

**Aqua Illinois, Inc.**

**Vermilion Water Division**

**Schedule C**

Proposed Test Year Period: Future  
 Period Reported: 2012

### Jurisdictional Operating Income Summary

Line	Description (A)	Unadjusted Total Balance at Present Rates (B)	Unadj. Jurisdictional Balance at Present Rates (C)	Adjustments (D)	Test Year Present Rates (E)	Rate Increase and Related Adjustments (F)	Pro Forma Balance at Proposed Rates (G)
1	460 - 474 Operating Revenue	\$ 46,585,019	\$ 14,415,032	\$ -	\$ 14,415,032	\$ 1,976,212	\$ 16,391,243
2							
3	600 - 675 Oper. and Maint. Expense	19,376,781	5,870,610	79,333	5,949,942	23,744	5,973,686
4	403 Depreciation Expense	8,610,420	2,811,243	6,098	2,817,341		2,817,341
5	406 Amort. of Util Plant Acq. Ad	(45,062)	-	-	-		-
6	407 Amortization Expense	260,276	62,412	-	62,412		62,412
7	408.1 Taxes Other Than Income	3,033,071	1,138,219	-	1,138,219		1,138,219
8	409.1 Income Taxes:						
9	- Federal	3,537,830	958,043	(32,140)	925,903	618,444	1,544,347
10	- State	805,025	220,025	57,673	277,698	185,484	463,182
11	412 Amortization of I. T. C.	(74,452)	(25,392)	-	(25,392)		(25,392)
12	Total Operating Expenses	35,503,888	11,035,160	110,963	11,146,123	827,672	11,973,796
13							
14	Utility Operating Income	\$ 11,081,131	\$ 3,379,872	\$ (110,963)	\$ 3,268,908	\$ 1,148,539	\$ 4,417,448
15							
16	Rate Base	\$ 160,236,984	\$ 49,419,659	\$ 169,001	\$ 49,588,660	\$ -	\$ 49,588,660
17							
18	Rate of Return	6.92%	6.84%		6.59%		8.91%

Proposed Test Year Period: Future  
 Period Reported: 2012

### Summary of Utility Proposed Adjustments to Operating Income

Line	Account Number	Operating Income Statement Category	Adjustments (C-1, Col. D)	Rate Increase and Related Adjustments	Total Utility Proposed Adjustments	Associated Income Taxes		Net Operating Income	Supporting Schedule
				(C-1, Col. F)		State	Federal		
1	460-474	Operating Revenues	\$ -	\$ 1,976,212	\$ 1,976,212	\$(144,263)	\$(641,182)	\$ 1,190,766	C - 2.1
2									
3	601	Salaries & Wages, Employees	-	-	-	-	-	-	
4	603	Salaries & Wages, Officers	-	-	-	-	-	-	
5	604	Employee Pensions & Benefits	-	-	-	-	-	-	
6	615 & 616	Purchased Power & Fuel for Power Prod.	-	-	-	-	-	-	
7	618	Chemicals	-	-	-	-	-	-	
8	620	Materials & Supplies	-	-	-	-	-	-	
9	631	Contractual Services - Engineering	-	-	-	-	-	-	
10	632	Contractual Services - Accounting	-	-	-	-	-	-	
11	633	Contractual Services - Legal	-	-	-	-	-	-	
12	634	Contractual Services - Management	-	-	-	-	-	-	
13	635 & 636	Contractual Services - Other	-	-	-	-	-	-	
14	641 - 642	Lease Expense	-	-	-	-	-	-	
15	650	Transportation Expense	-	-	-	-	-	-	
16	656 - 659	Insurance Expense	-	-	-	-	-	-	
17	666 & 667	Regulatory Commission Exp. Amortization	79,333		79,333	(5,791)	(25,740)	(47,802)	C - 2.2
18	670	Bad Debt Expense	-	23,744	23,744	(1,733)	(7,704)	(14,307)	C - 2.3
19	675	Miscellaneous Expense	-	-	-	-	-	-	
20		SUB-TOTAL O&M	79,333	23,744	103,076	(7,525)	(33,443)	(62,109)	
21	403	Depreciation	6,098		6,098	(445)	(1,978)	(3,674)	C - 2.4
24	408	Taxes Other Than Income	-	-	-	-	-	-	
25		TOTAL EXPENSES (Excluding Income Tax)	85,431	23,744	109,174	(7,970)	(35,422)	(65,783)	
26									
27	409 - 411	Income Taxes - Federal	(32,140)	618,444	586,304		(605,760)	19,456	C - 2.5
28	409 - 411	State	57,673	185,484	243,157	(136,294)		(106,864)	C - 2.5
29									
31		Net Operating income	\$ (110,963)	\$ 1,148,539	\$ 1,037,576	\$ -	\$ -	\$ 1,037,576	

Proposed Test Year Period: Future

## Detailed Adjustments to Operating Income

### Operating Revenues

Line	Description (A)	Pro Forma Present Revenue (B)	Proposed Adjustments (C)	Proposed Revenue (D)
1	Metered Residential	\$ 7,862,622	\$ 1,086,307	\$ 8,948,929
2				
3	Metered Commercial	2,399,071	331,458	2,730,529
4				
5	Metered Industrial	1,769,679	244,501	2,014,180
6				
7	Multiple Family Dwellings	-	-	-
8				
9	Sales to Other Utilities	639,193	88,312	727,505
10	Sub-total - Tariff Revenues	\$ 12,670,565	\$ 1,750,578	\$ 14,421,143
11				
12	Public Fire Protection	1,415,045	195,504	1,610,549
13	Private Fire Protection	164,622	22,744	187,366
14				
15	Other Revenue	164,799	7,387	172,185
16				
17		-	-	-
18				
19	<b>TOTAL</b>	<b>\$ 14,415,031</b>	<b>\$ 1,976,213</b>	<b>\$ 16,391,243</b>

Period Reported: 2012

### Detailed Adjustments to Operating Income

<u>Line</u>	<u>Rate Classification (A)</u>	<u>UNADJUSTED PRESENT RATES (B)</u>	<u>ADJUSTMENT TO PRESENT (C)</u>	<u>ADJUSTED PRESENT RATES (To C-2.1 p1) (D)</u>
1	Residential	\$ 7,862,622		\$ 7,862,622
2				
3	Commercial	2,399,071		2,399,071
4				
5	Industrial	1,769,679		1,769,679
6				
7	Multiple Family Dwellings	-		-
8				
9	Sales to Other Utilities	<u>639,193</u>		<u>639,193</u>
10				
11	Total:	12,670,565	-	12,670,565
12				
13				
14	Public Fire	1,415,045	-	1,415,045
15				
16	Private Fire	<u>164,622</u>		<u>164,622</u>
17				
18	Total Fire:	1,579,667	-	1,579,667
19				
20				
21	<u>Other Revenue</u>			
22	Late Payment Fees	53,464		53,464
23	Misc. Service Revenues	46,976		46,976
24	Rents from Water Property	7,200		7,200
25	Other Water Revenues	<u>57,159</u>		<u>57,159</u>
26				
27	Total Other:	164,799	-	164,799
28				
29				
30	TOTAL	\$ 14,415,031	\$ -	\$ 14,415,031

Period Reported: 2012

## Detailed Adjustments to Operating Income

Line

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1	<b><u>Regulatory Commission Expense Amortization - Account 666</u></b>	
2		
3	An adjustment is made to reflect a four year amortization of rate case expense. The amount shown	
4	below represents costs for the Vermilion Water Division (see also Schedule C - 10 & C - 10.1).	
5		
6		
7		
8		
9	Outside Consultants / Witnesses	\$ 168,246
10		
11	Outside Legal Services	104,002
12		
13	Other Expenses	<u>243,198</u>
14		
15	Sub-total	\$ 515,446
16		
17		
18	Amortization of Prior Rate Case Expense	<u>66,038</u>
19		
20	Total Rate Case Cost to be Amortized	\$ 581,484
21		
22		
23	Amortization Period (4 Years)	<u>4</u>
24		
25		
26	Pro Forma Annual Rate Case Amortization Expense	\$ 145,371
27		
28		
29	2012 Forecast	<u>66,038</u>
30		
31		
32		
33	Pro Forma Adjustment	<u>\$ 79,333</u> (WP-C1, line 17)

Period Reported: 2012

## Detailed Adjustments to Operating Income

Line

1	<b><u>Bad Debt Expense</u></b>	
2		
3	Bad debt expense is adjusted based upon pro forma revenues at present and proposed rates.	
4		
5		
6	Adjustment at Present Rates:	
7		
8		
9	Unadjusted Jurisdictional Balance at Present Rates	\$ 14,415,031
10	Pro Forma Revenues at Present Rates	\$ 14,415,031
11	Percentage Increase	0.00%
12		
13		
14	Unadjusted Jurisdictional Bad Debt Expense at Present Rates	\$ 173,192
15	% Metered Revenue Increase from Above	0.00%
16	Pro Forma Bad Debt Expense at Present Rates	\$ 173,192
17	Unadjusted Jurisdictional Bad Debt Expense at Present Rates	<u>\$ 173,192</u>
18	Pro Forma Present Adjustment	<u>\$ -</u> (WP-C1, line 18)
19		
20		
21	Adjustment at Proposed Rates:	
22		
23		
24	Pro Forma Revenue at Present Rates	\$ 14,415,031
25	Pro Forma Revenue at Proposed Rates	\$ 16,391,243
26	Percentage Increase	13.71%
27		
28		
29	Pro Forma Bad Debt Expense at Present Rates	\$ 173,192
30	% Revenue Increase from Above	13.71%
31	Pro Forma Bad Debt Expense at Proposed Rates	\$ 196,935
32	Pro Forma Bad Debt Expense at Present Rates	<u>173,192</u>
33		
34		
35	<b>Pro Forma Proposed Adjustment</b>	<b><u>\$ 23,744</u></b> (WP-C1, line 18)

### Detailed Adjustments to Operating Income

Line

**Depreciation Expense**

Depreciation expense is adjusted for difference between 2012 test year budget depreciation as shown on Schedule C-1, column C, line 4 and that computed by the average test year depreciable Utility Plant in Service and rates as shown below.

