | Operation and maintenance expense              | 401             | 141,473,696                   | (34,218,796)    | 107,254,900                     | 726,233                    | 107,981,133      |
| 3        | Depreciation and amortization                  | 403 & 407       | 31,300,129                    | 8,544,008       | 39,844,137                      |                            | 39,844,137       |
| 4        | Taxes other than income taxes                  | 408             | 12,311,403                    | 339,179         | 12,650,582                      |                            | 12,650,582       |
| 5        | Federal Income Taxes                           | 409             | (1,656,653)                   | 1,434,945       | (221,708)                       | 20,068,169                 | 19,846,461       |
| 6        | State Income Taxes                             | 409             | (260,768)                     | 150,535         | (110,233)                       | 2,455,702                  | 2,345,469        |
| 7        | Total operating expenses                       |                 | 183,167,808                   | (23,750,130)    | 159,417,678                     | 23,250,104                 | 182,667,782      |
| 8        | Utility operating income                       |                 | \$ 19,144,734                 | \$ 1,027,947    | \$ 20,172,681                   | \$ 37,269,463              | \$ 57,442,144    |
| 9        | Original cost rate base                        |                 | \$ 616,332,009                |                 | \$ 616,332,009                  |                            | \$ 616,332,009   |
| 10       | Rate of return                                 |                 | 3.11%                         |                 | 3.27%                           |                            | 9.32%            |
| 11       | Amount of revenues generated by proposed rates |                 |                               |                 |                                 |                            | \$ 238,296,380   |

<sup>1</sup> The amount of the revenue increase at proposed rates is \$58,706,025.

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Exhibit No. 16.00  
Zone 1  
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| Line No. | Description                                    | ICC Account No. | Prior Pro Forma Present Rates | Adjustments    | Revised Pro Forma Present Rates | Update Revenue Increase    | Pro Forma Update |
|----------|--|-----------------|-------------------------------|----------------|---------------------------------|----------------------------|------------------|
| 1        | Operating revenues                             | 400             | \$ 136,552,633                | \$ (3,718,924) | \$ 132,833,708                  | \$ 44,515,995 <sup>1</sup> | \$ 177,349,704   |
| 2        | Operation and maintenance expense              | 401             | 91,805,811                    | (10,300,922)   | 81,504,888                      | 534,190                    | 82,039,078       |
| 3        | Depreciation and amortization                  | 403 & 407       | 19,027,115                    | 9,121,755      | 28,148,870                      |                            | 28,148,870       |
| 4        | Taxes other than income taxes                  | 408             | 9,469,463                     | 269,059        | 9,738,523                       |                            | 9,738,523        |
| 5        | Federal Income Taxes                           | 409             | (1,277,941)                   | 931,648        | (346,293)                       | 14,761,417                 | 14,415,124       |
| 6        | State Income Taxes                             | 409             | (201,156)                     | 95,496         | (105,661)                       | 1,806,325                  | 1,700,664        |
| 7        | Total operating expenses                       |                 | 118,823,292                   | 117,035        | 118,940,327                     | 17,101,932                 | 136,042,259      |
| 8        | Utility operating income                       |                 | \$ 17,729,341                 | \$ (3,835,959) | \$ 13,893,382                   | \$ 27,414,063              | \$ 41,307,445    |
| 9        | Original cost rate base                        |                 | \$ 443,212,911                |                | \$ 443,212,911                  |                            | \$ 443,212,911   |
| 10       | Rate of return                                 |                 | 4.00%                         |                | 3.13%                           |                            | 9.32%            |
| 11       | Amount of revenues generated by proposed rates |                 |                               |                |                                 |                            | \$ 173,678,865   |

<sup>1</sup> The amount of the revenue increase at proposed rates is \$40,845,157.

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Exhibit No. 16.00  
Chicago Metro - Water  
Workpaper Reference: \_\_\_\_\_

| Line No. | Description                                    | ICC Account No. | Prior Pro Forma Present Rates | Adjustments     | Revised Pro Forma Present Rates | Update Revenue Increase    | Pro Forma Update |
|----------|--|-----------------|-------------------------------|-----------------|---------------------------------|----------------------------|------------------|
| 1        | Operating revenues                             | 400             | \$ 45,087,032                 | \$ (18,276,905) | \$ 26,810,127                   | \$ 10,167,532 <sup>1</sup> | \$ 36,977,659    |
| 2        | Operation and maintenance expense              | 401             | 37,346,624                    | (21,592,485)    | 15,754,139                      | 122,010                    | 15,876,149       |
| 3        | Depreciation and amortization                  | 403 & 407       | 6,974,858                     | (623,149)       | 6,351,709                       |                            | 6,351,709        |
| 4        | Taxes other than income taxes                  | 408             | 1,701,549                     | 28,553          | 1,730,103                       |                            | 1,730,103        |
| 5        | Federal Income Taxes                           | 409             | (154,213)                     | (28,752)        | (182,965)                       | 3,371,534                  | 3,188,569        |
| 6        | State Income Taxes                             | 409             | (24,274)                      | (4,804)         | (29,078)                        | 412,568                    | 383,490          |
| 7        | Total operating expenses                       |                 | 45,844,545                    | (22,220,637)    | 23,623,908                      | 3,906,112                  | 27,530,020       |
| 8        | Utility operating income                       |                 | \$ (757,513)                  | \$ 3,943,732    | \$ 3,186,219                    | \$ 6,261,420               | \$ 9,447,639     |
| 9        | Original cost rate base                        |                 | \$ 101,369,517                |                 | \$ 101,369,517                  |                            | \$ 101,369,517   |
| 10       | Rate of return                                 |                 | -0.75%                        |                 | 3.14%                           |                            | 9.32%            |
| 11       | Amount of revenues generated by proposed rates |                 |                               |                 |                                 |                            | \$ 38,886,054    |

<sup>1</sup> The amount of the revenue increase at proposed rates is \$12,075,927

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Exhibit No. 16.00  
Chicago Metro - Waste Water  
Workpaper Reference: \_\_\_\_\_

| Line No. | Description                                    | ICC Account No. | Prior Pro Forma Present Rates | Adjustments  | Revised Pro Forma Present Rates | Update Revenue Increase <sup>1</sup> | Pro Forma Update |
|----------|--|-----------------|-------------------------------|--------------|---------------------------------|--------------------------------------|------------------|
| 1        | Operating revenues                             | 400             | \$ 11,643,709                 | \$ (719,502) | \$ 10,924,207                   | \$ 2,848,145                         | \$ 13,772,352    |
| 2        | Operation and maintenance expense              | 401             | 5,463,288                     | (1,463,897)  | 3,999,390                       | 34,178                               | 4,033,568        |
| 3        | Depreciation and amortization                  | 403 & 407       | 4,389,136                     | (1,072,386)  | 3,316,750                       |                                      | 3,316,750        |
| 4        | Taxes other than income taxes                  | 408             | 497,861                       | 19,950       | 517,811                         |                                      | 517,811          |
| 5        | Federal Income Taxes                           | 409             | (107,749)                     | 606,110      | 498,361                         | 944,438                              | 1,442,800        |
| 6        | State Income Taxes                             | 409             | (16,960)                      | 72,124       | 55,164                          | 115,569                              | 170,733          |
| 7        | Total operating expenses                       |                 | 10,225,575                    | (1,838,099)  | 8,387,475                       | 1,094,185                            | 9,481,661        |
| 8        | Utility operating income                       |                 | \$ 1,418,135                  | \$ 1,118,597 | \$ 2,536,732                    | \$ 1,753,960                         | \$ 4,290,692     |
| 9        | Original cost rate base                        |                 | \$ 46,037,468                 |              | \$ 46,037,468                   |                                      | \$ 46,037,468    |
| 10       | Rate of return                                 |                 | 3.08%                         |              | 5.51%                           |                                      | 9.32%            |
| 11       | Amount of revenues generated by proposed rates |                 |                               |              |                                 |                                      | \$ 13,771,589    |

<sup>1</sup> The amount of the revenue increase at proposed rates is \$2,847,385.

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| Line No. | Description                                    | ICC Account No. | Prior Pro Forma Present Rates | Adjustments  | Revised Pro Forma Present Rates | Update Revenue Increase   | Pro Forma Update |
|----------|--|-----------------|-------------------------------|--------------|---------------------------------|---------------------------|------------------|
| 1        | Operating revenues                             | 400             | \$ 5,852,518                  | \$ (2,723)   | \$ 5,849,795                    | \$ 1,856,734 <sup>1</sup> | \$ 7,706,529     |
| 2        | Operation and maintenance expense              | 401             | 4,535,122                     | (640,879)    | 3,894,243                       | 22,281                    | 3,916,524        |
| 3        | Depreciation and amortization                  | 403 & 407       | 422,935                       | 809,173      | 1,232,108                       |                           | 1,232,108        |
| 4        | Taxes other than income taxes                  | 408             | 448,876                       | 15,352       | 464,228                         |                           | 464,228          |
| 5        | Federal Income Taxes                           | 409             | (82,914)                      | (23,859)     | (106,773)                       | 615,689                   | 508,916          |
| 6        | State Income Taxes                             | 409             | (13,051)                      | (4,518)      | (17,569)                        | 75,341                    | 57,772           |
| 7        | Total operating expenses                       |                 | 5,310,968                     | 155,269      | 5,466,237                       | 713,311                   | 6,179,548        |
| 8        | Utility operating income                       |                 | \$ 541,550                    | \$ (157,991) | \$ 383,559                      | \$ 1,143,423              | \$ 1,526,982     |
| 9        | Original cost rate base                        |                 | \$ 16,383,928                 |              | \$ 16,383,928                   |                           | \$ 16,383,928    |
| 10       | Rate of return                                 |                 | 3.31%                         |              | 2.34%                           |                           | 9.32%            |
| 11       | Amount of revenues generated by proposed rates |                 |                               |              |                                 |                           | \$ 7,660,728     |

<sup>1</sup> The amount of the revenue increase at proposed rates is \$1,810,933.

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| Line No. | Description                                    | ICC Account No. | Prior Pro Forma Present Rates | Adjustments | Revised Pro Forma Present Rates | Update Revenue Increase   | Pro Forma Update |
|----------|--|-----------------|-------------------------------|-------------|---------------------------------|---------------------------|------------------|
| 1        | Operating revenues                             | 400             | \$ 3,176,650                  | \$ (4,129)  | \$ 3,172,521                    | \$ 1,131,161 <sup>1</sup> | \$ 4,303,682     |
| 2        | Operation and maintenance expense              | 401             | 2,322,850                     | (220,612)   | 2,102,239                       | 13,574                    | 2,115,813        |
| 3        | Depreciation and amortization                  | 403 & 407       | 486,086                       | 308,616     | 794,702                         |                           | 794,702          |
| 4        | Taxes other than income taxes                  | 408             | 193,654                       | 6,264       | 199,918                         |                           | 199,918          |
| 5        | Federal Income Taxes                           | 409             | (33,835)                      | (50,203)    | (84,038)                        | 375,091                   | 291,053          |
| 6        | State Income Taxes                             | 409             | (5,326)                       | (7,763)     | (13,089)                        | 45,899                    | 32,810           |
| 7        | Total operating expenses                       |                 | 2,963,428                     | 36,303      | 2,999,731                       | 434,564                   | 3,434,295        |
| 8        | Utility operating income                       |                 | \$ 213,222                    | \$ (40,432) | \$ 172,790                      | \$ 696,597                | \$ 869,387       |
| 9        | Original cost rate base                        |                 | \$ 9,328,185                  |             | \$ 9,328,185                    |                           | \$ 9,328,185     |
| 10       | Rate of return                                 |                 | 2.29%                         |             | 1.85%                           |                           | 9.32%            |
| 11       | Amount of revenues generated by proposed rates |                 |                               |             |                                 |                           | \$ 4,299,144     |

<sup>1</sup> The amount of the revenue increase at proposed rates is \$1,126,623.

ILLINOIS-AMERICAN WATER COMPANY  
 Summary of Utility Proposed Adjustments to Operating Income  
 Period Reported: January 2010 through December 2010

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Exhibit No. 16.00  
 Total Company  
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Witness Responsible: Rich Kerkhove

| Line No. | Description                    | Test Year Dec-2010 | Rate Case Expense | Steel Structure Maintenance Amortization | UPAA Amortization | Net Negative Salvage | QIP Revenues | Depreciation   | Property Tax Correction | Unaccounted For Water |
|----------|--------------------------------|--------------------|-------------------|--|-------------------|----------------------|--------------|----------------|-------------------------|-----------------------|
| 1        | Operating Revenue              | \$ 202,312,542     | \$ -              | \$ -                                     | \$ -              | \$ -                 | \$ (518,300) | \$ -           | \$ -                    | \$ -                  |
| 2        | O & M Expenses                 |                    |                   |  |                   |                      |              |                |                         |                       |
| 3        | Labor                          | 24,821,998         | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 4        | Purchased Water                | 21,305,628         | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 5        | Fuel and power                 | 9,909,889          | -                 | -  | -                 | -                    | -            | -              | -                       | (197,927)             |
| 6        | Chemicals                      | 8,946,840          | -                 | -  | -                 | -                    | -            | -              | -                       | (174,399)             |
| 7        | Waste disposal                 | 2,293,264          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 8        | Bus. Support Serv. - Serv. Co. | 22,015,202         | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 9        | Group insurance                | 6,866,573          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 10       | Pensions                       | 4,184,706          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 11       | Regulatory expense             | 1,029,289          | 311,259           | -  | -                 | -                    | -            | -              | -                       | -                     |
| 12       | Insurance - other              | 4,164,097          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 13       | Customer accounting            | 3,962,608          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 14       | Rents                          | 1,183,926          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 15       | General office expense         | 2,060,788          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 16       | Maintenance - other            | 18,882,599         | -                 | 273,758                                  | -                 | (10,917,855)         | -            | -              | -                       | -                     |
| 17       | Miscellaneous                  | 9,846,289          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 18       | Total O & M Expense            | 141,473,696        | 311,259           | 273,758                                  | -                 | (10,917,855)         | -            | -              | -                       | (372,326)             |
| 19       | Depreciation & Amortization    | 31,300,129         | -                 | -  | (727,044)         | -                    | -            | 9,271,052      | -                       | -                     |
| 20       | Taxes Other Than Income        | 12,311,403         | -                 | -  | -                 | -                    | -            | -              | 32,444                  | -                     |
| 21       | Current Federal taxes          | (3,790,802)        | (104,467)         | (91,880)                                 | 244,014           | 3,664,313            | (173,955)    | (3,111,602)    | -                       | 124,963               |
| 22       | Current State taxes            | (450,412)          | (12,782)          | (11,244)                                 | 29,859            | 448,395              | (21,286)     | (380,762)      | -                       | 15,290                |
| 23       | Deferred Federal taxes         | 2,134,149          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 24       | Deferred State taxes           | 189,644            | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 25       | Total Operating Expenses       | 183,167,808        | 194,010           | 170,634                                  | (453,171)         | (6,805,147)          | (195,241)    | 5,778,688      | 32,444                  | (232,073)             |
| 26       | Utility Operating Income       | \$ 19,144,734      | \$ (194,010)      | \$ (170,634)                             | \$ 453,171        | \$ 6,805,147         | \$ (323,059) | \$ (5,778,688) | \$ (32,444)             | \$ 232,073            |
| 27       | Exhibit Reference              | 6.00               | 5.00              | 6.00                                     | 6.00              | 6.00                 | 6.00         | 6.00           | 6.00                    | 6.00                  |
| 28       | Schedule Reference             | C-2                | C-2.1             | C-2.2                                    | C-2.3             | C-2.4                | C-2.5        | C-2.6          | C-2.7                   | C-2.8                 |

ILLINOIS-AMERICAN WATER COMPANY  
 Summary of Utility Proposed Adjustments to Operating Income  
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Exhibit No. 16.00  
 Total Company  
 Workpaper Reference: \_\_\_\_\_

Witness Responsible: Rich Kerkhove

| Line No. | Description                    | Purchased Water and Waste Water Effects | Budgeted Revenue Adjustment | Invested Capital Tax | Incentive Plan Adjustment | Change to Monthly Billing | Update         | Other Income Tax Effects | Total Adjustments | Present Rates  |
|----------|--------------------------------|---|-----------------------------|----------------------|---------------------------|---------------------------|----------------|--------------------------|-------------------|----------------|
| 1        | Operating Revenue              | \$ (20,861,254)                         | \$ 941,569                  | \$ -                 | \$ -                      | \$ -                      | \$ (2,284,198) | \$ -                     | \$ (22,722,183)   | \$ 179,590,359 |
| 2        | O & M Expenses                 |   |                             |                      |                           |                           |                |                          |                   |                |
| 3        | Labor                          | -                                       | -                           | -                    | (593,664)                 | 177,548                   | 65,281         | -                        | (350,835)         | 24,471,163     |
| 4        | Purchased Water                | (21,305,628)                            | -                           | -                    | -                         | -                         | -              | -                        | (21,305,628)      | -              |
| 5        | Fuel and power                 | -                                       | -                           | -                    | -                         | -                         | (872,143)      | -                        | (1,070,070)       | 8,839,819      |
| 6        | Chemicals                      | -                                       | -                           | -                    | -                         | -                         | (384,177)      | -                        | (558,575)         | 8,388,265      |
| 7        | Waste disposal                 | (799,873)                               | -                           | -                    | -                         | -                         | -              | -                        | (799,873)         | 1,493,391      |
| 8        | Bus. Support Serv. - Serv. Co. | -                                       | -                           | -                    | (1,423,968)               | -                         | 544,823        | -                        | (879,145)         | 21,136,057     |
| 9        | Group insurance                | -                                       | -                           | -                    | -                         | 43,040                    | (225,897)      | -                        | (182,856)         | 6,683,716      |
| 10       | Pensions                       | -                                       | -                           | -                    | -                         | 15,909                    | -              | -                        | 15,909            | 4,200,615      |
| 11       | Regulatory expense             | -                                       | -                           | -                    | -                         | -                         | -              | -                        | 311,259           | 1,340,548      |
| 12       | Insurance - other              | -                                       | -                           | -                    | -                         | 9,945                     | (452,590)      | -                        | (442,645)         | 3,721,451      |
| 13       | Customer accounting            | -                                       | -                           | -                    | -                         | 74,030                    | 821,952        | -                        | 895,981           | 4,858,590      |
| 14       | Rents                          | -                                       | -                           | -                    | -                         | -                         | -              | -                        | -                 | 1,183,926      |
| 15       | General office expense         | -                                       | -                           | -                    | -                         | -                         | 323,501        | -                        | 323,501           | 2,384,289      |
| 16       | Maintenance - other            | -                                       | -                           | -                    | -                         | -                         | 541,298        | -                        | (10,102,799)      | 8,779,800      |
| 17       | Miscellaneous                  | -                                       | -                           | -                    | -                         | 17,014                    | (90,033)       | -                        | (73,019)          | 9,773,269      |
| 18       | Total O & M Expense            | (22,105,501)                            | -                           | -                    | (2,017,632)               | 337,486                   | 272,015        | -                        | (34,218,796)      | \$107,254,900  |
| 19       | Depreciation & Amortization    | -                                       | -                           | -                    | -                         | -                         | -              | -                        | 8,544,008         | 39,844,137     |
| 20       | Taxes Other Than Income        | -                                       | -                           | 142,509              | -                         | -                         | 164,226        | -                        | 339,179           | 12,650,582     |
| 21       | Current Federal taxes          | 417,602                                 | 316,017                     | (47,828)             | 677,170                   | (113,269)                 | (913,047)      | 5,473,771                | 6,361,802         | 2,571,000      |
| 22       | Current State taxes            | 51,101                                  | 38,669                      | (5,855)              | 82,864                    | (13,861)                  | (111,728)      | 382,752                  | 491,412           | 41,000         |
| 23       | Deferred Federal taxes         | -                                       | -                           | -                    | -                         | -                         | -              | (4,926,857)              | (4,926,857)       | (2,792,708)    |
| 24       | Deferred State taxes           | -                                       | -                           | -                    | -                         | -                         | -              | (340,877)                | (340,877)         | (151,233)      |
| 25       | Total Operating Expenses       | (21,636,798)                            | 354,686                     | 88,826               | (1,257,598)               | 210,356                   | (588,534)      | 588,789                  | (23,750,130)      | 159,417,678    |
| 26       | Utility Operating Income       | \$ 775,544                              | \$ 586,883                  | \$ (88,826)          | \$ 1,257,598              | \$ (210,356)              | \$ (1,695,665) | \$ (588,789)             | \$ 1,027,947      | \$ 20,172,681  |
| 27       | Exhibit Reference              | 6.00                                    | 6.00                        | 6.00                 | 6.00                      | 6.00                      |                | 12.0                     |                   |                |
| 28       | Schedule Reference             | C-2.9                                   | C-2.10                      | C-2.11               | C-2.12                    | C-2.13                    | Update         | C-5                      |                   |                |

ILLINOIS-AMERICAN WATER COMPANY  
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 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Zone 1  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Description                    | Test Year Dec-2010 | Rate Case Expense | Steel Structure Maintenance Amortization | UPAA Amortization | Net Negative Salvage | QIP Revenues | Depreciation   | Property Tax Correction | Unaccounted For Water |
|----------|--------------------------------|--------------------|-------------------|--|-------------------|----------------------|--------------|----------------|-------------------------|-----------------------|
| 1        | Operating Revenue              | \$ 136,552,633     | \$ -              | \$ -                                     | \$ -              | \$ -                 | \$ (518,300) | \$ -           | \$ -                    | \$ -                  |
| 2        | O & M Expenses                 |                    |                   |  |                   |                      |              |                |                         |                       |
| 3        | Labor                          | 18,723,426         | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 4        | Purchased Water                | 439,952            | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 5        | Fuel and power                 | 8,142,784          | -                 | -  | -                 | -                    | -            | -              | -                       | (194,979)             |
| 6        | Chemicals                      | 8,654,044          | -                 | -  | -                 | -                    | -            | -              | -                       | (173,274)             |
| 7        | Waste disposal                 | 996,132            | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 8        | Bus. Support Serv. - Serv. Co. | 16,982,519         | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 9        | Group insurance                | 5,254,234          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 10       | Pensions                       | 3,221,698          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 11       | Regulatory expense             | 793,993            | 240,106           | -  | -                 | -                    | -            | -              | -                       | -                     |
| 12       | Insurance - other              | 3,212,190          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 13       | Customer accounting            | 2,881,488          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 14       | Rents                          | 603,659            | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 15       | General office expense         | 1,271,058          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 16       | Maintenance - other            | 13,677,780         | -                 | 113,089                                  | -                 | (8,422,021)          | -            | -              | -                       | -                     |
| 17       | Miscellaneous                  | 6,950,853          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 18       | Total O & M Expense            | 91,805,811         | 240,106           | 113,089                                  | -                 | (8,422,021)          | -            | -              | -                       | (368,253)             |
| 19       | Depreciation & Amortization    | 19,027,115         | -                 | -  | 13,380            | -                    | -            | 9,108,375      | -                       | -                     |
| 20       | Taxes Other Than Income        | 9,469,463          | -                 | -  | -                 | -                    | -            | -              | 32,444                  | -                     |
| 21       | Current Federal taxes          | (2,924,223)        | (80,586)          | (37,955)                                 | (4,491)           | 2,826,647            | (173,955)    | (3,057,003)    | -                       | 123,596               |
| 22       | Current State taxes            | (347,448)          | (9,860)           | (4,645)                                  | (550)             | 345,891              | (21,286)     | (374,080)      | -                       | 15,123                |
| 23       | Deferred Federal taxes         | 1,646,282          | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 24       | Deferred State taxes           | 146,291            | -                 | -  | -                 | -                    | -            | -              | -                       | -                     |
| 25       | Total Operating Expenses       | 118,823,292        | 149,660           | 70,489                                   | 8,339             | (5,249,483)          | (195,241)    | 5,677,292      | -                       | (229,534)             |
| 26       | Utility Operating Income       | \$ 17,729,341      | \$ (149,660)      | \$ (70,489)                              | \$ -              | \$ 5,183,765         | \$ (323,059) | \$ (5,677,292) | \$ -                    | \$ 229,534            |
| 27       | Exhibit Reference              | 6.00               | 5.00              | 6.00                                     | 6.00              | 6.00                 | 6.00         | 6.00           | 6.00                    | 6.00                  |
| 28       | Schedule Reference             | C-2                | C-2.1             | C-2.2                                    | C-2.3             | C-2.4                | C-2.5        | C-2.6          | C-2.7                   | C-2.8                 |

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| Line No. | Description                    | Purchased Water and Waste Water Effects | Budgeted Revenue Adjustment | Invested Capital Tax | Incentive Plan Adjustment | Change to Monthly Billing | Update         | Other Income Tax Effects | Total Adjustments | Present Rates  |
|----------|--------------------------------|---|-----------------------------|----------------------|---------------------------|---------------------------|----------------|--------------------------|-------------------|----------------|
| 1        | Operating Revenue              | \$ (458,826)                            | \$ 574,479                  | \$ -                 | \$ -                      | \$ -                      | \$ (3,316,278) | \$ -                     | \$ (3,718,924)    | \$ 132,833,708 |
| 2        | O & M Expenses                 |   |                             |                      |                           |                           |                |                          |                   |                |
| 3        | Labor                          | -                                       | -                           | -                    | (493,760)                 | 154,364                   | 50,258         | -                        | (289,137)         | 18,434,289     |
| 4        | Purchased Water                | (439,952)                               | -                           | -                    | -                         | -                         | -              | -                        | (439,952)         | -              |
| 5        | Fuel and power                 | -                                       | -                           | -                    | -                         | -                         | (867,998)      | -                        | (1,062,976)       | 7,079,807      |
| 6        | Chemicals                      | -                                       | -                           | -                    | -                         | -                         | (427,074)      | -                        | (600,348)         | 8,053,697      |
| 7        | Waste disposal                 | -                                       | -                           | -                    | -                         | -                         | -              | -                        | -                 | 996,132        |
| 8        | Bus. Support Serv. - Serv. Co. | -                                       | -                           | -                    | (1,098,448)               | -                         | 420,277        | -                        | (678,172)         | 16,304,347     |
| 9        | Group insurance                | -                                       | -                           | -                    | -                         | 37,420                    | (188,486)      | -                        | (151,065)         | 5,103,169      |
| 10       | Pensions                       | -                                       | -                           | -                    | -                         | 13,832                    | -              | -                        | 13,832            | 3,235,530      |
| 11       | Regulatory expense             | -                                       | -                           | -                    | -                         | -                         | -              | -                        | 240,106           | 1,034,099      |
| 12       | Insurance - other              | -                                       | -                           | -                    | -                         | 8,646                     | (349,135)      | -                        | (340,489)         | 2,871,701      |
| 13       | Customer accounting            | -                                       | -                           | -                    | -                         | 72,155                    | 573,042        | -                        | 645,197           | 3,526,685      |
| 14       | Rents                          | -                                       | -                           | -                    | -                         | -                         | -              | -                        | -                 | 603,659        |
| 15       | General office expense         | -                                       | -                           | -                    | -                         | -                         | 245,731        | -                        | 245,731           | 1,516,790      |
| 16       | Maintenance - other            | -                                       | -                           | -                    | -                         | -                         | 479,943        | -                        | (7,828,989)       | 5,848,791      |
| 17       | Miscellaneous                  | -                                       | -                           | -                    | -                         | 14,792                    | (69,452)       | -                        | (54,659)          | 6,896,193      |
| 18       | Total O & M Expense            | (439,952)                               | -                           | -                    | (1,592,208)               | 301,210                   | (132,892)      | -                        | (10,300,922)      | 81,504,888     |
| 19       | Depreciation & Amortization    | -                                       | -                           | -                    | -                         | -                         | -              | -                        | 9,121,755         | 28,148,870     |
| 20       | Taxes Other Than Income        | -                                       | -                           | 109,931              | -                         | -                         | 126,684        | -                        | 269,059           | 9,738,523      |
| 21       | Current Federal taxes          | (6,334)                                 | 192,811                     | (36,895)             | 534,386                   | (101,094)                 | (1,110,942)    | 5,664,038                | 4,732,223         | 1,808,000      |
| 22       | Current State taxes            | (775)                                   | 23,593                      | (4,516)              | 65,391                    | (12,371)                  | (135,944)      | 472,477                  | 358,448           | 11,000         |
| 23       | Deferred Federal taxes         | -                                       | -                           | -                    | -                         | -                         | -              | (3,800,575)              | (3,800,575)       | (2,154,293)    |
| 24       | Deferred State taxes           | -                                       | -                           | -                    | -                         | -                         | -              | (262,952)                | (262,952)         | (116,661)      |
| 25       | Total Operating Expenses       | (447,061)                               | 216,404                     | 68,520               | (992,431)                 | 187,745                   | (1,253,094)    | 2,072,988                | 117,035           | 118,940,327    |
| 26       | Utility Operating Income       | \$ (11,764)                             | \$ 358,075                  | \$ (68,520)          | \$ 992,431                | \$ (187,745)              | \$ (2,063,184) | \$ (2,072,988)           | \$ (3,835,960)    | \$ 13,893,381  |
| 27       | Exhibit Reference              | 6.00                                    | 6.00                        | 6.00                 | 6.00                      | 6.00                      | 0              | 12.0                     |                   |                |
| 28       | Schedule Reference             | C-2.9                                   | C-2.10                      | C-2.11               | C-2.12                    | C-2.13                    | Update         | C-5                      |                   |                |

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| Line No. | Description                    | Test Year Dec-2010 | Rate Case Expense | Steel Structure Maintenance Amortization | UPAA Amortization | Net Negative Salvage | QIP Revenues | Depreciation | Property Tax Correction | Unaccounted For Water |
|----------|--------------------------------|--------------------|-------------------|--|-------------------|----------------------|--------------|--------------|-------------------------|-----------------------|
| 1        | Operating Revenue              | \$ 45,087,032      | \$ -              | \$ -                                     | \$ -              | \$ -                 | \$ -         | \$ -         | \$ -                    | \$ -                  |
| 2        | O & M Expenses                 |                    |                   |  |                   |                      |              |              |                         |                       |
| 3        | Labor                          | 4,073,474          | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 4        | Purchased Water                | 20,865,675         | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 5        | Fuel and power                 | 271,917            | -                 | -  | -                 | -                    | -            | -            | -                       | (2,948)               |
| 6        | Chemicals                      | 29,588             | -                 | -  | -                 | -                    | -            | -            | -                       | (1,124)               |
| 7        | Waste disposal                 | -                  | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 8        | Bus. Support Serv. - Serv. Co. | 3,481,204          | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 9        | Group insurance                | 1,059,914          | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 10       | Pensions                       | 647,841            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 11       | Regulatory expense             | 95,813             | 28,974            | -  | -                 | -                    | -            | -            | -                       | -                     |
| 12       | Insurance - other              | 387,620            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 13       | Customer accounting            | 742,518            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 14       | Rents                          | 554,394            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 15       | General office expense         | 482,469            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 16       | Maintenance - other            | 3,031,799          | -                 | 126,468                                  | -                 | (1,016,308)          | -            | -            | -                       | -                     |
| 17       | Miscellaneous                  | 1,622,396          | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 18       | Total O & M Expense            | 37,346,624         | 28,974            | 126,468                                  | -                 | (1,016,308)          | -            | -            | -                       | (4,073)               |
| 19       | Depreciation & Amortization    | 6,974,858          | -                 | -  | (234,408)         | -                    | -            | (388,741)    | -                       | -                     |
| 20       | Taxes Other Than Income        | 1,701,549          | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 21       | Current Federal taxes          | (352,874)          | (9,724)           | (42,446)                                 | 78,673            | 341,099              | -            | 130,471      | -                       | 1,367                 |
| 22       | Current State taxes            | (41,927)           | (1,190)           | (5,194)                                  | 9,627             | 41,740               | -            | 15,966       | -                       | 167                   |
| 23       | Deferred Federal taxes         | 198,661            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 24       | Deferred State taxes           | 17,653             | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 25       | Total Operating Expenses       | 45,844,545         | 18,060            | 78,828                                   | (146,108)         | (633,469)            | -            | (242,304)    | -                       | (2,539)               |
| 26       | Utility Operating Income       | \$ (757,513)       | \$ (18,060)       | \$ (78,828)                              | \$ 146,108        | \$ 633,469           | \$ -         | \$ 242,304   | \$ -                    | \$ 2,539              |
| 27       | Exhibit Reference              | 6.00               | 5.00              | 6.00                                     | 6.00              | 6.00                 | 6.00         | 6.00         | 6.00                    | 6.00                  |
| 28       | Schedule Reference             | C-2                | C-2.1             | C-2.2                                    | C-2.3             | C-2.4                | C-2.5        | C-2.6        | C-2.7                   | C-2.8                 |

