

**Illinois American Water Company**  
 South Beloit Service District  
 Calculation of Variable Purchased Water Price  
 April 2011

<b>FORMULA FACTORS</b>
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1. Purchased water charge in effect, per CCF, effective January 6, 2011:	\$	<b>1.13</b>
2. Total Unit rate for purchased water cost, including cost for lost and unaccounted, per CCF, per Exhibit B	\$	<b>0.9700</b>
3. Estimated metered usage plus unaccounted-for water usage during the base period, in CCFs, per Exhibit C1 (April through December)		<b>283,625</b>
4. Estimated metered usage during the base period, in CCFs, per Exhibit C1 (April through December)		<b>237,536</b>
5. Balance of unrecovered or (over recovered) Variable Supply Charge Costs, per Exhibit D	\$	<b>(2,288)</b>
6. Estimated 2010 R factor refunded January through March	\$	<b>2,356</b>

<b>CALCULATION OF VARIABLE COMPONENT</b>
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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)
\$ 1.13	\$275,116	+	\$0	+	\$ 68	=	\$ 1.16
			Metered Usage in CCF During Prior 12 Months				
			237,536				

Note: Purchased Water rate will not be revised April 1, 2011

**Illinois American Water Company**  
 South Beloit Service District  
 Calculation of Fixed Purchased Water Price  
 April 2011

**FORMULA FACTORS**

1. Purchased water charge in effect, per month, per EBU, effective December 6, 2011	\$	<b>0.96</b>
2. Fixed cost for purchased water cost and/or alternate delivery (wheeling) costs in the base period (annualized April through December) per Exhibit B, Page 2 of 3	\$	<b>29,700</b>
3. Equivalent Billing Units (EBU) per Exhibit B, page 3 of 3 (April through December)		<b>30,141</b>
4. Balance of unrecovered or (over recovered) Fixed Supply Charge costs (April through December)	\$	<b>(678)</b>

**CALCULATION OF VARIABLE COMPONENT**

In accordance with Ill. Adm. Code 655:

Fixed Water Charge In Effect (\$/month/EBU)	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/EBU)
			Equivalent Billing Units				
\$ 0.96	\$ 29,700.00	+	\$	-	\$ (678)	=	\$ 0.96
			30,141				

Note: Purchased Water rate will not be revised April 1, 2011

Illinois American Water Company  
South Beloit Service District  
Variable Purchased Water Costs  
April 2011

Description	Rate Per 100 CCF
Variable rate purchased water charges:	
Purchased water charge per CCF	\$ 0.97000
Total purchased water cost	<u>\$ 0.97000</u>

The Purchased Water charge is set at \$0.97 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 2011

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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>3,300.00</u>
Total	\$	<u>33,550.00</u>
Annualized base period (April through December)	\$	<u>33,550.00</u>

The Purchased Water fixed charge is set at \$2,750 per month for Jan-Nov. \$3,300 per month for December for

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 2011

**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	2,645	1.0	2,645.0
3/4" Disk	38	1.5	57.0
1" Disk	48	2.5	120.0
1 1/2" Disk	24	5.0	120.0
2" Disk	34	8.0	272.0
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
<b>Total Equivalent Billing Units:</b>			<u><u>3,349.0</u></u>
<b>Annualized base period (April through December):</b>			<u><u>30,141.0</u></u>

Source: Report "Meters by Bill Class, Rate Schedule, Size - Summary" dated December 9, 2010.

**Illinois American Water Company**  
South Beloit Service District  
Calculation of Equivalent Billing Units  
For the Year 2010

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-10	2,595	21,129	24,210	(1,018.55)	\$ 0.84	21,129	24,210	12.73%	\$ (856)
February-10	2,576	20,508	24,563	76.00	0.84	20,508	24,563	16.51%	64
March-10	2,614	22,920	27,754	386.81	0.84	22,920	27,754	17.42%	325
April-10	2,610	21,489	26,009	350.50	0.84	21,489	26,009	17.38%	294
May-10	2,618	22,196	26,267	(235.47)	0.84	22,196	26,267	15.50%	(198)
June-10	2,637	30,412	35,899	(413.55)	0.84	30,412	35,899	15.29%	(347)
July-10	2,655	30,988	36,603	(397.33)	0.84	30,988	36,603	15.34%	(334)
August-10	2,662	32,213	37,983	(480.45)	0.84	32,213	37,983	15.19%	(404)
September-10	2,650	30,090	35,554	(374.55)	0.84	30,090	35,554	15.37%	(315)
October-10	2,637	26,047	30,816	(284.44)	0.84	26,047	30,816	15.48%	(239)
November-10	2,613	22,181	26,193	(291.71)	0.84	22,181	26,193	15.32%	(245)
December-10	2,645	24,280	28,650	(340.94)	0.97	24,280	28,650	15.25%	(331)
Total for the 12 most recent months	31,512	304,453	360,503	(3,024)		280,173	331,853	15.57%	\$ (2,584)

Data is the total customer class metered use in gallons÷ .748 to convert to CCF.  
Data source for customer connections and metered usage: Billing 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 2010