Account Number	Account Description	Unadjusted Depreciable Plant Investment (B - 4) (C)	Pro Forma Retirements (B-4) (D)	Pro Forma Reclasses (B-4) (E)	Adjusted Depreciable Plant Investment (C + D + E) (F)	Accrual Rate (G)	Adjusted Test Year Depreciation Expense (F x G) (H)	Unadjusted Test Year Depreciation Expense (C - 12 p1) (I)	Depreciation Expense Adjustment (H - I) (J)
	<b>Source of Supply</b>								
304	Structures and Improvements	\$ -	\$ -	\$ -	\$ -	4.17%	\$ -	\$ -	\$ -
305	Collecting & Impounding Reservoirs	3,093,194	-	-	3,093,194	1.50%	46,398	46,398	-
306	Lake, River and Other intakes	1,076,369	-	-	1,076,369	1.47%	15,823	15,823	-
307	Wells and Springs	60,864	-	-	60,864	1.67%	1,016	1,016	-
309	Supply Mains	1,009,754	-	-	1,009,754	1.89%	19,084	19,084	-
	<b>Pumping Plant</b>								
304	Structures and Improvements	298,147	-	-	298,147	2.27%	6,768	6,768	-
310	Power Generating Equipment	260,758	-	-	260,758	3.33%	8,683	8,683	-
311	Electric Pumping Equipment	1,613,614	-	-	1,613,614	3.13%	50,506	50,506	-
	<b>Water Treatment Plant</b>								
304	Structures and Improvements	11,689,552	-	-	11,689,552	2.78%	324,970	324,970	-
320	Water Treatment Equipment	9,811,126	-	-	9,811,126	3.57%	350,257	350,257	-
	<b>Transmission &amp; Dist. Plant</b>								
304	Structures and Improvements	359,810	-	-	359,810	4.17%	15,004	15,004	-
330	Dist. Reservoirs & Standpipes	5,545,306	-	-	5,545,306	1.67%	92,607	92,607	-
331	T & D Mains net of CIAC	25,250,176 *	-	-	25,250,176	1.89%	477,228	477,228	-
333	Services	9,376,798	-	-	9,376,798	3.33%	312,247	312,247	-
334	Meters	5,786,332	-	-	5,786,332	6.21%	359,331	359,331	-
334	Meter Installations	24,445	-	-	24,445	4.44%	1,085	1,085	-
335	Hydrants	4,002,328	-	-	4,002,328	3.95%	158,092	158,092	-
339	Other Plant & Misc. Equipment	212,749	-	-	212,749	5.56%	11,829	11,616	213
	<b>General Plant</b>								
304	Structures and Improvements	517,330	-	-	517,330	4.00%	20,693	20,693	-
344	Laboratory Equipment	127,063	-	-	127,063	5.00%	6,353	6,353	-
340	Office Furniture	136,990	-	-	136,990	4.74%	6,493	6,493	-
340	Personal Computers	120,684	-	-	120,684	12.50%	15,086	15,086	-
340	PC Software	31,173	-	-	31,173	20.00%	6,235	6,235	-
340	MainFrame Computers	58,303	-	-	58,303	12.50%	7,288	7,288	-
340	MainFrame Software	1,964	-	-	1,964	12.50%	245	245	-
340	Other Machinery & Equipment	55,822	-	-	55,822	5.00%	2,791	2,791	-
342	Stores Equipment	45,801	-	-	45,801	3.28%	1,502	1,502	-
345	Power Equipment	30,624	-	-	30,624	5.00%	1,531	1,531	-
346	Communication Equipment	81,916	-	-	81,916	12.50%	10,239	10,239	-
347	Miscellaneous Equipment	30,542	-	-	30,542	5.56%	1,698	1,668	31
341	Transportation Equipment	877,729	-	-	877,729	10.77%	94,531	94,531	-
343	Tools, Shop and Garage Equip.	482,009	-	-	482,009	7.31%	35,235	35,235	-
348	Other Tangible Plant	19,959	-	-	19,959	3.33%	665	661	4
	Subtotal:	\$ 82,089,234	\$ -	\$ -	\$ 82,089,234		\$ 2,461,515	\$ 2,461,268	\$ 247
	Add: Corporate Depreciation						355,826	355,826	-
	Other Adjustments / Timing etc.						-	(5,850)	5,850
	<b>TOTAL:</b>	<b>\$ 82,089,234</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 82,089,234</b>		<b>\$ 2,817,341</b>	<b>\$ 2,811,243</b>	<b>\$ 6,098</b>

\* Note - Column C Transmission & Distribution main is net of Contributions in Aid of Construction.

Period Reported: 2012

### Detailed Adjustments to Operating Income

Line

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1	<b><u>Income Taxes</u></b>					
2						
3						
4	The adjustment to Federal and State Income Taxes reflects the changes in Unadjusted Jurisdictional					
5	Balance at Present Rates to Pro Forma at Present Rates. The adjustment also reflects the changes in					
6	Pro Forma at Present Rates to Pro Forma Balance at Proposed Rates.					
7						
8						
9						
10		Unadjusted		Test Year		ProForma
11	<u>Tax Item</u>	<u>at Present</u>	<u>Adjustment</u>	<u>at Present</u>	<u>Adjustment</u>	<u>at Proposed</u>
12						
13	Federal Income Tax	\$ 958,043	\$ (32,140)	\$ 925,903	\$ 618,444	\$ 1,544,347 (WP-C1, line 28)
14						
15						
16						
17						
18	State Income Tax	\$ 220,025	\$ 57,673	\$ 277,698	\$ 185,484	\$ 463,182 (WP-C1, line 29)
19						
20						
21						
22	<b>Unadjusted Present, Pro Forma Present and Proposed Calculations are reflected on C - 5.</b>					

### Sales Statistics - Total Company

Proposed Test Year Period: Future  
 Period Reported: 2005 - 2012  
 Prior Year (2009) 12 Mo. Actual

#### Historical - All Under Commission Jurisdiction

Line	Customer Classification (A)	2005 Revenues (B)	2005 (mg) Sales Volume (C)	2006 Revenues (D)	2006 (mg) Sales Volume (E)	2007 Revenues (F)	2007 (mg) Sales Volume (G)	2008 Revenues (H)	2008 (mg) Sales Volume (I)
1	Residential	\$21,304,570	2,923.0	\$22,711,116	2,850.7	\$26,649,895	3,197.3	\$24,508,861	2,979.4
2	Commercial	5,242,341	1,288.3	5,108,189	1,335.7	5,603,970	1,348.3	5,542,563	1,372.1
3	Industrial	3,182,588	1,687.7	3,206,754	1,627.7	3,633,160	1,670.5	3,640,846	1,696.8
4	Multiple Family Dwellings	663,422	67.5	668,881	63.9	272,361	60.1	128,242	65.2
5	Sales to Other Utilities	587,761	182.3	615,936	219.6	583,315	212.2	709,778	210.9
6	Public Fire Protection	1,974,093		2,073,743		2,712,670		3,330,988	
7	Private Fire Protection	189,137		231,415		197,961		173,309	
8	All Other Operating Revenue	<u>1,293,640</u>	<u>-</u>	<u>2,153,009</u>	<u>-</u>	<u>1,689,060</u>	<u>-</u>	<u>2,061,100</u>	<u>-</u>
9									
10	Total:	\$34,437,552	6,148.8	\$36,769,043	6,097.6	\$41,342,392	6,488.4	\$40,095,687	6,324.4

#### Projected - All Under Commission Jurisdiction

Line	Customer Classification (A)	2009 Revenues (B)	2009 (mg) Sales Volume (C)	2010 Revenues (D)	2010 (mg) Sales Volume (E)	2011 Revenues (F)	2011 (mg) Sales Volume (G)	2012 Revenues (H)	2012 (mg) Sales Volume (I)
19	Residential	\$24,818,254	2,920.4	\$24,961,033	2,883.2	\$27,340,194	2,904.1	\$28,001,190	2,939.8
20	Commercial	5,897,461	1,310.1	5,961,105	1,240.4	7,528,137	1,288.7	7,721,115	1,299.7
21	Industrial	3,280,230	1,394.6	3,538,856	1,522.1	3,893,013	1,511.6	4,010,166	1,523.8
22	Multiple Family Dwellings	271,617	-	320,973	-	331,920	-	334,912	-
23	Sales to Other Utilities	813,831	225.3	698,675	217.1	818,840	235.7	857,006	237.3
24	Public Fire Protection	3,484,393		3,456,896		3,468,596		3,570,025	
25	Private Fire Protection	210,138		223,851		231,600		239,549	
26	All Other Operating Revenue	<u>2,222,713</u>	<u>-</u>	<u>2,485,693</u>	<u>-</u>	<u>1,971,091</u>	<u>-</u>	<u>1,851,056</u>	<u>-</u>
27									
28	Total:	\$40,998,636	5,850.4	\$41,647,081	5,862.8	\$45,583,390	5,940.1	\$46,585,019	6,000.6

### Sales Statistics - Vermilion Water Division

Proposed Test Year Period: Future  
 Period Reported: 2005 - 2012  
 Prior Year (2009) 12 Mo. Actual

#### Historical - All Under Commission Jurisdiction

Line	Customer Classification (A)	2005 Revenues (B)	2005 (mg) Sales Volume (C)	2006 Revenues (D)	2006 (mg) Sales Volume (E)	2007 Revenues (F)	2007 (mg) Sales Volume (G)	2008 Revenues (H)	2008 (mg) Sales Volume (I)
1	Residential - Metered & Unmetered	\$ 6,544,134	950.5	\$ 6,973,648	965.3	\$ 6,832,197	955.8	\$ 6,759,838	895.2
2	Commercial - Metered	2,006,999	395.1	2,009,532	439.1	1,966,669	444.6	2,009,492	379.0
3	Industrial - Metered	1,434,105	708.6	1,434,827	656.5	1,456,234	675.6	1,413,778	678.0
4	Multiple Family Dwellings	-	-	-	-	-	-	-	-
5	Sales to Other Utilities	543,573	182.3	547,270	176.8	522,872	179.7	639,478	174.5
6	Public Fire Protection	812,406	-	898,233	-	810,142	-	1,032,697	-
7	Private Fire Protection	109,165	-	121,724	-	125,550	-	131,277	-
8	All Other Operating Revenue	<u>21,153</u>	<u>-</u>	<u>371,260</u>	<u>-</u>	<u>641,252</u>	<u>-</u>	<u>545,632</u>	<u>-</u>
9									
10	Total:	\$11,471,534	2,236.5	\$12,356,495	2,237.7	\$ 12,354,918	2,255.7	\$ 12,532,192	2,126.7

#### Projected - All Under Commission Jurisdiction

Line	Customer Classification (A)	2009 Revenues (B)	2009 (mg) Sales Volume (C)	2010 Revenues (D)	2010 (mg) Sales Volume (E)	2011 Revenues (F)	2011 (mg) Sales Volume (G)	2012 Revenues (H)	2012 (mg) Sales Volume (I)
19	Residential - Metered & Unmetered	\$ 7,481,576	884.8	\$ 7,400,760	847.0	\$ 7,476,696	860.0	\$ 7,862,622	860.4
20	Commercial - Metered	2,284,215	471.5	2,284,954	408.7	2,284,954	408.7	2,399,071	408.7
21	Industrial - Metered	1,581,769	666.8	1,685,500	673.3	1,685,500	671.4	1,769,679	671.4
22	Multiple Family Dwellings	-	-	-	-	-	-	-	-
23	Sales to Other Utilities	693,772	172.3	608,789	170.5	608,789	170.5	639,193	170.5
24	Public Fire Protection	1,341,768	-	1,343,099	-	1,343,458	-	1,415,045	-
25	Private Fire Protection	154,541	-	156,792	-	156,792	-	164,622	-
26	All Other Operating Revenue	<u>227,065</u>	<u>-</u>	<u>559,940</u>	<u>-</u>	<u>842,420</u>	<u>-</u>	<u>164,799</u>	<u>-</u>
27									
28	Total:	\$13,764,706	2,195.4	\$14,039,832	2,099.5	\$ 14,398,608	2,110.6	\$ 14,415,032	2,111.0

Period Reported: 2010 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Comparative Operating Income Statements for Prior Years and the Test Year - Total Company**