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| Line No. | Description                    | Purchased Water and Waste Water Effects | Budgeted Revenue Adjustment | Invested Capital Tax | Incentive Plan Adjustment | Change to Monthly Billing | Update       | Other Income Tax Effects | Total Adjustments | Present Rates |
|----------|--------------------------------|---|-----------------------------|----------------------|---------------------------|---------------------------|--------------|--------------------------|-------------------|---------------|
| 1        | Operating Revenue              | \$ (19,602,555)                         | \$ 230,155                  | \$ -                 | \$ -                      | \$ -                      | \$ 1,095,494 | \$ -                     | \$ (18,276,905)   | \$ 26,810,127 |
| 2        | O & M Expenses                 |   |                             |                      |                           |                           |              |                          |                   |               |
| 3        | Labor                          | -                                       | -                           | -                    | (68,585)                  | -                         | 10,106       | -                        | (58,479)          | 4,014,995     |
| 4        | Purchased Water                | (20,865,675)                            | -                           | -                    | -                         | -                         | -            | -                        | (20,865,675)      | -             |
| 5        | Fuel and power                 | -                                       | -                           | -                    | -                         | -                         | 42,005       | -                        | 39,056            | 310,974       |
| 6        | Chemicals                      | -                                       | -                           | -                    | -                         | -                         | 90,130       | -                        | 89,006            | 118,594       |
| 7        | Waste disposal                 | -                                       | -                           | -                    | -                         | -                         | -            | -                        | -                 | -             |
| 8        | Bus. Support Serv. - Serv. Co. | -                                       | -                           | -                    | (225,168)                 | -                         | 86,151       | -                        | (139,017)         | 3,342,187     |
| 9        | Group insurance                | -                                       | -                           | -                    | -                         | -                         | 26,871       | -                        | 26,871            | 1,086,785     |
| 10       | Pensions                       | -                                       | -                           | -                    | -                         | -                         | -            | -                        | -                 | 647,841       |
| 11       | Regulatory expense             | -                                       | -                           | -                    | -                         | -                         | -            | -                        | 28,974            | 124,787       |
| 12       | Insurance - other              | -                                       | -                           | -                    | -                         | -                         | (42,127)     | -                        | (42,127)          | 345,493       |
| 13       | Customer accounting            | -                                       | -                           | -                    | -                         | -                         | 176,232      | -                        | 176,232           | 918,750       |
| 14       | Rents                          | -                                       | -                           | -                    | -                         | -                         | -            | -                        | -                 | 554,394       |
| 15       | General office expense         | -                                       | -                           | -                    | -                         | -                         | 27,343       | -                        | 27,343            | 509,813       |
| 16       | Maintenance - other            | -                                       | -                           | -                    | -                         | -                         | 22,244       | -                        | (867,596)         | 2,164,203     |
| 17       | Miscellaneous                  | -                                       | -                           | -                    | -                         | -                         | (7,073)      | -                        | (7,073)           | 1,615,323     |
| 18       | Total O & M Expense            | (20,865,675)                            | -                           | -                    | (293,753)                 | -                         | 431,882      | -                        | (21,592,485)      | 15,754,139    |
| 19       | Depreciation & Amortization    | -                                       | -                           | -                    | -                         | -                         | -            | -                        | (623,149)         | 6,351,709     |
| 20       | Taxes Other Than Income        | -                                       | -                           | 13,266               | -                         | -                         | 15,287       | -                        | 28,553            | 1,730,103     |
| 21       | Current Federal taxes          | 423,936                                 | 77,246                      | (4,452)              | 98,591                    | -                         | 217,594      | (882,481)                | 429,874           | 77,000        |
| 22       | Current State taxes            | 51,876                                  | 9,452                       | (545)                | 12,064                    | -                         | 26,627       | (133,663)                | 26,927            | (15,000)      |
| 23       | Deferred Federal taxes         | -                                       | -                           | -                    | -                         | -                         | -            | (458,626)                | (458,626)         | (259,965)     |
| 24       | Deferred State taxes           | -                                       | -                           | -                    | -                         | -                         | -            | (31,731)                 | (31,731)          | (14,078)      |
| 25       | Total Operating Expenses       | (20,389,863)                            | 86,698                      | 8,269                | (183,098)                 | -                         | 691,391      | (1,506,501)              | (22,220,637)      | 23,623,908    |
| 26       | Utility Operating Income       | \$ 787,309                              | \$ 143,457                  | \$ (8,269)           | \$ 183,098                | \$ -                      | \$ 404,103   | \$ 1,506,501             | \$ 3,943,732      | \$ 3,186,219  |
| 27       | Exhibit Reference              | 6.00                                    | 6.00                        | 6.00                 | 6.00                      | 6.00                      | 0            | 12.0                     |                   |               |
| 28       | Schedule Reference             | C-2.9                                   | C-2.10                      | C-2.11               | C-2.12                    | C-2.13                    | Update       | C-5                      |                   |               |

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| Line No. | Description                    | Test Year Dec-2010 | Rate Case Expense | Steel Structure Maintenance Amortization | UPAA Amortization | Net Negative Salvage | QIP Revenues | Depreciation | Property Tax Correction | Unaccounted For Water |
|----------|--------------------------------|--------------------|-------------------|--|-------------------|----------------------|--------------|--------------|-------------------------|-----------------------|
| 1        | Operating Revenue              | \$ 11,643,709      | \$ -              | \$ -                                     | \$ -              | \$ -                 | \$ -         | \$ -         | \$ -                    | \$ -                  |
| 2        | O & M Expenses                 |                    |                   |  |                   |                      |              |              |                         |                       |
| 3        | Labor                          | 575,533            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 4        | Purchased Water                | -                  | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 5        | Fuel and power                 | 1,118,715          | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 6        | Chemicals                      | 55,643             | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 7        | Waste disposal                 | 1,260,259          | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 8        | Bus. Support Serv. - Serv. Co. | -                  | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 9        | Group insurance                | 167,449            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 10       | Pensions                       | 87,546             | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 11       | Regulatory expense             | 66,945             | 20,244            | -  | -                 | -                    | -            | -            | -                       | -                     |
| 12       | Insurance - other              | 270,832            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 13       | Customer accounting            | 114,268            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 14       | Rents                          | 362                | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 15       | General office expense         | 96,662             | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 16       | Maintenance - other            | 904,392            | -                 | -  | -                 | (710,111)            | -            | -            | -                       | -                     |
| 17       | Miscellaneous                  | 744,681            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 18       | Total O & M Expense            | 5,463,288          | 20,244            | -  | -                 | (710,111)            | -            | -            | -                       | -                     |
| 19       | Depreciation & Amortization    | 4,389,136          | -                 | -  | (506,016)         | -                    | -            | (566,370)    | -                       | -                     |
| 20       | Taxes Other Than Income        | 497,861            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 21       | Current Federal taxes          | (246,555)          | (6,795)           | -  | 169,832           | 238,332              | -            | 190,088      | -                       | -                     |
| 22       | Current State taxes            | (29,295)           | (831)             | -  | 20,782            | 29,164               | -            | 23,260       | -                       | -                     |
| 23       | Deferred Federal taxes         | 138,806            | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 24       | Deferred State taxes           | 12,335             | -                 | -  | -                 | -                    | -            | -            | -                       | -                     |
| 25       | Total Operating Expenses       | 10,225,575         | 12,618            | -  | (315,402)         | (442,615)            | -            | (353,022)    | -                       | -                     |
| 26       | Utility Operating Income       | \$ 1,418,135       | \$ (12,618)       | \$ -                                     | \$ 315,402        | \$ 442,615           | \$ -         | \$ 353,022   | \$ -                    | \$ -                  |
| 27       | Exhibit Reference              | 6.00               | 5.00              | 6.00                                     | 6.00              | 6.00                 | 6.00         | 6.00         | 6.00                    | 6.00                  |
| 28       | Schedule Reference             | C-2                | C-2.1             | C-2.2                                    | C-2.3             | C-2.4                | C-2.5        | C-2.6        | C-2.7                   | C-2.8                 |

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| Line No. | Description                    | Purchased Water and Waste Water Effects | Budgeted Revenue Adjustment | Invested Capital Tax | Incentive Plan Adjustment | Change to Monthly Billing | Update      | Other Income Tax Effects | Total Adjustments | Present Rates |
|----------|--------------------------------|---|-----------------------------|----------------------|---------------------------|---------------------------|-------------|--------------------------|-------------------|---------------|
| 1        | Operating Revenue              | \$ (799,873)                            | \$ 80,371                   | \$ -                 | \$ -                      | \$ -                      | \$ -        | \$ -                     | \$ (719,502)      | \$ 10,924,207 |
| 2        | O & M Expenses                 |   |                             |                      |                           |                           |             |                          |                   |               |
| 3        | Labor                          | -                                       | -                           | -                    | (5,250)                   | -                         | 1,366       | -                        | (3,884)           | 571,650       |
| 4        | Purchased Water                | -                                       | -                           | -                    | -                         | -                         | -           | -                        | -                 | -             |
| 5        | Fuel and power                 | -                                       | -                           | -                    | -                         | -                         | -           | -                        | -                 | 1,118,715     |
| 6        | Chemicals                      | -                                       | -                           | -                    | -                         | -                         | -           | -                        | -                 | 55,643        |
| 7        | Waste disposal                 | (799,873)                               | -                           | -                    | -                         | -                         | -           | -                        | (799,873)         | 460,385       |
| 8        | Bus. Support Serv. - Serv. Co. | -                                       | -                           | -                    | -                         | -                         | -           | -                        | -                 | -             |
| 9        | Group insurance                | -                                       | -                           | -                    | -                         | -                         | (50,017)    | -                        | (50,017)          | 117,433       |
| 10       | Pensions                       | -                                       | -                           | -                    | -                         | -                         | -           | -                        | -                 | 87,546        |
| 11       | Regulatory expense             | -                                       | -                           | -                    | -                         | -                         | -           | -                        | 20,244            | 87,189        |
| 12       | Insurance - other              | -                                       | -                           | -                    | -                         | -                         | (29,434)    | -                        | (29,434)          | 241,398       |
| 13       | Customer accounting            | -                                       | -                           | -                    | -                         | -                         | 22,854      | -                        | 22,854            | 137,121       |
| 14       | Rents                          | -                                       | -                           | -                    | -                         | -                         | -           | -                        | -                 | 362           |
| 15       | General office expense         | -                                       | -                           | -                    | -                         | -                         | 1,586       | -                        | 1,586             | 98,248        |
| 16       | Maintenance - other            | -                                       | -                           | -                    | -                         | -                         | 91,902      | -                        | (618,209)         | 286,183       |
| 17       | Miscellaneous                  | -                                       | -                           | -                    | -                         | -                         | (7,163)     | -                        | (7,163)           | 737,518       |
| 18       | Total O & M Expense            | (799,873)                               | -                           | -                    | (5,250)                   | -                         | 31,092      | -                        | (1,463,897)       | 3,999,390     |
| 19       | Depreciation & Amortization    | -                                       | -                           | -                    | -                         | -                         | -           | -                        | (1,072,386)       | 3,316,750     |
| 20       | Taxes Other Than Income        | -                                       | -                           | 9,269                | -                         | -                         | 10,681      | -                        | 19,950            | 517,811       |
| 21       | Current Federal taxes          | -                                       | 26,975                      | (3,111)              | 1,762                     | -                         | (14,020)    | 323,492                  | 926,555           | 680,000       |
| 22       | Current State taxes            | -                                       | 3,301                       | (381)                | 216                       | -                         | (1,716)     | 20,500                   | 94,295            | 65,000        |
| 23       | Deferred Federal taxes         | -                                       | -                           | -                    | -                         | -                         | -           | (320,445)                | (320,445)         | (181,639)     |
| 24       | Deferred State taxes           | -                                       | -                           | -                    | -                         | -                         | -           | (22,171)                 | (22,171)          | (9,837)       |
| 25       | Total Operating Expenses       | (799,873)                               | 30,276                      | 5,777                | (3,272)                   | -                         | 26,038      | 1,376                    | (1,838,099)       | 8,387,475     |
| 26       | Utility Operating Income       | \$ -                                    | \$ 50,095                   | \$ (5,777)           | \$ 3,272                  | \$ -                      | \$ (26,038) | \$ (1,376)               | \$ 1,118,597      | \$ 2,536,732  |
| 27       | Exhibit Reference              | 6.00                                    | 6.00                        | 6.00                 | 6.00                      | 6.00                      | 0           | 12.0                     |                   |               |
| 28       | Schedule Reference             | C-2.9                                   | C-2.10                      | C-2.11               | C-2.12                    | C-2.13                    | Update      | C-5                      |                   |               |

ILLINOIS-AMERICAN WATER COMPANY  
 Summary of Utility Proposed Adjustments to Operating Income  
 Period Reported: January 2010 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3010  
 Schedule C-2 First Revised  
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 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Pekin  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Description                    | Test Year Dec-2010 | Rate Case Expense | Steel Structure Maintenance Amortization | UPAA Amortization | Net Negative Salvage | QIP Revenues | Depreciation | Property Tax Correction | Unaccounted For Water |
|----------|--------------------------------|--------------------|-------------------|--|-------------------|----------------------|--------------|--------------|-------------------------|-----------------------|
| 1        | Operating Revenue              | \$ 5,852,518       |                   |  |                   |                      | \$0          |              |                         |                       |
| 2        | O & M Expenses                 |                    |                   |  |                   |                      |              |              |                         |                       |
| 3        | Labor                          | 954,699            |                   |  |                   |                      |              |              |                         |                       |
| 4        | Purchased Water                | -                  |                   |  |                   |                      |              |              |                         |                       |
| 5        | Fuel and power                 | 194,667            |                   |  |                   |                      |              |              |                         |                       |
| 6        | Chemicals                      | 111,217            |                   |  |                   |                      |              |              |                         |                       |
| 7        | Waste disposal                 | -                  |                   |  |                   |                      |              |              |                         |                       |
| 8        | Bus. Support Serv. - Serv. Co. | 1,101,842          |                   |  |                   |                      |              |              |                         |                       |
| 9        | Group insurance                | 253,735            |                   |  |                   |                      |              |              |                         |                       |
| 10       | Pensions                       | 148,828            |                   |  |                   |                      |              |              |                         |                       |
| 11       | Regulatory expense             | 51,515             | 15,578            |  |                   |                      |              |              |                         |                       |
| 12       | Insurance - other              | 208,408            |                   |  |                   |                      |              |              |                         |                       |
| 13       | Customer accounting            | 153,277            |                   |  |                   |                      |              |              |                         |                       |
| 14       | Rents                          | 5,478              |                   |  |                   |                      |              |              |                         |                       |
| 15       | General office expense         | 162,634            |                   |  |                   |                      |              |              |                         |                       |
| 16       | Maintenance - other            | 827,972            |                   | 21,470                                   |                   | (546,429)            |              |              |                         |                       |
| 17       | Miscellaneous                  | 360,850            |                   |  |                   |                      |              |              |                         |                       |
| 18       | Total O & M Expense            | 4,535,122          | 15,578            | 21,470                                   | -                 | (546,429)            |              | -            |                         |                       |
| 19       | Depreciation & Amortization    | 422,935            |                   |  |                   |                      |              | 809,173      |                         |                       |
| 20       | Taxes Other Than Income        | 448,876            |                   |  |                   |                      |              |              |                         |                       |
| 21       | Current Federal taxes          | (189,726)          | (5,228)           | (7,206)                                  | -                 | 183,395              |              | (271,579)    |                         | -                     |
| 22       | Current State taxes            | (22,543)           | (640)             | (882)                                    | -                 | 22,442               |              | (33,233)     |                         | -                     |
| 23       | Deferred Federal taxes         | 106,812            |                   |  |                   |                      |              |              |                         |                       |
| 24       | Deferred State taxes           | 9,492              |                   |  |                   |                      |              |              |                         |                       |
| 25       | Total Operating Expenses       | 5,310,968          | 9,710             | 13,382                                   | -                 | (340,592)            |              | 504,361      |                         | -                     |
| 26       | Utility Operating Income       | \$ 541,550         | \$ (9,710)        | \$ (13,382)                              |                   |                      |              | \$ (504,361) |                         | \$ -                  |
| 27       | Exhibit Reference              | 6.00               | 5.00              | 6.00                                     | 6.00              | 6.00                 | 6.00         | 6.00         | 6.00                    | 6.00                  |
| 28       | Schedule Reference             | C-2                | C-2.1             | C-2.2                                    | C-2.3             | C-2.4                | C-2.5        | C-2.6        | C-2.7                   | C-2.8                 |

ILLINOIS-AMERICAN WATER COMPANY  
 Summary of Utility Proposed Adjustments to Operating Income  
 Period Reported: January 2010 through December 2010

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 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Pekin  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Description                    | Purchased Water and Waste Water Effects | Budgeted Revenue Adjustment | Invested Capital Tax | Incentive Plan Adjustment | Change to Monthly Billing | Update      | Other Income Tax Effects | Total Adjustments | Present Rates |
|----------|--------------------------------|---|-----------------------------|----------------------|---------------------------|---------------------------|-------------|--------------------------|-------------------|---------------|
| 1        | Operating Revenue              | \$ -                                    | \$ 28,566                   | \$ -                 |                           |                           | \$ (31,288) | \$ -                     | \$ (2,723)        | \$ 5,849,795  |
| 2        | O & M Expenses                 |   |                             |                      |                           |                           |             |                          |                   |               |
| 3        | Labor                          |   |                             |                      | (17,472)                  |                           | 2,322       |                          | (15,151)          | 939,549       |
| 4        | Purchased Water                | -                                       |                             |                      |                           |                           | -           |                          |                   |               |
| 5        | Fuel and power                 |   |                             |                      |                           |                           | (63,831)    |                          | (63,831)          | 130,836       |
| 6        | Chemicals                      |   |                             |                      |                           |                           | (56,162)    |                          | (56,162)          | 55,055        |
| 7        | Waste disposal                 |   |                             |                      |                           |                           | -           |                          | -                 | -             |
| 8        | Bus. Support Serv. - Serv. Co. |   |                             |                      | (71,268)                  |                           | 27,268      |                          | (44,000)          | 1,057,841     |
| 9        | Group insurance                |   |                             |                      |                           |                           | (13,385)    |                          | (13,385)          | 240,350       |
| 10       | Pensions                       |   |                             |                      |                           |                           | -           |                          | -                 | 148,828       |
| 11       | Regulatory expense             |   |                             |                      |                           |                           | -           | 15,578                   | 67,093            | 67,093        |
| 12       | Insurance - other              |   |                             |                      |                           |                           | (22,650)    |                          | (22,650)          | 185,758       |
| 13       | Customer accounting            |   |                             |                      |                           |                           | 34,369      |                          | 34,369            | 187,646       |
| 14       | Rents                          |   |                             |                      |                           |                           | -           |                          | -                 | 5,478         |
| 15       | General office expense         |   |                             |                      |                           |                           | 53,895      |                          | 53,895            | 216,529       |
| 16       | Maintenance - other            |   |                             |                      |                           |                           | (77)        |                          | (525,036)         | 302,936       |
| 17       | Miscellaneous                  |   |                             |                      |                           |                           | (4,506)     |                          | (4,506)           | 356,344       |
| 18       | Total O & M Expense            | -                                       | -                           | -                    | (88,741)                  | -                         | (42,758)    | -                        | (640,879)         | 3,894,243     |
| 19       | Depreciation & Amortization    |   |                             |                      |                           |                           | -           |                          | 809,173           | 1,232,108     |
| 20       | Taxes Other Than Income        |   |                             | 7,133                |                           |                           | 8,219       |                          | 15,352            | 464,228       |
| 21       | Current Federal taxes          | -                                       | 9,588                       | (2,394)              | 29,784                    | -                         | 1,091       | 285,275                  | 222,726           | 33,000        |
| 22       | Current State taxes            | -                                       | 1,173                       | (293)                | 3,645                     | -                         | 133         | 20,198                   | 12,543            | (10,000)      |
| 23       | Deferred Federal taxes         |   |                             |                      |                           |                           | -           | (246,585)                | (246,585)         | (139,773)     |
| 24       | Deferred State taxes           |   |                             |                      |                           |                           | -           | (17,061)                 | (17,061)          | (7,569)       |
| 25       | Total Operating Expenses       | -                                       | 10,761                      | 4,446                | (55,312)                  | -                         | (33,314)    | 41,827                   | 155,269           | 5,466,237     |
| 26       | Utility Operating Income       | \$ -                                    | \$ 17,805                   | \$ (4,446)           | \$ 55,312                 | \$ -                      | \$ 2,026    | \$ (41,827)              | \$ (157,991)      | \$ 383,559    |
| 27       | Exhibit Reference              | 6.00                                    | 6.00                        | 6.00                 | 6.00                      | 6.00                      | 0           | 12.0                     |                   |               |
| 28       | Schedule Reference             | C-2.9                                   | C-2.10                      | C-2.11               | C-2.12                    | C-2.13                    | Update      | C-5                      |                   |               |

ILLINOIS-AMERICAN WATER COMPANY  
 Summary of Utility Proposed Adjustments to Operating Income  
 Period Reported: January 2010 through December 2010

August 24, 2009  
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 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Lincoln  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Description                    | Test Year Dec-2010 | Rate Case Expense | Steel Structure Maintenance Amortization | UPAA Amortization | Net Negative Salvage | QIP Revenues | Depreciation | Property Tax Correction | Unaccounted For Water |
|----------|--------------------------------|--------------------|-------------------|--|-------------------|----------------------|--------------|--------------|-------------------------|-----------------------|
| 1        | Operating Revenue              | \$ 3,176,650       |                   |  |                   |                      | \$0          |              |                         |                       |
| 2        | O & M Expenses                 |                    |                   |  |                   |                      |              |              |                         |                       |
| 3        | Labor                          | 494,866            |                   |  |                   |                      |              |              |                         |                       |
| 4        | Purchased Water                | -                  |                   |  |                   |                      |              |              |                         |                       |
| 5        | Fuel and power                 | 181,806            |                   |  |                   |                      |              |              |                         |                       |
| 6        | Chemicals                      | 96,347             |                   |  |                   |                      |              |              |                         |                       |
| 7        | Waste disposal                 | 36,873             |                   |  |                   |                      |              |              |                         |                       |
| 8        | Bus. Support Serv. - Serv. Co. | 449,638            |                   |  |                   |                      |              |              |                         |                       |
| 9        | Group insurance                | 131,240            |                   |  |                   |                      |              |              |                         |                       |
| 10       | Pensions                       | 78,792             |                   |  |                   |                      |              |              |                         |                       |
| 11       | Regulatory expense             | 21,022             | 6,357             |  |                   |                      |              |              |                         |                       |
| 12       | Insurance - other              | 85,047             |                   |  |                   |                      |              |              |                         |                       |
| 13       | Customer accounting            | 71,058             |                   |  |                   |                      |              |              |                         |                       |
| 14       | Rents                          | 20,034             |                   |  |                   |                      |              |              |                         |                       |
| 15       | General office expense         | 47,965             |                   |  |                   |                      |              |              |                         |                       |
| 16       | Maintenance - other            | 440,655            |                   | 12,732                                   |                   | (222,986)            |              |              |                         |                       |
| 17       | Miscellaneous                  | 167,509            |                   |  |                   |                      |              |              |                         |                       |
| 18       | Total O & M Expense            | 2,322,850          | 6,357             | 12,732                                   | -                 | (222,986)            |              | -            |                         | -                     |
| 19       | Depreciation & Amortization    | 486,086            |                   |  |                   |                      |              | 308,616      |                         |                       |
| 20       | Taxes Other Than Income        | 193,654            |                   |  |                   |                      |              |              |                         |                       |
| 21       | Current Federal taxes          | (77,423)           | (2,134)           | (4,273)                                  | -                 | 74,840               |              | (103,579)    |                         | -                     |
| 22       | Current State taxes            | (9,199)            | (261)             | (523)                                    | -                 | 9,158                |              | (12,675)     |                         | -                     |
| 23       | Deferred Federal taxes         | 43,588             |                   |  |                   |                      |              |              |                         |                       |
| 24       | Deferred State taxes           | 3,873              |                   |  |                   |                      |              |              |                         |                       |
| 25       | Total Operating Expenses       | 2,963,428          | 3,962             | 7,936                                    | -                 | (138,988)            |              | 192,362      |                         | -                     |
| 26       | Utility Operating Income       | \$ 213,222         | \$ (3,962)        | \$ (7,936)                               |                   |                      |              | \$ (192,362) |                         | \$ -                  |
| 27       | Exhibit Reference              | 6.00               | 5.00              | 6.00                                     | 6.00              | 6.00                 | 6.00         | 6.00         | 6.00                    | 6.00                  |
| 28       | Schedule Reference             | C-2                | C-2.1             | C-2.2                                    | C-2.3             | C-2.4                | C-2.5        | C-2.6        | C-2.7                   | C-2.8                 |

ILLINOIS-AMERICAN WATER COMPANY  
 Summary of Utility Proposed Adjustments to Operating Income  
 Period Reported: January 2010 through December 2010

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 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Lincoln  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Description                    | Purchased Water and Waste Water Effects | Budgeted Revenue Adjustment | Invested Capital Tax | Incentive Plan Adjustment | Change to Monthly Billing | Update      | Other Income Tax Effects | Total Adjustments | Present Rates |
|----------|--------------------------------|---|-----------------------------|----------------------|---------------------------|---------------------------|-------------|--------------------------|-------------------|---------------|
| 1        | Operating Revenue              | \$ -                                    | \$ 27,997                   | \$ -                 |                           |                           | \$ (32,126) | \$ -                     | \$ (4,129)        | \$ 3,172,521  |
| 2        | O & M Expenses                 |   |                             |                      |                           |                           |             |                          |                   |               |
| 3        | Labor                          |   |                             |                      | (8,598)                   | 23,184                    | 1,229       |                          | 15,815            | 510,681       |
| 4        | Purchased Water                | -                                       |                             |                      |                           |                           | -           |                          |                   |               |
| 5        | Fuel and power                 |   |                             |                      |                           |                           | 17,681      |                          | 17,681            | 199,487       |
| 6        | Chemicals                      |   |                             |                      |                           |                           | 8,929       |                          | 8,929             | 105,276       |
| 7        | Waste disposal                 |   |                             |                      |                           |                           | -           |                          | -                 | 36,873        |
| 8        | Bus. Support Serv. - Serv. Co. |   |                             |                      | (29,083)                  |                           | 11,127      |                          | (17,956)          | 431,682       |
| 9        | Group insurance                |   |                             |                      |                           | 5,620                     | (880)       |                          | 4,740             | 135,980       |
| 10       | Pensions                       |   |                             |                      |                           | 2,077                     | -           |                          | 2,077             | 80,869        |
| 11       | Regulatory expense             |   |                             |                      |                           |                           | -           |                          | 6,357             | 27,379        |
| 12       | Insurance - other              |   |                             |                      |                           | 1,299                     | (9,243)     |                          | (7,944)           | 77,102        |
| 13       | Customer accounting            |   |                             |                      |                           | 1,874                     | 15,455      |                          | 17,329            | 88,387        |
| 14       | Rents                          |   |                             |                      |                           |                           | -           |                          | -                 | 20,034        |
| 15       | General office expense         |   |                             |                      |                           |                           | (5,055)     |                          | (5,055)           | 42,910        |
| 16       | Maintenance - other            |   |                             |                      |                           |                           | (52,715)    |                          | (262,968)         | 177,687       |
| 17       | Miscellaneous                  |   |                             |                      |                           | 2,222                     | (1,839)     |                          | 383               | 167,892       |
| 18       | Total O & M Expense            | -                                       | -                           | -                    | (37,681)                  | 36,276                    | (15,310)    | -                        | (220,612)         | 2,102,239     |
| 19       | Depreciation & Amortization    |   |                             |                      |                           |                           | -           |                          | 308,616           | 794,702       |
| 20       | Taxes Other Than Income        |   |                             | 2,910                |                           |                           | 3,354       |                          | 6,264             | 199,918       |
| 21       | Current Federal taxes          | -                                       | 9,397                       | (976)                | 12,647                    | (12,175)                  | (6,770)     | 83,446                   | 50,423            | (27,000)      |
| 22       | Current State taxes            | -                                       | 1,150                       | (120)                | 1,548                     | (1,490)                   | (828)       | 3,240                    | (801)             | (10,000)      |
| 23       | Deferred Federal taxes         |   |                             |                      |                           |                           | -           | (100,626)                | (100,626)         | (57,038)      |
| 24       | Deferred State taxes           |   |                             |                      |                           |                           | -           | (6,962)                  | (6,962)           | (3,089)       |
| 25       | Total Operating Expenses       | -                                       | 10,547                      | 1,814                | (23,486)                  | 22,611                    | (19,553)    | (20,902)                 | 36,303            | 2,999,731     |
| 26       | Utility Operating Income       | \$ -                                    | \$ 17,450                   | \$ (1,814)           | \$ 23,486                 | \$ (22,611)               | \$ (12,573) | \$ 20,902                | \$ (40,432)       | \$ 172,790    |
| 27       | Exhibit Reference              | 6.00                                    | 6.00                        | 6.00                 | 6.00                      | 6.00                      | 0           | 12.0                     |                   |               |
| 28       | Schedule Reference             | C-2.9                                   | C-2.10                      | C-2.11               | C-2.12                    | C-2.13                    | Update      | C-5                      |                   |               |

ILLINOIS-AMERICAN WATER COMPANY  
Rate Case Expense  
Period Reported: January 2010 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3015  
Schedule C-2.1 First Revised  
Page 1 of 1  
Witness Responsible: Tyler Bernsen

Exhibit No. 16.00  
Total Company  
Workpaper Reference: \_\_\_\_\_

| Line No. | Description  | Total Company       | Zone 1              | Chicago Metro Water       | Chicago Metro Waste Water | Pekin                      | Lincoln             |
|----------|--|---------------------|---------------------|---------------------------|---------------------------|----------------------------|---------------------|
| 1        | Rate Case Expense 2010 Projection  | \$ 1,029,289        | \$793,994           | \$ 95,813                 | \$ 66,945                 | \$ 51,515                  | \$ 21,022           |
| 2        |  |                     |                     |                           |                           |                            |                     |
| 3        | Adjustment   | 311,259             | 240,106             | 28,974                    | 20,244                    | 15,578                     | 6,357               |
| 4        |  |                     |                     |                           |                           |                            |                     |
| 5        | Rate Case Expense at Present Rates                                       | <u>\$ 1,340,548</u> | <u>\$ 1,034,100</u> | <u>\$ 124,787</u>         | <u>\$ 87,189</u>          | <u>\$ 67,093</u>           | <u>\$ 27,379</u>    |
| 6        |  |                     |                     |                           |                           |                            |                     |
| 7        |  |                     |                     | Cost to be Amortized over | Cost to be Amortized over | Amortization of prior case |                     |
| 8        |  |                     |                     | <u>2 Years</u>            | <u>5 Years</u>            | <u>rate case expense</u>   | <u>Total</u>        |
| 9        |  |                     |                     |                           |                           |                            |                     |
| 10       |  |                     |                     |                           |                           |                            |                     |
| 11       | Cost of Preparation and Presentation of Current Rate Filing              |                     |                     | \$ 1,667,056              | \$ 672,440                | \$ -                       | \$ 2,339,496        |
| 12       |  |                     |                     |                           |                           |                            |                     |
| 13       | Years of Amortization  |                     |                     | 2                         | 5                         |                            |                     |
| 14       |  |                     |                     |                           |                           |                            |                     |
| 15       | Annual Amortization of Current Rate Filing                               |                     |                     | 833,528                   | 134,488                   | -                          | 968,016             |
| 16       |  |                     |                     |                           |                           |                            |                     |
| 17       | Amortization of Prior Case Rate Case Expense Forecasted in Test Year (1) |                     |                     |                           |                           | 372,533                    | 372,533             |
| 18       |  |                     |                     |                           |                           |                            |                     |
| 19       | Annual Amortization  |                     |                     | <u>\$ 833,528</u>         | <u>\$ 134,488</u>         | <u>\$ 372,533</u>          | <u>\$ 1,340,549</u> |
| 20       |  |                     |                     |                           |                           |                            |                     |

This adjustment allows current rate case costs and the unamortized portion of the prior rate case costs to be amortized over the two years that the rates set in this proceeding are anticipated to be in effect. The allocation of regulatory commission expense to the districts has been made based on a 13-month average of projected customers for the period ending December 31, 2010.