Month	Average	2010	2009	2008	2007	Average Usage Plus NRW	2010 Usage Plus NRW	2009 Usage Plus NRW	2008 Usage Plus NRW	2007 Usage Plus NRW
January	23,744	21,129	24,683	27,771	21,395	28,367	24,210	29,866	33,506	25,888
February	22,456	20,508	24,877	24,577	19,862	27,120	24,563	30,101	29,784	24,033
March	26,607	22,920	21,703	26,746	35,059	32,155	27,754	26,053	32,390	42,422
April	18,183	21,489	23,364	22,658	5,221	22,023	26,009	28,271	27,477	6,337
May	25,244	22,196	21,657	20,999	36,124	30,372	26,267	26,088	25,384	43,748
June	29,605	30,412	27,671	26,541	33,797	35,607	35,899	33,482	32,115	40,931
July	31,775	30,988	30,826	25,662	39,624	38,208	36,603	37,165	31,051	48,013
August	30,742	32,213	27,184	30,317	33,253	36,958	37,983	32,873	36,683	40,293
September	29,709	30,090	25,253	30,736	32,757	35,694	35,554	30,375	37,170	39,677
October	25,776	26,047	24,554	23,371	29,130	31,028	30,816	29,711	28,278	35,307
November	24,072	22,181	21,792	25,790	26,523	28,965	26,193	26,370	31,206	32,092
December	22,430	24,280	22,901	22,968	19,570	26,936	28,650	27,599	27,791	23,702
<b>Total</b>	<b>310,343</b>	<b>304,453</b>	<b>296,466</b>	<b>308,136</b>	<b>332,316</b>	<b>373,433</b>	<b>360,503</b>	<b>357,952</b>	<b>372,835</b>	<b>402,443</b>
<b>Nine Months April through December</b>	<b>237,536</b>	<b>239,896</b>	<b>225,204</b>	<b>229,043</b>	<b>256,000</b>	<b>285,790</b>	<b>283,975</b>	<b>271,932</b>	<b>277,155</b>	<b>310,100</b>
<b>Total</b>						<b>16.89%</b>				
<b>Nine-Months April through December</b>						<b>16.88%</b>				

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 2010

Water Supply Revenues	(A) Cost Recovery via Variable Water Supply Charge	(B) Cost Recovery via Fixed Water Supply Charge	(C) Total Cost Recovery via Purchased Water Surcharge
Month			
January	\$ 21,974	\$ 2,704	\$ 24,678
February	21,328	2,698	24,027
March	23,837	2,707	26,544
April	22,003	2,707	24,711
May	22,420	2,694	25,114
June	30,716	2,721	33,437
July	31,298	2,719	34,017
August	32,535	2,735	35,270
September	30,391	2,711	33,102
October	26,307	2,698	29,005
November	22,403	3,902	26,304
December	24,523	2,722	27,245
<b>Total</b>	<b>\$ 309,735</b>	<b>\$ 33,719</b>	<b>\$ 343,454</b>

Data source: Billing Report and Purchased Water Invoices

**Illinois American Water Company**  
South Beloit Service District  
Summary of Water Purchases and Cost Recovery  
For the Year 2010

<b>VARIABLE COSTS</b>	<b>(A)</b>	<b>(B)</b>	<b>(A - B)</b>	<b>Cumulative</b>
<b>Month</b>	<b>Actual Variable Cost of Water Purchased</b>	<b>Cost Recovery via Variable Water Supply Charge</b>	<b>Monthly Unrecovered (Over recovered) Supply Charge</b>	<b>Unrecovered (Over recovered) Supply Charge Variable Costs</b>
<b>Balance forwarded from prior year:</b>				
2009 R-Factor				\$ 901
Total balance forwarded:				<u>901</u>
January	\$ 20,336	\$ 21,974	\$ (1,638)	(737)
February	20,633	21,328	(695)	(1,432)
March	23,313	23,837	(523)	(1,956)
April	21,848	22,003	(156)	(2,111)
May	22,064	22,420	(355)	(2,467)
June	30,155	30,716	(561)	(3,028)
July	30,747	31,298	(551)	(3,579)
August	31,906	32,535	(630)	(4,208)
September	29,865	30,391	(526)	(4,734)
October	25,886	26,307	(422)	(5,156)
November	22,002	22,403	(400)	(5,556)
December	27,791	24,523	3,268	(2,288)
Company facilities			-	(2,288)
Total	<u>\$ 306,547</u>	<u>\$ 309,735</u>	<u>\$ (3,189)</u>	<u>(2,288)</u>
Unaccounted for water in excess of tariff				<u>-</u>
Unrecovered (Over recovered) variable supply charges.				<u>\$ (2,288)</u>

Data source: Billing Report and Purchased Water Invoices

**Illinois American Water Company**  
South Beloit Service District  
Summary of Water Purchases and Cost Recovery  
For the Year 2010

FIXED COSTS	(A) Actual Fixed Cost of Water Purchased	(B) Cost Recovery via Fixed Water Supply Charge	(A - B) Monthly Unrecovered (Over recovered) Supply Charge	Cumulative Unrecovered (Over recovered) Supply Charge Fixed Costs
Month				
<b>Balance forwarded from prior year:</b>				
2009 R-Factor				\$ (560)
Total balance forwarded:				<u>(736)</u>
January	\$ 2,750	\$ 2,704	\$ 46	(690)
February	2,750	2,698	52	(638)
March	2,750	2,707	43	(595)
April	2,750	2,707	43	(553)
May	2,750	2,694	56	(497)
June	2,750	2,721	29	(469)
July	2,750	2,719	31	(438)
August	2,750	2,735	15	(422)
September	2,750	2,711	39	(383)
October	2,750	2,698	52	(331)
November	2,750	3,902	(1,152)	(1,482)
December	3,300	2,722	578	(905)
Company facilities			-	(905)
Total	<u>\$ 33,550</u>	<u>\$ 33,719</u>	<u>\$ (169)</u>	<u>(905)</u>
Unrecovered (Over recovered) fixed supply charges.				<u>\$ (905)</u>

Data source: Billing Report and Purchased Water Invoices