Line	Account # (A)	Account Description (B)	Direct PR (C)	Non-Payroll (D)	2010 Total (E)	Direct PR (F)	Non-Payroll (G)	2011 Total (H)	Direct PR (I)	Non-Payroll (J)	2012 Total (K)
1	460-474	Total Operating Revenues		\$41,647,081	\$41,647,081		\$45,583,390	\$45,583,390		\$46,585,019	\$46,585,019
2	601	Salaries & Wages, Employees	4,658,679		4,658,679	4,886,165		4,886,165	5,081,611		5,081,611
3	603	Salaries & Wages, Officers	252,396		252,396	260,830		260,830	292,064		292,064
4	604	Employee Pensions & Benefits		2,076,678	2,076,678		2,412,914	2,412,914		2,485,302	2,485,302
5	615 & 616	Purchased Power & Fuel for Power Prod.		2,287,060	2,287,060		2,365,095	2,365,095		2,392,536	2,392,536
6	618	Chemicals		1,207,752	1,207,752		1,180,215	1,180,215		1,215,621	1,215,621
7	620	Materials & Supplies		368,304	368,304		488,640	488,640		503,299	503,299
8	631	Contractual Services - Engineering		10,343	10,343		6,000	6,000		6,180	6,180
9	632	Contractual Services - Accounting		89,521	89,521		96,834	96,834		99,739	99,739
10	633	Contractual Services - Legal		73,907	73,907		108,200	108,200		111,446	111,446
11	634	Contractual Services - Management		1,437,600	1,437,600		1,562,399	1,562,399		1,718,638	1,718,638
12	635 & 636	Contractual Services - Other		3,440,858	3,440,858		3,644,905	3,644,905		3,746,694	3,746,694
13	641 - 642	Lease Expense		49,546	49,546		59,580	59,580		61,367	61,367
14	650	Transportation Expense		465,547	465,547		600,568	600,568		625,185	625,185
15	656 - 659	Insurance Expense		561,463	561,463		633,120	633,120		652,499	652,499
16	666 & 667	Regulatory Commission Exp. Amortization		226,243	226,243		221,534	221,534		188,515	188,515
17	670	Bad Debt Expense		544,131	544,131		592,743	592,743		603,815	603,815
18	675	Miscellaneous Expense		(699,137)	(699,137)		(401,726)	(401,726)		(407,732)	(407,732)
19		O & M Expenses	4,911,075	12,139,817	17,050,891	5,166,995	13,571,020	18,738,015	5,373,675	14,003,106	19,376,781
20	403	Depreciation Expense		7,696,522	7,696,522		8,256,583	8,256,583		8,610,420	8,610,420
21	406	Amortization of Utility Plant Acquisition Adjust.		(45,062)	(45,062)		(45,062)	(45,062)		(45,062)	(45,062)
22	407	Amortization Expense		292,661	292,661		259,307	259,307		260,276	260,276
23	408	Taxes Other Than Income		2,828,651	2,828,651		2,944,729	2,944,729		3,033,071	3,033,071
24	409	Income Taxes - Current Federal		3,162,267	3,162,267		3,552,185	3,552,185		3,537,830	3,537,830
25	409	Income Taxes - Current State		717,872	717,872		808,582	808,582		805,025	805,025
26	410	Deferred Federal Income Taxes		-	-		-	-		-	-
27	410	Deferred State Income Taxes		-	-		-	-		-	-
28	411	Provision for Deferred Income Taxes - Credit		-	-		-	-		-	-
29	412	Amortization of I. T. C. - Federal		(51,904)	(51,904)		(51,840)	(51,840)		(51,840)	(51,840)
30	412	Amortization of I. T. C. - State		(20,944)	(20,944)		(22,612)	(22,612)		(22,612)	(22,612)
31		Utility Operating Expenses	\$ 4,911,075	\$26,719,880	\$31,630,955	\$ 5,166,995	\$ 29,272,892	\$ 34,439,887	\$ 5,373,675	\$ 30,130,214	\$ 35,503,888
32		Utility Operating Income	\$(4,911,075)	\$14,927,200	\$10,016,125	\$(5,166,995)	\$ 16,310,497	\$ 11,143,502	\$(5,373,675)	\$ 16,454,806	\$ 11,081,131
33	414	Gains (Losses) from Disposition of Utility Property (Net)		-	-		-	-		-	-
34		Total Utility Operating Income	\$(4,911,075)	\$14,927,200	\$10,016,125	\$(5,166,995)	\$ 16,310,497	\$ 11,143,502	\$(5,373,675)	\$ 16,454,806	\$ 11,081,131
35		<u>Other Income and Deductions:</u>									
36	419	Interest and Dividend Income		2,124	2,124		2,400	2,400		2,400	2,400
37	420	Allowance for Funds Used During Construction		186,019	186,019		-	-		-	-
38	421	Non-Utility Income		889,072	889,072		860,823	860,823		860,823	860,823
39	426	Miscellaneous Non-Utility Expenses		(225,180)	(225,180)		(211,679)	(211,679)		(216,049)	(216,049)
40	409	Non-Operating Income Taxes		-	-		-	-		-	-
41	412	Amortization of Pre-1971 I. T. C.		-	-		-	-		-	-
42		Total Other Income and Deductions		\$ 852,035	\$ 852,035		\$ 651,544	\$ 651,544		\$ 647,174	\$ 647,174
43		<u>Debt Expense:</u>									
44	427	Interest Expense		4,688,152	4,688,152		4,751,442	4,751,442		4,715,515	4,715,515
45	428	Amortization of Debt Discount and Expense		189,887	189,887		189,488	189,488		189,488	189,488
46	429	Amortization of Premium on Debt		43,338	43,338		43,246	43,246		43,246	43,246
47		Total Debt Expense		\$ 4,921,376	\$ 4,921,376		\$ 4,984,176	\$ 4,984,176		\$ 4,948,249	\$ 4,948,249
48		NET INCOME	\$(4,911,075)	\$10,857,858	\$ 5,946,784	\$(5,166,995)	\$ 11,977,865	\$ 6,810,870	\$(5,373,675)	\$ 12,153,730	\$ 6,780,055

\* This exhibit includes Sewer Accounts as well.

Period Reported: 2007 - 2009

**Comparative Operating Income Statements for Prior Years and the Test Year - Total Company**

Line	Account # (A) *	Account Description (B)	Direct PR (C)	Non-Payroll (D)	2007 Total (E)	Direct PR (F)	Non-Payroll (G)	2008 Total (H)	Direct PR (I)	Non-Payroll (J)	2009 Total (K)
1	460-474	Total Operating Revenues		\$ 41,342,392	\$ 41,342,392		\$ 40,095,687	\$ 40,095,687		\$ 40,998,636	\$ 40,998,636
2	601	Salaries & Wages, Employees	4,252,368		4,252,368	4,552,735		4,552,735	4,483,548		4,483,548
3	603	Salaries & Wages, Officers	340,295		340,295	279,471		279,471	190,560		190,560
4	604	Employee Pensions & Benefits		1,591,759	1,591,759		1,589,038	1,589,038		2,277,479	2,277,479
5	615 & 616	Purchased Power & Fuel for Power Prod.		2,003,529	2,003,529		2,177,164	2,177,164		2,291,975	2,291,975
6	618	Chemicals		1,243,966	1,243,966		1,269,598	1,269,598		1,258,079	1,258,079
7	620	Materials & Supplies		425,068	425,068		526,148	526,148		435,353	435,353
8	631	Contractual Services - Engineering		5,969	5,969		3,082	3,082		26,239	26,239
9	632	Contractual Services - Accounting		130,519	130,519		120,651	120,651		93,888	93,888
10	633	Contractual Services - Legal		120,556	120,556		232,389	232,389		939	939
11	634	Contractual Services - Management		1,317,326	1,317,326		1,261,897	1,261,897		1,120,649	1,120,649
12	635 & 636	Contractual Services - Other		3,380,111	3,380,111		3,955,429	3,955,429		3,676,812	3,676,812
13	641 - 642	Lease Expense		64,911	64,911		60,401	60,401		55,998	55,998
14	650	Transportation Expense		550,371	550,371		614,618	614,618		499,599	499,599
15	656 - 659	Insurance Expense		601,661	601,661		438,877	438,877		537,145	537,145
16	666 & 667	Regulatory Commission Exp. Amortization		273,022	273,022		213,306	213,306		225,725	225,725
17	670	Bad Debt Expense		1,080,089	1,080,089		1,398,806	1,398,806		574,170	574,170
18	675	Miscellaneous Expense		(367,720)	(367,720)		(182,379)	(182,379)		(701,234)	(701,234)
19		O & M Expenses	4,592,663	12,421,136	17,013,799	4,832,207	13,679,024	18,511,230	4,674,108	12,372,816	17,046,924
20	403	Depreciation Expense		6,307,965	6,307,965		6,996,505	6,996,505		7,339,528	7,339,528
21	406	Amortization of Utility Plant Acquisition Adjust.		(45,060)	(45,060)		(45,061)	(45,061)		(45,062)	(45,062)
22	407	Amortization Expense		294,062	294,062		268,889	268,889		263,516	263,516
23	408	Taxes Other Than Income		2,477,368	2,477,368		2,701,316	2,701,316		2,628,081	2,628,081
24	409	Income Taxes - Current Federal		3,567,368	3,567,368		5,033,761	5,033,761		3,158,768	3,158,768
25	409	Income Taxes - Current State		821,287	821,287		876,573	876,573		735,875	735,875
26	410	Deferred Federal Income Taxes		-	-		-	-		-	-
27	410	Deferred State Income Taxes		-	-		-	-		-	-
28	411	Provision for Deferred Income Taxes - Credit		-	-		-	-		-	-
29	412	Amortization of I. T. C. - Federal		(52,608)	(52,608)		(52,608)	(52,608)		(52,526)	(52,526)
30	412	Amortization of I. T. C. - State		(2,592)	(2,592)		(2,592)	(2,592)		(58,498)	(58,498)
31		Utility Operating Expenses	\$ 4,592,663	\$ 25,788,926	\$ 30,381,589	\$ 4,832,207	\$ 29,455,806	\$ 34,288,013	\$ 4,674,108	\$ 26,342,497	\$ 31,016,605
32		Utility Operating Income	\$(4,592,663)	\$ 15,553,465	\$ 10,960,802	\$(4,832,207)	\$ 10,639,880	\$ 5,807,674	\$(4,674,108)	\$ 14,656,139	\$ 9,982,031
33	414	Gains (Losses) from Disposition of Utility Property (Net)		-	-		4,117,907	4,117,907		-	-
34		Total Utility Operating Income	\$(4,592,663)	\$ 15,553,465	\$ 10,960,802	\$(4,832,207)	\$ 14,757,787	\$ 9,925,581	\$(4,674,108)	\$ 14,656,139	\$ 9,982,031
35		<u>Other Income and Deductions:</u>									
36	419	Interest and Dividend Income		7,213	7,213		289,296	289,296		5,658	5,658
37	420	Allowance for Funds Used During Construction		97,141	97,141		525,843	525,843		315,030	315,030
38	421	Non-Utility Income		1,052,321	1,052,321		1,224,179	1,224,179		936,942	936,942
39	426	Miscellaneous Non-Utility Expenses		(544,745)	(544,745)		(295,634)	(295,634)		(246,384)	(246,384)
40	409	Non-Operating Income Taxes		-	-		-	-		-	-
41	412	Amortization of Pre-1971 I. T. C.		-	-		-	-		-	-
42		Total Other Income and Deductions		\$ 611,930	\$ 611,930		\$ 1,743,684	\$ 1,743,684		\$ 1,011,247	\$ 1,011,247
43		<u>Debt Expense:</u>									
44	427	Interest Expense		4,528,701	4,528,701		5,225,395	5,225,395		4,761,853	4,761,853
45	428	Amortization of Debt Discount and Expense		150,820	150,820		191,530	191,530		189,887	189,887
46	429	Amortization of Premium on Debt		43,338	43,338		43,338	43,338		43,338	43,338
47		Total Debt Expense		\$ 4,722,859	\$ 4,722,859		\$ 5,460,262	\$ 5,460,262		\$ 4,995,077	\$ 4,995,077
48		NET INCOME	\$(4,592,663)	\$ 11,442,537	\$ 6,849,873	\$(4,832,207)	\$ 11,041,209	\$ 6,209,002	\$(4,674,108)	\$ 10,672,308	\$ 5,998,201

\* This exhibit includes Sewer Accounts as well.