(1) The unamortized portion of the previous rate case takes into account the amount to be amortized in the test year.

ILLINOIS-AMERICAN WATER COMPANY  
 Depreciation Expense  
 Period Reported: January 2010 through December 2010

August 24, 2009  
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 Section 285.3015  
 Schedule C-2.6 First Revised  
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 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Total Company  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Description                                    | Total Company        | Zone 1              | Chicago Metro Water | Chicago Metro Waste Water | Pekin               | Lincoln           |
|----------|--|----------------------|---------------------|---------------------|---------------------------|---------------------|-------------------|
| 1        | Depreciation Expense 2010 Projection           | \$ 30,410,665        | \$18,947,879        | \$ 6,686,054        | \$ 3,875,725              | \$ 417,245          | \$ 483,763        |
| 2        |  |                      |                     |                     |                           |                     |                   |
| 3        | Adjustment                                     | 9,271,052            | 9,108,375           | (388,741)           | (566,370)                 | 809,173             | 308,616           |
| 4        |  |                      |                     |                     |                           |                     |                   |
| 5        | Depreciation Expense at Present Rates per C-12 | <u>\$ 39,681,717</u> | <u>\$28,056,254</u> | <u>\$ 6,297,313</u> | <u>\$ 3,309,354</u>       | <u>\$ 1,226,417</u> | <u>\$ 792,379</u> |
| 6        |  |                      |                     |                     |                           |                     |                   |

7 This adjustment adjusts the amount budgeted for depreciation expense using a composite depreciation rate to the total amount of depreciation calculated using  
 8 individual depreciation rates. Adjustment 2.4 removes the net negative salvage portion of depreciation expense from maintenance expense. For the calculation of  
 9 test year depreciation expense, please refer to schedule C-12.

ILLINOIS-AMERICAN WATER COMPANY  
 Unaccounted-For Water/Chemical Budget Correction  
 Period Reported: January 2010 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3015  
 Schedule C-2.8 First Revised  
 Page 1 of 1  
 Witness Responsible: Tyler Bernsen

Exhibit No. 16.00  
 Total Company  
 Workpaper Reference: WP-C-2.8

| Line No. |  | Total Company       | Zone 1             | Chicago Metro Water | Chicago Metro Waste Water | Pekin             | Lincoln           |
|----------|--|---------------------|--------------------|---------------------|---------------------------|-------------------|-------------------|
| 1        | <b>Fuel &amp; Power Adjustment</b>   |                     |                    |                     |                           |                   |                   |
| 2        | Fuel & Power Expense 2010 Projection   | \$ 9,909,889        | \$8,142,784        | \$ 271,917          | \$ 1,118,715              | \$ 194,667        | \$ 181,806        |
| 3        |  |                     |                    |                     |                           |                   |                   |
| 4        | Adjustment   | (197,927)           | (\$194,979)        | (2,948)             | -                         | -                 | -                 |
| 5        |  |                     |                    |                     |                           |                   |                   |
| 6        | Fuel & Power Expense at Present Rates  | <u>\$ 9,711,962</u> | <u>\$7,947,805</u> | <u>\$ 268,969</u>   | <u>\$ 1,118,715</u>       | <u>\$ 194,667</u> | <u>\$ 181,806</u> |
| 7        |  |                     |                    |                     |                           |                   |                   |
| 8        | <b>Chemical Adjustment</b>   |                     |                    |                     |                           |                   |                   |
| 9        | Chemical Expense 2010 Projection   | \$ 8,946,840        | \$8,654,044        | \$ 29,588           | \$ 55,643                 | \$ 111,217        | \$ 96,347         |
| 10       |  |                     |                    |                     |                           |                   |                   |
| 11       | Adjustment   | (174,399)           | (173,274)          | (1,124)             | -                         | -                 | -                 |
| 12       |  |                     |                    |                     |                           |                   |                   |
| 13       | Chemical Expense at Present Rates  | <u>\$ 8,772,442</u> | <u>\$8,480,770</u> | <u>\$28,464</u>     | <u>\$ 55,643</u>          | <u>\$ 111,217</u> | <u>\$ 96,347</u>  |
| 14       |  |                     |                    |                     |                           |                   |                   |
| 15       | This adjustment reduces fuel & power and chemicals related to unaccounted-for water above the applicable tariff maximum.   |                     |                    |                     |                           |                   |                   |
| 16       | Also included is a budget correction in the amount of -\$85,157 for the Alton carbon lease that was included in the budget twice. This correction is reflected in Zone |                     |                    |                     |                           |                   |                   |

ILLINOIS-AMERICAN WATER COMPANY  
 Calculation of Federal and State Income Taxes at Present Rates  
 Period Reported: January 2010 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3035  
 Schedule C-5 First Revised  
 Page 1 of 6  
 Witness Responsible: Rich Kerkhove

Exhibit No. 16.00  
 Total Company  
 Workpaper Reference: WP-C-2.5

| Line No. | Description  | Test Year<br>Dec-2010 | Adjustment              | Present Rates       |
|----------|--|-----------------------|-------------------------|---------------------|
| 1        | Federal income tax   | \$ (3,790,802)        | \$ 6,361,802            | \$ 2,571,000        |
| 2        | State income tax   | \$ (450,412)          | \$ 491,412              | \$ 41,000           |
| 3        |  |                       | <u>at Present Rates</u> |                     |
| 4        |  |                       | <u>Federal</u>          | <u>State</u>        |
| 5        | Utility operating income   |                       | \$ 20,172,681           | \$ 20,172,681       |
| 6        | Deduct:  |                       |                         |                     |
| 7        | Interest costs*  |                       | 21,325,087              | 21,325,087          |
| 8        | Add:   |                       |                         |                     |
| 9        | Federal income tax   |                       | 2,571,000               | 2,571,000           |
| 10       | State income tax   |                       | -                       | 41,000              |
| 11       | Deferred federal income tax - accelerated depreciation   |                       | (4,006,395)             | (4,006,395)         |
| 12       | Deferred state income tax - accelerated depreciation   |                       | (277,193)               | (277,193)           |
| 13       | Deferred federal income tax - other  |                       | 2,134,149               | 2,134,149           |
| 14       | Deferred state income tax - other  |                       | 189,644                 | 189,644             |
| 15       | Taxable meals and travel expenses  |                       | 55,711                  | 55,711              |
| 16       | Pension expense - FAS 87   |                       | -                       | -                   |
| 17       | Amortization of programmed maintenance expense   |                       | -                       | -                   |
| 18       | Amortization of investment tax credit  |                       | -                       | -                   |
| 19       | Amortization of state investment tax credit  |                       | -                       | -                   |
| 20       | Amortization of AFUDC Reg Asset Def Security, Streator Def R/O                                     |                       | -                       | -                   |
| 21       | Depreciation - book basis  |                       | 39,681,717              | 39,681,717          |
| 22       | Deferred State ITC   |                       | -                       | -                   |
| 23       | Amortization of regulatory expense   |                       | -                       | -                   |
|          |  |                       | <u>40,348,633</u>       | <u>40,389,633</u>   |
| 24       | Deduct:  |                       |                         |                     |
| 25       | Depreciation - tax basis   |                       | 31,858,437              | 38,181,838          |
| 26       | Balance  |                       | 7,337,789               | 1,055,388           |
| 27       | Less: Cost of Removal and proceeds adjustment for ADR/ACRS/MACRS property                          |                       | -                       | -                   |
| 28       | Less: Programmed maintenance expense   |                       | -                       | -                   |
| 29       | Less: Deferred security costs  |                       | -                       | -                   |
| 30       | Less: Property Losses  |                       | -                       | -                   |
| 31       | Less: Pension ERISA  |                       | -                       | -                   |
|          |  |                       | <u>7,337,789</u>        | <u>1,055,388</u>    |
| 32       | Taxable income   |                       | <u>\$ 7,337,789</u>     | <u>\$ 1,055,388</u> |
| 33       | <u>Tax Calculation</u>   |                       |                         |                     |
| 34       | Taxable income for state income tax  |                       |                         | \$ 1,055,388        |
| 35       | State income tax at 56.26% of 9.7%**   |                       |                         | \$ 41,000           |
| 36       | Subtotal   |                       |                         | 41,000              |
| 37       | Less: Deferred State ITC   |                       |                         | -                   |
| 38       | Federal income tax at 35%  |                       | <u>\$ 2,571,000</u>     |                     |
| 39       | Federal and state income tax   |                       | <u>\$ 2,571,000</u>     | <u>\$ 41,000</u>    |
| 40       | * Rate base x weighted cost of debt.   |                       |                         |                     |
| 41       | ** Developed by using a seven year average of actual taxable income to stand-alone taxable income. |                       |                         |                     |

ILLINOIS-AMERICAN WATER COMPANY  
 Calculation of Federal and State Income Taxes at Present Rates  
 Period Reported: January 2010 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3035  
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Exhibit No. 16.00  
 Zone 1  
 Workpaper Reference: WP-C-2.5

Witness Responsible: Rich Kerckhove

| Line No. | Description  | Test Year<br>Dec-2010 | Adjustment              | Present Rates     |
|----------|--|-----------------------|-------------------------|-------------------|
| 1        | Federal income tax   | \$ (2,924,223)        | \$ 4,732,223            | \$ 1,808,000      |
| 2        | State income tax   | \$ (347,448)          | \$ 358,448              | \$ 11,000         |
| 3        |  |                       | <u>at Present Rates</u> |                   |
| 4        |  |                       | <u>Federal</u>          | <u>State</u>      |
| 5        | Utility operating income   |                       | \$ 13,893,381           | \$ 13,893,381     |
| 6        | Deduct:  |                       |                         |                   |
| 7        | Interest costs*  |                       | 15,335,167              | 15,335,167        |
| 8        | Add:   |                       |                         |                   |
| 9        | Federal income tax   |                       | 1,808,000               | 1,808,000         |
| 10       | State income tax   |                       | -                       | 11,000            |
| 11       | Deferred federal income tax - accelerated depreciation   |                       | (2,880,113)             | (2,880,113)       |
| 12       | Deferred state income tax - accelerated depreciation   |                       | (199,268)               | (199,268)         |
| 13       | Deferred federal income tax - other  |                       | 1,646,282               | 1,646,282         |
| 14       | Deferred state income tax - other  |                       | 146,291                 | 146,291           |
| 15       | Taxable meals and travel expenses  |                       | 43,742                  | 43,742            |
| 16       | Pension expense - FAS 87   |                       | -                       | -                 |
| 17       | Amortization of programmed maintenance expense   |                       | -                       | -                 |
| 18       | Amortization of investment tax credit  |                       | -                       | -                 |
| 19       | Amortization of state investment tax credit  |                       | -                       | -                 |
| 20       | Amortization of AFUDC Reg Asset Def Security, Streator Def R/O                                     |                       | -                       | -                 |
| 21       | Depreciation - book basis  |                       | 28,056,254              | 28,056,254        |
| 22       | Deferred State ITC   |                       | -                       | -                 |
| 23       | Amortization of regulatory expense   |                       | -                       | -                 |
|          |  |                       | <u>28,621,188</u>       | <u>28,632,188</u> |
| 24       | Deduct:  |                       |                         |                   |
| 25       | Depreciation - tax basis   |                       | 22,021,378              | 26,899,248        |
| 26       | Balance  |                       | 5,158,025               | 291,155           |
| 27       | Less: Cost of Removal and proceeds adjustment for ADR/ACRS/MACRS property                          |                       | -                       | -                 |
| 28       | Less: Programmed maintenance expense   |                       | -                       | -                 |
| 29       | Less: Deferred security costs  |                       | -                       | -                 |
| 30       | Less: Property losses  |                       | -                       | -                 |
| 31       | Less: Pension ERISA  |                       | -                       | -                 |
| 32       | Taxable income   |                       | <u>\$ 5,158,025</u>     | <u>\$ 291,155</u> |
| 33       | <u>Tax Calculation</u>   |                       |                         |                   |
| 34       | Taxable income for state income tax  |                       |                         | \$ 291,155        |
| 35       | State income tax at 56.26% of 9.7%**   |                       |                         | <u>11,000</u>     |
| 36       | Subtotal   |                       |                         | 11,000            |
| 37       | Less: Deferred State ITC   |                       |                         | -                 |
| 38       | Federal income tax at 35%  |                       | <u>\$ 1,808,000</u>     |                   |
| 39       | Federal and state income tax   |                       | <u>\$ 1,808,000</u>     | <u>\$ 11,000</u>  |
| 40       | * Rate base x weighted cost of debt.   |                       |                         |                   |
| 41       | ** Developed by using a seven year average of actual taxable income to stand-alone taxable income. |                       |                         |                   |

ILLINOIS-AMERICAN WATER COMPANY  
 Calculation of Federal and State Income Taxes at Present Rates  
 Period Reported: January 2010 through December 2010

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 Docket No. 09-0319  
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 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Chicago Metro - Water  
 Workpaper Reference: WP-C-2.5

| Line No. | Description  | Test Year<br>Dec-2010 | Adjustment              | Present Rates       |
|----------|--|-----------------------|-------------------------|---------------------|
| 1        | Federal income tax   | \$ (352,874)          | \$ 429,874              | \$ 77,000           |
| 2        | State income tax   | \$ (41,927)           | \$ 26,927               | \$ (15,000)         |
| 3        |  |                       | <u>at Present Rates</u> |                     |
| 4        |  |                       | <u>Federal</u>          | <u>State</u>        |
| 5        | Utility operating income   |                       | \$ 3,186,219            | \$ 3,186,219        |
| 6        | Deduct:  |                       |                         |                     |
| 7        | Interest costs*  |                       | 3,507,385               | 3,507,385           |
| 8        | Add:   |                       |                         |                     |
| 9        | Federal income tax   |                       | 77,000                  | 77,000              |
| 10       | State income tax   |                       |                         | (15,000)            |
| 11       | Deferred federal income tax - accelerated depreciation   |                       | (458,626)               | (458,626)           |
| 12       | Deferred state income tax - accelerated depreciation   |                       | (31,731)                | (31,731)            |
| 13       | Deferred federal income tax - other  |                       | 198,661                 | 198,661             |
| 14       | Deferred state income tax - other  |                       | 17,653                  | 17,653              |
| 15       | Taxable meals and travel expenses  |                       | 9,919                   | 9,919               |
| 16       | Pension expense - FAS 87   |                       | -                       | -                   |
| 17       | Amortization of programmed maintenance expense   |                       | -                       | -                   |
| 18       | Amortization of investment tax credit  |                       | -                       | -                   |
| 19       | Amortization of state investment tax credit  |                       | -                       | -                   |
| 20       | Amortization of AFUDC Reg Asset Def Security, Streator Def R/O                                     |                       | -                       | -                   |
| 21       | Depreciation - book basis  |                       | 6,297,313               | 6,297,313           |
| 22       | Deferred State ITC   |                       | -                       | -                   |
| 23       | Amortization of regulatory expense   |                       | -                       | -                   |
|          |  |                       | <u>6,110,189</u>        | <u>6,095,189</u>    |
| 24       | Deduct:  |                       |                         |                     |
| 25       | Depreciation - tax basis   |                       | 5,569,068               | 6,157,694           |
| 26       | Balance  |                       | 219,956                 | (383,670)           |
| 27       | Less: Cost of Removal and proceeds adjustment for ADR/ACRS/MACRS property                          |                       | -                       | -                   |
| 28       | Less: Programmed maintenance expense   |                       | -                       | -                   |
| 29       | Less: Deferred security costs  |                       | -                       | -                   |
| 30       | Less: Property losses  |                       | -                       | -                   |
| 31       | Less: Pension ERISA  |                       | -                       | -                   |
| 32       | Taxable income   |                       | <u>\$ 219,956</u>       | <u>\$ (383,670)</u> |
| 33       | <u>Tax Calculation</u>   |                       |                         |                     |
| 34       | Taxable income for state income tax  |                       |                         | \$ (383,670)        |
| 35       | State income tax at 56.26% of 9.7%**   |                       |                         | <u>(15,000)</u>     |
| 36       | Subtotal   |                       |                         | (15,000)            |
| 37       | Less: Deferred State ITC   |                       |                         | -                   |
| 38       | Federal income tax at 35%  |                       | <u>\$ 77,000</u>        |                     |
| 39       | Federal and state income tax   |                       | <u>\$ 77,000</u>        | <u>\$ (15,000)</u>  |
| 40       | * Rate base x weighted cost of debt.   |                       |                         |                     |
| 41       | ** Developed by using a seven year average of actual taxable income to stand-alone taxable income. |                       |                         |                     |

ILLINOIS-AMERICAN WATER COMPANY  
 Calculation of Federal and State Income Taxes at Present Rates  
 Period Reported: January 2010 through December 2010

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 Witness Responsible: Rich Kerkhove

Exhibit No. 16.00  
 Chicago Metro - Waste Water  
 Workpaper Reference: WP-C-2.5

| Line No. | Description  | Test Year<br>Dec-2010 | Adjustment              | Present Rates       |
|----------|--|-----------------------|-------------------------|---------------------|
| 1        | Federal income tax   | \$ (246,555)          | \$ 926,555              | \$ 680,000          |
| 2        | State income tax   | \$ (29,295)           | \$ 94,295               | \$ 65,000           |
| 3        |  |                       | <u>at Present Rates</u> |                     |
| 4        |  |                       | <u>Federal</u>          | <u>State</u>        |
| 5        | Utility operating income   |                       | \$ 2,536,732            | \$ 2,536,732        |
| 6        | Deduct:  |                       |                         |                     |
| 7        | Interest costs*  |                       | 1,592,896               | 1,592,896           |
| 8        | Add:   |                       |                         |                     |
| 9        | Federal income tax   |                       | 680,000                 | 680,000             |
| 10       | State income tax   |                       |                         | 65,000              |
| 11       | Deferred federal income tax - accelerated depreciation   |                       | (320,445)               | (320,445)           |
| 12       | Deferred state income tax - accelerated depreciation   |                       | (22,171)                | (22,171)            |
| 13       | Deferred federal income tax - other  |                       | 138,806                 | 138,806             |
| 14       | Deferred state income tax - other  |                       | 12,335                  | 12,335              |
| 15       | Taxable meals and travel expenses  |                       | 565                     | 565                 |
| 16       | Pension expense - FAS 87   |                       | -                       | -                   |
| 17       | Amortization of programmed maintenance expense   |                       | -                       | -                   |
| 18       | Amortization of investment tax credit  |                       | -                       | -                   |
| 19       | Amortization of state investment tax credit  |                       | -                       | -                   |
| 20       | Amortization of AFUDC Reg Asset Def Security, Streator Def R/O                                     |                       | -                       | -                   |
| 21       | Depreciation - book basis  |                       | 3,309,354               | 3,309,354           |
| 22       | Deferred State ITC   |                       | -                       | -                   |
| 23       | Amortization of regulatory expense   |                       | -                       | -                   |
|          |  |                       | <u>3,798,444</u>        | <u>3,863,444</u>    |
| 24       | Deduct:  |                       |                         |                     |
| 25       | Depreciation - tax basis   |                       | 2,800,525               | 3,211,801           |
| 26       | Balance  |                       | 1,941,754               | 1,595,478           |
| 27       | Less: Cost of Removal and proceeds adjustment for ADR/ACRS/MACRS property                          |                       | -                       | -                   |
| 28       | Less: Programmed maintenance expense   |                       | -                       | -                   |
| 29       | Less: Deferred security costs  |                       | -                       | -                   |
| 30       | Less: Property losses  |                       | -                       | -                   |
| 31       | Less: Pension ERISA  |                       | -                       | -                   |
| 32       | Taxable income   |                       | <u>\$ 1,941,754</u>     | <u>\$ 1,595,478</u> |
| 33       | <u>Tax Calculation</u>   |                       |                         |                     |
| 34       | Taxable income for state income tax  |                       |                         | \$ 1,595,478        |
| 35       | State income tax at 56.26% of 9.7%**   |                       |                         | <u>65,000</u>       |
| 36       | Subtotal   |                       |                         | 65,000              |
| 37       | Less: Deferred State ITC   |                       |                         | -                   |
| 38       | Federal income tax at 35%  |                       | <u>\$ 680,000</u>       |                     |
| 39       | Federal and state income tax   |                       | <u>\$ 680,000</u>       | <u>\$ 65,000</u>    |
| 40       | * Rate base x weighted cost of debt.   |                       |                         |                     |
| 41       | ** Developed by using a seven year average of actual taxable income to stand-alone taxable income. |                       |                         |                     |

ILLINOIS-AMERICAN WATER COMPANY  
 Calculation of Federal and State Income Taxes at Present Rates  
 Period Reported: January 2010 through December 2010

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Exhibit No. 16.00  
 Pekin  
 Workpaper Reference: WP-C-2.5

Witness Responsible: Rich Kerckhove

| Line No. | Description  | Test Year<br>Dec-2010 | Adjustment              | Present Rates       |
|----------|--|-----------------------|-------------------------|---------------------|
| 1        | Federal income tax   | \$ (189,726)          | \$ 222,726              | \$ 33,000           |
| 2        | State income tax   | \$ (22,543)           | \$ 12,543               | \$ (10,000)         |
| 3        |  |                       | <u>at Present Rates</u> |                     |
| 4        |  |                       | <u>Federal</u>          | <u>State</u>        |
| 5        | Utility operating income   |                       | \$ 383,559              | \$ 383,559          |
| 6        | Deduct:  |                       |                         |                     |
| 7        | Interest costs*  |                       | 566,884                 | 566,884             |
| 8        | Add:   |                       |                         |                     |
| 9        | Federal income tax   |                       | 33,000                  | 33,000              |
| 10       | State income tax   |                       | -                       | (10,000)            |
| 11       | Deferred federal income tax - accelerated depreciation   |                       | (246,585)               | (246,585)           |
| 12       | Deferred state income tax - accelerated depreciation   |                       | (17,061)                | (17,061)            |
| 13       | Deferred federal income tax - other  |                       | 106,812                 | 106,812             |
| 14       | Deferred state income tax - other  |                       | 9,492                   | 9,492               |
| 15       | Taxable meals and travel expenses  |                       | 962                     | 962                 |
| 16       | Pension expense - FAS 87   |                       | -                       | -                   |
| 17       | Amortization of programmed maintenance expense   |                       | -                       | -                   |
| 18       | Amortization of investment tax credit  |                       | -                       | -                   |
| 19       | Amortization of state investment tax credit  |                       | -                       | -                   |
| 20       | Amortization of AFUDC Reg Asset Def Security, Streator Def R/O                                     |                       | -                       | -                   |
| 21       | Depreciation - book basis  |                       | 1,226,417               | 1,226,417           |
| 22       | Deferred State ITC   |                       | -                       | -                   |
| 23       | Amortization of regulatory expense   |                       | -                       | -                   |
|          |  |                       | <u>1,113,037</u>        | <u>1,103,037</u>    |
| 24       | Deduct:  |                       |                         |                     |
| 25       | Depreciation - tax basis   |                       | 834,869                 | 1,151,349           |
| 26       | Balance  |                       | 94,842                  | (231,638)           |
| 27       | Less: Cost of Removal and proceeds adjustment for ADR/ACRS/MACRS property                          |                       | -                       | -                   |
| 28       | Less: Programmed maintenance expense   |                       | -                       | -                   |
| 29       | Less: Deferred security costs  |                       | -                       | -                   |
| 30       | Less: Property losses  |                       | -                       | -                   |
| 31       | Less: Pension ERISA  |                       | -                       | -                   |
|          |  |                       | <u>94,842</u>           | <u>(231,638)</u>    |
| 32       | Taxable income   |                       | <u>\$ 94,842</u>        | <u>\$ (231,638)</u> |
| 33       | <u>Tax Calculation</u>   |                       |                         |                     |
| 34       | Taxable income for state income tax  |                       |                         | \$ (231,638)        |
| 35       | State income tax at 56.26% of 9.7%**   |                       |                         | <u>(10,000)</u>     |
| 36       | Subtotal   |                       |                         | (10,000)            |
| 37       | Less: Deferred State ITC   |                       |                         | <u>-</u>            |
| 38       | Federal income tax at 35%  |                       | <u>\$ 33,000</u>        |                     |
| 39       | Federal and state income tax   |                       | <u>\$ 33,000</u>        | <u>\$ (10,000)</u>  |
| 40       | * Rate base x weighted cost of debt.   |                       |                         |                     |
| 41       | ** Developed by using a seven year average of actual taxable income to stand-alone taxable income. |                       |                         |                     |

ILLINOIS-AMERICAN WATER COMPANY  
 Calculation of Federal and State Income Taxes at Present Rates  
 Period Reported: January 2010 through December 2010

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 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Lincoln  
 Workpaper Reference: WP-C-2.5

| Line No. | Description  | Test Year<br>Dec-2010 | Adjustment              | Present Rates       |
|----------|--|-----------------------|-------------------------|---------------------|
| 1        | Federal income tax   | \$ (77,423)           | \$ 50,423               | \$ (27,000)         |
| 2        | State income tax   | \$ (9,199)            | \$ (801)                | \$ (10,000)         |
| 3        |  |                       | <u>at Present Rates</u> |                     |
| 4        |  |                       | <u>Federal</u>          | <u>State</u>        |
| 5        | Utility operating income   |                       | \$ 172,790              | \$ 172,790          |
| 6        | Deduct:  |                       |                         |                     |
| 7        | Interest costs*  |                       | 322,755                 | 322,755             |
| 8        | Add:   |                       |                         |                     |
| 9        | Federal income tax   |                       | (27,000)                | (27,000)            |
| 10       | State income tax   |                       | -                       | (10,000)            |
| 11       | Deferred federal income tax - accelerated depreciation   |                       | (100,626)               | (100,626)           |
| 12       | Deferred state income tax - accelerated depreciation   |                       | (6,962)                 | (6,962)             |
| 13       | Deferred federal income tax - other  |                       | 43,588                  | 43,588              |
| 14       | Deferred state income tax - other  |                       | 3,873                   | 3,873               |
| 15       | Taxable meals and travel expenses  |                       | 523                     | 523                 |
| 16       | Pension expense - FAS 87   |                       | -                       | -                   |
| 17       | Amortization of programmed maintenance expense   |                       | -                       | -                   |
| 18       | Amortization of investment tax credit  |                       | -                       | -                   |
| 19       | Amortization of state investment tax credit  |                       | -                       | -                   |
| 20       | Amortization of AFUDC Reg Asset Def Security, Streator Def R/O                                     |                       | -                       | -                   |
| 21       | Depreciation - book basis  |                       | 792,379                 | 792,379             |
| 22       | Deferred State ITC   |                       | -                       | -                   |
| 23       | Amortization of regulatory expense   |                       | -                       | -                   |
|          |  |                       | <u>705,776</u>          | <u>695,776</u>      |
| 24       | Deduct:  |                       |                         |                     |
| 25       | Depreciation - tax basis   |                       | 632,597                 | 761,746             |
| 26       | Balance  |                       | (76,787)                | (215,936)           |
| 27       | Less: Cost of Removal and proceeds adjustment for ADR/ACRS/MACRS property                          |                       | -                       | -                   |
| 28       | Less: Programmed maintenance expense   |                       | -                       | -                   |
| 29       | Less: Deferred security costs  |                       | -                       | -                   |
| 30       | Less: Property losses  |                       | -                       | -                   |
| 31       | Less: Pension ERISA  |                       | -                       | -                   |
| 32       | Taxable income   |                       | <u>\$ (76,787)</u>      | <u>\$ (215,936)</u> |
| 33       | <u>Tax Calculation</u>   |                       |                         |                     |
| 34       | Taxable income for state income tax  |                       |                         | \$ (215,936)        |
| 35       | State income tax at 56.26% of 9.7%**   |                       |                         | <u>(10,000)</u>     |
| 36       | Subtotal   |                       |                         | (10,000)            |
| 37       | Less: Deferred State ITC   |                       |                         | <u>-</u>            |
| 38       | Federal income tax at 35%  |                       | <u>\$ (27,000)</u>      |                     |
| 39       | Federal and state income tax   |                       | <u>\$ (27,000)</u>      | <u>\$ (10,000)</u>  |
| 40       | * Rate base x weighted cost of debt.   |                       |                         |                     |
| 41       | ** Developed by using a seven year average of actual taxable income to stand-alone taxable income. |                       |                         |                     |

ILLINOIS-AMERICAN WATER COMPANY  
Deferred Income Tax Expense  
Period Reported: January 2010 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3045  
Schedule C-5.2 First Revised  
Page 1 of 1

Exhibit No. 16.00  
Total Company  
Workpaper Reference: \_\_\_\_\_

Witness Responsible: Rich Kerckhove

| Line No. | Description   | (1)<br>Balance<br>Dec-2009 | Balance<br>Dec-2010 | Current Year<br>Activity<br>Dec-2010 | State Taxes<br>4.11% | Federal Taxes<br>35.00% |
|----------|---|----------------------------|---------------------|--------------------------------------|----------------------|-------------------------|
| 1        | Tax over Book   |                            |                     | \$ (7,823,282)                       | \$ (61,600)          | \$ (2,716,589)          |
| 2        |   |                            |                     |                                      |                      |                         |
| 3        | Deferred Tax Expense  |                            |                     |                                      | \$ (61,600)          | \$ (2,716,589)          |
| 4        |   |                            |                     |                                      |                      |                         |
| 5        | Amortization of Investment Tax Credits  |                            |                     |                                      | (103,923)            | (175,323)               |
| 6        |   |                            |                     |                                      |                      |                         |
| 7        | Deferred Tax - Amtz of Regulatory Asset/Liabilities   |                            |                     |                                      | 14,291               | 99,204                  |
| 8        |   |                            |                     |                                      |                      |                         |
| 9        | Total Deferred Tax Expense  |                            |                     |                                      | (151,232)            | (2,792,708)             |
| 10       |   |                            |                     |                                      |                      |                         |
| 11       | Amount Per Projection   |                            |                     |                                      | 189,644              | 2,134,149               |
| 12       |   |                            |                     |                                      |                      |                         |
| 13       | Deferred Tax Adjustment   |                            |                     |                                      | <u>\$ (340,876)</u>  | <u>\$ (4,926,857)</u>   |
| 14       |   |                            |                     |                                      |                      |                         |
| 15       | (1) Prior year ending December 2009 consists of zero months of actual and twelve months of forecasted data. |                            |                     |                                      |                      |                         |

ILLINOIS-AMERICAN WATER COMPANY  
Differences Between Book and Tax Depreciation  
Period Reported: January 2010 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3050  
Schedule C-5.3 First Revised  
Page 1 of 1

