

Illinois American Water Company
South Beloit Service District
Calculation of Variable Purchased Water Price
April 2010

FORMULA FACTORS

1. Purchased water charge in effect, per CCF, effective April 1, 2009:	\$	1.04
2. Total Unit rate for purchased water cost, including cost for lost and unaccounted, per CCF, per Exhibit B	\$	0.8400
3. Estimated metered usage plus unaccounted-for water usage during the base period, in CCFs, per Exhibit C1 (April through December)		282,685
4. Estimated metered usage during the base period, in CCFs, per Exhibit C1 (April through December)		236,749
5. Balance of unrecovered or (over recovered) Variable Supply Charge Costs, per Exhibit D	\$	901

CALCULATION OF VARIABLE COMPONENT
--

In accordance with Ill. Adm. Code 655:

Purchased Water Charge In Effect (\$M/ccf)	Estimated Purchased Water Cost and/or Alternate Delivery Variable Costs	+	* Pending * Commission-ordered adjustment component for variable charge	+	Utility-determined adjustment component for variable charge	=	Recomputed Purchased Variable Water Charge (\$M/ccf)
\$ 1.04	\$237,455	+	(\$179)	+	\$901	=	\$ 1.01
			236,749				

Illinois American Water Company
South Beloit Service District
Calculation of Fixed Purchased Water Price
April 2010

FORMULA FACTORS

1. Purchased water charge in effect, per month, per EBU, effective April 1, 2009	\$	0.80
2. Fixed cost for purchased water cost and/or alternate delivery (wheeling) costs in the base period (April through December) per Exhibit B, Page 2 of 3	\$	24,750.00
3. Equivalent Billing Units (EBU) per Exhibit B, page 3 of 3		30,033
4. Balance of unrecovered or (over recovered) Fixed Supply Charge costs	\$	(560)

CALCULATION OF VARIABLE COMPONENT
--

In accordance with Ill. Adm. Code 655:

Fixed Water Charge In Effect (\$/month/EBUI)	Estimated Purchased Water Cost and/or Alternate Delivery Fixed Costs	+	Commission-ordered adjustment component for fixed charge	+	Utility-determined adjustment component for fixed charge	=	Recomputed Fixed Water Charge (\$/month/EBUI)
			Equivalent Billing Units				
\$ 0.80	\$ 24,750.00	+	\$ (19)	+	\$ (560)	=	\$ 0.80
			30,033				

Illinois American Water Company
South Beloit Service District
Variable Purchased Water Costs
April 2010

Description	Rate Per 100 CCF
Variable rate purchased water charges:	
Purchased water charge per CCF	\$ 0.84000
Total purchased water cost	<u>\$ 0.84000</u>

The Purchased Water charge is set at \$0.84 and adjusted for Lost and unaccounted for water with a 21% adder.

See Attached Monthly billings for water service from the City of Beloit, Exhibit C.

Illinois American Water Company
South Beloit Service District
Fixed Purchased Water Costs
April 2010

Fixed Cost Rate - per month:

Fixed Monthly Charge

January	\$ 2,750.00
February	2,750.00
March	2,750.00
April	2,750.00
May	2,750.00
June	2,750.00
July	2,750.00
August	2,750.00
September	2,750.00
October	2,750.00
November	2,750.00
December	<u>2,750.00</u>
Total	<u>\$ 33,000.00</u>
Annualized base period (April through December)	<u>\$ 24,750.00</u>

The Purchased Water fixed charge is set at \$2,750 per month.

See Attached Monthly billings for water service from the City of Beloit, Exhibit D.

Illinois American Water Company
South Beloit Service District
Calculation of Equivalent Billing Units
April 2010

CALCULATION OF EQUIVALENT BILLING UNITS

<u>Meter Size</u>	<u>Number In Service</u>	<u>Equivalent Factor</u>	<u>Equivalent Units</u>
5/8" Disk	2,619	1.0	2,619.0
3/4" Disk	42	1.5	63.0
1" Disk	48	2.5	120.0
1 1/2" Disk	24	5.0	120.0
2" Disk	35	8.0	280.0
3" Disk	4	15.0	60.0
4" Disk	3	25.0	75.0
6" Disk	0	50.0	0.0
8" Disk	0	80.0	0.0
10" Disk	0	115.0	0.0
12" Disk	0	168.0	0.0
3" Turbine	0	17.5	0.0
4" Turbine	0	30.0	0.0
6" Turbine	0	62.5	0.0
8" Turbine	0	90.0	0.0
10" Turbine	0	145.0	0.0
Total Equivalent Billing Units:			<u><u>3,337.0</u></u>
Annualized base period (April through December):			<u><u>30,033.0</u></u>

Source: Report "Meters by Bill Class, Rate Schedule, Size - Summary" dated March 03, 2010.