Period Reported: 2010 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Comparative Operating Income Statements for Prior Years and the Test Year - Vermilion Water Division**

Line	Account # (A)	Account Description (B)	Direct PR (C)	Non-PR (D)	2010 Total (E)	Direct PR (F)	Non-PR (G)	2011 Total (H)	Direct PR (I)	Non-PR (J)	2012 Total (K)
1	460-474	Total Operating Revenues		\$14,039,832	\$ 14,039,832		\$ 14,398,608	\$ 14,398,608		\$ 14,415,032	\$ 14,415,032
2	601	Salaries & Wages, Employees	1,025,585		1,025,585	1,096,944		1,096,944	1,140,822		1,140,822
3	603	Salaries & Wages, Officers	71,412		71,412	79,842		79,842	83,035		83,035
4	604	Employee Pensions & Benefits		557,333	557,333		665,560	665,560		685,527	685,527
5	615 & 616	Purchased Power & Fuel for Power Prod.		806,089	806,089		617,807	617,807		618,547	618,547
6	618	Chemicals		405,981	405,981		404,945	404,945		417,094	417,094
7	620	Materials & Supplies		116,399	116,399		127,440	127,440		131,263	131,263
8	631	Contractual Services - Engineering		786	786		2,280	2,280		2,348	2,348
9	632	Contractual Services - Accounting		31,152	31,152		31,666	31,666		32,616	32,616
10	633	Contractual Services - Legal		959	959		7,200	7,200		7,416	7,416
11	634	Contractual Services - Management		495,224	495,224		532,924	532,924		586,217	586,217
12	635 & 636	Contractual Services - Other		898,681	898,681		973,784	973,784		1,021,348	1,021,348
13	641 - 642	Lease Expense		12,323	12,323		9,360	9,360		9,641	9,641
14	650	Transportation Expense		105,006	105,006		138,933	138,933		149,701	149,701
15	656 - 659	Insurance Expense		169,775	169,775		190,384	190,384		196,095	196,095
16	666 & 667	Regulatory Commission Exp. Amortization		98,793	98,793		99,057	99,057		66,038	66,038
17	670	Bad Debt Expense		195,210	195,210		170,545	170,545		173,192	173,192
18	675	Miscellaneous Expense		480,596	480,596		543,840	543,840		549,710	549,710
19		O & M Expenses	1,096,997	4,174,307	5,271,304	1,176,786	4,515,724	5,692,510	1,223,858	4,646,752	5,870,610
20	403	Depreciation Expense		2,521,270	2,521,270		2,716,154	2,716,154		2,811,243	2,811,243
21	406	Amortization of Utility Plant Acquisition Adjust.		-	-		-	-		-	-
22	407	Amortization Expense		102,287	102,287		57,457	57,457		62,412	62,412
23	408	Taxes Other Than Income		1,028,046	1,028,046		1,105,067	1,105,067		1,138,219	1,138,219
24	409	Income Taxes - Current Federal		1,194,359	1,194,359		1,049,550	1,049,550		958,043	958,043
25	409	Income Taxes - Current State		270,917	270,917		240,715	240,715		220,025	220,025
26	410	Deferred Federal Income Taxes		-	-		-	-		-	-
27	410	Deferred State Income Taxes		-	-		-	-		-	-
28	411	Provision for Deferred Income Taxes - Credit		-	-		-	-		-	-
29	412	Amortization of I. T. C. - Federal		(23,736)	(23,736)		(23,736)	(23,736)		(23,736)	(23,736)
30	412	Amortization of I. T. C. - State		(1,656)	(1,656)		(1,656)	(1,656)		(1,656)	(1,656)
31		Utility Operating Expenses	\$ 1,096,997	\$ 9,265,793	\$ 10,362,791	\$ 1,176,786	\$ 9,659,275	\$ 10,836,061	\$ 1,223,858	\$ 9,811,303	\$ 11,035,160
32		Utility Operating Income	\$(1,096,997)	\$ 4,774,038	\$ 3,677,041	\$(1,176,786)	\$ 4,739,333	\$ 3,562,547	\$(1,223,858)	\$ 4,603,729	\$ 3,379,872
33	414	Gains (Losses) from Disposition of Utility Property (Net)		-	-		-	-		-	-
34		Total Utility Operating Income	\$(1,096,997)	\$ 4,774,038	\$ 3,677,041	\$(1,176,786)	\$ 4,739,333	\$ 3,562,547	\$(1,223,858)	\$ 4,603,729	\$ 3,379,872
35		<u>Other Income and Deductions:</u>									
36		Interest and Dividend Income		-	-		-	-		-	-
37	419	Allowance for Funds Used During Construction		76,841	76,841		-	-		-	-
38	420	Non-Utility Income		48,895	48,895		45,788	45,788		45,788	45,788
39	421	Miscellaneous Non-Utility Expenses		(14,646)	(14,646)		(21,418)	(21,418)		(21,418)	(21,418)
40	426	Non-Operating Income Taxes		-	-		-	-		-	-
41	409	Total Other Income and Deductions		\$ 111,090	\$ 111,090	\$ -	\$ 24,369	\$ 24,369	\$ -	\$ 24,369	\$ 24,369
42		<u>Debt Expense:</u>									
43		Interest Expense		1,481,728	1,481,728		1,488,011	1,488,011		1,476,567	1,476,567
44	427	Amortization of Debt Discount and Expense		53,756	53,756		53,990	53,990		53,990	53,990
45	429	Amortization of Premium on Debt		12,269	12,269		12,322	12,322		12,322	12,322
46		Total Debt Expense		\$ 1,547,753	\$ 1,547,753	\$ -	\$ 1,554,323	\$ 1,554,323	\$ -	\$ 1,542,879	\$ 1,542,879
47		NET INCOME (LOSS)	\$(1,096,997)	\$ 3,337,375	\$ 2,240,378	\$(1,176,786)	\$ 3,209,379	\$ 2,032,593	\$(1,223,858)	\$ 3,085,219	\$ 1,861,362

Period Reported: 2007 - 2009

**Comparative Operating Income Statements for Prior Years and the Test Year - Vermilion Water Division**

Line	Account # (A)	Account Description (B)	Direct PR (C)	Non-PR (D)	2007 Total (E)	Direct PR (F)	Non-PR (G)	2008 Total (H)	Direct PR (I)	Non-PR (J)	2009 Total (K)
1	460-474	Total Operating Revenues		\$12,354,918	\$12,354,918		\$12,532,192	\$12,532,192		\$13,764,706	\$13,764,706
2	601	Salaries & Wages, Employees	973,666		973,666	1,077,644		1,077,644	1,090,261		1,090,261
3	603	Salaries & Wages, Officers	90,830		90,830	85,728		85,728	68,172		68,172
4	604	Employee Pensions & Benefits		466,115	466,115		451,604	451,604		633,648	633,648
5	615 & 616	Purchased Power & Fuel for Power Prod.		516,320	516,320		535,463	535,463		676,310	676,310
6	618	Chemicals		413,728	413,728		420,528	420,528		459,163	459,163
7	620	Materials & Supplies		77,722	77,722		151,016	151,016		118,455	118,455
8	631	Contractual Services - Engineering		135	135		-	-		7,230	7,230
9	632	Contractual Services - Accounting		38,625	38,625		42,169	42,169		32,560	32,560
10	633	Contractual Services - Legal		14,290	14,290		608	608		42,719	42,719
11	634	Contractual Services - Management		393,111	393,111		398,920	398,920		389,263	389,263
12	635 & 636	Contractual Services - Other		752,968	752,968		927,635	927,635		879,442	879,442
13	641 - 642	Lease Expense		8,964	8,964		8,128	8,128		8,905	8,905
14	650	Transportation Expense		114,077	114,077		139,364	139,364		102,402	102,402
15	656 - 659	Insurance Expense		183,073	183,073		125,772	125,772		165,820	165,820
16	666 & 667	Regulatory Commission Exp. Amortization		73,648	73,648		56,513	56,513		96,946	96,946
17	670	Bad Debt Expense		236,527	236,527		437,795	437,795		232,958	232,958
18	675	Miscellaneous Expense		364,541	364,541		566,313	566,313		525,767	525,767
19		O & M Expenses	1,064,496	3,653,843	4,718,339	1,163,373	4,261,828	5,425,200	1,158,433	4,371,587	5,530,021
20	403	Depreciation Expense		2,185,810	2,185,810		2,331,387	2,331,387		2,417,661	2,417,661
21	406	Amortization of Utility Plant Acquisition Adjust.		-	-		-	-		-	-
22	407	Amortization Expense		109,199	109,199		103,859	103,859		102,287	102,287
23	408	Taxes Other Than Income		872,340	872,340		915,155	915,155		933,083	933,083
24	409	Income Taxes - Current Federal		953,822	953,822		1,166,818	1,166,818		1,115,111	1,115,111
25	409	Income Taxes - Current State		221,292	221,292		176,363	176,363		252,130	252,130
26	410	Deferred Federal Income Taxes		-	-		-	-		-	-
27	410	Deferred State Income Taxes		-	-		-	-		-	-
28	411	Provision for Deferred Income Taxes - Credit		-	-		-	-		-	-
29	412	Amortization of I. T. C. - Federal		(23,736)	(23,736)		(23,736)	(23,736)		(23,736)	(23,736)
30	412	Amortization of I. T. C. - State		(1,656)	(1,656)		(1,656)	(1,656)		(1,656)	(1,656)
31		Utility Operating Expenses	\$ 1,064,496	\$ 7,970,915	\$ 9,035,411	\$ 1,163,373	\$ 8,930,019	\$10,093,391	\$ 1,158,433	\$ 9,166,467	\$ 10,324,901
32											
33		Utility Operating Income	\$(1,064,496)	\$ 4,384,003	\$ 3,319,507	\$(1,163,373)	\$ 3,602,174	\$ 2,438,801	\$(1,158,433)	\$ 4,598,238	\$ 3,439,805
34	414	Gains (Losses) from Disposition of Utility Property (Net)		-	-		-	-		-	-
35		Total Utility Operating Income	\$(1,064,496)	\$ 4,384,003	\$ 3,319,507	(1,163,373)	3,602,174	2,438,801	(1,158,433)	4,598,238	3,439,805
36		<u>Other Income and Deductions:</u>									
37	419	Interest and Dividend Income		-	-		137,090	137,090		-	-
38	420	Allowance for Funds Used During Construction		19,409	19,409		261,514	261,514		205,787	205,787
39	421	Non-Utility Income		58,038	58,038		52,982	52,982		51,309	51,309
40	426	Miscellaneous Non-Utility Expenses		(37,238)	(37,238)		(16,320)	(16,320)		(12,840)	(12,840)
41	409	Non-Operating Income Taxes		-	-		-	-		-	-
42		Total Other Income and Deductions		\$ 40,209	\$ 40,209	\$ -	\$ 435,267	\$ 435,267	\$ -	\$ 244,256	\$ 244,256
43											
44											
45		<u>Debt Expense:</u>									
46	427	Interest Expense		1,423,654	1,423,654		1,671,049	1,671,049		1,534,503	1,534,503
47	428	Amortization of Debt Discount and Expense		44,913	44,913		58,159	58,159		54,161	54,161
48	429	Amortization of Premium on Debt		12,906	12,906		13,160	13,160		12,361	12,361
49		Total Debt Expense		\$ 1,481,473	\$ 1,481,473	\$ -	\$ 1,742,367	\$ 1,742,367	\$ -	\$ 1,601,025	\$ 1,601,025
50											
51											
52		NET INCOME (LOSS)	\$(1,064,496)	\$ 2,942,739	\$ 1,878,243	\$(1,163,373)	\$ 2,295,073	\$ 1,131,700	\$(1,158,433)	\$ 3,241,469	\$ 2,083,036