Exhibit No. 16.00  
Total Company  
Workpaper Reference: \_\_\_\_\_

Witness Responsible: Rich Kerckhove

| Line No. | Description   |             | State Amount       | Federal Amount        |
|----------|---|-------------|--------------------|-----------------------|
| 1        | Tax Depreciation  | (A)         | 38,181,839         | \$ 31,858,435         |
| 2        | Book Depreciation                                       | (B)         | 39,681,717         | 39,681,717            |
| 3        | Tax Depreciation in Excess of Book                      | (A - B) = C | <u>(1,499,878)</u> | <u>(7,823,282)</u>    |
| 4        |   |             |                    |                       |
| 5        |   |             |                    |                       |
| 6        | Total Tax / Book Depreciation Timing Differences        | (C)         | (1,499,878)        |                       |
| 7        |   |             |                    |                       |
| 8        | State Income Tax Rate                                   | (D)         | <u>4.11%</u>       |                       |
| 9        |   |             |                    |                       |
| 10       | Attributable Deferred SIT Expense                       | (C * D) = E |                    | <u>(61,600)</u>       |
| 11       |   |             |                    |                       |
| 12       | Total Tax / Book Depreciation Timing Differences - DFIT | (C - E) = F |                    | (7,761,682)           |
| 13       |   |             |                    |                       |
| 14       | Federal Income Tax Rate                                 | (G)         |                    | <u>35%</u>            |
| 15       |   |             |                    |                       |
| 16       | Attributable Deferred FIT Expense                       | (F * G) = H |                    | <u>\$ (2,716,589)</u> |

ILLINOIS-AMERICAN WATER COMPANY  
Interest Synchronization  
Period Reported: January 2010 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3055  
Schedule C-5.4 First Revised  
Page 1 of 1

Exhibit No. 16.00  
Total Company  
Workpaper Reference: \_\_\_\_\_

Witness Responsible: Rich Kerckhove

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| Line No. | District                    | Rate Base      | Weighted Cost of Debt | Interest Expense |
|----------|-----------------------------|----------------|-----------------------|------------------|
| 1        | Total Company               | \$ 616,332,009 | 3.33%                 | \$ 20,523,856    |
| 2        | Zone 1                      | 443,212,911    | 3.33%                 | 14,758,990       |
| 3        | Chicago Metro - Water       | 101,369,517    | 3.33%                 | 3,375,605        |
| 4        | Chicago Metro - Waste Water | 46,037,468     | 3.33%                 | 1,533,048        |
| 5        | Champaign                   | 111,843,260    | 3.33%                 | 3,724,381        |
| 6        | Sterling                    | 13,886,473     | 3.33%                 | 462,420          |
| 7        | Pekin                       | 16,383,928     | 3.33%                 | 545,585          |
| 8        | Lincoln                     | 9,328,185      | 3.33%                 | 310,629          |

ILLINOIS-AMERICAN WATER COMPANY  
 Social and Service Club Membership Dues  
 Period Reported: January 2007 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3065  
 Schedule C-6 First Revised  
 Page 1 of 1  
 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Total Company  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Account Number  | Account Description | Payee  | Purpose and Nature  | Historical Year Dec-2007 | Historical Year Dec-2008 | (1) Current Year Dec-2009 | Test Year Dec-2010 | Test Year Jurisdictional Pro Forma at Proposed Rates Dec-2010 |
|----------|-----------------|---------------------|--|---|--------------------------|--------------------------|---------------------------|--------------------|---|
| 1        | 675             | Miscellaneous       | University of Ill Athletic Assoc - Champaign     | University athletic programs  | \$ 1,722                 | \$ -                     | \$ -                      | \$ -               | \$ -  |
| 2        |                 |                     |  |   |                          |                          |                           |                    |   |
| 3        | 675             | Miscellaneous       | Chamber of Commerce - Lincoln                    | Organization of area businesses to strengthen local economy and business development  | 1,588                    | 1,588                    | 1,588                     | 1,588              | 1,588   |
| 4        |                 |                     |  |   |                          |                          |                           |                    |   |
| 5        |                 |                     |  |   |                          |                          |                           |                    |   |
| 6        | 675             | Miscellaneous       | Chamber of Commerce - Interurban                 | Organization of area businesses to strengthen local economy and business development  | 3,200                    | 1,600                    | 1,600                     | 1,600              | 1,600   |
| 7        |                 |                     |  |   |                          |                          |                           |                    |   |
| 8        |                 |                     |  |   |                          |                          |                           |                    |   |
| 9        | 675             | Miscellaneous       | Chamber of Commerce - Peoria                     | Organization of area businesses to strengthen local economy and business development  | 2,682                    | 5,364                    | 5,364                     | 5,364              | 5,364   |
| 10       |                 |                     |  |   |                          |                          |                           |                    |   |
| 11       |                 |                     |  |   |                          |                          |                           |                    |   |
| 12       | 675             | Miscellaneous       | Contemporary Arts Center - Peoria                | Private gift procurement for the Arts Center  | -                        | 1,000                    | 1,000                     | 1,000              | 1,000   |
| 13       |                 |                     |  |   |                          |                          |                           |                    |   |
| 14       | 675             | Miscellaneous       | Chamber of Commerce - Pontiac                    | Organization of area businesses to strengthen local economy and business development  | 1,096                    | -                        | -                         | -                  | -   |
| 15       |                 |                     |  |   |                          |                          |                           |                    |   |
| 16       |                 |                     |  |   |                          |                          |                           |                    |   |
| 17       | 675             | Miscellaneous       | Stone Creek Golf Club - Eastern Division Corp.   | Organization of area businesses to strengthen local economy and business development  | 1,423                    | -                        | -                         | -                  | -   |
| 18       |                 |                     |  |   |                          |                          |                           |                    |   |
| 19       |                 |                     |  |   |                          |                          |                           |                    |   |
| 20       | 675             | Miscellaneous       | Growth Assoc of SW Illinois - Alton              | Organization of area businesses to strengthen local economy and business development  | -                        | 1,180                    | 1,180                     | 1,180              | 1,180   |
| 21       |                 |                     |  |   |                          |                          |                           |                    |   |
| 22       |                 |                     |  |   |                          |                          |                           |                    |   |
| 23       | 675             | Miscellaneous       | Ill Manufacturers - State Corp.                  | Association formed to strengthen economic, social, environmental and governmental conditions for manufacturing and allied enterprises | 7,500                    | -                        | -                         | -                  | -   |
| 24       |                 |                     |  |   |                          |                          |                           |                    |   |
| 25       |                 |                     |  |   |                          |                          |                           |                    |   |
| 26       |                 |                     |  |   |                          |                          |                           |                    |   |
| 27       | 675             | Miscellaneous       | SW Ill Employers - State Corp.                   | Provides information resources for employers such as human resources and training/education   | 2,500                    | 6,300                    | 6,300                     | 6,300              | 6,300   |
| 28       |                 |                     |  |   |                          |                          |                           |                    |   |
| 29       |                 |                     |  |   |                          |                          |                           |                    |   |
| 30       | 675             | Miscellaneous       | Chamber of Commerce - State Corp.                | Organization of area businesses to strengthen local economy and business development  | 3,915                    | 3,835                    | 3,835                     | 3,835              | 3,835   |
| 31       |                 |                     |  |   |                          |                          |                           |                    |   |
| 32       |                 |                     |  |   |                          |                          |                           |                    |   |
| 33       | 675             | Miscellaneous       | Illinois Association of Wastewater - State Corp. | Organization of area businesses to strengthen local economy and business development  | 1,459                    | 1,459                    | 1,459                     | 1,459              | 1,459   |
| 34       |                 |                     |  |   |                          |                          |                           |                    |   |
| 35       |                 |                     |  |   |                          |                          |                           |                    |   |
| 36       | 675             | Miscellaneous       | University of Ill Athletic Assoc - State Corp.   | University athletic programs  | 3,546                    | -                        | -                         | -                  | -   |
| 37       |                 |                     |  |   |                          |                          |                           |                    |   |
| 38       | 675             | Miscellaneous       | Leadership Council - State Corp                  | SW Illinois economic development, marketing, military base retention  | -                        | 1,775                    | 1,775                     | 1,775              | 1,775   |
| 39       |                 |                     |  |   |                          |                          |                           |                    |   |
| 40       |                 |                     |  |   |                          |                          |                           |                    |   |
| 41       | 675             | Miscellaneous       | Contemporary Arts Center - State Corp            | Private gift procurement for the Arts Center  | 1,000                    | -                        | -                         | -                  | -   |
| 42       |                 |                     |  |   |                          |                          |                           |                    |   |
| 43       | 675             | Miscellaneous       | Illinois City/County Mgt Association             | Organization of area officials to strengthen municipal and county management  | -                        | 1,000                    | 1,000                     | 1,000              | 1,000   |
| 44       |                 |                     |  |   |                          |                          |                           |                    |   |
| 45       |                 |                     |  |   |                          |                          |                           |                    |   |
| 46       | 675             | Miscellaneous       | Will County Government League                    | Provides a forum of discussion for local municipalities   | -                        | 1,350                    | 1,350                     | 1,350              | 1,350   |
| 47       |                 |                     |  |   |                          |                          |                           |                    |   |
| 48       |                 |                     |  |   |                          |                          |                           |                    |   |
| 49       | 675             | Miscellaneous       | Various (2)                                      |   | 17,316                   | 33,871                   | 57,472                    | 59,569             | 59,569  |
| 50       |                 |                     |  |   |                          |                          |                           |                    |   |
| 51       |                 |                     | Total  |   | \$ 48,946                | \$ 60,322                | \$ 83,923                 | \$ 86,020          | \$ 86,020   |
| 52       |                 |                     |  |   |                          |                          |                           |                    |   |
| 53       | 760200 & 760300 |                     | Other Income Deductions (3)                      |   | \$ 24,734                | \$ 23,413                | \$ 49,575                 | \$ 49,575          | \$ 49,575   |
| 54       | 760500 & 760600 |                     | Non-operating Employee Expense (3)               |   | \$ 427                   | \$ 352                   | \$ 220                    | \$ 220             | \$ 220  |
| 55       |                 |                     |  |   |                          |                          |                           |                    |   |

(1) Prior year ending December 2009 consists of zero months of actual and twelve months of forecasted data.  
 (2) Expenses under \$1,000 each provided in aggregate  
 (3) Below-the-line expenses, listed in the aggregate, have not been considered in the development of the revenue requirement.

ILLINOIS-AMERICAN WATER COMPANY  
Rate Case Expense  
Period Reported: January 2010 through December 2010

August 24, 2009

Docket No. 09-0319

Section 285.3085

Schedule C-10 First Revised

Page 1 of 1

Witness Responsible: Rich Kerckhove

Exhibit No. 16.00

Total Company

Workpaper Reference: \_\_\_\_\_

| Line No. | Outside consultant, witness, legal | Name   | Cost Basis           | Fees                 | Expenses   | Review  | Other | Travel Expense | Estimated Current Case |
|----------|------------------------------------|--|----------------------|----------------------|------------|---------|-------|----------------|------------------------|
| 1        | a                                  | Legal Fees and Expenses  | Jones Day / Springer | (2)                  | \$ 925,000 | \$ -    | \$ -  | \$ -           | \$ 930,000             |
| 2        | b                                  | Revenue Requirement  | AWWS/Other           | (1)                  | 329,494    | -       | -     | -              | 329,494                |
| 3        | c                                  | CPA Review   | KEB                  | Flat                 | 48,700     | -       | -     | -              | 48,700                 |
| 4        | d                                  | Rate of Return Consultant  | AUS Consultants      | (2)                  | 49,760     | -       | -     | 3,000          | 52,760                 |
| 5        | e                                  | Demand Study   | Black and Veatch     | (2)                  | 140,000    | -       | -     | 3,000          | 143,000                |
| 6        | f                                  | Cost of Service Study  | Gannett Fleming      | (2)                  | 103,540    | -       | -     | 3,000          | 106,540                |
| 7        | g                                  | Other  | Various              | Actual cost incurred | -          | 276,102 | -     | 30,000         | 306,102                |
| 8        | h                                  | Service Company Study  |                      | (2)                  | 419,900    |         |       | 3,000          | 422,900                |
| 9        |                                    |  |                      |                      |            |         |       |                |                        |
| 10       |                                    | Total  |                      |                      |            |         |       |                | <u>\$ 2,339,496</u>    |
| 11       |                                    |  |                      |                      |            |         |       |                |                        |
| 12       |                                    | Cost to be Amortized over 2 years (a + b + c +d + g)                   |                      |                      |            |         |       |                | \$ 1,667,056           |
| 13       |                                    | Cost to be Amortized over 5 years (e + f + h)                          |                      |                      |            |         |       |                | <u>672,440</u>         |
| 14       |                                    |  |                      |                      |            |         |       |                |                        |
| 15       |                                    | Total  |                      |                      |            |         |       |                | <u>\$ 2,339,496</u>    |
| 16       |                                    |  |                      |                      |            |         |       |                |                        |
| 17       |                                    | Rate case expense Amortization over 2 years                            |                      |                      |            |         |       |                |                        |
| 18       |                                    | Amortize over 2 years  |                      |                      |            |         |       |                | \$ 833,528             |
| 19       |                                    | Rate case expense Amortization over 5 years                            |                      |                      |            |         |       |                |                        |
| 20       |                                    | Amortize over 5 years  |                      |                      |            |         |       |                | 134,488                |
| 21       |                                    |  |                      |                      |            |         |       |                |                        |
| 22       |                                    | Amortization of prior case rate case expense forcased in Test Year (3) |                      |                      |            |         |       |                | <u>372,533</u>         |
| 23       |                                    |  |                      |                      |            |         |       |                |                        |
| 24       |                                    | Total Pro Forma Rate Case Expense                                      |                      |                      |            |         |       |                | <u>\$ 1,340,549</u>    |
| 25       |                                    |  |                      |                      |            |         |       |                |                        |

(1) Based on actual hours worked by AWWS staff and actual expenses charged to rate case

(2) Based on fixed and/or hourly rates

(3) The unamortized portion of the previous rate case takes into account the amount to be amortized in the test year.

ILLINOIS-AMERICAN WATER COMPANY  
Depreciation Expense  
Period Reported: January 2007 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3145  
Schedule C-12 First Revised  
Page 1 of 12  
Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
Total Company  
Worksheet Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                        | Average Depreciable     |                   |                      | (1)<br>Average Depreciable |                   |                      | Average Depreciable     |                           |                      | Proposed                |                   |                      |
|----------|---------------|--|-------------------------|-------------------|----------------------|----------------------------|-------------------|----------------------|-------------------------|---------------------------|----------------------|-------------------------|-------------------|----------------------|
|          |               |  | Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Plant for Year Dec-2008    | Depreciation Rate | Depreciation Expense | Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Plant for Year Dec-2010 | Depreciation Rate | Depreciation Expense |
| 1        | <b>Water</b>  | <b>Intangible Plant</b>                    |                         |                   |                      |                            |                   |                      |                         |                           |                      |                         |                   |                      |
| 2        | 301000        | Organization                               | \$ 549,256              | 0.00%             | \$ -                 | \$ 549,256                 | 0.00%             | \$ -                 | \$ 549,256              | 0.00%                     | \$ -                 | \$ 549,256              | 0.00%             | \$ -                 |
| 3        | 302000        | Franchises                                 | 897,955                 | 0.00%             | -                    | 897,955                    | 0.00%             | -                    | 897,955                 | 0.00%                     | -                    | 897,955                 | 0.00%             | -                    |
| 4        | 339600        | Other P/E - Comp. Planning                 | 1,218,737               | 15.61%            | 190,199              | 1,464,598                  | 12.21%            | 178,897              | 1,852,369               | 0.00%                     | -                    | 4,653,278               | 20.10%            | 935,304              |
| 5        |               | <b>Source of Supply Plant</b>              |                         |                   |                      |                            |                   |                      |                         |                           |                      |                         |                   |                      |
| 6        | 303200        | Land and Land Rights - Source of Supply    | 1,489,156               | 0.00%             | -                    | 1,641,193                  | 0.00%             | 31                   | 1,788,492               | 0.00%                     | -                    | 1,788,492               | 0.00%             | -                    |
| 7        | 304100        | Structures and Improvements - SS           | 12,753,515              | 3.06%             | 390,371              | 12,717,007                 | 1.56%             | 198,045              | 12,617,737              | 2.81%                     | 354,558              | 12,617,737              | 2.81%             | 354,558              |
| 8        | 305000        | Collecting and Impounding                  | 2,328,176               | 2.48%             | 57,719               | 2,367,604                  | 1.93%             | 45,666               | 2,407,032               | 1.20%                     | 28,884               | 2,407,032               | 1.20%             | 28,884               |
| 9        | 306000        | Lake River & Other Intakes                 | 2,769,313               | 2.03%             | 56,175               | 2,784,003                  | 2.65%             | 73,670               | 2,784,039               | 3.49%                     | 97,163               | 2,784,039               | 3.49%             | 97,163               |
| 10       | 307000        | Wells and Springs                          | 5,195,604               | 2.41%             | 125,425              | 5,600,750                  | 2.11%             | 118,113              | 9,485,410               | 2.03%                     | 192,179              | 12,334,087              | 2.02%             | 249,144              |
| 11       | 308000        | Infiltration Galleries and Tunnels         | 13,293                  | 1.49%             | 198                  | 13,293                     | 1.36%             | 181                  | 13,293                  | 1.19%                     | 158                  | 13,293                  | 1.19%             | 158                  |
| 12       | 309000        | Supply Mains                               | 7,301,094               | 1.48%             | 107,925              | 8,813,586                  | 1.41%             | 124,607              | 11,991,968              | 1.76%                     | 210,979              | 14,605,679              | 1.76%             | 257,296              |
| 13       |               | <b>Pumping Plant</b>                       |                         |                   |                      |                            |                   |                      |                         |                           |                      |                         |                   |                      |
| 14       | 303300        | Land and Land Rights - Production          | 2,456,575               | 0.11%             | 2,595                | 2,476,142                  | 0.00%             | -                    | 2,498,100               | 0.00%                     | -                    | 2,498,100               | 0.00%             | -                    |
| 15       | 304200        | Structures and Improvements - Prod.        | 20,209,584              | 4.70%             | 950,183              | 20,389,495                 | 3.81%             | 777,565              | 20,535,447              | 2.49%                     | 511,333              | 20,535,447              | 2.49%             | 511,333              |
| 16       | 310000        | Power Generation Equipment                 | 4,159,294               | 2.60%             | 108,160              | 5,341,170                  | 2.52%             | 134,736              | 6,139,899               | 2.84%                     | 174,373              | 6,575,913               | 2.84%             | 186,830              |
| 17       | 311200        | Pumping Equipment - Electrical             | 34,434,180              | 2.96%             | 1,018,764            | 34,366,750                 | 3.76%             | 1,291,117            | 34,498,784              | 4.81%                     | 1,658,856            | 35,330,828              | 4.81%             | 1,699,073            |
| 18       | 311300        | Pumping Equipment - Diesel                 | 1,752,452               | 2.28%             | 39,970               | 1,725,147                  | 2.75%             | 47,471               | 1,734,063               | 3.38%                     | 58,618               | 2,084,429               | 3.37%             | 70,205               |
| 19       | 311400        | Pumping Equipment - Hydraulic              | 112,488                 | 0.01%             | 8                    | 1,398,328                  | 0.01%             | 80                   | 2,571,679               | 3.69%                     | 94,895               | 2,571,679               | 3.69%             | 94,895               |
| 20       | 311500        | Pumping Equipment - Other                  | 7,018,119               | 14.11%            | 989,925              | 7,677,951                  | 9.10%             | 698,356              | 8,208,309               | 2.43%                     | 199,462              | 8,208,309               | 2.43%             | 199,462              |
| 21       |               | <b>Water Treatment Plant</b>               |                         |                   |                      |                            |                   |                      |                         |                           |                      |                         |                   |                      |
| 22       | 303400        | Land and Land Rights - Water Treatment     | 1,875,440               | 0.00%             | -                    | 1,657,267                  | 0.00%             | -                    | 2,175,473               | 0.00%                     | -                    | 2,175,473               | 0.00%             | -                    |
| 23       | 304300        | Structures and Improvements - WT           | 51,117,490              | 2.47%             | 1,263,496            | 49,655,956                 | 2.63%             | 1,305,063            | 54,638,061              | 2.52%                     | 1,374,771            | 60,955,036              | 2.52%             | 1,534,820            |
| 24       | 320100        | Water Treatment (Non-M)                    | 75,077,105              | 5.92%             | 4,445,058            | 66,990,024                 | 5.85%             | 3,915,901            | 107,013,262             | 3.61%                     | 3,859,168            | 114,964,736             | 3.61%             | 4,145,337            |
| 25       | 320193        | Water Treatment Equip Chemical             | 390,091                 | 17.76%            | 69,288               | 26,137,430                 | 0.32%             | 84,662               | 923,038                 | 3.61%                     | 33,322               | 923,038                 | 3.61%             | 33,322               |
| 26       | 320200        | Water Treatment Equip Filter Media         | 1,230,150               | 4.54%             | 55,852               | 1,864,607                  | 5.27%             | 98,178               | 2,180,470               | 4.15%                     | 90,489               | 2,180,470               | 4.15%             | 90,489               |
| 27       | 339300        | Other P/E WT                               | 1,778                   | 126.25%           | 2,245                | 202,038                    | 1.23%             | 2,492                | 1,792                   | 2.06%                     | 37                   | 1,792                   | 2.06%             | 37                   |
| 28       |               | <b>Transmission and Distribution Plant</b> |                         |                   |                      |                            |                   |                      |                         |                           |                      |                         |                   |                      |
| 29       | 303500        | Land and Land Rights - Transmission        | 1,882,259               | 0.00%             | -                    | 1,901,381                  | 0.00%             | -                    | 1,920,720               | 0.00%                     | -                    | 1,920,720               | 0.00%             | -                    |
| 30       | 304400        | Structures and Improvements - TD           | 1,764,858               | 2.46%             | 43,400               | 1,865,024                  | 2.71%             | 50,570               | 1,965,715               | 3.30%                     | 64,869               | 1,965,715               | 3.30%             | 64,869               |
| 31       | 330000        | Distribution Reservoirs and Standpipes     | 21,087,041              | 2.45%             | 516,980              | 22,402,071                 | 2.31%             | 516,460              | 23,568,287              | 2.10%                     | 494,934              | 23,568,287              | 2.10%             | 494,934              |
| 32       | 330100        | Elevated Tanks and Standpipe               | 193,344                 | 2.70%             | 5,220                | 245,864                    | 2.58%             | 6,336                | 607,344                 | 1.98%                     | 12,018               | 1,997,246               | 2.09%             | 41,746               |
| 33       | 330200        | Ground Level Facilities                    | 39,964                  | 2.35%             | 940                  | 636,690                    | 2.37%             | 15,114               | 1,227,844               | 2.10%                     | 25,785               | 1,227,844               | 2.10%             | 25,785               |
| 34       | 330300        | Below Grade Facilities                     | 57,441                  | 1.85%             | 1,063                | 1,767,836                  | 0.44%             | 7,696                | 3,462,213               | 2.10%                     | 72,706               | 3,462,213               | 2.10%             | 72,706               |
| 35       | 331001        | T & D Mains Conversion                     | 314,603,824             | 1.86%             | 5,851,114            | 316,261,962                | 1.70%             | 5,361,241            | 332,468,778             | 1.57%                     | 5,233,652            | 365,955,901             | 1.57%             | 5,763,066            |
| 36       | 331100        | TD Mains 4in & less                        | 2,949,773               | 1.64%             | 48,251               | 3,809,704                  | 1.97%             | 75,033               | 4,449,860               | 1.45%                     | 64,669               | 4,449,860               | 1.45%             | 64,669               |
| 37       | 331200        | TD Mains 6in to 8 in                       | 20,195,174              | 0.91%             | 183,872              | 32,670,562                 | 1.32%             | 432,501              | 32,229,679              | 1.53%                     | 491,774              | 32,229,679              | 1.53%             | 491,774              |
| 38       | 331300        | TD Mains 10in to 16in                      | 9,367,901               | 1.61%             | 150,897              | 17,989,689                 | 1.79%             | 321,859              | 23,421,420              | 1.52%                     | 354,901              | 23,421,420              | 1.52%             | 354,901              |
| 39       | 331400        | TD Mains 18in & greater                    | 4,112,246               | 1.59%             | 65,320               | 9,269,498                  | 1.48%             | 137,438              | 13,766,945              | 1.32%                     | 181,724              | 13,766,945              | 1.32%             | 181,724              |
| 40       | 332000        | Fire Mains                                 | 190,851                 | 1.81%             | 3,451                | 197,846                    | 1.87%             | 3,708                | 203,394                 | 1.84%                     | 3,742                | 203,394                 | 1.84%             | 3,742                |
| 41       | 333000        | Services                                   | 97,003,487              | 6.41%             | 6,218,513            | 102,320,719                | 6.07%             | 6,208,821            | 107,858,718             | 5.55%                     | 5,981,467            | 112,159,529             | 5.54%             | 6,216,231            |
| 42       | 334100        | Meters                                     | 10,223,633              | 13.51%            | 1,381,705            | 11,731,533                 | 13.47%            | 1,580,658            | 11,842,537              | 12.07%                    | 1,429,394            | 11,842,537              | 12.07%            | 1,429,394            |
| 43       | 334110        | Meters Bronze Case                         | 19,520,635              | 14.18%            | 2,767,773            | 21,409,017                 | 13.67%            | 2,926,331            | 25,617,852              | 12.00%                    | 3,075,124            | 32,866,417              | 12.01%            | 3,948,209            |
| 44       | 334120        | Meters Plastic Case                        | 293,485                 | 8.21%             | 24,105               | 232,771                    | 5.53%             | 12,864               | 171,809                 | 0.00%                     | -                    | 171,809                 | 0.00%             | -                    |
| 45       | 334130        | Meters Other                               | 869,185                 | 2.40%             | 20,839               | 1,936,933                  | 8.38%             | 162,411              | 2,417,238               | 11.17%                    | 269,925              | 2,417,238               | 11.17%            | 269,925              |
| 46       | 334200        | Meters Installations                       | 28,077,269              | 3.89%             | 1,092,468            | 29,462,751                 | 4.08%             | 1,202,753            | 29,727,200              | 4.91%                     | 1,459,574            | 29,727,200              | 4.91%             | 1,459,574            |
| 47       | 334300        | Meter Vaults                               | 456,871                 | 1.61%             | 7,344                | 890,554                    | 2.87%             | 25,603               | 943,820                 | 3.18%                     | 30,014               | 943,828                 | 3.18%             | 30,014               |
| 48       | 335000        | Hydrants                                   | 38,854,852              | 3.91%             | 1,518,838            | 44,196,069                 | 3.91%             | 1,729,000            | 46,852,448              | 3.89%                     | 1,824,240            | 48,817,255              | 3.89%             | 1,900,395            |
| 49       | 336000        | Backflow Prevention Devices                | 1,972                   | 0.00%             | -                    | 3,944                      | 3.84%             | 151                  | 3,943                   | 2.06%                     | 81                   | 3,943                   | 2.06%             | 81                   |
| 50       | 339500        | Other P/E TD                               | 9,673                   | 1.40%             | 136                  | 8,131                      | 7.42%             | 603                  | 8,131                   | 2.06%                     | 167                  | 8,131                   | 2.06%             | 167                  |

ILLINOIS-AMERICAN WATER COMPANY  
 Depreciation Expense  
 Period Reported: January 2007 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3145  
 Schedule C-12 First Revised  
 Page 2 of 12  
 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Total Company - Continued  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                   |   |                   |                      | (1)   |                   |                      |   |                           |                      |   |                            |                      |
|----------|---------------|---------------------------------------|---|-------------------|----------------------|---|-------------------|----------------------|---|---------------------------|----------------------|---|----------------------------|----------------------|
|          |               |                                       | Average Depreciable Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2008 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2010 | Proposed Depreciation Rate | Depreciation Expense |
| 1        |               | <b>General Plant</b>                  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 2        | 303600        | Land and land rights - administrative | 463,721                                     | 0.00%             | -                    | 465,746                                     | 0.00%             | -                    | 465,746                                     | 0.00%                     | -                    | 465,746                                     | 0.00%                      | -                    |
| 3        | 304500        | Structures and Improvements - AG      | 771,074                                     | 2.73%             | 21,049               | 1,037,639                                   | 2.97%             | 30,859               | 1,224,935                                   | 2.96%                     | 36,258               | 1,224,935                                   | 2.96%                      | 36,258               |
| 4        | 304600        | Office Structures                     | 5,582,022                                   | 3.02%             | 168,695              | 5,283,973                                   | 8.65%             | 457,287              | 5,746,970                                   | 3.15%                     | 181,030              | 5,746,970                                   | 3.15%                      | 181,030              |
| 5        | 304700        | Stores, Shop, and Garage Structures   | 2,998,876                                   | 8.13%             | 243,871              | 2,963,250                                   | 6.19%             | 183,343              | 3,016,766                                   | 2.06%                     | 62,145               | 3,016,766                                   | 2.06%                      | 62,145               |
| 6        | 304800        | Miscellaneous Structures              | 533,796                                     | 2.23%             | 11,929               | 560,503                                     | 5.16%             | 28,903               | 560,883                                     | 5.27%                     | 29,559               | 560,883                                     | 5.27%                      | 29,559               |
| 7        | 339100        | Other P/E Intangible                  | 8,281                                       | 38.65%            | 3,201                | 8,281                                       | 0.75%             | 62                   | 0   | 0.00%                     | -                    | 0   | 0.00%                      | -                    |
| 8        | 340100        | Office Furniture                      | 2,235,397                                   | 4.65%             | 103,899              | 2,194,146                                   | 4.10%             | 89,972               | 2,587,644                                   | 3.57%                     | 92,277               | 3,292,535                                   | 3.58%                      | 117,860              |
| 9        | 340200        | Computer & Peripheral                 | 3,597,923                                   | 12.03%            | 432,997              | 3,054,748                                   | 11.63%            | 355,396              | 3,341,121                                   | 14.24%                    | 475,844              | 3,969,985                                   | 14.28%                     | 567,017              |
| 10       | 340210        | Personal Computers                    | 1,232,330                                   | 9.05%             | 111,578              | 1,806,385                                   | 17.16%            | 310,065              | 1,956,741                                   | 16.55%                    | 323,841              | 1,956,741                                   | 16.55%                     | 323,841              |
| 11       | 340300        | Computer Software                     | 11,340,417                                  | 20.53%            | 2,327,962            | 11,335,860                                  | 14.87%            | 1,685,240            | 11,333,900                                  | 16.56%                    | 1,876,894            | 11,333,900                                  | 16.56%                     | 1,876,894            |
| 12       | 340320        | Personal Computer Software            | 226,806                                     | 22.11%            | 50,154               | 232,763                                     | 18.97%            | 44,161               | 235,340                                     | 14.27%                    | 33,583               | 235,340                                     | 14.27%                     | 33,583               |
| 13       | 340400        | Data Handling Equipment               | 706,382                                     | 10.31%            | 72,829               | 697,320                                     | 8.36%             | 58,302               | 697,320                                     | 5.59%                     | 38,980               | 697,320                                     | 5.59%                      | 38,980               |
| 14       | 340500        | Other Office Equipment                | 975,714                                     | 11.36%            | 110,812              | 869,652                                     | 8.41%             | 73,171               | 851,374                                     | 5.59%                     | 47,592               | 851,374                                     | 5.59%                      | 47,592               |
| 15       | 341001        | Transportation Equip Not Classified   | 803,843                                     | -5.77%            | (46,417)             | 686,173                                     | 2.01%             | 13,788               | 679,060                                     | 3.65%                     | 24,786               | 679,060                                     | 3.65%                      | 24,786               |
| 16       | 341100        | Light Duty Trucks                     | 5,679,146                                   | 11.56%            | 656,488              | 5,724,420                                   | 8.10%             | 463,803              | 6,132,633                                   | 3.35%                     | 205,183              | 7,413,465                                   | 3.35%                      | 248,666              |
| 17       | 341200        | Heavy Duty Trucks                     | 3,721,825                                   | 6.16%             | 229,216              | 4,299,911                                   | 6.39%             | 274,675              | 5,251,989                                   | 3.98%                     | 209,179              | 5,289,093                                   | 3.97%                      | 209,977              |
| 18       | 341300        | Automobiles                           | 2,165,829                                   | 9.04%             | 195,696              | 2,210,504                                   | -5.19%            | (114,812)            | 2,141,105                                   | 4.74%                     | 101,488              | 2,141,105                                   | 4.74%                      | 101,488              |
| 19       | 341400        | Trans. Equipment - Other              | 364,825                                     | 0.80%             | 2,928                | 762,988                                     | 2.00%             | 15,282               | 940,269                                     | 2.94%                     | 27,644               | 940,269                                     | 2.94%                      | 27,644               |
| 20       | 342000        | Stores Equipment                      | 254,235                                     | 3.64%             | 9,259                | 304,664                                     | 3.87%             | 11,796               | 306,713                                     | 2.45%                     | 7,514                | 306,713                                     | 2.45%                      | 7,514                |
| 21       | 343000        | Tools/Shop/Garage Equipment           | 5,775,131                                   | 1.19%             | 68,937               | 6,356,059                                   | 2.83%             | 180,076              | 7,414,386                                   | 2.54%                     | 188,139              | 8,597,003                                   | 2.54%                      | 218,180              |
| 22       | 343100        | Tools/Shop/Garage Equipment Ot        | 231,117                                     | 2.98%             | 6,882                | 247,730                                     | 3.00%             | 7,425                | 239,811                                     | 2.55%                     | 6,104                | 240,873                                     | 2.54%                      | 6,118                |
| 23       | 344000        | Laboratory Equipment                  | 1,344,509                                   | 4.78%             | 64,300               | 1,386,006                                   | 4.38%             | 60,648               | 1,442,304                                   | 3.85%                     | 55,529               | 1,442,304                                   | 3.85%                      | 55,529               |
| 24       | 345000        | Power Oper. Equipment                 | 3,865,578                                   | 8.61%             | 332,938              | 3,765,455                                   | 7.01%             | 264,101              | 3,678,770                                   | 6.45%                     | 237,281              | 3,678,770                                   | 6.45%                      | 237,281              |
| 25       | 346000        | Comm. Equipment Conversion            | 7,008,059                                   | 4.78%             | 335,060              | 6,999,938                                   | 5.31%             | 371,370              | 6,998,489                                   | 6.04%                     | 422,709              | 6,998,489                                   | 6.04%                      | 422,709              |
| 26       | 346100        | Comm. Equipment (Non-Telephone)       | 211,330                                     | 5.29%             | 11,184               | 253,340                                     | 5.32%             | 13,486               | 398,283                                     | 5.91%                     | 23,546               | 825,439                                     | 6.04%                      | 49,868               |
| 27       | 346190        | Remote Control & Instrument           | 360,171                                     | 0.97%             | 3,489                | 813,557                                     | 5.39%             | 43,821               | 944,602                                     | 6.04%                     | 57,054               | 944,602                                     | 6.04%                      | 57,054               |
| 28       | 346200        | Comm. Equipment Telephone             | 202,909                                     | 4.78%             | 9,699                | 203,980                                     | 5.28%             | 10,776               | 205,021                                     | 6.04%                     | 12,383               | 205,021                                     | 6.04%                      | 12,383               |
| 29       | 347000        | Miscellaneous Equipment               | 1,257,499                                   | 4.26%             | 53,509               | 1,435,039                                   | 2.53%             | 36,373               | 1,535,158                                   | 2.51%                     | 38,532               | 1,535,158                                   | 2.51%                      | 38,532               |
| 30       | 348000        | Other Tangible Plant                  | 110,639                                     | 0.00%             | -                    | 1   | 0.00%             | -                    | 1   | 0.00%                     | -                    | 1   | 0.00%                      | -                    |
| 31       | 102.1         | FAS 109 - AFUDC Debt                  | 1,679,948                                   | 0.00%             | -                    | 1,679,948                                   | 0.00%             | -                    | 1,679,948                                   | 0.00%                     | -                    | 1,679,948                                   | 0.00%                      | -                    |
| 32       |               | Completed Construction not Classified | -   | 0.00%             | 10,288               | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |

(1) Prior year ending December 2009 consists of zero months of actual and twelve months of forecasted data.