Illinois American Water Company
South Beloit Service District
Calculation of Equivalent Billing Units
For the Year 2009

Description	Customer Connections	Metered Usage (CCF)	Metered Usage Plus Unaccounted-for Water Usage (CCF)	Unaccounted for water in excess of tariff amount (CCF)	Supplier Rate	Metered Usage	Metered Usage + UFW	UFW %	UFW in Excess of Tariff	
For the monthly billing period ending in the month of:										
January-09	Residential Commercial Industrial Pub. Auth	2,514 215 9 17	16,888 7,555 148 293	20,193 9,142 177 354						
		2,755	24,683	29,690	394.10	\$ 0.84	24,683	29,688	17.36%	\$ 331
February-09	Residential Commercial Industrial Pub. Auth	2,525 213 9 17	16,281 7,984 184 427	19,701 9,061 223 517						
		2,784	24,877	30,101	397.28	0.84	24,877	30,101	17.36%	334
March-09	Residential Commercial Industrial Pub. Auth	2,544 216 9 17	14,931 6,175 178 419	17,924 7,413 214 503						
		2,788	21,703	26,053	139.88	0.84	21,703	26,053	16.70%	117
April-09	Residential Commercial Industrial Pub. Auth	2,551 217 9 17	15,897 6,825 162 490	19,236 8,258 190 581						
		2,794	23,304	28,271	373.13	0.84	23,304	28,271	17.36%	313
May-09	Residential Commercial Industrial Pub. Auth	2,534 219 9 17	14,687 6,447 133 410	17,668 7,788 160 494						
		2,778	21,657	26,068	228.51	0.84	21,657	26,088	16.98%	192
June-09	Residential Commercial Industrial Pub. Auth	2,544 214 9 17	18,260 8,981 142 288	22,094 10,867 172 348						
		2,784	27,971	33,482	441.91	0.84	27,971	33,482	17.36%	371
July-09	Residential Commercial Industrial Pub. Auth	2,548 218 9 18	20,673 9,528 415 212	24,924 11,485 500 255						
		2,789	30,828	37,165	357.83	0.84	30,828	37,165	17.06%	300
August-09	Residential Commercial Industrial Pub. Auth	2,561 217 9 18	18,060 8,480 385 280	21,839 10,254 466 314						
		2,805	27,184	32,873	413.52	0.84	27,184	32,873	17.30%	347
September-09	Residential Commercial Industrial Pub. Auth	2,571 215 9 16	17,059 7,528 287 400	20,518 9,055 321 481						
		2,811	25,253	30,375	221.32	0.84	25,253	30,375	16.86%	186
October-09	Residential Commercial Industrial Pub. Auth	2,583 216 9 16	16,154 8,118 (74) 357	19,546 9,822 (90) 432						
		2,804	24,554	29,711	392.14	0.84	24,554	29,711	17.36%	329
November-09	Residential Commercial Industrial Pub. Auth	2,581 216 10 16	15,037 8,176 217 362	18,196 7,474 262 438						
		2,803	21,792	26,370	349.23	0.84	21,792	26,370	17.36%	293
December-09	Residential Commercial Industrial Pub. Auth	2,553 214 8 16	16,797 5,550 231 324	20,242 6,888 278 390						
		2,791	22,901	27,599	254.11	0.84	22,901	27,655	17.19%	213
Total for the 12 most recent months		33,485	296,466	357,952	3,963		273,566	330,353	17.19%	\$ 3,329

Data is the total customer class metered use in gallons + .748 to convert to CCF.
Data source for customer connections and metered usage: Slat 10 Report
Data source for metered usage: S Beloit Invoices

ILLINOIS-AMERICAN WATER COMPANY
SOUTH BELOIT SERVICE DISTRICT
 Historical Water Usage
 For the Calendar Years 2007 through 2009