Period Reported: 2012

### Income Taxes

Line	Description (A)	Unadjusted Income Taxes at Present Rates (B)	Test Year Income Taxes at Present Rates (C)	Pro Forma Proposed Income Taxes (D)
1	Utility Operating Income (C - 1, line 14)	\$ 3,379,872	\$ 3,268,908	\$ 4,417,448
2	Less: Synchronized Interest Expense (C - 5.4)	(1,542,879)	(1,529,641)	(1,529,641)
3	Add: Income Taxes - net of ITC Amort.	1,152,676	1,178,209	1,982,138
4	Net Income Before Income Taxes	2,989,668	2,917,476	4,869,944
5	<b>Income Tax Calculation:</b>			
6	Net Income Before Income Taxes	2,989,668	2,917,476	4,869,944
7	Permanent Differences:			
8	50% Employee Expense	5,659	5,659	5,659
9				
10	Total	5,659	5,659	5,659
11	Timing Differences:			
12	Excess tax Depreciation	(2,957,088)	(2,950,991)	(2,950,991)
13	Pension Expense - FASB 87	-	-	-
14	OPEB Expense - FASB 106	-	-	-
15	Overheads	-	-	-
16	Cost of Removal	-	-	-
17	Intake Cleaning	-	-	-
18	Tank Painting	38,659	38,659	38,659
19	Total	(2,918,429)	(2,912,331)	(2,912,331)
20				
21	TAXABLE INCOME - STATE (Current)	\$ 76,898	\$ 10,804	\$ 1,963,272
22	INCOME TAXES - STATE			
23	Current	7,305	1,026	186,511
24	Deferred	277,251	276,671	276,671
25	Reconciling adjustment	(64,531)		
26	Total	\$ 220,025	\$ 277,698	\$ 463,182
27				
28	TAXABLE INCOME - FEDERAL (Current)	\$ 69,593	\$ 9,777	\$ 1,776,761
29	INCOME TAXES - FEDERAL			
30	Current	24,358	3,422	621,866
31	Deferred	924,412	922,481	922,481
32	Reconciling adjustment	9,273		
33	Total	\$ 958,043	\$ 925,903	\$ 1,544,347
34				

Period Reported: 2009

## Vermilion Federal Income Tax Return

Line

- 1 A) The procedure used to allocate the Vermilion federal income tax liability is as follows:  
2  
3 Taxes are calculated on a Stand-Alone Basis.  
4  
5  
6  
7 B) The benefits of the Vermilion filing of the federal income tax return to AQUA ILLINOIS, INC. is as follows:  
8  
9 There is neither a benefit nor a detriment to AQUA ILLINOIS, INC.  
10  
11  
12  
13  
14  
15 C) The impact of the benefits of filing the Vermilion federal income tax return on AQUA ILLINOIS, INC.'s books  
16 is as follows:  
17  
18 No Impact.

Period Reported: 2012

### Deferred Income Tax Expense

Line	Description (A)	Unadjusted Present Rates (B)	Test Year at Present Rates (C)	Pro Forma Income Taxes (D)
1	Deferred Income Tax Exp. Calculation:			
2				
3	Timing Differences:			
4	Excess tax Depreciation	\$ 2,957,088	\$ 2,950,991	\$ 2,950,991
5	Pension Expense - FASB 87	-	-	-
6	OPEB Expense - FASB 106	-	-	-
7	Overheads	-	-	-
8	Cost of Removal	-	-	-
9	Intake Cleaning	-	-	-
10	Tank Painting	(38,659)	(38,659)	(38,659)
11	Total Taxable Basis for Deferred SIT Expense	<u>\$ 2,918,429</u>	<u>\$ 2,912,331</u>	<u>\$ 2,912,331</u>
12				
13	State Income Tax Rate:	9.50%	9.50%	9.50%
14				
15	Deferred State Income Tax Expense (line 10 x 12)	<u>\$ (277,251)</u>	<u>\$ (276,671)</u>	<u>\$ (276,671)</u>
16				
17				
18				
19				
20	Total Taxable Basis for Deferred FIT Expense			
21	(Lines 10 + 14)	2,641,178	2,635,660	2,635,660
22				
23	Federal Income Tax Rate:	35.00%	35.00%	35.00%
24				
25	Deferred Fed. Income Tax Expense (line 20 x 22)	<u>\$ (924,412)</u>	<u>\$ (922,481)</u>	<u>\$ (922,481)</u>

Period Reported: 2012

### Difference between Book and Tax Depreciation

Line	Description (A)	Unadjusted Present Rates (B)	Test Year at Present Rates (C)	Pro Forma Proposed (D)
1	Tax / Book Depreciation Timing Differences:			
2				
3	Tax Depreciation	\$ 5,768,332	\$ 5,768,332	\$ 5,768,332
4	Book Depreciation	2,811,243	2,817,341	2,817,341
5	Tax Depreciation in Excess of Book	2,957,088	2,950,991	2,950,991
6				
7				
8				
9				
10	Total Tax / Book Depreciation Timing Differences -	\$ 2,957,088	\$ 2,950,991	\$ 2,950,991
11				
12	State Income Tax Rate:	9.50%	9.50%	9.50%
13				
14	Attributable Deferred SIT Expense (line 10 x 12)	\$ (280,923)	\$ (280,344)	\$ (280,344)
15				
16				
17	Tax / Book Depreciation Timing Differences-DFIT:			
18	(Lines 10 + 14)	2,676,165	2,670,646	2,670,646
19				
20	Federal Income Tax Rate:	35.00%	35.00%	35.00%
21				
22	Attributable Deferred FIT Expense (line 18 x 20)	\$ (936,658)	\$ (934,726)	\$ (934,726)

Proposed Test Year Period: Future  
 Period Reported: Average 2012

## Interest Synchronization

Line

1     **- Calculation of synchronized interest:**

2

3

4

Calculation Components

Reference

Amount

5

6

7

8

9

Average Future Test Year Rate Base

B - 1

\$

49,588,660

10

11

12

Future Test Year Weighted Cost of Debt

D - 1

3.08466%

13

14

15

16

17

Future Test Year Synchronized Interest

To WP-C1

\$

**1,529,641**

18

Col. F & H, line 38

Period Reported: 2012

### Investment Tax and Job Development Credits

<u>Line</u>	<u>Account Number (A)</u>	<u>Description (B)</u>	<u>Projected Unamortized ITC at 12/31/11 (C)</u>	<u>Additions (D)</u>	<u>Amortizations (E)</u>	<u>Projected Unamortized ITC at 12/31/12 (F)</u>
1	255	Unamortized Federal ITC	\$ 158,529	\$ -	\$ (23,736)	\$ 134,793
2						
3						
4	255	Unamortized State ITC	<u>12,224</u>	<u>-</u>	<u>(1,656)</u>	<u>10,568</u>
5						
6						
7		Total	<u>\$ 170,753</u>	<u>\$ -</u>	<u>\$ (25,392)</u>	<u>\$ 145,361</u>

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Social and Service Club Membership Dues - Total Company**

<u>Line</u>	<u>Account #</u> <u>(A)</u>	<u>Account Description</u> <u>(B)</u>	<u>Payee</u> <u>(C)</u>	<u>Amount</u> <u>(D)</u>	<u>Purpose and Nature of</u> <u>the Organization</u> <u>(E)</u>
1	675	<u>2009</u>			
2		Other Expense	None	\$ -	
3				-	
4					
5					
6		Items Under \$1,000		-	
7		Aggregate Nonoperating Items		-	
8				<u>\$ -</u>	
9					
10	675	<u>2010</u>			
11		Other Expense	None	\$ -	
12				-	
13					
14					
15		Items Under \$1,000		-	
16		Aggregate Nonoperating Items		-	
17				<u>\$ -</u>	
18					
19	675	<u>2011</u>			
20		Other Expense	None	\$ -	
21				-	
22					
23					
24		Items Under \$1,000		-	
25		Aggregate Nonoperating Items		-	
26				<u>\$ -</u>	
27					
28	675	<u>2012</u>			
29		Other Expense	None	\$ -	
30				-	
31					
32					
33		Items Under \$1,000		-	
34		Aggregate Nonoperating Items		-	
35				<u>\$ -</u>	

Period Reported: 2012

### Social and Service Club Membership Dues - Vermilion Water Division

Line	Account # (A)	Account Description (B)	Payee (C)	Amount (D)	Purpose and Nature of the Organization (E)
1	675	Other Expense	None	\$ -	
2					
3					
4					
5					
6					
7		Items Under \$1,000		-	
8		Aggregate Nonoperating Items		-	
9					
10				\$ -	

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Industry Association Dues - Total Company**

Line	Account # (A)	Account Description (B)	Payee (C)	Amount (D)	Purpose and Nature of the Organization (E)
1	675	<u>2009</u>			
2		Other Expense		\$ -	Provide support and receive benefit from association with peers.
3				-	Associations are involved in legislative, technical, educational, finance, tax and other industry - wide affairs.
4					
5		Items Under \$50,000		43,594	
6		Aggregate Nonoperating Items		-	
7				<u>\$ 43,594</u>	
8					
9	675	<u>2010</u>			
10		Other Expense		\$ -	" "
11				-	
12				-	
13					
14		Items Under \$50,000		50,990	
15		Aggregate Nonoperating Items		-	
16				<u>\$ 50,990</u>	
17					
18	675	<u>2011</u>			
19		Other Expense		\$ -	" "
20				-	
21				-	
22					
23		Items Under \$50,000		52,520	
24		Aggregate Nonoperating Items		-	
25				<u>\$ 52,520</u>	
26					
27	675	<u>2012</u>			
28		Other Expense		\$ -	" "
29				-	
30				-	
31					
32		Items Under \$50,000		54,096	
33		Aggregate Nonoperating Items		-	
34				<u>\$ 54,096</u>	