ILLINOIS-AMERICAN WATER COMPANY  
 Depreciation Expense  
 Period Reported: January 2007 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3145  
 Schedule C-12 First Revised  
 Page 3 of 12  
 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Total Company - Continued  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                    | Average                             | Depreciation Rate | Depreciation Expense | Average                             | Depreciation Rate | Depreciation Expense | (1)                     | Current Depreciation Rate | Depreciation Expense | Average                             | Proposed Depreciation Rate | Depreciation Expense |
|----------|---------------|--|-------------------------------------|-------------------|----------------------|-------------------------------------|-------------------|----------------------|-------------------------|---------------------------|----------------------|-------------------------------------|----------------------------|----------------------|
|          |               |  | Depreciable Plant for Year Dec-2007 |                   |                      | Depreciable Plant for Year Dec-2008 |                   |                      | Plant for Year Dec-2009 |                           |                      | Depreciable Plant for Year Dec-2010 |                            |                      |
| 1        |               | <b>Sewer Intangible Plant</b>          |                                     |                   |                      |                                     |                   |                      |                         |                           |                      |                                     |                            |                      |
| 2        | 351000        | Organization                           | 361,048                             | 0.00%             | -                    | 361,048                             | 0.00%             | -                    | 361,048                 | 0.00%                     | -                    | 361,048                             | 0.00%                      | -                    |
| 3        | 352000        | Franchises                             | 580,949                             | 0.00%             | -                    | 580,949                             | 0.00%             | -                    | 580,949                 | 0.00%                     | -                    | 580,949                             | 0.00%                      | -                    |
| 4        | 352200        | Other Intangible Plt                   | 110                                 | 0.00%             | -                    | 110                                 | 0.00%             | -                    | 110                     | 0.00%                     | -                    | 110                                 | 0.00%                      | -                    |
| 5        | 389100        | Other Plant and Misc Equipment         | 397,609                             | 2.26%             | 8,985                | 397,609                             | 3.34%             | 13,300               | 532,560                 | 0.00%                     | -                    | 979,743                             | 0.00%                      | -                    |
| 6        |               | <b>Collection Plant</b>                |                                     |                   |                      |                                     |                   |                      |                         |                           |                      |                                     |                            |                      |
| 7        | 353200        | Land and Land Rights - Coll            | 269,604                             | 0.00%             | -                    | 266,729                             | 0.00%             | -                    | 263,854                 | 0.00%                     | -                    | 263,854                             | 0.00%                      | -                    |
| 8        | 354200        | Structures and Improvements - Coll     | 4,707,442                           | 2.26%             | 106,375              | 4,875,183                           | 2.16%             | 105,172              | 5,041,110               | 1.93%                     | 97,293               | 5,041,110                           | 1.93%                      | 97,293               |
| 9        | 355200        | Power Generation Equip                 | -                                   | 0.00%             | -                    | (9,996)                             | 3.23%             | (323)                | (19,991)                | 2.84%                     | (568)                | (19,991)                            | 2.84%                      | (568)                |
| 10       | 360000        | Collection Sewers Forced               | 4,111,925                           | 3.18%             | 130,816              | 4,305,932                           | 3.15%             | 135,616              | 4,652,183               | 2.58%                     | 120,245              | 6,112,873                           | 2.56%                      | 156,678              |
| 11       | 361100        | Collecting Mains                       | 50,565,848                          | 3.31%             | 1,674,595            | 53,452,391                          | 2.98%             | 1,593,062            | 56,566,624              | 2.38%                     | 1,346,515            | 57,388,620                          | 2.38%                      | 1,365,655            |
| 12       | 363000        | Services Sewer                         | 8,723,286                           | 3.45%             | 301,103              | 9,562,591                           | 3.14%             | 299,878              | 10,170,587              | 2.69%                     | 273,592              | 10,375,666                          | 2.69%                      | 279,070              |
| 13       | 364000        | Flow Measuring Devices                 | -                                   | 0.00%             | -                    | 871                                 | 13.10%            | 114                  | 1,742                   | 12.87%                    | 224                  | 10,375,666                          | 12.87%                     | 224                  |
| 14       | 365000        | Flow Measuring Installs                | 414                                 | 0.00%             | -                    | 827                                 | 4.15%             | 34                   | 827                     | 4.41%                     | 36                   | 827                                 | 4.41%                      | 36                   |
| 15       |               | <b>System Pumping Plant</b>            |                                     |                   |                      |                                     |                   |                      |                         |                           |                      |                                     |                            |                      |
| 16       | 354300        | Structures and Improvements - SPP      | 119,190                             | 4.68%             | 5,576                | 241,264                             | 5.81%             | 14,010               | 338,848                 | 2.93%                     | 9,928                | 338,848                             | 2.93%                      | 9,928                |
| 17       | 355300        | Power Generation Equip                 | 6,102                               | 0.00%             | -                    | 12,204                              | 3.01%             | 367                  | 12,204                  | 2.84%                     | 347                  | 12,204                              | 2.84%                      | 347                  |
| 18       | 371100        | Pumping Equipment - Electrical         | 2,372,166                           | 5.33%             | 126,342              | 2,273,860                           | 5.39%             | 122,633              | 2,257,708               | 5.23%                     | 118,044              | 2,612,777                           | 5.23%                      | 136,744              |
| 19       | 371200        | Pumping Equipment - Other              | 217,456                             | 5.14%             | 11,177               | 289,971                             | 5.57%             | 16,162               | 355,948                 | 5.40%                     | 19,221               | 355,948                             | 5.40%                      | 19,221               |
| 20       |               | <b>Treatment and Disposal Plant</b>    |                                     |                   |                      |                                     |                   |                      |                         |                           |                      |                                     |                            |                      |
| 21       | 354400        | Structures and Improvements - TDP      | 12,732,788                          | 5.74%             | 730,789              | 17,749,994                          | 4.13%             | 733,586              | 23,112,323              | 4.97%                     | 1,148,974            | 23,443,099                          | 4.97%                      | 1,165,076            |
| 22       | 355400        | Power Generation Equip                 | -                                   | 0.00%             | -                    | 1,343                               | 3.23%             | 43                   | 1,200,021               | 2.94%                     | 35,240               | 1,417,718                           | 2.84%                      | 40,263               |
| 23       | 380000        | Treatment & Disposal Equipment         | 369,257                             | 3.92%             | 14,473               | 369,257                             | 5.02%             | 18,552               | 369,257                 | 6.57%                     | 24,260               | 369,257                             | 6.57%                      | 24,260               |
| 24       | 380050        | T & D Equip Grit Removal               | 411,339                             | 3.92%             | 16,123               | 411,339                             | 6.56%             | 26,991               | 411,339                 | 10.26%                    | 42,203               | 411,339                             | 10.26%                     | 42,203               |
| 25       | 380100        | T & D Equip Sed Tanks                  | 4,780,489                           | 6.64%             | 317,363              | 4,773,057                           | 7.38%             | 352,212              | 4,773,057               | 8.40%                     | 400,937              | 4,773,057                           | 8.40%                      | 400,937              |
| 26       | 380200        | T & D Equip Sludge Dig Trnk            | 579,636                             | 1.48%             | 8,552                | 1,153,437                           | 7.83%             | 90,295               | 1,153,459               | 9.26%                     | 106,810              | 1,153,459                           | 9.26%                      | 106,810              |
| 27       | 380300        | T & D Equip Sludge Dry/Filt            | 1,633,576                           | 5.25%             | 85,721               | 1,626,823                           | 9.61%             | 156,392              | 1,626,823               | 15.75%                    | 256,225              | 1,626,823                           | 15.75%                     | 256,225              |
| 28       | 380350        | T & D Equip Sec Trmt Filt              | 1,840,417                           | 3.60%             | 66,229               | 1,839,958                           | 6.57%             | 120,900              | 1,839,958               | 10.73%                    | 197,427              | 1,839,958                           | 10.73%                     | 197,427              |
| 29       | 380400        | T & D Equip Aux Effl Trmt              | 1,744,858                           | 5.30%             | 92,468               | 1,770,858                           | 6.17%             | 109,335              | 1,796,855               | 7.39%                     | 132,788              | 1,796,855                           | 7.39%                      | 132,788              |
| 30       | 380500        | T & D Equip Chem Trmt Plt              | 654,636                             | 3.33%             | 21,797               | 654,636                             | 10.43%            | 68,279               | 654,636                 | 20.37%                    | 133,349              | 654,636                             | 20.37%                     | 133,349              |
| 31       | 380600        | T & D Equip Oth Disp                   | 1,712,510                           | 3.15%             | 53,885               | 1,736,930                           | 6.40%             | 111,114              | 1,760,713               | 11.42%                    | 201,073              | 1,760,713                           | 11.42%                     | 201,073              |
| 32       | 380650        | T & D Equip Influent Lift              | 1,902,389                           | 2.95%             | 56,104               | 1,904,293                           | 4.78%             | 91,107               | 1,904,293               | 7.35%                     | 139,966              | 1,904,293                           | 7.35%                      | 139,966              |
| 33       | 382000        | Outfall Sewer Lines                    | 900,802                             | 4.34%             | 39,091               | 900,802                             | 3.22%             | 29,036               | 900,802                 | 1.66%                     | 14,953               | 900,802                             | 1.66%                      | 14,953               |
| 34       |               | <b>Reclaimed Treatment Plant</b>       |                                     |                   |                      |                                     |                   |                      |                         |                           |                      |                                     |                            |                      |
| 35       | 353500        | Land and Land Rights General           | 40,951                              | 0.00%             | -                    | 40,951                              | 0.00%             | -                    | 40,951                  | 0.00%                     | -                    | 40,951                              | 0.00%                      | -                    |
| 36       | 354500        | Struct and Imp - General               | 2,463,582                           | 4.26%             | 104,842              | 2,576,730                           | 3.87%             | 99,845               | 2,670,367               | 3.09%                     | 82,514               | 2,670,367                           | 3.09%                      | 82,514               |
| 37       |               | <b>General Plant</b>                   |                                     |                   |                      |                                     |                   |                      |                         |                           |                      |                                     |                            |                      |
| 38       | 390000        | Office Furniture                       | 114,822                             | 4.41%             | 5,060                | 86,788                              | 8.17%             | 7,089                | 89,300                  | 14.49%                    | 12,938               | 125,636                             | 14.45%                     | 18,157               |
| 39       | 390300        | Computer Hardware and Software         | -                                   | 0.00%             | -                    | 1,203                               | 13.79%            | 166                  | 2,405                   | 16.56%                    | 398                  | 2,405                               | 16.56%                     | 398                  |
| 40       | 391000        | Transportation Equipment               | 111,608                             | 25.00%            | 27,899               | 103,580                             | 15.39%            | 15,942               | 165,492                 | 0.00%                     | -                    | 371,022                             | 0.00%                      | -                    |
| 41       | 391100        | Transportation Equipment               | 251,817                             | 0.21%             | 519                  | 558,304                             | 20.24%            | 113,027              | 612,974                 | 10.63%                    | 65,159               | 612,974                             | 10.63%                     | 65,159               |
| 42       | 392000        | Stores Equipment                       | 10,887                              | 5.84%             | 636                  | 10,722                              | 5.74%             | 616                  | 10,658                  | 5.64%                     | 601                  | 10,658                              | 5.64%                      | 601                  |
| 43       | 393000        | Tools/Shop/Garage Equipment            | 217,908                             | 4.29%             | 9,356                | 228,572                             | 4.35%             | 9,941                | 237,379                 | 4.81%                     | 11,416               | 275,217                             | 4.82%                      | 13,260               |
| 44       | 394000        | Laboratory Equipment                   | 123,139                             | 5.87%             | 7,230                | 129,351                             | 6.44%             | 8,326                | 131,873                 | 7.46%                     | 9,838                | 131,873                             | 7.46%                      | 9,838                |
| 45       | 395000        | Power Operated Equipment               | 171,867                             | 6.03%             | 10,361               | 177,556                             | 10.45%            | 18,555               | 177,556                 | 16.40%                    | 29,119               | 177,556                             | 16.40%                     | 29,119               |
| 46       | 396000        | Communications Equipment               | 147,592                             | 4.07%             | 6,012                | 167,443                             | 6.14%             | 10,285               | 175,300                 | 7.71%                     | 13,516               | 175,300                             | 7.71%                      | 13,516               |
| 47       | 397000        | Misc. Equipment                        | 68,787                              | 3.78%             | 2,603                | 68,682                              | 6.20%             | 4,262                | 68,682                  | 9.60%                     | 6,593                | 68,682                              | 9.60%                      | 6,593                |
| 48       |               |  |                                     |                   |                      |                                     |                   |                      |                         |                           |                      |                                     |                            |                      |
| 49       |               | Total Average Utility Plant in Service | <u>\$ 977,234,721</u>               |                   | <u>39,420,298</u>    | <u>\$ 1,061,236,230</u>             |                   | <u>39,337,277</u>    | <u>\$ 1,151,251,889</u> |                           | <u>39,876,257</u>    | <u>\$ 1,232,173,994</u>             |                            | <u>43,493,821</u>    |
| 50       |               |  |                                     |                   |                      |                                     |                   |                      |                         |                           |                      |                                     |                            |                      |
| 51       |               | Depreciation on Contributed Property   |                                     |                   | <u>(3,881,843)</u>   |                                     |                   | <u>(3,918,412)</u>   |                         |                           | <u>(3,788,541)</u>   |                                     | <u>(3,812,104)</u>         |                      |
| 52       |               |  |                                     |                   |                      |                                     |                   |                      |                         |                           |                      |                                     |                            |                      |
| 53       |               | Total Depreciation Expense             |                                     |                   | <u>\$ 35,538,455</u> |                                     |                   | <u>\$ 35,418,865</u> |                         |                           | <u>\$ 36,087,715</u> |                                     | <u>\$ 39,681,717</u>       |                      |

(1) Prior year ending December 2009 consists of zero months of actual and twelve months of forecasted data.

ILLINOIS-AMERICAN WATER COMPANY  
Depreciation Expense  
Period Reported: January 2007 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3145  
Schedule C-12 First Revised  
Page 4 of 12

Exhibit No. 16.00  
Zone 1  
Workpaper Reference: \_\_\_\_\_

Witness Responsible: Rich Kerckhove

| Line No. | Object Number | Account Description                        |   |                   |                      | (1)   |                   |                      |   |                           |                      |   |                            |                      |
|----------|---------------|--|---|-------------------|----------------------|---|-------------------|----------------------|---|---------------------------|----------------------|---|----------------------------|----------------------|
|          |               |  | Average Depreciable Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2008 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2010 | Proposed Depreciation Rate | Depreciation Expense |
| 1        |               | <b>Intangible Plant</b>                    |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 2        | 301000        | Organization                               | \$ 133,359                                  | 0.00%             | \$ -                 | \$ 133,359                                  | 0.00%             | \$ -                 | \$ 133,359                                  | 0.00%                     | \$ -                 | \$ 133,359                                  | 0.00%                      | \$ -                 |
| 3        | 302000        | Franchises                                 | 166,841                                     | 0.00%             | -                    | 166,841                                     | 0.00%             | -                    | 166,841                                     | 0.00%                     | -                    | 166,841                                     | 0.00%                      | -                    |
| 4        | 339600        | Other P/E - Comp. Planning                 | 270,362                                     | 8.67%             | 23,429               | 382,336                                     | 16.10%            | 61,571               | 1,317,339                                   | 0.00%                     | -                    | 2,615,412                                   | 20.00%                     | 523,082              |
| 5        |               | <b>Source of Supply Plant</b>              |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 6        | 303200        | Land and Land Rights - Source of Supply    | 956,631                                     | 0.00%             | -                    | 1,101,162                                   | 0.00%             | -                    | 1,240,954                                   | 0.00%                     | -                    | 1,240,954                                   | 0.00%                      | -                    |
| 7        | 304100        | Structures and Improvements - SS           | 7,432,430                                   | 3.18%             | 236,136              | 7,521,481                                   | 2.61%             | 196,626              | 7,595,275                                   | 2.81%                     | 213,427              | 7,595,275                                   | 2.81%                      | 213,427              |
| 8        | 305000        | Collecting and Impounding                  | 1,957,749                                   | 2.48%             | 48,533               | 1,997,177                                   | 1.93%             | 38,455               | 2,036,605                                   | 1.20%                     | 24,439               | 2,036,605                                   | 1.20%                      | 24,439               |
| 9        | 306000        | Lake River & Other Intakes                 | 2,769,313                                   | 2.03%             | 56,175               | 2,784,003                                   | 2.65%             | 73,670               | 2,784,039                                   | 3.49%                     | 97,163               | 2,784,039                                   | 3.49%                      | 97,163               |
| 10       | 307000        | Wells and Springs                          | 2,960,277                                   | 2.48%             | 73,389               | 3,310,212                                   | 2.06%             | 68,084               | 6,508,135                                   | 2.03%                     | 131,807              | 8,989,520                                   | 2.02%                      | 181,583              |
| 11       | 308000        | Infiltration Galleries and Tunnels         | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 12       | 309000        | Supply Mains                               | 6,853,507                                   | 1.49%             | 101,912              | 8,306,871                                   | 1.40%             | 116,257              | 11,446,760                                  | 1.76%                     | 201,643              | 13,119,767                                  | 1.76%                      | 230,992              |
| 13       |               | <b>Pumping Plant</b>                       |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 14       | 303300        | Land and Land Rights - Production          | 694,202                                     | 0.37%             | 2,595                | 713,769                                     | 0.00%             | -                    | 735,727                                     | 0.00%                     | -                    | 735,727                                     | 0.00%                      | -                    |
| 15       | 304200        | Structures and Improvements - Prod.        | 14,010,223                                  | 4.70%             | 658,845              | 14,184,015                                  | 3.83%             | 542,973              | 14,325,950                                  | 2.49%                     | 356,716              | 14,325,950                                  | 2.49%                      | 356,716              |
| 16       | 310000        | Power Generation Equipment                 | 2,840,989                                   | 2.72%             | 77,241               | 3,793,025                                   | 2.42%             | 91,654               | 4,589,641                                   | 2.84%                     | 130,346              | 5,025,655                                   | 2.84%                      | 142,807              |
| 17       | 311200        | Pumping Equipment - Electrical             | 30,635,154                                  | 2.95%             | 905,001              | 30,552,625                                  | 3.76%             | 1,149,917            | 30,224,592                                  | 4.81%                     | 1,453,803            | 30,297,219                                  | 4.81%                      | 1,456,952            |
| 18       | 311300        | Pumping Equipment - Diesel                 | 1,457,555                                   | 2.26%             | 33,011               | 1,445,763                                   | 2.76%             | 39,842               | 1,454,679                                   | 3.38%                     | 49,147               | 1,805,045                                   | 3.36%                      | 60,734               |
| 19       | 311400        | Pumping Equipment - Hydraulic              | 112,488                                     | 0.01%             | 8                    | 1,398,328                                   | 0.01%             | 80                   | 2,571,679                                   | 3.69%                     | 94,895               | 2,571,679                                   | 3.69%                      | 94,895               |
| 20       | 311500        | Pumping Equipment - Other                  | 352,712                                     | 13.00%            | 45,855               | 892,038                                     | 8.11%             | 72,314               | 1,357,907                                   | 2.43%                     | 32,997               | 1,357,907                                   | 2.43%                      | 32,997               |
| 21       |               | <b>Water Treatment Plant</b>               |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 22       | 303400        | Land and Land Rights - Water Treatment     | 1,875,440                                   | 0.00%             | -                    | 1,657,267                                   | 0.00%             | -                    | 2,175,473                                   | 0.00%                     | -                    | 2,175,473                                   | 0.00%                      | -                    |
| 23       | 304300        | Structures and Improvements - WT           | 46,416,988                                  | 2.49%             | 1,156,261            | 43,975,880                                  | 2.60%             | 1,143,974            | 48,476,905                                  | 2.52%                     | 1,219,496            | 54,337,087                                  | 2.52%                      | 1,368,071            |
| 24       | 320100        | Water Treatment (Non-M)                    | 68,967,782                                  | 5.92%             | 4,080,319            | 60,888,168                                  | 5.93%             | 3,611,619            | 100,306,022                                 | 3.61%                     | 3,616,774            | 107,826,072                                 | 3.61%                      | 3,887,631            |
| 25       | 320193        | Water Treatment Equip Chemical             | 258,099                                     | 26.20%            | 67,616               | 25,861,440                                  | 0.25%             | 64,782               | 635,043                                     | 3.61%                     | 22,925               | 635,043                                     | 3.61%                      | 22,925               |
| 26       | 320200        | Water Treatment Equip Filter Media         | 324,025                                     | 3.93%             | 12,748               | 562,060                                     | 4.02%             | 22,622               | 684,634                                     | 4.15%                     | 28,412               | 684,634                                     | 4.15%                      | 28,412               |
| 27       | 339300        | Other P/E WT                               | 1,778                                       | 126.25%           | 2,245                | 202,038                                     | 1.23%             | 2,492                | 1,792                                       | 2.06%                     | 37                   | 1,792                                       | 2.06%                      | 37                   |
| 28       |               | <b>Transmission and Distribution Plant</b> |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 29       | 303500        | Land and Land Rights - Transmission        | 1,821,461                                   | 0.00%             | -                    | 1,840,583                                   | 0.00%             | -                    | 1,859,922                                   | 0.00%                     | -                    | 1,859,922                                   | 0.00%                      | -                    |
| 30       | 304400        | Structures and Improvements - TD           | 1,200,384                                   | 2.46%             | 29,516               | 1,292,032                                   | 2.65%             | 34,234               | 1,384,242                                   | 3.30%                     | 45,680               | 1,384,242                                   | 3.30%                      | 45,680               |
| 31       | 330000        | Distribution Reservoirs and Standpipes     | 9,279,600                                   | 2.45%             | 226,944              | 10,394,492                                  | 2.31%             | 239,780              | 11,382,422                                  | 2.10%                     | 239,031              | 11,382,422                                  | 2.10%                      | 239,031              |
| 32       | 330100        | Elevated Tanks and Standpipe               | 96,100                                      | 3.11%             | 2,985                | 136,971                                     | 2.46%             | 3,375                | 136,971                                     | 2.10%                     | 2,876                | 188,212                                     | 1.99%                      | 3,751                |
| 33       | 330200        | Ground Level Facilities                    | 5,819                                       | 1.82%             | 106                  | 571,078                                     | 2.46%             | 14,069               | 1,130,518                                   | 2.10%                     | 23,741               | 1,130,518                                   | 2.10%                      | 23,741               |
| 34       | 330300        | Below Grade Facilities                     | 46,713                                      | 1.71%             | 799                  | 1,757,108                                   | 0.42%             | 7,449                | 3,451,485                                   | 2.10%                     | 72,481               | 3,451,485                                   | 2.10%                      | 72,481               |
| 35       | 331001        | T & D Mains Conversion                     | 229,532,973                                 | 1.87%             | 4,282,217            | 231,038,636                                 | 1.69%             | 3,896,665            | 241,155,619                                 | 1.57%                     | 3,792,503            | 262,417,956                                 | 1.57%                      | 4,127,936            |
| 36       | 331100        | TD Mains 4in & less                        | 2,812,259                                   | 1.64%             | 45,996               | 3,507,988                                   | 1.94%             | 68,207               | 4,029,169                                   | 1.40%                     | 56,507               | 4,029,169                                   | 1.40%                      | 56,507               |
| 37       | 331200        | TD Mains 6in to 8 in                       | 5,459,716                                   | 0.95%             | 52,053               | 15,740,290                                  | 1.68%             | 264,441              | 20,903,192                                  | 1.52%                     | 318,479              | 20,903,192                                  | 1.52%                      | 318,479              |
| 38       | 331300        | TD Mains 10in to 16in                      | 3,153,578                                   | 1.37%             | 43,310               | 8,645,030                                   | 1.66%             | 143,166              | 11,326,800                                  | 1.51%                     | 171,063              | 11,326,800                                  | 1.51%                      | 171,063              |
| 39       | 331400        | TD Mains 18in & greater                    | 1,691,798                                   | 1.46%             | 24,721               | 6,222,858                                   | 1.28%             | 79,692               | 10,318,922                                  | 1.32%                     | 136,210              | 10,318,922                                  | 1.32%                      | 136,210              |
| 40       | 332000        | Fire Mains                                 | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 41       | 333000        | Services                                   | 72,712,237                                  | 6.39%             | 4,646,007            | 76,948,750                                  | 6.05%             | 4,654,406            | 81,464,091                                  | 5.54%                     | 4,511,220            | 85,075,454                                  | 5.53%                      | 4,707,961            |
| 42       | 334100        | Meters                                     | 933,569                                     | 12.43%            | 116,021              | 1,317,069                                   | 9.22%             | 121,450              | 955,436                                     | 12.07%                    | 115,321              | 955,436                                     | 12.07%                     | 115,321              |
| 43       | 334110        | Meters Bronze Case                         | 17,868,068                                  | 14.00%            | 2,501,354            | 19,502,304                                  | 13.81%            | 2,693,615            | 22,926,020                                  | 12.00%                    | 2,752,213            | 28,395,813                                  | 12.01%                     | 3,409,447            |
| 44       | 334120        | Meters Plastic Case                        | 286,598                                     | 8.22%             | 23,552               | 224,255                                     | 5.53%             | 12,396               | 160,951                                     | 0.00%                     | -                    | 160,951                                     | 0.00%                      | -                    |
| 45       | 334130        | Meters Other                               | 827,179                                     | 2.42%             | 19,986               | 1,816,277                                   | 8.39%             | 152,458              | 2,259,939                                   | 11.10%                    | 250,939              | 2,259,939                                   | 11.10%                     | 250,939              |
| 46       | 334200        | Meters Installations                       | 24,186,612                                  | 3.94%             | 953,007              | 25,430,617                                  | 4.08%             | 1,038,378            | 25,640,386                                  | 4.91%                     | 1,258,911            | 25,640,386                                  | 4.91%                      | 1,258,911            |
| 47       | 334300        | Meter Vaults                               | 454,586                                     | 1.61%             | 7,321                | 879,325                                     | 2.88%             | 25,287               | 925,931                                     | 3.18%                     | 29,445               | 925,940                                     | 3.18%                      | 29,445               |
| 48       | 335000        | Hydrants                                   | 23,525,935                                  | 4.01%             | 942,987              | 25,397,192                                  | 3.84%             | 976,448              | 27,072,965                                  | 3.88%                     | 1,051,083            | 28,311,713                                  | 3.88%                      | 1,098,841            |
| 49       | 336000        | Backflow Prevention Devices                | 1,972                                       | 0.00%             | -                    | 3,944                                       | 3.84%             | 151                  | 3,943                                       | 2.06%                     | 81                   | 3,943                                       | 2.06%                      | 81                   |
| 50       | 339500        | Other P/E TD                               | 8,200                                       | 1.65%             | 136                  | 8,131                                       | 7.42%             | 603                  | 8,131                                       | 2.06%                     | 167                  | 8,131                                       | 2.06%                      | 167                  |