Month	Average	2009	2008	2007	Average Usage Plus NRW	2009 Usage Plus NRW	2008 Usage Plus NRW	2007 Usage Plus NRW
January	24,616	24,683	27,771	21,395	29,753	29,866	33,506	25,888
February	23,105	24,877	24,577	19,862	27,973	30,101	29,784	24,033
March	27,836	21,703	26,746	35,059	33,622	26,053	32,390	42,422
April	17,081	23,364	22,658	5,221	20,695	28,271	27,477	6,337
May	26,260	21,657	20,999	36,124	31,740	26,088	25,384	43,748
June	29,336	27,671	26,541	33,797	35,509	33,482	32,115	40,931
July	32,037	30,826	25,662	39,624	38,743	37,165	31,051	48,013
August	30,252	27,184	30,317	33,253	36,616	32,873	36,683	40,293
September	29,582	25,253	30,736	32,757	35,741	30,375	37,170	39,677
October	25,685	24,554	23,371	29,130	31,099	29,711	28,278	35,307
November	24,702	21,792	25,790	26,523	29,889	26,370	31,206	32,092
December	21,813	22,901	22,968	19,570	26,364	27,599	27,791	23,702
Total	312,306	296,466	308,136	332,316	377,743	357,952	372,835	402,443
Nine Months April through December	236,749	225,204	229,043	256,000	286,396	271,932	277,155	310,100
Total					17.32%			
Nine-Months April through December					17.34%			

Source: Current year and prior year Exhibit C

Illinois American Water Company
South Beloit Service District
Summary of Water Purchases and Cost Recovery
For the Year 2009

Water Supply Revenues Month	(A) Cost Recovery via Variable Water Supply Charge	(B) Cost Recovery via Fixed Water Supply Charge	(C) Total Cost Recovery via Purchased Water Surcharge
January	\$ 24,329	\$ 2,758	\$ 27,088
February	24,908	2,793	27,701
March	22,174	2,812	24,986
April	23,952	2,764	26,715
May	22,648	2,690	25,338
June	28,813	2,706	31,519
July	32,085	2,713	34,798
August	28,251	2,708	30,958
September	26,420	2,718	29,138
October	26,071	2,720	28,790
November	22,520	2,701	25,222
December	<u>24,072</u>	<u>2,723</u>	<u>26,795</u>
Total	<u>\$ 306,242</u>	<u>\$ 32,805</u>	<u>\$ 339,047</u>

Data source: Revenue Surcharge Report

Illinois American Water Company
South Beloit Service District
Summary of Water Purchases and Cost Recovery
For the Year 2009

VARIABLE COSTS	(A) Actual Variable Cost of Water Purchased	(B) Cost Recovery via Variable Water Supply Charge	(A - B) Monthly Unrecovered (Over recovered) Supply Charge	Cumulative Unrecovered (Over recovered) Supply Charge Variable Costs
Month				
Balance forwarded from prior year:				
2008 R-Factor				\$ 10,067
Total balance forwarded:				<u>10,067</u>
January	\$ 25,088	\$ 24,329	\$ 758	10,825
February	25,285	24,908	377	11,201
March	21,885	22,174	(289)	10,912
April	23,747	23,952	(205)	10,707
May	21,914	22,648	(734)	9,973
June	28,125	28,813	(688)	9,285
July	31,219	32,085	(866)	8,419
August	27,613	28,251	(638)	7,781
September	25,515	26,420	(905)	6,876
October	24,957	26,071	(1,114)	5,762
November	22,151	22,520	(370)	5,392
December	23,183	24,072	(889)	4,504
Company facilities		274	(274)	<u>4,229</u>
Total	<u>\$ 300,679</u>	<u>\$ 306,517</u>	<u>\$ (5,837)</u>	<u>4,229</u>
Unaccounted for water in excess of tariff				<u>(3,329)</u>
Unrecovered (Over recovered) variable supply charges.				<u>\$ 901</u>

Data source: Stat 10 and Surcharge Revenue Report

Illinois American Water Company
 South Beloit Service District
 Summary of Water Purchases and Cost Recovery
 For the Year 2009

FIXED COSTS	(A)	(B)	(A - B)	Cumulative
Month	Actual Fixed Cost of Water Purchased	Cost Recovery via Fixed Water Supply Charge	Monthly Unrecovered (Over recovered) Supply Charge	(Over recovered) Supply Charge Fixed Costs
Balance forwarded from prior year:				
2008 R-Factor				\$ (599)
Total balance forwarded:				<u>(736)</u>
January	\$ 2,750	\$ 2,758	\$ (8)	(744)
February	2,750	2,793	(43)	(788)
March	2,750	2,812	(62)	(850)
April	2,750	2,764	(14)	(863)
May	2,750	2,690	60	(803)
June	2,750	2,706	44	(759)
July	2,750	2,713	37	(721)
August	2,750	2,708	42	(679)
September	2,750	2,718	32	(647)
October	2,750	2,720	30	(617)
November	2,750	2,701	49	(568)
December	2,750	2,723	27	(541)
Company facilities		19	(19)	<u>(560)</u>
Total	<u>\$ 33,000</u>	<u>\$ 32,824</u>	<u>\$ 176</u>	<u>(560)</u>
Unrecovered (Over recovered) fixed supply charges.				<u>\$ (560)</u>

Data source: Revenue Surcharge Report