Period Reported: 2012

**Industry Association Dues - Vermilion Water Division**

<u>Line</u>	<u>Account # (A)</u>	<u>Account Description (B)</u>	<u>Payee (C)</u>	<u>Amount (D)</u>	<u>Purpose and Nature of the Organization (E)</u>
1	675	Other Expense		\$ -	Provide support and receive benefit from association with peers. Associations are involved in legislative, technical, educational, finance, tax and other industry - wide affairs.
2					
3					
4					
5					
6					
7		Items Under \$50,000		\$ 18,598.11	
8		Aggregate Nonoperating Items		_____ -	
9					
10				<u>\$ 18,598</u>	

AQUA ILLINOIS, INC.  
 Vermilion Water Division  
 Rate Case Docket No. 11-

Schedule C - 6.2  
 Page 1 of 2  
 Person Responsible: P. Hanley

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

### Expenses for Outside Professional Services - Total Company

Line	Account # (A)	Account Description (B)	Payee (C)	Amount (D)	Purpose and Nature of the Organization (E)
1		<u>2009</u>			
2	632	Contractual Services - Accounting	Price WaterHouse	\$ 93,888	Audit
3	633	Contractual Services - Legal	Spesia, Ayers and Ardaugh	939	Legal
4	635 & 636	Contractual Services - Other	Level One / ACO	1,014,364	Billing / CSR Services
5	636 & 711	Contractual Services - Other	Synagro Midwest Inc., Pistorious; Stewart Spreading; Conserve FS	1,039,845	Sludge Removal
6					
7		Items Under \$50,000		1,648,842	
8		Aggregate Nonoperating Items		-	
9				<u>\$ 3,797,877</u>	
10					
11		<u>2010</u>			
12	632	Contractual Services - Accounting	Price WaterHouse	\$ 89,521	Audit
13	633	Contractual Services - Legal	Spesia, Ayers and Ardaugh	73,907	Legal
14	635 & 636	Contractual Services - Other	Level One / ACO	990,942	Billing / CSR Services
15	636 & 711	Contractual Services - Other	Synagro Midwest Inc., REBACZ; Stewart Spreading; Conserve FS	1,108,021	Sludge Removal
16					
17		Items Under \$50,000		1,352,238	
18		Aggregate Nonoperating Items		-	
19				<u>\$ 3,614,629</u>	
20					
21		<u>2011</u>			
22	632	Contractual Services - Accounting	Price WaterHouse	\$ 96,834	Auditing
23	633	Contractual Services - Legal	Spesia, Ayers and Ardaugh	108,200	Legal
24	635 & 636	Contractual Services - Other	Level One / ACO	1,104,889	Billing / CSR Services
25	636 & 711	Contractual Services - Other	Synagro Midwest Inc., REBACZ; Stewart Spreading; Conserve FS	1,149,534	Sludge Removal
26					
27		Items Under \$50,000		1,396,482	
28		Aggregate Nonoperating Items		-	
29				<u>\$ 3,855,939</u>	
30					
31		<u>2012</u>			
32	632	Contractual Services - Accounting	Price WaterHouse	\$ 99,739	Auditing
33	633	Contractual Services - Legal	Spesia, Ayers and Ardaugh	111,446	Legal
34	635 & 636	Contractual Services - Other	Level One / ACO	1,138,036	Billing / CSR Services
35	636 & 711	Contractual Services - Other	Synagro Midwest Inc., REBACZ; Stewart Spreading; Conserve FS	1,164,857	Sludge Removal
36					
37		Items Under \$50,000		1,449,981	
38		Aggregate Nonoperating Items		-	
39				<u>\$ 3,964,059</u>	

Period Reported: 2012

**Expenses for Outside Professional Services - Vermilion Water Division**

Line	Account # (A)	Account Description (B)	Payee (C)	Amount (D)	Purpose and Nature of the Organization (E)
1	635 & 636	Contractual Services - Other	Level One / ACO	\$ 382,659	Billing / CSR Services
2	635 & 636	Contractual Services - Other	REBACZ TRUCKING	311,633	Sludge Hauling
3					
4					
5					
6					
7					
8					
9					
10					
11					
12		Items Under \$50,000		369,436	
13					
14		Aggregate Nonoperating Items		<u>-</u>	
15					
16					
17					
18				<u>\$ 1,063,728</u>	

### Charitable Contributions - Total Company

Line	Account # (A)	Account Description (B)	Payee (C)	Amount (D)	Purpose and Nature of the Organization (E)
1	675	Other Expense	Christmas In April	\$ 10,000	Charitable
2			United Way	4,342	Charitable
3			Danville Family YMCA	3,850	Charitable
4			Vermilion County Conservation District	3,000	Charitable
5			NAACP	2,500	Charitable
6			Danville Area Community College	1,500	Charitable
7			Provena St. Mary's Hospital	1,450	Charitable
8			Kankakee Development	1,200	Community & Economic Development
9			Home Builders Association	1,125	Charitable
10			American Cancer Society	1,000	Charitable
11			American Cancer Assoc	1,000	Charitable
12			Kankakee Community Development Center	1,000	Community & Economic Development
13			Two Rivers Festival	1,000	Charitable
14			Women's Care Clinic	1,000	Charitable
15			Misc Organizations (Items < \$1,000)	21,231	Various
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29			Aggregate Nonoperating Items	-	
30			<b>Total</b>	<b>\$ 55,198</b>	

Period Reported: 2010

### Charitable Contributions - Total Company

Line	Account # (A)	Account Description (B)	Payee (C)	Amount (D)	Purpose and Nature of the Organization (E)
1	675	Other Expense	Christmas In April	\$ 5,000	Charitable
2			Danville Family YMCA	3,500	Charitable
3			Economic Alliance of Kankakee County	3,500	Community & Economic Development
4			United Way	3,418	Charitable
5			Vermilion County Health Dept.	3,150	Charitable
6			Kankakee Valley Symphony	3,000	Charitable
7			NAACP	3,000	Charitable
8			City of Kankakee	1,935	Community & Economic Development
9			Kiwanis	1,550	Charitable
10			Danville Area Community College	1,500	Charitable
11			United Way	1,370	Charitable
12			Kankakee Valley Firemen's Association	1,250	Charitable
13			Provena St. Mary's Hospital	1,250	Charitable
14			City of Danville	1,075	Community & Economic Development
15			American Cancer Assoc	1,000	Various
16			American Cancer Society	1,000	Charitable
17			Bourbonnais Friendship Festival	1,000	Charitable
18			Kankakee County Republicans	1,000	Charitable
19			Summerfest Extravaganza	1,000	Charitable
20			Two Rivers Festival	1,000	Charitable
21			Village of Bradley	1,000	Community & Economic Development
22					
23			Misc Organizations (Items < \$1000)	<u>22,199</u>	Various
24				<u>\$ 63,697</u>	

Period Reported: 2011

### Charitable Contributions - Total Company

<u>Line</u>	<u>Account #</u> (A)	<u>Account Description</u> (B)	<u>Payee</u> (C)	<u>Amount</u> (D)	<u>Purpose and Nature of the Organization</u> (E)
1	675	Other Expense	Christmas In April	\$ 5,000	Charitable
2			Economic Alliance of Kankakee County	3,500	Community & Economic Development
3			Danville Family YMCA	3,500	Charitable
4			United Way	3,500	Charitable
5			Vermilion County Health Dept.	3,150	Charitable
6			Kankakee Valley Symphony	3,000	Charitable
7			NAACP	3,000	Charitable
8			City of Kankakee	2,000	Community & Economic Development
9			Kiwanis	1,600	Charitable
10			Danville Area Community College	1,500	Charitable
11			United Way	1,400	Charitable
12			Kankakee Valley Firemen's Association	1,250	Charitable
13			Provena St. Mary's Hospital	1,250	Charitable
14			City of Danville	1,100	Community & Economic Development
15			American Cancer Society	1,000	Charitable
16			Bourbonnais Friendship Festival	1,000	Charitable
17			Summerfest Extravaganza	1,000	Charitable
18			Two Rivers Festival	1,000	Charitable
19			Village of Bradley	1,000	Community & Economic Development
20			American Cancer Assoc	1,000	Charitable
21			Kankakee County Republicans	1,000	Charitable
22					
23					
24					
25					
26					
27					
28					
29			Misc Organizations (Items < \$1000)	<u>24,730</u>	Various
30		TOTAL		<u>\$ 66,480</u>	

Period Reported: 2012

### Charitable Contributions - Total Company

Line	Account # (A)	Account Description (B)	Payee (C)	Amount (D)	Purpose and Nature of the Organization (E)
1	675	Other Expense	Christmas In April	\$ 5,150	Charitable
2			Economic Alliance of Kankakee County	3,605	Community & Economic Development
3			Danville Family YMCA	3,605	Charitable
4			United Way	3,605	Charitable
5			Vermilion County Health Dept.	3,245	Charitable
6			Kankakee Valley Symphony	3,090	Charitable
7			NAACP	3,090	Charitable
8			City of Kankakee	2,060	Community & Economic Development
9			Kiwanis	1,648	Charitable
10			Danville Area Community College	1,545	Charitable
11			United Way	1,442	Charitable
12			Kankakee Valley Firemen's Association	1,288	Charitable
13			Provena St. Mary's Hospital	1,288	Charitable
14			City of Danville	1,133	Community & Economic Development
15			American Cancer Society	1,030	Charitable
16			Bourbonnais Friendship Festival	1,030	Charitable
17			Summerfest Extravaganza	1,030	Charitable
18			Two Rivers Festival	1,030	Charitable
19			Village of Bradley	1,030	Community & Economic Development
20			American Cancer Assoc	1,030	Charitable
21			Kankakee County Republicans	1,030	Charitable
22					
23					
24					
25					
26					
27					
28					
29			Misc Organizations (Items < \$1000)	<u>25,472</u>	Various
30		TOTAL		<u>\$ 68,474</u>	

Period Reported: 2012

**Charitable Contributions - Vermilion Water Division**

Line	Account # (A)	Account Description (B)	Payee (C)	Amount (D)	Purpose and Nature of the Organization (E)
1	675	<u>2012 - Other Expense</u>	Danville Family YMCA	\$ 3,500	Charitable
2			United Way	3,425	Charitable
3			Vermilion County Health Dept.	3,150	Charitable
4			Kiwanis	1,550	Charitable
5			Danville Area Community College	1,500	Charitable
6			City of Danville	1,100	Community & Economic Development
7			American Cancer Assoc	1,000	Charitable
8					
9			Misc Organizations (Items < \$1000)	11,967	Various
10					
11					
12					
13					
14					
15					
16					
17					
18					
19			Aggregate Nonoperating Items	-	
20		TOTAL		<u>\$ 27,192</u>	
21					
22					
23					
24					
25					
26					
27					
28					

Note - The Company's active involvement and associated donations in the communities it serves are for the public welfare.  
 The Company believes the above test year donations are reasonable per the following measurements:

32 Approximate percentage of revenues: 0.2%  
 33 Approximate amount per customer per month: \$0.11

Period Reported: 2012

### Demonstration and Selling, Advertising, and Miscellaneous Sales Expense

<u>Line</u>	<u>Account Number</u> <u>(A)</u>	<u>Account Description</u> <u>(B)</u>	<u>Test Year</u> <u>Expense</u> <u>(C)</u>	<u>Rate-making</u> <u>Adjustments</u> <u>(D)</u>	<u>Expense on C-1</u> <u>(E)</u>
1	660	Advertising (Miscellaneous Expenses)			
2					
3		WDAN	\$ 12,230	\$ -	\$ 12,230
4		Illiana Communications	\$ 4,864	\$ -	\$ 4,864
5		Commercial News	\$ 1,446	\$ -	\$ 1,446
6					
7					
8					
9					
10					
11					
12					
13	Total		\$ 18,540	\$ -	\$ 18,540