ILLINOIS-AMERICAN WATER COMPANY  
 Depreciation Expense  
 Period Reported: January 2007 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3145  
 Schedule C-12 First Revised  
 Page 5 of 12  
 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Zone 1 - Continued  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                           |   |                   |                      | (1)   |                   |                      |   |                           |                      |   |                            |                      |
|----------|---------------|---|---|-------------------|----------------------|---|-------------------|----------------------|---|---------------------------|----------------------|---|----------------------------|----------------------|
|          |               |   | Average Depreciable Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2008 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2010 | Proposed Depreciation Rate | Depreciation Expense |
| 1        |               | <b>General Plant</b>                          |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 2        | 303600        | Land and land rights - administrative         | 463,721                                     | 0.00%             | -                    | 465,746                                     | 0.00%             | -                    | 465,746                                     | 0.00%                     | -                    | 465,746                                     | 0.00%                      | -                    |
| 3        | 304500        | Structures and Improvements - AG              | 653,790                                     | 2.76%             | 18,059               | 905,287                                     | 2.98%             | 26,984               | 1,087,976                                   | 2.96%                     | 32,204               | 1,087,976                                   | 2.96%                      | 32,204               |
| 4        | 304600        | Office Structures                             | 3,225,332                                   | 18.15%            | 585,508              | 3,354,983                                   | 11.94%            | 400,648              | 3,818,651                                   | 3.15%                     | 120,288              | 3,818,651                                   | 3.15%                      | 120,288              |
| 5        | 304700        | Stores, Shop, and Garage Structures           | 2,930,067                                   | 8.25%             | 241,731              | 2,889,123                                   | 6.27%             | 181,244              | 2,937,280                                   | 2.06%                     | 60,508               | 2,937,280                                   | 2.06%                      | 60,508               |
| 6        | 304800        | Miscellaneous Structures                      | 329,133                                     | 4.47%             | 14,715               | 340,643                                     | 6.26%             | 21,321               | 340,657                                     | 5.27%                     | 17,953               | 340,657                                     | 5.27%                      | 17,953               |
| 7        | 339100        | Other P/E Intangible                          | -   | 0.00%             | 3,077                | -   | 0.00%             | -                    | 0   | 0.00%                     | -                    | 0   | 0.00%                      | -                    |
| 8        | 340100        | Office Furniture                              | 1,324,884                                   | 4.64%             | 61,432               | 1,267,558                                   | 4.11%             | 52,042               | 1,553,612                                   | 3.56%                     | 55,275               | 2,111,318                                   | 3.58%                      | 75,590               |
| 9        | 340200        | Computer & Peripheral                         | 586,931                                     | 14.33%            | 84,134               | 584,586                                     | 18.38%            | 107,444              | 598,126                                     | 14.28%                    | 85,412               | 598,126                                     | 14.28%                     | 85,412               |
| 10       | 340210        | Personal Computers                            | 53,018                                      | 6.67%             | 3,538                | 239,216                                     | 19.78%            | 47,321               | 372,518                                     | 16.55%                    | 61,652               | 372,518                                     | 16.55%                     | 61,652               |
| 11       | 340300        | Computer Software                             | 17,015                                      | 18.93%            | 3,221                | 15,054                                      | 21.64%            | 3,257                | 13,094                                      | 16.56%                    | 2,168                | 13,094                                      | 16.56%                     | 2,168                |
| 12       | 340320        | Personal Computer Software                    | 9,115                                       | 22.45%            | 2,046                | 10,128                                      | 17.29%            | 1,752                | 11,141                                      | 14.27%                    | 1,590                | 11,141                                      | 14.27%                     | 1,590                |
| 13       | 340400        | Data Handling Equipment                       | 47,847                                      | 11.04%            | 5,280                | 43,978                                      | 8.36%             | 3,677                | 43,978                                      | 5.59%                     | 2,458                | 43,978                                      | 5.59%                      | 2,458                |
| 14       | 340500        | Other Office Equipment                        | 122,894                                     | 10.97%            | 13,485               | 114,178                                     | 8.47%             | 9,669                | 114,501                                     | 5.59%                     | 6,401                | 114,501                                     | 5.59%                      | 6,401                |
| 15       | 341001        | Transportation Equip Not Classified           | -   | 0.00%             | -                    | 196   | 250.36%           | 491                  | 392   | 3.65%                     | 14                   | 392   | 3.65%                      | 14                   |
| 16       | 341100        | Light Duty Trucks                             | 4,760,691                                   | 11.16%            | 531,159              | 4,700,890                                   | 8.04%             | 377,996              | 4,897,169                                   | 3.35%                     | 163,950              | 5,821,357                                   | 3.35%                      | 195,178              |
| 17       | 341200        | Heavy Duty Trucks                             | 3,287,905                                   | 6.33%             | 208,081              | 3,794,760                                   | 6.25%             | 237,191              | 4,600,373                                   | 3.98%                     | 183,312              | 4,637,588                                   | 3.97%                      | 184,112              |
| 18       | 341300        | Automobiles                                   | 700,238                                     | 12.84%            | 89,930               | 742,053                                     | -6.56%            | (48,707)             | 713,158                                     | 4.74%                     | 33,804               | 713,158                                     | 4.74%                      | 33,804               |
| 19       | 341400        | Trans. Equipment - Other                      | 357,581                                     | 0.54%             | 1,945                | 630,100                                     | 1.86%             | 11,691               | 682,609                                     | 2.94%                     | 20,069               | 682,609                                     | 2.94%                      | 20,069               |
| 20       | 342000        | Stores Equipment                              | 240,166                                     | 3.58%             | 8,602                | 289,242                                     | 3.86%             | 11,156               | 289,611                                     | 2.45%                     | 7,095                | 289,611                                     | 2.45%                      | 7,095                |
| 21       | 343000        | Tools/Shop/Garage Equipment                   | 4,575,595                                   | 0.67%             | 30,594               | 4,967,628                                   | 2.85%             | 141,648              | 5,755,660                                   | 2.54%                     | 146,015              | 6,730,442                                   | 2.54%                      | 170,784              |
| 22       | 343100        | Tools/Shop/Garage Equipment Ot                | 40,344                                      | 2.45%             | 989                  | 51,472                                      | 3.73%             | 1,920                | 49,006                                      | 2.57%                     | 1,258                | 50,178                                      | 2.54%                      | 1,275                |
| 23       | 344000        | Laboratory Equipment                          | 1,159,657                                   | 4.76%             | 55,176               | 1,200,116                                   | 4.39%             | 52,669               | 1,232,407                                   | 3.85%                     | 47,448               | 1,232,407                                   | 3.85%                      | 47,448               |
| 24       | 345000        | Power Oper. Equipment                         | 3,271,096                                   | 7.51%             | 245,758              | 3,155,601                                   | 6.95%             | 219,335              | 3,087,380                                   | 6.45%                     | 199,136              | 3,087,380                                   | 6.45%                      | 199,136              |
| 25       | 346000        | Comm. Equipment Conversion                    | 5,603,854                                   | 4.78%             | 267,886              | 5,602,747                                   | 5.31%             | 297,228              | 5,602,666                                   | 6.04%                     | 338,401              | 5,602,666                                   | 6.04%                      | 338,401              |
| 26       | 346100        | Comm. Equipment (Non-Telephone)               | 132,476                                     | 4.40%             | 5,827                | 141,249                                     | 5.34%             | 7,540                | 148,912                                     | 6.04%                     | 8,994                | 148,912                                     | 6.04%                      | 8,994                |
| 27       | 346190        | Remote Control & Instrument                   | 228,230                                     | 1.22%             | 2,796                | 510,710                                     | 5.24%             | 26,747               | 602,792                                     | 6.04%                     | 36,409               | 602,792                                     | 6.04%                      | 36,409               |
| 28       | 346200        | Comm. Equipment Telephone                     | 196,258                                     | 4.78%             | 9,381                | 196,326                                     | 5.30%             | 10,413               | 196,374                                     | 6.04%                     | 11,861               | 196,374                                     | 6.04%                      | 11,861               |
| 29       | 347000        | Miscellaneous Equipment                       | 809,260                                     | 2.17%             | 17,554               | 911,194                                     | 2.50%             | 22,800               | 935,655                                     | 2.51%                     | 23,485               | 935,655                                     | 2.51%                      | 23,485               |
| 30       | 348000        | Other Tangible Plant                          | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 31       | 102.1         | FAS 109 - AFUDC Debt                          | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 32       |               | Completed Construction not Classified         | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 33       |               |   |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 34       |               | <b>Total</b>                                  | <b>622,480,359</b>                          |                   | <b>24,012,238</b>    | <b>681,629,552</b>                          |                   | <b>23,948,677</b>    | <b>749,417,852</b>                          |                           | <b>24,169,141</b>    | <b>803,238,109</b>                          |                            | <b>26,533,145</b>    |
| 35       |               |   |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 36       |               | <b>Allocations</b>                            |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 37       |               | Southern Corporate                            | -   |                   | -                    | -   |                   | -                    | -   |                           | -                    | -   |                            | -                    |
| 38       |               | Northern Corporate                            | -   |                   | -                    | -   |                   | -                    | -   |                           | -                    | -   |                            | -                    |
| 39       |               | Eastern Corporate                             | -   |                   | -                    | -   |                   | -                    | -   |                           | -                    | -   |                            | -                    |
| 40       |               | State Corporate                               | <u>15,622,250</u>                           |                   | <u>1,869,437</u>     | <u>15,706,722</u>                           |                   | <u>1,778,667</u>     | <u>16,647,505</u>                           |                           | <u>1,964,941</u>     | <u>21,373,398</u>                           |                            | <u>2,350,554</u>     |
| 41       |               |   |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 42       |               | <b>Total Average Utility Plant in Service</b> | <b>\$ 638,102,609</b>                       |                   | <b>25,881,675</b>    | <b>\$ 697,336,274</b>                       |                   | <b>25,727,345</b>    | <b>\$ 766,065,358</b>                       |                           | <b>26,134,082</b>    | <b>\$ 824,611,507</b>                       |                            | <b>28,883,699</b>    |
| 43       |               |   |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 44       |               | <b>Depreciation on Contributed Property</b>   |   |                   | <b>(856,509)</b>     |   |                   | <b>(908,353)</b>     |   |                           | <b>(827,445)</b>     |   | <b>(827,445)</b>           |                      |
| 45       |               |   |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 46       |               | <b>Total Depreciation Expense</b>             |   |                   | <b>\$ 25,025,166</b> |   |                   | <b>\$ 24,818,991</b> |   |                           | <b>\$ 25,306,637</b> |   | <b>\$ 28,056,254</b>       |                      |

(1) Prior year ending December 2009 consists of zero months of actual and twelve months of forecasted data.

ILLINOIS-AMERICAN WATER COMPANY  
Depreciation Expense  
Period Reported: January 2007 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3145  
Schedule C-12 First Revised  
Page 6 of 12  
Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
Chicago Metro Water  
Workpaper Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                        |   |                   |                      | (1)   |                   |                      |   |                           |                      |   |                            |                      |
|----------|---------------|--|---|-------------------|----------------------|---|-------------------|----------------------|---|---------------------------|----------------------|---|----------------------------|----------------------|
|          |               |  | Average Depreciable Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2008 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2010 | Proposed Depreciation Rate | Depreciation Expense |
| 1        |               | <b>Intangible Plant</b>                    |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 2        | 301000        | Organization                               | \$ 383,753                                  | 0.00%             | \$ -                 | \$ 383,753                                  | 0.00%             | \$ -                 | \$ 383,753                                  | 0.00%                     | \$ -                 | \$ 383,753                                  | 0.00%                      | \$ -                 |
| 3        | 302000        | Franchises                                 | 731,114                                     | 0.00%             | -                    | 731,114                                     | 0.00%             | -                    | 731,114                                     | 0.00%                     | -                    | 731,114                                     | 0.00%                      | -                    |
| 4        | 339600        | Other P/E - Comp. Planning                 | 43,176                                      | 9.27%             | 4,004                | 192,785                                     | 7.03%             | 13,552               | 352,637                                     | 0.00%                     | -                    | 402,830                                     | 20.01%                     | 80,606               |
| 5        |               | <b>Source of Supply Plant</b>              |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 6        | 303200        | Land and Land Rights - Source of Supply    | 506,537                                     | 0.00%             | -                    | 458,395                                     | 0.01%             | 31                   | 410,254                                     | 0.00%                     | -                    | 410,254                                     | 0.00%                      | -                    |
| 7        | 304100        | Structures and Improvements - SS           | 5,163,097                                   | 2.90%             | 149,623              | 5,037,538                                   | -0.06%            | (3,122)              | 4,864,474                                   | 2.81%                     | 136,692              | 4,864,474                                   | 2.81%                      | 136,692              |
| 8        | 305000        | Collecting and Impounding                  | 370,427                                     | 2.48%             | 9,186                | 370,427                                     | 1.95%             | 7,211                | 370,427                                     | 1.20%                     | 4,445                | 370,427                                     | 1.20%                      | 4,445                |
| 9        | 306000        | Lake River & Other Intakes                 | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 10       | 307000        | Wells and Springs                          | 1,699,071                                   | 2.33%             | 39,576               | 1,743,935                                   | 2.18%             | 37,981               | 1,995,973                                   | 2.01%                     | 40,214               | 2,327,040                                   | 2.02%                      | 47,006               |
| 11       | 308000        | Infiltration Galleries and Tunnels         | 13,293                                      | 1.49%             | 198                  | 13,293                                      | 1.36%             | 181                  | 13,293                                      | 1.19%                     | 158                  | 13,293                                      | 1.19%                      | 158                  |
| 12       | 309000        | Supply Mains                               | 329,608                                     | 1.49%             | 4,911                | 329,608                                     | 1.60%             | 5,282                | 361,770                                     | 1.69%                     | 6,108                | 1,302,473                                   | 1.77%                      | 23,076               |
| 13       |               | <b>Pumping Plant</b>                       |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 14       | 303300        | Land and Land Rights - Production          | 1,730,992                                   | 0.00%             | -                    | 1,730,992                                   | 0.00%             | -                    | 1,730,992                                   | 0.00%                     | -                    | 1,730,992                                   | 0.00%                      | -                    |
| 15       | 304200        | Structures and Improvements - Prod.        | 5,956,167                                   | 4.70%             | 279,917              | 5,962,605                                   | 3.78%             | 225,410              | 5,966,787                                   | 2.49%                     | 148,573              | 5,966,787                                   | 2.49%                      | 148,573              |
| 16       | 310000        | Power Generation Equipment                 | 400,186                                     | 2.74%             | 10,964               | 401,885                                     | 2.78%             | 11,186               | 403,163                                     | 2.84%                     | 11,450               | 403,163                                     | 2.84%                      | 11,450               |
| 17       | 311200        | Pumping Equipment - Electrical             | 1,304,480                                   | 3.12%             | 40,644               | 1,333,662                                   | 3.80%             | 50,692               | 1,817,857                                   | 4.78%                     | 86,904               | 2,577,273                                   | 4.81%                      | 123,967              |
| 18       | 311300        | Pumping Equipment - Diesel                 | 113,033                                     | 2.52%             | 2,850                | 97,520                                      | 2.73%             | 2,663                | 97,520                                      | 3.39%                     | 3,306                | 97,520                                      | 3.39%                      | 3,306                |
| 19       | 311400        | Pumping Equipment - Hydraulic              | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 20       | 311500        | Pumping Equipment - Other                  | 6,510,188                                   | 14.30%            | 930,663              | 6,498,454                                   | 9.37%             | 608,796              | 6,487,148                                   | 2.43%                     | 157,638              | 6,487,148                                   | 2.43%                      | 157,638              |
| 21       |               | <b>Water Treatment Plant</b>               |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 22       | 303400        | Land and Land Rights - Water Treatment     | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 23       | 304300        | Structures and Improvements - WT           | 1,436,450                                   | 2.58%             | 37,103               | 1,436,117                                   | 2.58%             | 37,034               | 1,539,229                                   | 2.52%                     | 38,746               | 1,819,074                                   | 2.52%                      | 45,838               |
| 24       | 320100        | Water Treatment (Non-M)                    | 2,031,549                                   | 5.96%             | 121,162              | 2,029,379                                   | 4.99%             | 101,202              | 2,029,038                                   | 3.61%                     | 73,248               | 2,029,038                                   | 3.61%                      | 73,248               |
| 25       | 320193        | Water Treatment Equip Chemical             | -   | 0.00%             | -                    | -   | 0.00%             | 263                  | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 26       | 320200        | Water Treatment Equip Filter Media         | 97,051                                      | 5.97%             | 5,793                | 97,051                                      | 5.21%             | 5,058                | 97,051                                      | 4.15%                     | 4,028                | 97,051                                      | 4.15%                      | 4,028                |
| 27       | 339300        | Other P/E WT                               | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 28       |               | <b>Transmission and Distribution Plant</b> |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 29       | 303500        | Land and Land Rights - Transmission        | 15,867                                      | 0.00%             | -                    | 15,867                                      | 0.00%             | -                    | 15,867                                      | 0.00%                     | -                    | 15,867                                      | 0.00%                      | -                    |
| 30       | 304400        | Structures and Improvements - TD           | 564,474                                     | 2.46%             | 13,884               | 572,992                                     | 2.85%             | 16,336               | 581,473                                     | 3.30%                     | 19,189               | 581,473                                     | 3.30%                      | 19,189               |
| 31       | 330000        | Distribution Reservoirs and Standpipes     | 10,989,406                                  | 2.46%             | 269,914              | 11,189,538                                  | 2.30%             | 257,783              | 11,367,823                                  | 2.10%                     | 238,724              | 11,367,823                                  | 2.10%                      | 238,724              |
| 32       | 330100        | Elevated Tanks and Standpipe               | 95,021                                      | 2.29%             | 2,180                | 106,665                                     | 2.73%             | 2,910                | 374,502                                     | 1.96%                     | 7,341                | 1,243,542                                   | 2.10%                      | 26,114               |
| 33       | 330200        | Ground Level Facilities                    | 34,145                                      | 2.44%             | 834                  | 65,612                                      | 1.59%             | 1,046                | 97,326                                      | 2.10%                     | 2,044                | 97,326                                      | 2.10%                      | 2,044                |
| 34       | 330300        | Below Grade Facilities                     | 10,728                                      | 2.46%             | 264                  | 10,728                                      | 2.31%             | 248                  | 10,728                                      | 2.10%                     | 225                  | 10,728                                      | 2.10%                      | 225                  |
| 35       | 331001        | T & D Mains Conversion                     | 71,020,642                                  | 1.83%             | 1,299,313            | 70,920,090                                  | 1.72%             | 1,219,825            | 75,588,215                                  | 1.58%                     | 1,193,353            | 84,106,658                                  | 1.58%                      | 1,328,517            |
| 36       | 331100        | TD Mains 4in & less                        | 135,090                                     | 1.65%             | 2,225                | 280,353                                     | 2.25%             | 6,305                | 382,812                                     | 1.94%                     | 7,427                | 382,812                                     | 1.94%                      | 7,427                |
| 37       | 331200        | TD Mains 6in to 8 in                       | 14,413,610                                  | 0.89%             | 128,734              | 16,180,075                                  | 0.96%             | 155,635              | 10,460,020                                  | 1.53%                     | 160,038              | 10,460,020                                  | 1.53%                      | 160,038              |
| 38       | 331300        | TD Mains 10in to 16in                      | 6,087,248                                   | 1.76%             | 107,202              | 9,085,360                                   | 1.92%             | 174,277              | 11,830,172                                  | 1.52%                     | 179,819              | 11,830,172                                  | 1.52%                      | 179,819              |
| 39       | 331400        | TD Mains 18in & greater                    | 2,420,448                                   | 1.68%             | 40,599               | 3,046,640                                   | 1.90%             | 57,747               | 3,448,023                                   | 1.32%                     | 45,514               | 3,448,023                                   | 1.32%                      | 45,514               |
| 40       | 332000        | Fire Mains                                 | 189,403                                     | 1.82%             | 3,447                | 189,516                                     | 1.83%             | 3,467                | 189,630                                     | 1.84%                     | 3,489                | 189,630                                     | 1.84%                      | 3,489                |
| 41       | 333000        | Services                                   | 17,405,398                                  | 6.49%             | 1,129,513            | 18,057,848                                  | 6.13%             | 1,107,346            | 18,772,334                                  | 5.57%                     | 1,045,581            | 19,229,362                                  | 5.57%                      | 1,070,889            |
| 42       | 334100        | Meters                                     | 9,290,064                                   | 13.62%            | 1,265,683            | 10,414,464                                  | 14.01%            | 1,459,208            | 10,887,101                                  | 12.07%                    | 1,314,073            | 10,887,101                                  | 12.07%                     | 1,314,073            |
| 43       | 334110        | Meters Bronze Case                         | -   | 0.00%             | -                    | 221,677                                     | 2.03%             | 4,510                | 871,470                                     | 11.83%                    | 103,063              | 2,425,066                                   | 12.04%                     | 291,980              |
| 44       | 334120        | Meters Plastic Case                        | -   | 0.00%             | -                    | 2,343                                       | 8.62%             | 202                  | 4,685                                       | 0.00%                     | -                    | 4,685                                       | 0.00%                      | -                    |
| 45       | 334130        | Meters Other                               | -   | 0.00%             | -                    | 2,862                                       | 2.01%             | 58                   | 5,724                                       | 12.07%                    | 691                  | 5,724                                       | 12.07%                     | 691                  |
| 46       | 334200        | Meters Installations                       | 2,297,380                                   | 3.53%             | 81,078               | 2,423,118                                   | 4.07%             | 98,500               | 2,476,444                                   | 4.91%                     | 121,593              | 2,476,444                                   | 4.91%                      | 121,593              |
| 47       | 334300        | Meter Vaults                               | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 48       | 335000        | Hydrants                                   | 13,492,609                                  | 3.72%             | 502,351              | 16,848,785                                  | 4.01%             | 675,750              | 17,768,634                                  | 3.91%                     | 694,511              | 18,444,342                                  | 3.91%                      | 720,970              |
| 49       | 336000        | Backflow Prevention Devices                | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 50       | 339500        | Other P/E TD                               | 1,473                                       | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |

ILLINOIS-AMERICAN WATER COMPANY  
 Depreciation Expense  
 Period Reported: January 2007 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3145  
 Schedule C-12 First Revised  
 Page 7 of 12  
 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Chicago Metro Water - Continued  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                    |   |                   |                      | (1)   |                   |                      |   |                           |                      |   |                            |
|----------|---------------|--|---|-------------------|----------------------|---|-------------------|----------------------|---|---------------------------|----------------------|---|----------------------------|
|          |               |  | Average Depreciable Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2008 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2010 | Proposed Depreciation Rate |
| 1        |               | <b>General Plant</b>                   |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 2        | 303600        | Land and land rights - administrative  | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 3        | 304500        | Structures and Improvements - AG       | 46,111                                      | 2.19%             | 1,012                | 58,314                                      | 2.93%             | 1,706                | 2.96%                                       | 1,778                     | 60,057               | 2.96%                                       | 1,778                      |
| 4        | 304600        | Office Structures                      | 199,631                                     | 2.69%             | 5,379                | 197,635                                     | 2.93%             | 5,799                | 3.15%                                       | 6,226                     | 197,635              | 3.15%                                       | 6,226                      |
| 5        | 304700        | Stores, Shop, and Garage Structures    | -   | 0.00%             | -                    | 5,360                                       | 4.12%             | 221                  | 2.06%                                       | 221                       | 10,719               | 2.06%                                       | 221                        |
| 6        | 304800        | Miscellaneous Structures               | 171,942                                     | 2.29%             | 3,943                | 197,421                                     | 3.45%             | 6,808                | 5.27%                                       | 10,423                    | 197,787              | 5.27%                                       | 10,423                     |
| 7        | 339100        | Other P/E Intangible                   | 8,281                                       | 1.50%             | 124                  | 8,281                                       | 0.75%             | 62                   | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 8        | 340100        | Office Furniture                       | 16,467                                      | 12.84%            | 2,114                | 30,335                                      | 3.18%             | 964                  | 3.55%                                       | 1,787                     | 113,016              | 3.57%                                       | 4,032                      |
| 9        | 340200        | Computer & Peripheral                  | 889,445                                     | 15.99%            | 142,243              | 646,090                                     | 11.65%            | 75,242               | 14.28%                                      | 91,207                    | 638,704              | 14.28%                                      | 91,207                     |
| 10       | 340210        | Personal Computers                     | 207,032                                     | 11.55%            | 23,919               | 225,612                                     | 13.43%            | 30,296               | 16.55%                                      | 38,552                    | 232,945              | 16.55%                                      | 38,552                     |
| 11       | 340300        | Computer Software                      | 92,598                                      | 128.04%           | 118,564              | 90,367                                      | 17.56%            | 15,864               | 16.56%                                      | 14,965                    | 90,367               | 16.56%                                      | 14,965                     |
| 12       | 340320        | Personal Computer Software             | 29,039                                      | 19.84%            | 5,760                | 32,426                                      | 19.44%            | 6,302                | 14.27%                                      | 4,628                     | 32,434               | 14.27%                                      | 4,628                      |
| 13       | 340400        | Data Handling Equipment                | 658,535                                     | 9.61%             | 63,289               | 653,342                                     | 7.66%             | 50,032               | 5.59%                                       | 36,522                    | 653,342              | 5.59%                                       | 36,522                     |
| 14       | 340500        | Other Office Equipment                 | 787,353                                     | 11.39%            | 89,704               | 700,181                                     | 8.41%             | 58,866               | 5.59%                                       | 38,115                    | 681,842              | 5.59%                                       | 38,115                     |
| 15       | 341001        | Transportation Equip Not Classified    | 803,843                                     | -5.77%            | (46,417)             | 685,977                                     | 1.94%             | 13,297               | 3.65%                                       | 24,771                    | 678,668              | 3.65%                                       | 24,771                     |
| 16       | 341100        | Light Duty Trucks                      | 797,778                                     | 10.44%            | 83,308               | 805,045                                     | 7.91%             | 63,678               | 3.34%                                       | 29,458                    | 1,145,699            | 3.36%                                       | 38,545                     |
| 17       | 341200        | Heavy Duty Trucks                      | -   | 0.00%             | -                    | 97,911                                      | 11.76%            | 11,511               | 3.97%                                       | 7,720                     | 194,390              | 3.97%                                       | 7,717                      |
| 18       | 341300        | Automobiles                            | 1,349,442                                   | 7.19%             | 96,966               | 1,321,607                                   | -4.62%            | (61,046)             | 4.74%                                       | 59,505                    | 1,255,378            | 4.74%                                       | 59,505                     |
| 19       | 341400        | Trans. Equipment - Other               | 3,569                                       | 0.83%             | 30                   | 126,538                                     | 2.74%             | 3,465                | 2.94%                                       | 7,336                     | 249,507              | 2.94%                                       | 7,336                      |
| 20       | 342000        | Stores Equipment                       | 6,961                                       | 4.61%             | 321                  | 6,762                                       | 3.74%             | 253                  | 2.45%                                       | 162                       | 6,615                | 2.45%                                       | 162                        |
| 21       | 343000        | Tools/Shop/Garage Equipment            | 823,257                                     | 3.19%             | 26,292               | 923,689                                     | 2.86%             | 26,426               | 2.54%                                       | 25,439                    | 1,103,608            | 2.54%                                       | 28,023                     |
| 22       | 343100        | Tools/Shop/Garage Equipment Ot         | 190,773                                     | 3.09%             | 5,893                | 196,258                                     | 2.80%             | 5,505                | 2.54%                                       | 4,845                     | 190,695              | 2.54%                                       | 4,844                      |
| 23       | 344000        | Laboratory Equipment                   | 151,222                                     | 5.08%             | 7,685                | 149,634                                     | 4.29%             | 6,414                | 3.85%                                       | 6,685                     | 173,633              | 3.85%                                       | 6,685                      |
| 24       | 345000        | Power Oper. Equipment                  | 239,079                                     | 6.98%             | 16,686               | 245,624                                     | 7.84%             | 19,263               | 6.45%                                       | 16,265                    | 252,169              | 6.45%                                       | 16,265                     |
| 25       | 346000        | Comm. Equipment Conversion             | 762,811                                     | 4.77%             | 36,410               | 761,795                                     | 5.30%             | 40,413               | 6.04%                                       | 46,012                    | 761,795              | 6.04%                                       | 46,012                     |
| 26       | 346100        | Comm. Equipment (Non-Telephone)        | 34,478                                      | 4.78%             | 1,648                | 34,478                                      | 5.31%             | 1,829                | 6.03%                                       | 2,383                     | 45,350               | 6.04%                                       | 2,739                      |
| 27       | 346190        | Remote Control & Instrument            | 52,746                                      | 0.67%             | 352                  | 126,230                                     | 5.67%             | 7,158                | 6.04%                                       | 8,877                     | 146,967              | 6.04%                                       | 8,877                      |
| 28       | 346200        | Comm. Equipment Telephone              | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 29       | 347000        | Miscellaneous Equipment                | 393,875                                     | 1.81%             | 7,113                | 445,217                                     | 2.57%             | 11,448               | 2.51%                                       | 12,439                    | 495,558              | 2.51%                                       | 12,439                     |
| 30       | 348000        | Other Tangible Plant                   | 13  | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 31       | 102.1         | FAS 109 - AFUDC Debt                   | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 32       |               | Completed Construction not Classified  | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 33       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 34       |               | Total                                  | 185,999,459                                 |                   | 7,176,152            | 197,255,175                                 |                   | 6,746,350            |   | 203,962,536               | 6,344,503            | 218,829,383                                 | 6,901,916                  |
| 35       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 36       |               | Allocations                            |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 37       |               | Chicago Corporate Office               | 44,919                                      |                   | -                    | -   |                   | -                    |   | -                         | -                    | -   | -                          |
| 38       |               | State Corporate Office                 | 1,885,179                                   |                   | 225,590              | 1,895,373                                   |                   | 214,637              |   | 2,008,900                 | 237,115              | 2,579,186                                   | 283,648                    |
| 39       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 40       |               | Total Average Utility Plant in Service | <u>\$ 187,929,558</u>                       |                   | <u>7,401,742</u>     | <u>\$ 199,150,548</u>                       |                   | <u>6,960,986</u>     |   | <u>\$ 205,971,436</u>     | <u>6,581,618</u>     | <u>\$ 221,408,569</u>                       | <u>7,185,563</u>           |
| 41       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 42       |               | Depreciation on Contributed Property   |   |                   | <u>(865,322)</u>     |   |                   | <u>(890,790)</u>     |   | <u>(864,688)</u>          |                      | <u>(888,251)</u>                            |                            |
| 43       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 44       |               | Total Depreciation Expense             |   |                   | <u>\$ 6,536,419</u>  |   |                   | <u>\$ 6,070,196</u>  |   | <u>\$ 5,716,929</u>       |                      | <u>\$ 6,297,313</u>                         |                            |

(1) Prior year ending December 2009 consists of zero months of actual and twelve months of forecasted data.