Period Reported: 2010 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Civic, Political and Related Activities - Total Company**

<u>Line</u>	<u>Account # (A)</u>	<u>Account Description (B)</u>	<u>Payee (C)</u>	<u>Amount (D)</u>	<u>Purpose and Nature of Recipient of Expenditure (E)</u>
1		<u>2010</u>			
2					
3	426-060	Non-Utility Expense	Various	\$ 70,549	Civic, Political or Related Contribution
4				-	
5				-	
6				-	
7				-	
8				-	
9					
10		Items Under \$1,000		-	
11				<u>\$ 70,549</u>	
12					
13					
14		<u>2011</u>			
15					
16	426-060	Non-Utility Expense	Various	\$ 66,000	Civic, Political or Related Contribution
17					
18					
19					
20					
21					
22					
23		Items Under \$1,000		-	
24				<u>\$ 66,000</u>	
25					
26					
27		<u>2012</u>			
28					
29	426-060	Non-Utility Expense	Various	\$ 66,000	Civic, Political or Related Contribution
30					
31					
32					
33					
34					
35					
36		Items Under \$1,000		-	
37				<u>\$ 66,000</u>	

Period Reported: 2012

**Civic, Political and Related Activities - Vermilion Water Division**

<u>Line</u>	<u>Account # (A)</u>	<u>Account Description (B)</u>	<u>Payee (C)</u>	<u>Amount (D)</u>	<u>Purpose and Nature of Recipient of Expenditure (E)</u>
1		<u>2012</u>			
2					
3	426-060	Non-Utility Expense	None	\$ 21,418	Civic, Political or Related Contribution
4					
5					
6					
7					
8					
9					
10		Items Under \$1,000		-	
11				<u>\$ 21,418</u>	

Period Reported: 2012

### Rate Case Expense

Analysis of Total Projected Expenses:

Line (A)	Categories	Amount
1	Outside Consultants / Witnesses	\$ 283,100
2	Outside Legal Services	175,000
3	Paid Overtime (see footnote #1)	-
4	Other Expenses (see footnote #2)	<u>409,218</u>
5		
6		
7	Total Expense	\$ 867,318

<b>(B) Outside Consultant / Witness Detail:</b>						Projected Total	Type of Service	Specific Service	Total	Amount in
Line	Name	Estimated Fee	Basis of Charge	Travel Exp.	Other Exp.	Exp. Of Instant Rate Case	Rendered	Rendered	Jurisdictional	Proposed C-1 (4 Year Amort.)
13	Local Legal Support	\$ 175,000		\$ -		\$ 175,000	Legal	Direct Legal Support	\$ 104,002	\$ 26,001
14	Aqua America, Inc. - Legal	124,800	Hourly at Cost	2,400		127,200	Legal	Overall Legal; Reg. Relations	75,595	18,899
15	Gannett Fleming	39,500		1,200		40,700	Witness	Rate of Return on Equity	24,188	6,047
16	GPM - David Monie	75,000		1,200		76,200	Witness	COSS/ Rate Design/ E-Sched.	45,286	11,321
17	Guastella Associates	70,000		1,200		71,200	Witness	Depreciation Studies	42,314	10,579
18	London Witte Group	95,000		-		95,000	Audit Plan/Case	Compliance with Sch. G-2	56,458	14,115
19	Aqua America, Inc. - Rate Dept.	210,143	Hourly at Cost	6,000		216,143	Rate Support Etc.	Case Mgt. Assist. & Support	128,453	32,113
20	Other Expenses - Misc.	-		-	65,875	65,875	Miscellaneous	Please see Footnote #2	39,149	9,787
21		\$ 789,443		\$ 12,000	\$ 65,875	\$ 867,318			\$ 515,446	\$ 128,861

- (C) Footnotes:**
- 1) Paid overtime is not anticipated / reflected in this filing with regard to rate case expense.
  - 2) Other Expenses costs includes costs for mailing, supplies, transcripts, notification and printing.
  - 3) Total Jurisdictional Allocation reflects jurisdiction as a percentage of all Aqua Illinois, Inc. customers exclusive of the Kankakee Division.

**(D) Amortization of Previous Rate Case Expenses:**

Proposed rates reflected on Schedule C - 1 reflect amortizations of previous rate case expense as follows:

31	Vermilion Water Division:	
32		
33	N/A	\$16,510

Period Reported: 2012

### Rate Case Expense Comparisons

<u>Line</u>	<u>Categories</u>	<u>Current Case Amount</u>	<u>Prior Case</u>
1	Outside Consultants / Witnesses	\$ 168,246	\$ 146,465
2	Outside Legal Services	104,002	147,410
3	Paid Overtime	-	-
4	Other Expenses	<u>243,198</u>	<u>99,185</u>
5			
6			
7	Total Expense	<u>\$ 515,446</u>	<u>\$ 393,060</u>
8			
9			
10			
11	If 20% Difference - Explanation:		
12			
13			
14			
15			
16			
17	<b>Prior case costs were lower than originally projected due to a stipulation reached with Staff.</b>		

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

## Direct Payroll by Function

### Total Company

<u>Line</u>	Function (A)	2009 (B)	Projected 2010 (C)	Projected 2011 (D)	Projected 2012 (E)
1	Source of Supply and Pumping	\$ (16,899)	\$ 30,672	\$ 30,666	\$ 31,893
2					
3	Water Treatment	1,108,545	1,173,767	1,241,456	1,291,114
4					
5	Transmission and Distribution	1,066,905	1,191,781	1,529,234	1,590,404
6					
7	Customer Accounts	778,837	703,085	505,279	525,490
8					
9	Sales	-	-	-	-
10					
11	Administrative and General	1,275,896	1,320,658	1,349,577	1,403,560
12					
13	Sewer Related	<u>460,824</u>	<u>491,112</u>	<u>510,782</u>	<u>531,213</u>
14					
15	Total Payroll Charged to O&M Expense	\$ 4,674,108	\$4,911,075	\$ 5,166,995	\$5,373,675
16					
17	Total Payroll Charged to Other	-	-	-	-
18	Total Payroll Charged to Construction	<u>961,895</u>	<u>931,167</u>	<u>868,556</u>	<u>892,460</u>
19					
20					
21					
22	TOTAL PAYROLL	\$ 5,636,003	\$5,842,242	\$ 6,035,551	\$6,266,135

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

### Direct Payroll by Function

#### Vermilion Water Division

Line	Function (A)	2009 (B)	Projected 2010 (C)	Projected 2011 (D)	Projected 2012 (E)
1	Source of Supply and Pumping	\$ (36,409)	\$ -	\$ -	\$ -
2					
3	Water Treatment	403,171	413,964	450,743	468,773
4					
5	Transmission and Distribution	258,497	279,771	480,898	500,134
6					
7	Customer Accounts	348,220	251,370	66,261	68,911
8					
9	Sales	-	-	-	-
10					
11	Administrative and General	<u>184,954</u>	<u>151,893</u>	<u>178,884</u>	<u>186,040</u>
12					
13	Total Payroll Charged to O&M Expense	\$1,158,433	\$1,096,997	\$1,176,786	\$1,223,858
14					
15	Total Payroll Charged to Other	-	-	-	-
16	Total Payroll Charged to Construction	<u>318,794</u>	<u>334,805</u>	<u>306,486</u>	<u>315,681</u>
17					
18					
19					
20	TOTAL PAYROLL	\$1,477,227	\$1,431,802	\$1,483,272	\$1,539,538

**Number of Employees**

Period Reported: 2009

Total Company

Line	Department (A)	Actual Number of Full Time Employees (B)	Actual Number of Part Time Employees (C)	Actual Number of Full Time Equivalents (D)	Actual Full Time Equivalents (B + D) (E)	Department (F)	Actual Number of Full Time Employees (G)	Actual Number of Part Time Employees (H)	Actual Number of Full Time Equivalents (I)	Actual Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	28.0	0.0	0.0	28.0	January	11.0	1.3	0.7	11.7
3	February	28.0	0.0	0.0	28.0	February	11.0	1.3	0.7	11.7
4	March	28.0	0.0	0.0	28.0	March	11.0	1.3	0.7	11.7
5	April	28.0	0.0	0.0	28.0	April	11.0	1.3	0.7	11.7
6	May	28.0	0.0	0.0	28.0	May	11.0	1.3	0.7	11.7
7	June	28.0	0.0	0.0	28.0	June	11.0	1.3	0.7	11.7
8	July	28.0	0.0	0.0	28.0	July	11.0	1.3	0.7	11.7
9	August	28.0	0.0	0.0	28.0	August	11.0	1.3	0.7	11.7
10	September	28.0	0.0	0.0	28.0	September	11.0	1.3	0.7	11.7
11	October	28.0	0.0	0.0	28.0	October	11.0	1.3	0.7	11.7
12	November	28.0	0.0	0.0	28.0	November	11.0	1.3	0.7	11.7
13	December	28.0	0.0	0.0	28.0	December	11.0	1.3	0.7	11.7
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	32.0	8.8	4.4	36.4	January	23.0	1.6	0.8	23.8
20	February	32.0	8.8	4.4	36.4	February	23.0	1.6	0.8	23.8
21	March	32.0	8.8	4.4	36.4	March	23.0	1.6	0.8	23.8
22	April	32.0	8.8	4.4	36.4	April	23.0	1.6	0.8	23.8
23	May	32.0	8.8	4.4	36.4	May	23.0	1.6	0.8	23.8
24	June	32.0	8.8	4.4	36.4	June	23.0	1.6	0.8	23.8
25	July	32.0	8.8	4.4	36.4	July	23.0	1.6	0.8	23.8
26	August	32.0	8.8	4.4	36.4	August	23.0	1.6	0.8	23.8
27	September	32.0	8.8	4.4	36.4	September	23.0	1.6	0.8	23.8
28	October	32.0	8.8	4.4	36.4	October	23.0	1.6	0.8	23.8
29	November	32.0	8.8	4.4	36.4	November	23.0	1.6	0.8	23.8
30	December	32.0	8.8	4.4	36.4	December	23.0	1.6	0.8	23.8