ILLINOIS-AMERICAN WATER COMPANY  
Depreciation Expense  
Period Reported: January 2007 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3145  
Schedule C-12 First Revised  
Page 8 of 12  
Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
Chicago Metro Waste Water  
Workpaper Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                    |   |                   |                      | (1)   |                   |                      |   |                           |                      |   |                            |                      |
|----------|---------------|--|---|-------------------|----------------------|---|-------------------|----------------------|---|---------------------------|----------------------|---|----------------------------|----------------------|
|          |               |  | Average Depreciable Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2008 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2010 | Proposed Depreciation Rate | Depreciation Expense |
| 1        |               | <b>Intangible Plant</b>                |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 2        | 351000        | Organization                           | \$ 361,048                                  | 0.00%             | \$ -                 | \$ 361,048                                  | 0.00%             | \$ -                 | \$ 361,048                                  | 0.00%                     | \$ -                 | \$ 361,048                                  | 0.00%                      | \$ -                 |
| 3        | 352000        | Franchises                             | 580,949                                     | 0.00%             | -                    | 580,949                                     | 0.00%             | -                    | 580,949                                     | 0.00%                     | -                    | 580,949                                     | 0.00%                      | -                    |
| 4        | 352200        | Other Intangible Plt                   | 110   | 0.00%             | -                    | 110   | 0.00%             | -                    | 110   | 0.00%                     | -                    | 110   | 0.00%                      | -                    |
| 5        | 389100        | Other Plant and Misc Equipment         | 397,609                                     | 2.26%             | 8,985                | 397,609                                     | 3.34%             | 13,300               | 532,560                                     | 0.00%                     | -                    | 979,743                                     | 0.00%                      | -                    |
| 6        |               | <b>Collection Plant</b>                |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 7        | 353200        | Land and Land Rights - Coll            | 269,604                                     | 0.00%             | -                    | 266,729                                     | 0.00%             | -                    | 263,854                                     | 0.00%                     | -                    | 263,854                                     | 0.00%                      | -                    |
| 8        | 354200        | Structures and Improvements - Coll     | 4,707,442                                   | 2.26%             | 106,375              | 4,875,183                                   | 2.16%             | 105,172              | 5,041,110                                   | 1.93%                     | 97,293               | 5,041,110                                   | 1.93%                      | 97,293               |
| 9        | 355200        | Power Generation Equip                 | -   | 3.18%             | -                    | (9,996)                                     | 3.15%             | (323)                | (19,991)                                    | 2.59%                     | (568)                | (19,991)                                    | 2.59%                      | (568)                |
| 10       | 360000        | Collection Sewers Forced               | 4,111,925                                   | 3.31%             | 130,816              | 4,305,932                                   | 2.98%             | 135,616              | 4,652,183                                   | 2.38%                     | 120,245              | 6,112,873                                   | 2.38%                      | 156,678              |
| 11       | 361100        | Collecting Mains                       | 50,565,848                                  | 3.45%             | 1,674,595            | 53,452,391                                  | 3.14%             | 1,593,062            | 56,566,624                                  | 2.69%                     | 1,346,515            | 57,388,620                                  | 2.69%                      | 1,365,655            |
| 12       | 363000        | Services Sewer                         | 8,723,286                                   |                   | 301,103              | 9,562,591                                   |                   | 299,878              | 10,170,587                                  |                           | 273,592              | 10,375,666                                  |                            | 279,070              |
| 13       | 364000        | Flow Measuring Devices                 | -   |                   | -                    | 871   |                   | 114                  | 1,742                                       |                           | 224                  | 1,742                                       |                            | 224                  |
| 14       | 365000        | Flow Measuring Installs                | 414   |                   | -                    | 827   |                   | 34                   | 827   |                           | 36                   | 827   |                            | 36                   |
| 15       |               | <b>System Pumping Plant</b>            |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 16       | 354300        | Structures and Improvements - SPP      | 119,190                                     | 4.68%             | 5,576                | 241,264                                     | 5.81%             | 14,010               | 338,848                                     | 2.93%                     | 9,928                | 338,848                                     | 2.93%                      | 9,928                |
| 17       | 355300        | Power Generation Equip                 | 6,102                                       | 0.00%             | -                    | 12,204                                      | 3.01%             | 367                  | 12,204                                      | 2.84%                     | 347                  | 12,204                                      | 2.84%                      | 347                  |
| 18       | 371100        | Pumping Equipment - Electrical         | 2,372,166                                   | 5.33%             | 126,342              | 2,273,860                                   | 5.39%             | 122,633              | 2,257,708                                   | 5.25%                     | 118,044              | 2,612,777                                   | 5.25%                      | 136,744              |
| 19       | 371200        | Pumping Equipment - Other              | 217,456                                     | 5.14%             | 11,177               | 289,971                                     | 5.57%             | 16,162               | 355,948                                     | 5.40%                     | 19,221               | 355,948                                     | 5.40%                      | 19,221               |
| 20       |               | <b>Treatment and Disposal Plant</b>    |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 21       | 354400        | Structures and Improvements - TDP      | 12,732,788                                  | 5.74%             | 730,789              | 17,749,994                                  | 4.13%             | 733,586              | 23,112,323                                  | 4.97%                     | 1,148,974            | 23,443,099                                  | 4.97%                      | 1,165,076            |
| 22       | 355400        | Power Generation Equip                 | -   | 0.00%             | -                    | 1,343                                       | 3.23%             | 43                   | 1,200,021                                   | 2.84%                     | 35,240               | 1,417,718                                   | 2.84%                      | 40,263               |
| 23       | 380000        | Treatment & Disposal Equipment         | 369,257                                     | 3.92%             | 14,473               | 369,257                                     | 5.02%             | 18,552               | 369,257                                     | 6.57%                     | 24,260               | 369,257                                     | 6.57%                      | 24,260               |
| 24       | 380050        | T& D Equip Grit Removal                | 411,339                                     | 3.92%             | 16,123               | 411,339                                     | 6.56%             | 26,991               | 411,339                                     | 10.26%                    | 42,203               | 411,339                                     | 10.26%                     | 42,203               |
| 25       | 380100        | T& D Equip Sed Tanks                   | 4,780,489                                   | 6.64%             | 317,363              | 4,773,057                                   | 7.38%             | 352,212              | 4,773,057                                   | 8.40%                     | 400,937              | 4,773,057                                   | 8.40%                      | 400,937              |
| 26       | 380200        | T& D Equip Sludge Dig Trnk             | 579,636                                     | 1.48%             | 8,552                | 1,153,437                                   | 7.83%             | 90,295               | 1,153,459                                   | 9.26%                     | 106,810              | 1,153,459                                   | 9.26%                      | 106,810              |
| 27       | 380300        | T& D Equip Sludge Dry/Filt             | 1,633,576                                   | 5.25%             | 85,721               | 1,626,823                                   | 9.61%             | 156,392              | 1,626,823                                   | 15.75%                    | 256,225              | 1,626,823                                   | 15.75%                     | 256,225              |
| 28       | 380350        | T& D Equip Sec Trmt Filt               | 1,840,417                                   | 3.60%             | 66,229               | 1,839,958                                   | 6.57%             | 120,900              | 1,839,958                                   | 10.73%                    | 197,427              | 1,839,958                                   | 10.73%                     | 197,427              |
| 29       | 380400        | T& D Equip Aux Effl Trmt               | 1,744,858                                   | 5.30%             | 92,468               | 1,770,858                                   | 6.17%             | 109,335              | 1,796,855                                   | 7.39%                     | 132,788              | 1,796,855                                   | 7.39%                      | 132,788              |
| 30       | 380500        | T& D Equip Chem Trmt Plt               | 654,636                                     | 3.33%             | 21,797               | 654,636                                     | 10.43%            | 68,279               | 654,636                                     | 20.37%                    | 133,349              | 654,636                                     | 20.37%                     | 133,349              |
| 31       | 380600        | T& D Equip Oth Disp                    | 1,712,510                                   | 3.15%             | 53,885               | 1,736,930                                   | 6.40%             | 111,114              | 1,760,713                                   | 11.42%                    | 201,073              | 1,760,713                                   | 11.42%                     | 201,073              |
| 32       | 380650        | T& D Equip Influent Lift               | 1,902,389                                   | 2.95%             | 56,104               | 1,904,293                                   | 4.78%             | 91,107               | 1,904,293                                   | 7.35%                     | 139,966              | 1,904,293                                   | 7.35%                      | 139,966              |
| 33       | 382000        | Outfall Sewer Lines                    | 900,802                                     | 4.34%             | 39,091               | 900,802                                     | 3.22%             | 29,036               | 900,802                                     | 1.66%                     | 14,953               | 900,802                                     | 1.66%                      | 14,953               |
| 34       |               | <b>Reclaimed Treatment Plant</b>       |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 35       | 353500        | Land and Land Rights - RTP             | 40,951                                      | 0.00%             | -                    | 40,951                                      | 0.00%             | -                    | 40,951                                      | 0.00%                     | -                    | 40,951                                      | 0.00%                      | -                    |
| 36       | 354500        | Structures and Improvements - RTP      | 2,463,582                                   | 4.26%             | 104,842              | 2,576,730                                   | 3.87%             | 99,845               | 2,670,367                                   | 3.09%                     | 82,514               | 2,670,367                                   | 3.09%                      | 82,514               |
| 37       |               | <b>General Plant</b>                   |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 38       | 390000        | Office Furniture                       | 114,822                                     | 4.41%             | 5,060                | 86,788                                      | 8.17%             | 7,089                | 89,300                                      | 14.48%                    | 12,938               | 125,636                                     | 14.48%                     | 18,157               |
| 39       | 390300        | Computer Hardware and Software         | -   | 0.00%             | -                    | 1,203                                       | 13.80%            | 166                  | 2,405                                       | 16.56%                    | 398                  | 2,405                                       | 16.56%                     | 398                  |
| 40       | 391000        | Trans Equip                            | 111,608                                     | 25.00%            | 27,899               | 103,580                                     | 15.39%            | 15,942               | 165,492                                     | 0.00%                     | -                    | 371,022                                     | 0.00%                      | -                    |
| 41       | 391100        | Transportation Equipment               | 251,817                                     | 0.21%             | 519                  | 558,304                                     | 20.24%            | 113,027              | 612,974                                     | 10.63%                    | 65,159               | 612,974                                     | 10.63%                     | 65,159               |
| 42       | 392000        | Stores Equipment                       | 10,887                                      | 5.84%             | 636                  | 10,722                                      | 5.74%             | 616                  | 10,658                                      | 5.64%                     | 601                  | 10,658                                      | 5.64%                      | 601                  |
| 43       | 393000        | Tools/Shop/Garage Equipment            | 217,908                                     | 4.29%             | 9,356                | 228,572                                     | 4.35%             | 9,941                | 237,379                                     | 4.82%                     | 11,416               | 275,217                                     | 4.82%                      | 13,260               |
| 44       | 394000        | Laboratory Equipment                   | 123,139                                     | 5.87%             | 7,230                | 129,351                                     | 6.44%             | 8,326                | 131,873                                     | 7.46%                     | 9,838                | 131,873                                     | 7.46%                      | 9,838                |
| 45       | 395000        | Power Operated Equipment               | 171,867                                     | 6.03%             | 10,361               | 177,556                                     | 10.45%            | 18,555               | 177,556                                     | 16.40%                    | 29,119               | 177,556                                     | 16.40%                     | 29,119               |
| 46       | 396000        | Communications Equipment               | 147,592                                     | 4.07%             | 6,012                | 167,443                                     | 6.14%             | 10,285               | 175,300                                     | 7.71%                     | 13,516               | 175,300                                     | 7.71%                      | 13,516               |
| 47       | 397000        | Misc. Equipment                        | 68,787                                      | 3.78%             | 2,603                | 68,682                                      | 6.20%             | 4,262                | 68,682                                      | 9.60%                     | 6,593                | 68,682                                      | 9.60%                      | 6,593                |
| 48       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 49       |               | Total                                  | 105,418,806                                 |                   | 4,042,082            | 115,654,152                                 |                   | 4,495,920            | 127,002,786                                 |                           | 5,051,177            | 131,120,979                                 |                            | 5,159,117            |
| 50       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 51       |               | Allocations                            |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 52       |               | Chicago Corporate                      | 31,386                                      |                   | -                    | -   |                   | -                    | -   |                           | -                    | -   |                            | -                    |
| 53       |               | State Corporate                        | 1,317,187                                   |                   | 157,621              | 1,324,309                                   |                   | 149,968              | 1,403,631                                   |                           | 165,674              | 1,802,094                                   |                            | 198,186              |
| 54       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 55       |               | Total Average Utility Plant in Service | \$ 106,767,378                              |                   | 4,199,703            | \$ 116,978,461                              |                   | 4,645,888            | \$ 128,406,417                              |                           | 5,216,851            | \$ 132,923,072                              |                            | 5,357,304            |
| 56       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 57       |               | Depreciation on Contributed Property   |   |                   | (2,106,485)          |   |                   | (2,064,560)          |   |                           | (2,047,949)          |   | (2,047,949)                |                      |
| 58       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 59       |               | Total Depreciation Expense             |   |                   | \$ 2,093,218         |   |                   | \$ 2,581,328         |   |                           | \$ 3,168,901         |   | \$ 3,309,354               |                      |

(1) Prior year ending December 2009 consists of zero months of actual and twelve months of forecasted data.

ILLINOIS-AMERICAN WATER COMPANY  
 Depreciation Expense  
 Period Reported: January 2007 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3145  
 Schedule C-12 First Revised  
 Page 9 of 12  
 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Pekin  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                        |   |                   |                      |   |                   |                      | (1)   |                           |                      |   |                            |                      |
|----------|---------------|--|---|-------------------|----------------------|---|-------------------|----------------------|---|---------------------------|----------------------|---|----------------------------|----------------------|
|          |               |  | Average Depreciable Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2008 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2010 | Proposed Depreciation Rate | Depreciation Expense |
| 1        |               | <b>Intangible Plant</b>                    |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 2        | 301000        | Organization                               | \$ 10,025                                   | 0.00%             | \$ -                 | \$ 10,025                                   | 0.00%             | \$ -                 | \$ 10,025                                   | 0.00%                     | \$ -                 | \$ 10,025                                   | 0.00%                      | \$ -                 |
| 3        | 302000        | Franchises                                 | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 4        | 339600        | Other P/E - Comp. Planning                 | 26,268                                      | 16.19%            | 4,253                | 52,551                                      | 11.67%            | 6,133                | 52,567                                      | 0.00%                     | -                    | 52,567                                      | 20.00%                     | 10,513               |
| 5        |               | <b>Source of Supply Plant</b>              |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 6        | 303200        | Land and Land Rights - Source of Supply    | 16,665                                      | 0.00%             | -                    | 16,665                                      | 0.00%             | -                    | 16,665                                      | 0.00%                     | -                    | 16,665                                      | 0.00%                      | -                    |
| 7        | 304100        | Structures and Improvements - SS           | 4,770                                       | 2.92%             | 139                  | 4,770                                       | 2.88%             | 137                  | 4,770                                       | 2.81%                     | 134                  | 4,770                                       | 2.81%                      | 134                  |
| 8        | 305000        | Collecting and Impounding                  | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 1.20%                     | -                    | -   | 1.20%                      | -                    |
| 9        | 306000        | Lake River & Other Intakes                 | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 3.49%                     | -                    | -   | 3.49%                      | -                    |
| 10       | 307000        | Wells and Springs                          | 196,676                                     | 2.30%             | 4,527                | 201,420                                     | 2.21%             | 4,451                | 636,119                                     | 2.02%                     | 13,185               | 672,344                                     | 2.02%                      | 13,581               |
| 11       | 308000        | Infiltration Galleries and Tunnels         | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 1.19%                     | -                    | -   | 1.19%                      | -                    |
| 12       | 309000        | Supply Mains                               | -   | 0.00%             | -                    | 1,529                                       | 0.88%             | 14                   | 3,058                                       | 1.76%                     | 54                   | 3,058                                       | 1.76%                      | 54                   |
| 13       |               | <b>Pumping Plant</b>                       |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 14       | 303300        | Land and Land Rights - Production          | 28,985                                      | 0.00%             | -                    | 28,985                                      | 0.00%             | -                    | 28,985                                      | 0.00%                     | -                    | 28,985                                      | 0.00%                      | -                    |
| 15       | 304200        | Structures and Improvements - Prod.        | 127,344                                     | 4.69%             | 5,977                | 127,189                                     | 3.78%             | 4,807                | 127,189                                     | 2.49%                     | 3,167                | 127,189                                     | 2.49%                      | 3,167                |
| 16       | 310000        | Power Generation Equipment                 | 659,836                                     | 2.74%             | 18,073               | 659,656                                     | 2.78%             | 18,349               | 659,656                                     | 2.84%                     | 18,734               | 659,656                                     | 2.84%                      | 18,734               |
| 17       | 311200        | Pumping Equipment - Electrical             | 1,345,896                                   | 3.01%             | 40,518               | 1,339,674                                   | 3.76%             | 50,332               | 1,333,785                                   | 4.81%                     | 64,155               | 1,333,785                                   | 4.81%                      | 64,155               |
| 18       | 311300        | Pumping Equipment - Diesel                 | 116,114                                     | 2.26%             | 2,624                | -   | 2.73%             | 3,171                | 116,114                                     | 3.39%                     | 3,936                | 116,114                                     | 3.39%                      | 3,936                |
| 19       | 311400        | Pumping Equipment - Hydraulic              | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 3.69%                     | -                    | -   | 3.69%                      | -                    |
| 20       | 311500        | Pumping Equipment - Other                  | 3,071                                       | 2.38%             | 73                   | 44,130                                      | 4.01%             | 1,771                | 82,119                                      | 2.43%                     | 1,995                | 82,119                                      | 2.43%                      | 1,995                |
| 21       |               | <b>Water Treatment Plant</b>               |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 22       | 303400        | Land and Land Rights - Water Treatment     | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 23       | 304300        | Structures and Improvements - WT           | 633,083                                     | 2.58%             | 16,332               | 633,083                                     | 2.55%             | 16,175               | 773,663                                     | 2.52%                     | 19,561               | 904,707                                     | 2.52%                      | 22,786               |
| 24       | 320100        | Water Treatment (Non-M)                    | 1,053,924                                   | 5.98%             | 63,071               | 1,048,627                                   | 4.99%             | 52,292               | 1,178,709                                   | 3.61%                     | 42,545               | 1,312,857                                   | 3.61%                      | 47,394               |
| 25       | 320193        | Water Treatment Equip Chemical             | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 3.61%                     | -                    | -   | 3.61%                      | -                    |
| 26       | 320200        | Water Treatment Equip Filter Media         | 597,887                                     | 5.89%             | 35,209               | 589,832                                     | 5.21%             | 30,740               | 589,832                                     | 4.15%                     | 24,478               | 589,832                                     | 4.15%                      | 24,478               |
| 27       | 339300        | Other P/E WT                               | -   | -                 | -                    | -   | 0.00%             | -                    | -   | 2.06%                     | -                    | -   | 2.06%                      | -                    |
| 28       |               | <b>Transmission and Distribution Plant</b> |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 29       | 303500        | Land and Land Rights - Transmission        | 31,825                                      | 0.00%             | -                    | 31,825                                      | 0.00%             | -                    | 31,825                                      | 0.00%                     | -                    | 31,825                                      | 0.00%                      | -                    |
| 30       | 304400        | Structures and Improvements - TD           | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 3.30%                     | -                    | -   | 3.30%                      | -                    |
| 31       | 330000        | Distribution Reservoirs and Standpipes     | 451,079                                     | 2.46%             | 11,096               | 451,085                                     | 2.31%             | 10,420               | 451,085                                     | 2.10%                     | 9,473                | 451,085                                     | 2.10%                      | 9,473                |
| 32       | 330100        | Elevated Tanks and Standpipe               | 1,368                                       | 2.46%             | 34                   | 1,371                                       | 2.31%             | 32                   | 1,371                                       | 2.10%                     | 29                   | 1,371                                       | 2.10%                      | 29                   |
| 33       | 330200        | Ground Level Facilities                    | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 2.10%                     | -                    | -   | 2.10%                      | -                    |
| 34       | 330300        | Below Grade Facilities                     | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 2.10%                     | -                    | -   | 2.10%                      | -                    |
| 35       | 331001        | T & D Mains Conversion                     | 9,501,925                                   | 1.82%             | 172,657              | 9,475,123                                   | 1.72%             | 162,928              | 9,794,871                                   | 1.58%                     | 154,816              | 10,191,171                                  | 1.58%                      | 160,888              |
| 36       | 331100        | TD Mains 4in & less                        | 837   | 1.02%             | 9                    | 17,048                                      | 2.65%             | 452                  | 32,422                                      | 1.94%                     | 629                  | 32,422                                      | 1.94%                      | 629                  |
| 37       | 331200        | TD Mains 6in to 8 in                       | 284,492                                     | 0.94%             | 2,665                | 608,427                                     | 1.66%             | 10,087               | 657,639                                     | 1.53%                     | 10,062               | 657,639                                     | 1.53%                      | 10,062               |
| 38       | 331300        | TD Mains 10in to 16in                      | 127,075                                     | 0.30%             | 385                  | 259,299                                     | 1.70%             | 4,416                | 264,448                                     | 1.52%                     | 4,020                | 264,448                                     | 1.52%                      | 4,020                |
| 39       | 331400        | TD Mains 18in & greater                    | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 1.32%                     | -                    | -   | 1.32%                      | -                    |
| 40       | 332000        | Fire Mains                                 | 1,448                                       | 0.30%             | 4                    | 8,330                                       | 2.89%             | 241                  | 13,764                                      | 1.84%                     | 253                  | 13,764                                      | 1.84%                      | 253                  |
| 41       | 333000        | Services                                   | 5,070,265                                   | 6.42%             | 325,742              | 5,428,772                                   | 6.11%             | 331,840              | 5,680,127                                   | 5.57%                     | 316,497              | 5,847,713                                   | 5.57%                      | 325,615              |
| 42       | 334100        | Meters                                     | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 12.07%                    | -                    | -   | 12.07%                     | -                    |
| 43       | 334110        | Meters Bronze Case                         | 1,195,765                                   | 14.58%            | 174,334              | 1,228,402                                   | 13.52%            | 166,108              | 1,332,332                                   | 12.07%                    | 160,930              | 1,485,553                                   | 12.07%                     | 179,180              |
| 44       | 334120        | Meters Plastic Case                        | 6,887                                       | 8.03%             | 553                  | 6,173                                       | 4.31%             | 266                  | 6,173                                       | 0.00%                     | -                    | 6,173                                       | 0.00%                      | -                    |
| 45       | 334130        | Meters Other                               | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 12.07%                    | -                    | -   | 12.07%                     | -                    |
| 46       | 334200        | Meters Installations                       | 1,458,462                                   | 3.50%             | 50,982               | 1,458,452                                   | 4.08%             | 59,564               | 1,457,267                                   | 4.91%                     | 71,552               | 1,457,267                                   | 4.91%                      | 71,552               |
| 47       | 334300        | Meter Vaults                               | -   | 0.00%             | -                    | 5,384                                       | 1.64%             | 88                   | 10,769                                      | 3.18%                     | 342                  | 10,769                                      | 3.18%                      | 342                  |
| 48       | 335000        | Hydrants                                   | 1,281,289                                   | 3.93%             | 50,364               | 1,350,405                                   | 3.94%             | 53,215               | 1,401,789                                   | 3.91%                     | 54,833               | 1,437,822                                   | 3.91%                      | 56,214               |
| 49       | 336000        | Backflow Prevention Devices                | -   | -                 | -                    | -   | 0.00%             | -                    | -   | 2.06%                     | -                    | -   | 2.06%                      | -                    |
| 50       | 339500        | Other P/E TD                               | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 2.06%                     | -                    | -   | 2.06%                      | -                    |

ILLINOIS-AMERICAN WATER COMPANY  
 Depreciation Expense  
 Period Reported: January 2007 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3145  
 Schedule C-12 First Revised  
 Page 10 of 12  
 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Pekin - Continued  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                    |   |                   |                      | (1)   |                   |                      |   |                           |                      |   |                            |                      |
|----------|---------------|--|---|-------------------|----------------------|---|-------------------|----------------------|---|---------------------------|----------------------|---|----------------------------|----------------------|
|          |               |  | Average Depreciable Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2008 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2010 | Proposed Depreciation Rate | Depreciation Expense |
| 1        |               | <b>General Plant</b>                   |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 2        | 303600        | Land and land rights - administrative  | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |                      |
| 3        | 304500        | Structures and Improvements - AG       | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 2.96%                                       | -                         | -                    | 2.96%                                       | -                          |                      |
| 4        | 304600        | Office Structures                      | 274,589                                     | 2.78%             | 7,633                | 273,620                                     | 2.94%             | 8,032                | 3.15%                                       | 8,588                     | 272,630              | 3.15%                                       | 8,588                      |                      |
| 5        | 304700        | Stores, Shop, and Garage Structures    | 68,809                                      | 3.11%             | 2,141                | 68,767                                      | 2.67%             | 1,838                | 2.06%                                       | 1,417                     | 68,767               | 2.06%                                       | 1,417                      |                      |
| 6        | 304800        | Miscellaneous Structures               | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 5.27%                                       | -                         | -                    | 5.27%                                       | -                          |                      |
| 7        | 339100        | Other P/E Intangible                   | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |                      |
| 8        | 340100        | Office Furniture                       | 44,258                                      | 4.66%             | 2,064                | 42,232                                      | 4.28%             | 1,809                | 3.58%                                       | 4,061                     | 197,346              | 3.58%                                       | 7,063                      |                      |
| 9        | 340200        | Computer & Peripheral                  | 19,746                                      | 10.07%            | 1,988                | 19,780                                      | 11.81%            | 2,337                | 14.28%                                      | 2,825                     | 19,780               | 14.28%                                      | 2,825                      |                      |
| 10       | 340210        | Personal Computers                     | 34,864                                      | 11.19%            | 3,900                | 27,270                                      | 14.43%            | 3,934                | 16.55%                                      | 3,193                     | 19,292               | 16.55%                                      | 3,193                      |                      |
| 11       | 340300        | Computer Software                      | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 16.56%                                      | -                         | -                    | 16.56%                                      | -                          |                      |
| 12       | 340320        | Personal Computer Software             | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 14.27%                                      | -                         | -                    | 14.27%                                      | -                          |                      |
| 13       | 340400        | Data Handling Equipment                | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 5.59%                                       | -                         | -                    | 5.59%                                       | -                          |                      |
| 14       | 340500        | Other Office Equipment                 | 8,369                                       | 12.94%            | 1,083                | 5,581                                       | 8.58%             | 479                  | 5.59%                                       | 297                       | 5,319                | 5.59%                                       | 297                        |                      |
| 15       | 341001        | Transportation Equip Not Classified    | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 3.65%                                       | -                         | -                    | 3.65%                                       | -                          |                      |
| 16       | 341100        | Light Duty Trucks                      | 66,688                                      | 52.72%            | 35,160               | 134,543                                     | 12.55%            | 16,879               | 3.36%                                       | 7,318                     | 236,352              | 3.36%                                       | 7,924                      |                      |
| 17       | 341200        | Heavy Duty Trucks                      | 336,710                                     | 4.20%             | 14,151               | 265,472                                     | 5.95%             | 15,791               | 3.97%                                       | 10,536                    | 265,387              | 3.97%                                       | 10,536                     |                      |
| 18       | 341300        | Automobiles                            | 22,462                                      | 9.93%             | 2,230                | 24,840                                      | -6.16%            | (1,530)              | 4.74%                                       | 1,177                     | 24,840               | 4.74%                                       | 1,177                      |                      |
| 19       | 341400        | Trans. Equipment - Other               | 3,675                                       | 25.95%            | 953                  | 4,547                                       | 1.71%             | 78                   | 2.94%                                       | 134                       | 4,547                | 2.94%                                       | 134                        |                      |
| 20       | 342000        | Stores Equipment                       | 5,056                                       | 4.58%             | 232                  | 6,882                                       | 4.67%             | 322                  | 2.45%                                       | 213                       | 8,708                | 2.45%                                       | 213                        |                      |
| 21       | 343000        | Tools/Shop/Garage Equipment            | 259,800                                     | 2.71%             | 7,034                | 263,998                                     | 2.79%             | 7,369                | 2.54%                                       | 7,283                     | 302,008              | 2.54%                                       | 7,667                      |                      |
| 22       | 343100        | Tools/Shop/Garage Equipment Ot         | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 2.54%                                       | -                         | -                    | 2.54%                                       | -                          |                      |
| 23       | 344000        | Laboratory Equipment                   | 7,349                                       | 4.98%             | 366                  | 6,666                                       | 4.32%             | 288                  | 3.85%                                       | 257                       | 6,666                | 3.85%                                       | 257                        |                      |
| 24       | 345000        | Power Oper. Equipment                  | 169,333                                     | 6.64%             | 11,251               | 178,160                                     | 7.26%             | 12,926               | 6.45%                                       | 9,878                     | 153,151              | 6.45%                                       | 9,878                      |                      |
| 25       | 346000        | Comm. Equipment Conversion             | 267,476                                     | 4.77%             | 12,748               | 266,476                                     | 5.30%             | 14,136               | 6.04%                                       | 16,095                    | 266,476              | 6.04%                                       | 16,095                     |                      |
| 26       | 346100        | Comm. Equipment (Non-Telephone)        | 1,319                                       | 4.78%             | 63                   | 1,319                                       | 5.30%             | 70                   | 6.04%                                       | 80                        | 1,319                | 6.04%                                       | 80                         |                      |
| 27       | 346190        | Remote Control & Instrument            | -   | 0.00%             | -                    | 11,023                                      | 1.01%             | 111                  | 6.04%                                       | 1,332                     | 22,046               | 6.04%                                       | 1,332                      |                      |
| 28       | 346200        | Comm. Equipment Telephone              | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 6.04%                                       | -                         | -                    | 6.04%                                       | -                          |                      |
| 29       | 347000        | Miscellaneous Equipment                | 40,290                                      | 1.75%             | 704                  | 64,886                                      | 2.75%             | 1,787                | 2.51%                                       | 2,272                     | 90,536               | 2.51%                                       | 2,272                      |                      |
| 30       | 348000        | Other Tangible Plant                   | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |                      |
| 31       | 102.1         | FAS 109 - AFUDC Debt                   | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |                      |
| 32       |               | Completed Construction not Classified  | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |                      |
| 33       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 34       |               | Total                                  | 25,864,054                                  |                   | 1,083,320            | 26,870,408                                  |                   | 1,074,681            |   | 28,596,287                |                      | 1,052,336                                   | 29,768,866                 | 1,110,134            |
| 35       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 36       |               | Allocations                            |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 37       |               | Northern Corporate                     | -   |                   | -                    | -   |                   | -                    |   | -                         | -                    |   | -                          | -                    |
| 38       |               | State Corporate                        | 1,013,586                                   |                   | 121,291              | 1,019,067                                   |                   | 115,402              | 1,080,106                                   | 127,487                   | 1,386,726            |   | 152,506                    |                      |
| 39       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 40       |               | Total Average Utility Plant in Service | <u>\$ 26,877,640</u>                        |                   | <u>1,204,611</u>     | <u>\$ 27,889,475</u>                        |                   | <u>1,190,083</u>     | <u>\$ 29,676,392</u>                        | <u>1,179,823</u>          | <u>\$ 31,155,592</u> |   | <u>1,262,640</u>           |                      |
| 41       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 42       |               | Depreciation on Contributed Property   |   |                   | <u>(40,632)</u>      |   |                   | <u>(41,170)</u>      |   | <u>(36,222)</u>           |                      |   | <u>(36,222)</u>            |                      |
| 43       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 44       |               | Total Depreciation Expense             |   |                   | <u>\$ 1,163,979</u>  |   |                   | <u>\$ 1,148,913</u>  |   | <u>\$ 1,143,601</u>       |                      |   | <u>\$ 1,226,417</u>        |                      |

(1) Prior year ending December 2009 consists of zero months of actual and twelve months of forecasted data.

ILLINOIS-AMERICAN WATER COMPANY  
 Depreciation Expense  
 Period Reported: January 2007 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3145  
 Schedule C-12 First Revised  
 Page 11 of 12  
 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Lincoln  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                        |   |                   |                      | (1)   |                   |                      |   |                           |                      |   |                            |                      |
|----------|---------------|--|---|-------------------|----------------------|---|-------------------|----------------------|---|---------------------------|----------------------|---|----------------------------|----------------------|
|          |               |  | Average Depreciable Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2008 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2010 | Proposed Depreciation Rate | Depreciation Expense |
| 1        |               | <b>Intangible Plant</b>                    |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 2        | 301000        | Organization                               | \$ 22,119                                   | 0.00%             | \$ -                 | \$ 22,119                                   | 0.00%             | \$ -                 | \$ 22,119                                   | 0.00%                     | \$ -                 | \$ 22,119                                   | 0.00%                      | \$ -                 |
| 3        | 302000        | Franchises                                 | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 4        | 339600        | Other P/E - Comp. Planning                 | 29,962                                      | 21.67%            | 6,492                | 29,962                                      | 11.67%            | 3,496                | 2,305                                       | 0.00%                     | -                    | 0   | 20.00%                     | 0                    |
| 5        |               | <b>Source of Supply Plant</b>              |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 6        | 303200        | Land and Land Rights - Source of Supply    | 9,323                                       | 0.00%             | -                    | 64,971                                      | 0.00%             | -                    | 120,619                                     | 0.00%                     | -                    | 120,619                                     | 0.00%                      | -                    |
| 7        | 304100        | Structures and Improvements - SS           | 153,218                                     | 2.92%             | 4,474                | 153,218                                     | 2.87%             | 4,404                | 153,218                                     | 2.81%                     | 4,305                | 153,218                                     | 2.81%                      | 4,305                |
| 8        | 305000        | Collecting and Impounding                  | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 1.20%                     | -                    | -   | 1.20%                      | -                    |
| 9        | 306000        | Lake River & Other Intakes                 | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 3.49%                     | -                    | -   | 3.49%                      | -                    |
| 10       | 307000        | Wells and Springs                          | 339,580                                     | 2.34%             | 7,933                | 345,183                                     | 2.20%             | 7,597                | 345,183                                     | 2.02%                     | 6,973                | 345,183                                     | 2.02%                      | 6,973                |
| 11       | 308000        | Infiltration Galleries and Tunnels         | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 1.19%                     | -                    | -   | 1.19%                      | -                    |
| 12       | 309000        | Supply Mains                               | 117,979                                     | 0.93%             | 1,102                | 175,578                                     | 1.74%             | 3,054                | 180,380                                     | 1.76%                     | 3,175                | 180,380                                     | 1.76%                      | 3,175                |
| 13       |               | <b>Pumping Plant</b>                       |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 14       | 303300        | Land and Land Rights - Production          | 2,396                                       | 0.00%             | -                    | 2,396                                       | 0.00%             | -                    | 2,396                                       | 0.00%                     | -                    | 2,396                                       | 0.00%                      | -                    |
| 15       | 304200        | Structures and Improvements - Prod.        | 115,850                                     | 4.70%             | 5,444                | 115,686                                     | 3.78%             | 4,376                | 115,521                                     | 2.49%                     | 2,876                | 115,521                                     | 2.49%                      | 2,876                |
| 16       | 310000        | Power Generation Equipment                 | 258,283                                     | 0.73%             | 1,882                | 486,604                                     | 2.78%             | 13,547               | 487,438                                     | 2.84%                     | 13,843               | 487,438                                     | 2.84%                      | 13,843               |
| 17       | 311200        | Pumping Equipment - Electrical             | 1,088,650                                   | 2.99%             | 32,600               | 1,080,789                                   | 3.72%             | 40,177               | 1,062,550                                   | 4.81%                     | 51,109               | 1,062,550                                   | 4.81%                      | 51,109               |
| 18       | 311300        | Pumping Equipment - Diesel                 | 65,750                                      | 2.26%             | 1,486                | 65,750                                      | 2.73%             | 1,796                | 65,750                                      | 3.39%                     | 2,229                | 65,750                                      | 3.39%                      | 2,229                |
| 19       | 311400        | Pumping Equipment - Hydraulic              | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 3.69%                     | -                    | -   | 3.69%                      | -                    |
| 20       | 311500        | Pumping Equipment - Other                  | 137,800                                     | 9.68%             | 13,334               | 219,040                                     | 6.88%             | 15,073               | 246,905                                     | 2.43%                     | 6,000                | 246,905                                     | 2.43%                      | 6,000                |
| 21       |               | <b>Water Treatment Plant</b>               |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 22       | 303400        | Land and Land Rights - Water Treatment     | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 23       | 304300        | Structures and Improvements - WT           | 2,373,741                                   | 2.20%             | 52,279               | 2,998,734                                   | 2.72%             | 81,467               | 3,138,436                                   | 2.52%                     | 79,080               | 3,184,339                                   | 2.52%                      | 80,238               |
| 24       | 320100        | Water Treatment (Non-M)                    | 3,023,850                                   | 5.97%             | 180,506              | 3,023,850                                   | 4.99%             | 150,789              | 3,499,493                                   | 3.61%                     | 126,600              | 3,796,769                                   | 3.61%                      | 137,063              |
| 25       | 320193        | Water Treatment Equip Chemical             | 131,992                                     | 1.27%             | 1,672                | 275,990                                     | 7.11%             | 19,618               | 287,995                                     | 3.61%                     | 10,397               | 287,995                                     | 3.61%                      | 10,397               |
| 26       | 320200        | Water Treatment Equip Filter Media         | 211,187                                     | 0.99%             | 2,101                | 615,664                                     | 6.46%             | 39,758               | 808,953                                     | 4.15%                     | 33,572               | 808,953                                     | 4.15%                      | 33,572               |
| 27       | 339300        | Other P/E WT                               | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 2.06%                     | -                    | -   | 2.06%                      | -                    |
| 28       |               | <b>Transmission and Distribution Plant</b> |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |                      |
| 29       | 303500        | Land and Land Rights - Transmission        | 13,106                                      | 0.00%             | -                    | 13,106                                      | 0.00%             | -                    | 13,106                                      | 0.00%                     | -                    | 13,106                                      | 0.00%                      | -                    |
| 30       | 304400        | Structures and Improvements - TD           | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 3.30%                     | -                    | -   | 3.30%                      | -                    |
| 31       | 330000        | Distribution Reservoirs and Standpipes     | 366,956                                     | 2.46%             | 9,026                | 366,956                                     | 2.31%             | 8,477                | 366,956                                     | 2.10%                     | 7,706                | 366,956                                     | 2.10%                      | 7,706                |
| 32       | 330100        | Elevated Tanks and Standpipe               | 855   | 2.47%             | 21                   | 857   | 2.31%             | 20                   | 857   | 2.10%                     | 18                   | 857   | 2.10%                      | 18                   |
| 33       | 330200        | Ground Level Facilities                    | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 2.10%                     | -                    | -   | 2.10%                      | -                    |
| 34       | 330300        | Below Grade Facilities                     | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 2.10%                     | -                    | -   | 2.10%                      | -                    |
| 35       | 331001        | T & D Mains Conversion                     | 4,476,491                                   | 1.92%             | 85,753               | 4,756,320                                   | 1.72%             | 81,823               | 4,809,516                                   | 1.58%                     | 75,918               | 5,044,848                                   | 1.58%                      | 79,621               |
| 36       | 331100        | TD Mains 4in & less                        | 1,587                                       | 1.32%             | 21                   | 4,315                                       | 1.62%             | 70                   | 5,457                                       | 1.94%                     | 106                  | 5,457                                       | 1.94%                      | 106                  |
| 37       | 331200        | TD Mains 6in to 8 in                       | 37,356                                      | 1.12%             | 419                  | 141,770                                     | 1.65%             | 2,337                | 208,827                                     | 1.53%                     | 3,195                | 208,827                                     | 1.53%                      | 3,195                |
| 38       | 331300        | TD Mains 10in to 16in                      | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 1.52%                     | -                    | -   | 1.52%                      | -                    |
| 39       | 331400        | TD Mains 18in & greater                    | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 1.32%                     | -                    | -   | 1.32%                      | -                    |
| 40       | 332000        | Fire Mains                                 | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 1.84%                     | -                    | -   | 1.84%                      | -                    |
| 41       | 333000        | Services                                   | 1,813,623                                   | 6.46%             | 117,251              | 1,883,385                                   | 6.12%             | 115,229              | 1,940,201                                   | 5.57%                     | 108,060              | 2,005,036                                   | 5.57%                      | 111,655              |
| 42       | 334100        | Meters                                     | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 12.07%                    | -                    | -   | 12.07%                     | -                    |
| 43       | 334110        | Meters Bronze Case                         | 456,802                                     | 14.87%            | 67,930               | 456,634                                     | 13.60%            | 62,098               | 488,030                                     | 12.07%                    | 58,918               | 559,984                                     | 12.07%                     | 67,603               |
| 44       | 334120        | Meters Plastic Case                        | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 0.00%                     | -                    | -   | 0.00%                      | -                    |
| 45       | 334130        | Meters Other                               | 42,006                                      | 2.03%             | 853                  | 109,822                                     | 8.86%             | 9,735                | 135,631                                     | 12.07%                    | 16,371               | 135,631                                     | 12.07%                     | 16,371               |
| 46       | 334200        | Meters Installations                       | 135,414                                     | 5.47%             | 7,401                | 151,163                                     | 4.18%             | 6,312                | 153,701                                     | 4.91%                     | 7,547                | 153,701                                     | 4.91%                      | 7,547                |
| 47       | 334300        | Meter Vaults                               | 2,285                                       | 1.04%             | 24                   | 5,845                                       | 3.88%             | 227                  | 7,120                                       | 3.18%                     | 226                  | 7,120                                       | 3.18%                      | 226                  |
| 48       | 335000        | Hydrants                                   | 553,949                                     | 4.18%             | 23,137               | 598,617                                     | 3.94%             | 23,586               | 607,990                                     | 3.91%                     | 23,771               | 622,307                                     | 3.91%                      | 24,329               |
| 49       | 336000        | Backflow Prevention Devices                | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 2.06%                     | -                    | -   | 2.06%                      | -                    |
| 50       | 339500        | Other P/E TD                               | -   | 0.00%             | -                    | -   | 0.00%             | -                    | -   | 2.06%                     | -                    | -   | 2.06%                      | -                    |

ILLINOIS-AMERICAN WATER COMPANY  
 Depreciation Expense  
 Period Reported: January 2007 through December 2010

August 24, 2009  
 Docket No. 09-0319  
 Section 285.3145  
 Schedule C-12 First Revised  
 Page 12 of 12  
 Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
 Lincoln - Continued  
 Workpaper Reference: \_\_\_\_\_

| Line No. | Object Number | Account Description                    |   |                   |                      | (1)   |                   |                      |   |                           |                      |   |                            |
|----------|---------------|--|---|-------------------|----------------------|---|-------------------|----------------------|---|---------------------------|----------------------|---|----------------------------|
|          |               |  | Average Depreciable Plant for Year Dec-2007 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2008 | Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2009 | Current Depreciation Rate | Depreciation Expense | Average Depreciable Plant for Year Dec-2010 | Proposed Depreciation Rate |
| 1        |               | <b>General Plant</b>                   |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 2        | 303600        | Land and land rights - administrative  | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 3        | 304500        | Structures and Improvements - AG       | 71,173                                      | 2.78%             | 1,978                | 71,173                                      | 2.85%             | 2,032                | 2.96%                                       | 2,107                     | 71,173               | 2.96%                                       | 2,107                      |
| 4        | 304600        | Office Structures                      | 1,229                                       | 2.78%             | 34                   | 1,229                                       | 2.93%             | 36                   | 3.15%                                       | 39                        | 1,229                | 3.15%                                       | 39                         |
| 5        | 304700        | Stores, Shop, and Garage Structures    | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 2.06%                                       | -                         | -                    | 2.06%                                       | -                          |
| 6        | 304800        | Miscellaneous Structures               | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 5.27%                                       | -                         | -                    | 5.27%                                       | -                          |
| 7        | 339100        | Other P/E Intangible                   | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 8        | 340100        | Office Furniture                       | 223,842                                     | 4.65%             | 10,400               | 212,609                                     | 4.09%             | 8,703                | 3.58%                                       | 7,611                     | 212,609              | 3.58%                                       | 7,611                      |
| 9        | 340200        | Computer & Peripheral                  | 13,743                                      | 10.07%            | 1,384                | 13,773                                      | 11.81%            | 1,627                | 14.28%                                      | 1,967                     | 13,773               | 14.28%                                      | 1,967                      |
| 10       | 340210        | Personal Computers                     | 2,661                                       | 4.51%             | 120                  | 10,758                                      | 12.62%            | 1,358                | 16.55%                                      | 2,680                     | 16,193               | 16.55%                                      | 2,680                      |
| 11       | 340300        | Computer Software                      | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 16.56%                                      | -                         | -                    | 16.56%                                      | -                          |
| 12       | 340320        | Personal Computer Software             | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 14.27%                                      | -                         | -                    | 14.27%                                      | -                          |
| 13       | 340400        | Data Handling Equipment                | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 5.59%                                       | -                         | -                    | 5.59%                                       | -                          |
| 14       | 340500        | Other Office Equipment                 | 2,128                                       | 10.34%            | 220                  | 2,128                                       | 8.36%             | 178                  | 5.59%                                       | 119                       | 2,128                | 5.59%                                       | 119                        |
| 15       | 341001        | Transportation Equip Not Classified    | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 3.65%                                       | -                         | -                    | 3.65%                                       | -                          |
| 16       | 341100        | Light Duty Trucks                      | 51,881                                      | 11.10%            | 5,758                | 61,535                                      | 7.00%             | 4,305                | 3.36%                                       | 2,392                     | 77,416               | 3.36%                                       | 2,562                      |
| 17       | 341200        | Heavy Duty Trucks                      | 97,210                                      | 7.18%             | 6,984                | 141,768                                     | 7.18%             | 10,182               | 3.97%                                       | 7,612                     | 191,729              | 3.97%                                       | 7,612                      |
| 18       | 341300        | Automobiles                            | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 4.74%                                       | -                         | -                    | 4.74%                                       | -                          |
| 19       | 341400        | Trans. Equipment - Other               | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 2.94%                                       | -                         | -                    | 2.94%                                       | -                          |
| 20       | 342000        | Stores Equipment                       | 2,052                                       | 5.09%             | 104                  | 1,778                                       | 3.69%             | 66                   | 2.45%                                       | 44                        | 1,778                | 2.45%                                       | 44                         |
| 21       | 343000        | Tools/Shop/Garage Equipment            | 96,189                                      | 3.05%             | 2,938                | 103,491                                     | 2.86%             | 2,964                | 2.54%                                       | 3,659                     | 230,292              | 2.54%                                       | 5,849                      |
| 22       | 343100        | Tools/Shop/Garage Equipment Ot         | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 2.54%                                       | -                         | -                    | 2.54%                                       | -                          |
| 23       | 344000        | Laboratory Equipment                   | 21,442                                      | 4.60%             | 986                  | 21,200                                      | 4.32%             | 915                  | 3.85%                                       | 816                       | 21,200               | 3.85%                                       | 816                        |
| 24       | 345000        | Power Oper. Equipment                  | 171,657                                     | 6.98%             | 11,980               | 171,657                                     | 6.76%             | 11,603               | 6.45%                                       | 11,072                    | 171,657              | 6.45%                                       | 11,072                     |
| 25       | 346000        | Comm. Equipment Conversion             | 324,487                                     | 4.82%             | 15,654               | 319,681                                     | 5.31%             | 16,974               | 6.04%                                       | 19,238                    | 318,506              | 6.04%                                       | 19,238                     |
| 26       | 346100        | Comm. Equipment (Non-Telephone)        | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 6.04%                                       | -                         | -                    | 6.04%                                       | -                          |
| 27       | 346190        | Remote Control & Instrument            | 79,195                                      | 0.43%             | 341                  | 165,594                                     | 5.92%             | 9,805                | 6.04%                                       | 10,437                    | 172,797              | 6.04%                                       | 10,437                     |
| 28       | 346200        | Comm. Equipment Telephone              | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 6.04%                                       | -                         | -                    | 6.04%                                       | -                          |
| 29       | 347000        | Miscellaneous Equipment                | 2,915                                       | 35.97%            | 1,049                | 2,915                                       | 2.44%             | 71                   | 2.51%                                       | 73                        | 2,915                | 2.51%                                       | 73                         |
| 30       | 348000        | Other Tangible Plant                   | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 31       | 102.1         | FAS 109 - AFUDC Debt                   | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 32       |               | Completed Construction not Classified  | -   | 0.00%             | -                    | -   | 0.00%             | -                    | 0.00%                                       | -                         | -                    | 0.00%                                       | -                          |
| 33       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 34       |               | Total                                  | 17,143,914                                  |                   | 683,072              | 19,465,613                                  |                   | 765,883              | 20,691,518                                  | 711,859                   | 21,509,361           |   | 742,381                    |
| 35       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 36       |               | Allocations                            |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 37       |               | Northern Corporate                     | -   |                   | -                    | -   |                   | -                    | -   | -                         | -                    |   | -                          |
| 38       |               | State Corporate                        | 413,622                                     |                   | 49,496               | 415,859                                     |                   | 47,093               | 440,768                                     | 52,025                    | 565,893              |   | 62,234                     |
| 39       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 40       |               | Total Average Utility Plant in Service | <u>\$ 17,557,536</u>                        |                   | <u>732,568</u>       | <u>\$ 19,881,472</u>                        |                   | <u>812,976</u>       | <u>\$ 21,132,286</u>                        | <u>763,883</u>            | <u>\$ 22,075,254</u> |   | <u>804,615</u>             |
| 41       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 42       |               | Depreciation on Contributed Property   |   |                   | <u>(12,895)</u>      |   |                   | <u>(13,539)</u>      |   | <u>(12,236)</u>           |                      |   | <u>(12,236)</u>            |
| 43       |               |  |   |                   |                      |   |                   |                      |   |                           |                      |   |                            |
| 44       |               | Total Depreciation Expense             |   |                   | <u>\$ 719,673</u>    |   |                   | <u>\$ 799,437</u>    |   | <u>\$ 751,647</u>         |                      |   | <u>\$ 792,379</u>          |

(1) Prior year ending December 2009 consists of zero months of actual and twelve months of forecasted data.

ILLINOIS-AMERICAN WATER COMPANY  
Uncollectible Expense  
Period Reported: January 2007 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3165  
Schedule C-16 First Revised  
Page 1 of 3  
Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
Total Company  
Workpaper Reference: \_\_\_\_\_

| Line No. |  | Total Company  | Zone 1         | Chicago Metro Water | Chicago Metro Waste Water | Pekin        | Lincoln      |
|----------|--|----------------|----------------|---------------------|---------------------------|--------------|--------------|
|          | <b>Dec-2010</b>                                  |                |                |                     |                           |              |              |
| 1        | Uncollectible Accounts Expense at Present Rates  | \$ 2,247,843   | \$ 1,476,241   | \$ 546,529          | \$ 137,121                | \$ 68,397    | \$ 19,556    |
| 2        |  |                |                |                     |                           |              |              |
| 3        | Adjustment                                       | 726,235        | 534,192        | 122,010             | 34,178                    | 22,281       | 13,574       |
| 4        |  |                |                |                     |                           |              |              |
| 5        | Uncollectible Accounts Expense at Proposed Rates | \$ 2,974,078   | \$ 2,010,433   | \$ 668,539          | \$ 171,299                | \$ 90,678    | \$ 33,130    |
| 6        |  |                |                |                     |                           |              |              |
| 7        |  |                |                |                     |                           |              |              |
| 8        | Proposed Increase in Revenues                    | \$ 60,519,567  | \$ 44,515,995  | \$ 10,167,532       | \$ 2,848,145              | \$ 1,856,734 | \$ 1,131,161 |
| 9        |  |                |                |                     |                           |              |              |
| 10       | Uncollectible Ratio                              | 0.01200        | 0.01200        | 0.01200             | 0.01200                   | 0.01200      | 0.01200      |
| 11       |  |                |                |                     |                           |              |              |
| 12       | Uncollectible Accounts Adjustment                | \$ 726,235     | \$ 534,192     | \$ 122,010          | \$ 34,178                 | \$ 22,281    | \$ 13,574    |
| 13       |  |                |                |                     |                           |              |              |
| 14       |  |                |                |                     |                           |              |              |
| 15       | Test Year Water/Waste Water Revenues             | \$ 197,486,930 |                |                     |                           |              |              |
| 16       | Test Year Uncollectible Accounts Expense         | 2,369,843      |                |                     |                           |              |              |
| 17       | Uncollectible Ratio                              | 0.012000       |                |                     |                           |              |              |
| 18       |  |                |                |                     |                           |              |              |
| 19       | <b>Dec-2009</b>                                  |                |                |                     |                           |              |              |
| 20       | Revenue used in Calculation                      | \$ 205,800,179 | \$ 134,240,075 | \$ 50,290,903       | \$ 11,444,974             | \$ 5,994,849 | \$ 3,829,380 |
| 21       | Uncollectible Expense                            | 2,058,002      | 1,342,401      | 502,909             | 114,450                   | 59,948       | 38,294       |
| 22       | Uncollectible Expense %                          | 1.000%         | 1.000%         | 1.000%              | 1.000%                    | 1.000%       | 1.000%       |
| 23       |  |                |                |                     |                           |              |              |
| 24       | <b>Dec-2008</b>                                  |                |                |                     |                           |              |              |
| 25       | Revenue used in Calculation                      | \$ 180,144,020 | \$ 119,821,903 | \$ 38,451,685       | \$ 13,581,987             | \$ 5,313,855 | \$ 2,974,590 |
| 26       | Uncollectible Expense                            | 1,979,867      | 1,527,269      | 184,300             | 128,771                   | 99,091       | 40,437       |
| 27       | Uncollectible Expense %                          | 1.099%         | 1.275%         | 0.479%              | 0.948%                    | 1.865%       | 1.359%       |
| 28       |  |                |                |                     |                           |              |              |
| 29       | <b>Dec-2007</b>                                  |                |                |                     |                           |              |              |
| 30       | Revenue used in Calculation                      | \$ 176,158,583 | \$ 114,989,874 | \$ 38,500,215       | \$ 14,458,030             | \$ 5,178,803 | \$ 3,031,661 |
| 31       | Uncollectible Expense                            | 2,189,695      | 1,689,130      | 203,832             | 142,419                   | 109,592      | 44,722       |
| 32       | Uncollectible Expense %                          | 1.243%         | 1.469%         | 0.529%              | 0.985%                    | 2.116%       | 1.475%       |
| 33       |  |                |                |                     |                           |              |              |

34 The following adjustments have been made to uncollectible accounts expense under present rates in order to reflect the effect of the proposed rate increase on this particular expense.  
35 The adjustment was calculated by multiplying the test year ratio of uncollectible accounts expense to billed revenues by the proposed revenue increase.  
36 Additional information is provided for uncollectible expense, allowance for bad debts, and collection agencies below.

ILLINOIS-AMERICAN WATER COMPANY  
Allowance for Bad Debts and Collection Agency Arrangements  
Period Reported: January 2007 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3165  
Schedule C-16 First Revised  
Page 2 of 3  
Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
Total Company  
Workpaper Reference: \_\_\_\_\_

| Line No. | Total Company                                       | Zone 1              | Chicago Metro Water | Chicago Metro Waste Water | Pekin            | Lincoln          |                  |
|----------|---|---------------------|---------------------|---------------------------|------------------|------------------|------------------|
| 1        | <b>Dec-2007</b>                                     |                     |                     |                           |                  |                  |                  |
| 2        | <b>Uncollectible Revenue Provision for Bad Debt</b> |                     |                     |                           |                  |                  |                  |
| 3        | Beginning of Year Balance                           | \$ 1,402,879        | \$ 1,084,454        | \$ 147,939                | \$ 72,752        | \$ 69,597        | \$ 28,137        |
| 4        | Reserve Accrual                                     | 87,468              | 67,615              | 9,224                     | 4,536            | 4,339            | 1,754            |
| 5        | * Adjustments                                       | (16)                | (12)                | (2)                       | (1)              | (1)              | -                |
| 6        | End of year balance                                 | <u>\$ 1,490,331</u> | <u>\$ 1,152,057</u> | <u>\$ 157,161</u>         | <u>\$ 77,287</u> | <u>\$ 73,935</u> | <u>\$ 29,891</u> |
| 7        |   |                     |                     |                           |                  |                  |                  |
| 8        | * Adjustment explanation: Reclass.                  |                     |                     |                           |                  |                  |                  |
| 9        |   |                     |                     |                           |                  |                  |                  |
| 10       | <b>Uncollectible Write-offs and Recoveries</b>      |                     |                     |                           |                  |                  |                  |
| 11       | Write-offs  | \$ 2,453,285        | \$ 1,896,452        | \$ 258,713                | \$ 127,225       | \$ 121,699       | \$ 49,196        |
| 12       | Recoveries  | \$ (351,058)        | \$ (271,377)        | \$ (37,021)               | \$ (18,206)      | \$ (17,415)      | \$ (7,040)       |
| 13       |   |                     |                     |                           |                  |                  |                  |
| 14       | <b>Miscellaneous Invoice Provision for Bad Debt</b> |                     |                     |                           |                  |                  |                  |
| 15       | Beginning of Year Balance                           | \$ 26,000           | \$ 20,099           | \$ 2,742                  | \$ 1,348         | \$ 1,290         | \$ 521           |
| 16       | Reserve Accrual                                     | (1,041)             | (804)               | (110)                     | (54)             | (52)             | (21)             |
| 17       | End of year balance                                 | <u>\$ 24,959</u>    | <u>\$ 19,295</u>    | <u>\$ 2,632</u>           | <u>\$ 1,294</u>  | <u>\$ 1,238</u>  | <u>\$ 500</u>    |
| 18       |   |                     |                     |                           |                  |                  |                  |
| 19       |   |                     |                     |                           |                  |                  |                  |
| 20       | <b>Dec-2008</b>                                     |                     |                     |                           |                  |                  |                  |
| 21       | <b>Uncollectible Revenue Provision for Bad Debt</b> |                     |                     |                           |                  |                  |                  |
| 22       | Beginning of Year Balance                           | \$ 1,490,331        | \$ 1,152,057        | \$ 157,161                | \$ 77,287        | \$ 73,935        | \$ 29,891        |
| 23       | Reserve Accrual                                     | (253,124)           | (195,670)           | (26,693)                  | (13,127)         | (12,557)         | (5,077)          |
| 24       | * Adjustments                                       | 7                   | 7                   | -                         | -                | -                | -                |
| 25       | End of year balance                                 | <u>\$ 1,237,214</u> | <u>\$ 956,394</u>   | <u>\$ 130,468</u>         | <u>\$ 64,160</u> | <u>\$ 61,378</u> | <u>\$ 24,814</u> |
| 26       |   |                     |                     |                           |                  |                  |                  |
| 27       | * Adjustment explanation: Reclass.                  |                     |                     |                           |                  |                  |                  |
| 28       |   |                     |                     |                           |                  |                  |                  |
| 29       | <b>Uncollectible Write-offs and Recoveries</b>      |                     |                     |                           |                  |                  |                  |
| 30       | Write-offs  | \$ 2,547,630        | \$ 1,969,370        | \$ 268,658                | \$ 132,120       | \$ 126,383       | \$ 51,099        |
| 31       | Recoveries  | \$ (314,639)        | \$ (243,222)        | \$ (33,180)               | \$ (16,317)      | \$ (15,609)      | \$ (6,311)       |
| 32       |   |                     |                     |                           |                  |                  |                  |
| 33       | <b>Miscellaneous Invoice Provision for Bad Debt</b> |                     |                     |                           |                  |                  |                  |
| 34       | Beginning of Year Balance                           | \$ 24,959           | \$ 19,295           | \$ 2,632                  | \$ 1,294         | \$ 1,238         | \$ 500           |
| 35       | Reserve Accrual                                     | 20,302              | 15,694              | 2,141                     | 1,053            | 1,007            | 407              |
| 36       | End of year balance                                 | <u>\$ 45,261</u>    | <u>\$ 34,989</u>    | <u>\$ 4,773</u>           | <u>\$ 2,347</u>  | <u>\$ 2,245</u>  | <u>\$ 907</u>    |

ILLINOIS-AMERICAN WATER COMPANY  
Allowance for Bad Debts and Collection Agency Arrangements  
Period Reported: January 2007 through December 2010

August 24, 2009  
Docket No. 09-0319  
Section 285.3165  
Schedule C-16 First Revised  
Page 3 of 3  
Witness Responsible: Rich Kerckhove

Exhibit No. 16.00  
Total Company  
Workpaper Reference: \_\_\_\_\_

| Line No. |   | Total Company       | Southern/Peoria/<br>Streator/Pontiac/<br>South Beloit | Chicago Metro<br>Water | Chicago Metro<br>Waste Water | Pekin            | Lincoln          |
|----------|---|---------------------|---|------------------------|------------------------------|------------------|------------------|
| 1        | <b>Dec-2009</b>                                     |                     |   |                        |                              |                  |                  |
| 2        | <b>Uncollectible Revenue Provision for Bad Debt</b> |                     |   |                        |                              |                  |                  |
| 3        | Beginning of Year Balance                           | \$ 1,237,214        | \$ 956,394  | \$ 130,468             | \$ 64,160                    | \$ 61,378        | \$ 24,814        |
| 4        | Reserve Accrual                                     | (82,171)            | (63,520)  | (8,665)                | (4,261)                      | (4,076)          | (1,648)          |
| 5        | Adjustments   | -                   | -   | -                      | -                            | -                | -                |
| 6        | End of year balance                                 | <u>\$ 1,155,043</u> | <u>\$ 892,874</u>                                     | <u>\$ 121,803</u>      | <u>\$ 59,899</u>             | <u>\$ 57,301</u> | <u>\$ 23,166</u> |
| 7        |   |                     |   |                        |                              |                  |                  |
| 8        |   |                     |   |                        |                              |                  |                  |
| 9        |   |                     |   |                        |                              |                  |                  |
| 10       | <b>Uncollectible Write-offs and Recoveries</b>      |                     |   |                        |                              |                  |                  |
| 11       | Write-offs  | \$ 2,480,610        | \$ 1,917,567  | \$ 261,588             | \$ 128,641                   | \$ 123,062       | \$ 49,751        |
| 12       | Recoveries  | \$ (340,437)        | \$ (263,166)  | \$ (35,900)            | \$ (17,655)                  | \$ (16,889)      | \$ (6,828)       |
| 13       |   |                     |   |                        |                              |                  |                  |
| 14       | <b>Miscellaneous Invoice Provision for Bad Debt</b> |                     |   |                        |                              |                  |                  |
| 15       | Beginning of Year Balance                           | \$ 45,261           | \$ 34,989   | \$ 4,773               | \$ 2,347                     | \$ 2,245         | \$ 907           |
| 16       | Reserve Accrual                                     | -                   | -   | -                      | -                            | -                | -                |
| 17       | End of year balance                                 | <u>\$ 45,261</u>    | <u>\$ 34,989</u>                                      | <u>\$ 4,773</u>        | <u>\$ 2,347</u>              | <u>\$ 2,245</u>  | <u>\$ 907</u>    |
| 18       |   |                     |   |                        |                              |                  |                  |
| 19       |   |                     |   |                        |                              |                  |                  |
| 20       | <b>Dec-2010</b>                                     |                     |   |                        |                              |                  |                  |
| 21       | <b>Uncollectible Revenue Provision for Bad Debt</b> |                     |   |                        |                              |                  |                  |
| 22       | Beginning of Year Balance                           | \$ 1,155,043        | \$ 892,874  | \$ 121,803             | \$ 59,899                    | \$ 57,301        | \$ 23,166        |
| 23       | Reserve Accrual                                     | (88,966)            | (68,773)  | (9,382)                | (4,614)                      | (4,414)          | (1,784)          |
| 24       | Adjustments   | -                   | -   | -                      | -                            | -                | -                |
| 25       | End of year balance                                 | <u>\$ 1,066,077</u> | <u>\$ 824,101</u>                                     | <u>\$ 112,421</u>      | <u>\$ 55,285</u>             | <u>\$ 52,888</u> | <u>\$ 21,381</u> |
| 26       |   |                     |   |                        |                              |                  |                  |
| 27       |   |                     |   |                        |                              |                  |                  |
| 28       |   |                     |   |                        |                              |                  |                  |
| 29       | <b>Uncollectible Write-offs and Recoveries</b>      |                     |   |                        |                              |                  |                  |
| 30       | Write-offs  | \$ 2,685,757        | \$ 2,076,151  | \$ 283,222             | \$ 139,279                   | \$ 133,240       | \$ 53,866        |
| 31       | Recoveries  | \$ (348,948)        | \$ (269,745)  | \$ (36,798)            | \$ (18,096)                  | \$ (17,311)      | \$ (6,999)       |
| 32       |   |                     |   |                        |                              |                  |                  |
| 33       | <b>Miscellaneous Invoice Provision for Bad Debt</b> |                     |   |                        |                              |                  |                  |
| 34       | Beginning of Year Balance                           | \$ 45,261           | \$ 34,989   | \$ 4,773               | \$ 2,347                     | \$ 2,245         | \$ 907           |
| 35       | Reserve Accrual                                     | -                   | -   | -                      | -                            | -                | -                |
| 36       | End of year balance                                 | <u>\$ 45,261</u>    | <u>\$ 34,989</u>                                      | <u>\$ 4,773</u>        | <u>\$ 2,347</u>              | <u>\$ 2,245</u>  | <u>\$ 907</u>    |
| 37       |   |                     |   |                        |                              |                  |                  |
| 38       | <b>Collection Agency Expense **</b>                 |                     |   |                        |                              |                  |                  |
| 39       | Collection Agency Expense-2007                      | \$ 79,196           | \$ 61,102   | \$ 12,516              | \$ -                         | \$ 3,962         | \$ 1,617         |
| 40       | Collection Agency Expense-2008                      | \$ 70,980           | \$ 54,754   | \$ 11,224              | \$ -                         | \$ 3,552         | \$ 1,450         |
| 41       | Collection Agency Expense-2009                      | \$ 76,800           | \$ 59,244   | \$ 12,144              | \$ -                         | \$ 3,844         | \$ 1,569         |
| 42       | Collection Agency Expense-2010                      | \$ 78,720           | \$ 60,725   | \$ 12,448              | \$ -                         | \$ 3,940         | \$ 1,608         |
| 43       |   |                     |   |                        |                              |                  |                  |
| 44       | **January through December year.                    |                     |   |                        |                              |                  |                  |