Period Reported: 2009

**Number of Employees**

Vermilion Water Division

Line	Department (A)	Actual Number of Full Time Employees (B)	Actual Number of Part Time Employees (C)	Actual Number of Full Time Equivalents (D)	Actual Full Time Equivalents (B + D) (E)	Department (F)	Actual Number of Full Time Employees (G)	Actual Number of Part Time Employees (H)	Actual Number of Full Time Equivalents (I)	Actual Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	8	0.0	0.0	8.0	January	3	1.25	0.6	3.6
3	February	8	0.0	0.0	8.0	February	3	1.25	0.6	3.6
4	March	8	0.0	0.0	8.0	March	3	1.25	0.6	3.6
5	April	8	0.0	0.0	8.0	April	3	1.25	0.6	3.6
6	May	8	0.0	0.0	8.0	May	3	1.25	0.6	3.6
7	June	8	0.0	0.0	8.0	June	3	1.25	0.6	3.6
8	July	8	0.0	0.0	8.0	July	3	1.25	0.6	3.6
9	August	8	0.0	0.0	8.0	August	3	1.25	0.6	3.6
10	September	8	0.0	0.0	8.0	September	3	1.25	0.6	3.6
11	October	8	0.0	0.0	8.0	October	3	1.25	0.6	3.6
12	November	8	0.0	0.0	8.0	November	3	1.25	0.6	3.6
13	December	8	0.0	0.0	8.0	December	3	1.25	0.6	3.6
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	12.0	2.77	1.4	13.4	January	3	0	0.0	3.0
20	February	12.0	2.77	1.4	13.4	February	3	0	0.0	3.0
21	March	12.0	2.77	1.4	13.4	March	3	0	0.0	3.0
22	April	12.0	2.77	1.4	13.4	April	3	0	0.0	3.0
23	May	12.0	2.77	1.4	13.4	May	3	0	0.0	3.0
24	June	12.0	2.77	1.4	13.4	June	3	0	0.0	3.0
25	July	12.0	2.77	1.4	13.4	July	3	0	0.0	3.0
26	August	12.0	2.77	1.4	13.4	August	3	0	0.0	3.0
27	September	12.0	2.77	1.4	13.4	September	3	0	0.0	3.0
28	October	12.0	2.77	1.4	13.4	October	3	0	0.0	3.0
29	November	12.0	2.77	1.4	13.4	November	3	0	0.0	3.0
30	December	12.0	2.77	1.4	13.4	December	3	0	0.0	3.0

**Number of Employees**

Period Reported: 2010

Total Company

Line	Department (A)	Actual Number of Full Time Employees (B)	Actual Number of Part Time Employees (C)	Actual Number of Full Time Equivalents (D)	Actual Full Time Equivalents (B + D) (E)	Department (F)	Actual Number of Full Time Employees (G)	Actual Number of Part Time Employees (H)	Actual Number of Full Time Equivalents (I)	Actual Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	26.0	0.0	0.0	26.0	January	11.0	0.0	0.0	11.0
3	February	26.0	0.0	0.0	26.0	February	11.0	0.0	0.0	11.0
4	March	26.0	0.0	0.0	26.0	March	11.0	0.0	0.0	11.0
5	April	26.0	0.0	0.0	26.0	April	11.0	0.0	0.0	11.0
6	May	26.0	0.0	0.0	26.0	May	11.0	0.0	0.0	11.0
7	June	26.0	0.0	0.0	26.0	June	11.0	0.0	0.0	11.0
8	July	26.0	0.0	0.0	26.0	July	11.0	0.0	0.0	11.0
9	August	26.0	0.0	0.0	26.0	August	11.0	0.0	0.0	11.0
10	September	26.0	0.0	0.0	26.0	September	11.0	0.0	0.0	11.0
11	October	26.0	0.0	0.0	26.0	October	11.0	0.0	0.0	11.0
12	November	26.0	0.0	0.0	26.0	November	11.0	0.0	0.0	11.0
13	December	26.0	0.0	0.0	26.0	December	11.0	0.0	0.0	11.0
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	31.8	5.5	2.8	34.6	January	23.0	1.0	0.5	23.5
20	February	31.8	5.5	2.8	34.6	February	23.0	1.0	0.5	23.5
21	March	31.8	5.5	2.8	34.6	March	23.0	1.0	0.5	23.5
22	April	31.8	5.5	2.8	34.6	April	23.0	1.0	0.5	23.5
23	May	31.8	5.5	2.8	34.6	May	23.0	1.0	0.5	23.5
24	June	31.8	5.5	2.8	34.6	June	23.0	1.0	0.5	23.5
25	July	31.8	5.5	2.8	34.6	July	23.0	1.0	0.5	23.5
26	August	31.8	5.5	2.8	34.6	August	23.0	1.0	0.5	23.5
27	September	31.8	5.5	2.8	34.6	September	23.0	1.0	0.5	23.5
28	October	31.8	5.5	2.8	34.6	October	23.0	1.0	0.5	23.5
29	November	31.8	5.5	2.8	34.6	November	23.0	1.0	0.5	23.5
30	December	31.8	5.5	2.8	34.6	December	23.0	1.0	0.5	23.5

**Number of Employees**

Period Reported: 2010

Vermilion Water Division

<u>Line</u>	<u>Department</u> (A)	<u>Actual</u> <u>Number of</u> <u>Full Time</u> <u>Employees</u> (B)	<u>Actual</u> <u>Number of</u> <u>Part Time</u> <u>Employees</u> (C)	<u>Actual</u> <u>Number of</u> <u>Full Time</u> <u>Equivalents</u> (D)	<u>Actual</u> <u>Full Time</u> <u>Equivalents</u> (B + D) (E)	<u>Department</u> (F)	<u>Actual</u> <u>Number of</u> <u>Full Time</u> <u>Employees</u> (G)	<u>Actual</u> <u>Number of</u> <u>Part Time</u> <u>Employees</u> (H)	<u>Actual</u> <u>Number of</u> <u>Full Time</u> <u>Equivalents</u> (I)	<u>Actual</u> <u>Full Time</u> <u>Equivalents</u> (G + I) (J)
1	<b><u>Production</u></b>					<b><u>Customer Service</u></b>				
2	January	7.43	0.0	0.0	7.4	January	2.16	0.0	0.0	2.2
3	February	7.43	0.0	0.0	7.4	February	2.16	0.0	0.0	2.2
4	March	7.43	0.0	0.0	7.4	March	2.16	0.0	0.0	2.2
5	April	7.43	0.0	0.0	7.4	April	2.16	0.0	0.0	2.2
6	May	7.43	0.0	0.0	7.4	May	2.16	0.0	0.0	2.2
7	June	7.43	0.0	0.0	7.4	June	2.16	0.0	0.0	2.2
8	July	7.43	0.0	0.0	7.4	July	2.16	0.0	0.0	2.2
9	August	7.43	0.0	0.0	7.4	August	2.16	0.0	0.0	2.2
10	September	7.43	0.0	0.0	7.4	September	2.16	0.0	0.0	2.2
11	October	7.43	0.0	0.0	7.4	October	2.16	0.0	0.0	2.2
12	November	7.43	0.0	0.0	7.4	November	2.16	0.0	0.0	2.2
13	December	7.43	0.0	0.0	7.4	December	2.16	0.0	0.0	2.2
14										
15										
16										
17										
18	<b><u>Transmission and Distribution</u></b>					<b><u>Administrative &amp; General</u></b>				
19	January	11.7	3.2	1.6	13.3	January	2.79	0	0.0	2.8
20	February	11.7	3.2	1.6	13.3	February	2.79	0	0.0	2.8
21	March	11.7	3.2	1.6	13.3	March	2.79	0	0.0	2.8
22	April	11.7	3.2	1.6	13.3	April	2.79	0	0.0	2.8
23	May	11.7	3.2	1.6	13.3	May	2.79	0	0.0	2.8
24	June	11.7	3.2	1.6	13.3	June	2.79	0	0.0	2.8
25	July	11.7	3.2	1.6	13.3	July	2.79	0	0.0	2.8
26	August	11.7	3.2	1.6	13.3	August	2.79	0	0.0	2.8
27	September	11.7	3.2	1.6	13.3	September	2.79	0	0.0	2.8
28	October	11.7	3.2	1.6	13.3	October	2.79	0	0.0	2.8
29	November	11.7	3.2	1.6	13.3	November	2.79	0	0.0	2.8
30	December	11.7	3.2	1.6	13.3	December	2.79	0	0.0	2.8

**Number of Employees**

Period Reported: 2011

Total Company

Line	Department (A)	Actual Number of Full Time Employees (B)	Actual Number of Part Time Employees (C)	Actual Number of Full Time Equivalents (D)	Actual Full Time Equivalents (B + D) (E)	Department (F)	Actual Number of Full Time Employees (G)	Actual Number of Part Time Employees (H)	Actual Number of Full Time Equivalents (I)	Actual Full Time Equivalents (G + I) (J)
1	<b><u>Production</u></b>					<b><u>Customer Service</u></b>				
2	January	25.4	0.0	0.0	25.4	January	12.6	0.0	0.0	12.6
3	February	25.4	0.0	0.0	25.4	February	12.6	0.0	0.0	12.6
4	March	25.4	0.0	0.0	25.4	March	12.6	0.0	0.0	12.6
5	April	25.4	0.0	0.0	25.4	April	12.6	0.0	0.0	12.6
6	May	25.4	0.0	0.0	25.4	May	12.6	0.0	0.0	12.6
7	June	25.4	0.0	0.0	25.4	June	12.6	0.0	0.0	12.6
8	July	25.4	0.0	0.0	25.4	July	12.6	0.0	0.0	12.6
9	August	25.4	0.0	0.0	25.4	August	12.6	0.0	0.0	12.6
10	September	25.4	0.0	0.0	25.4	September	12.6	0.0	0.0	12.6
11	October	25.4	0.0	0.0	25.4	October	12.6	0.0	0.0	12.6
12	November	25.4	0.0	0.0	25.4	November	12.6	0.0	0.0	12.6
13	December	25.4	0.0	0.0	25.4	December	12.6	0.0	0.0	12.6
14										
15										
16										
17										
18	<b><u>Transmission and Distribution</u></b>					<b><u>Administrative &amp; General</u></b>				
19	January	32.8	3.5	1.8	34.6	January	21.9	3.3	1.7	23.6
20	February	32.8	3.5	1.8	34.6	February	21.9	3.3	1.7	23.6
21	March	32.8	3.5	1.8	34.6	March	21.9	3.3	1.7	23.6
22	April	32.8	3.5	1.8	34.6	April	21.9	3.3	1.7	23.6
23	May	32.8	3.5	1.8	34.6	May	21.9	3.3	1.7	23.6
24	June	32.8	3.5	1.8	34.6	June	21.9	3.3	1.7	23.6
25	July	32.8	3.5	1.8	34.6	July	21.9	3.3	1.7	23.6
26	August	32.8	3.5	1.8	34.6	August	21.9	3.3	1.7	23.6
27	September	32.8	3.5	1.8	34.6	September	21.9	3.3	1.7	23.6
28	October	32.8	3.5	1.8	34.6	October	21.9	3.3	1.7	23.6
29	November	32.8	3.5	1.8	34.6	November	21.9	3.3	1.7	23.6
30	December	32.8	3.5	1.8	34.6	December	21.9	3.3	1.7	23.6

Period Reported: 2011

**Number of Employees**

Vermilion Water Division

Line	Department (A)	Actual Number of Full Time Employees (B)	Actual Number of Part Time Employees (C)	Actual Number of Full Time Equivalents (D)	Actual Full Time Equivalents (B + D) (E)	Department (F)	Actual Number of Full Time Employees (G)	Actual Number of Part Time Employees (H)	Actual Number of Full Time Equivalents (I)	Actual Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	8	0.0	0.0	8.0	January	1.97	0.0	0.0	2.0
3	February	8	0.0	0.0	8.0	February	1.97	0.0	0.0	2.0
4	March	8	0.0	0.0	8.0	March	1.97	0.0	0.0	2.0
5	April	8	0.0	0.0	8.0	April	1.97	0.0	0.0	2.0
6	May	8	0.0	0.0	8.0	May	1.97	0.0	0.0	2.0
7	June	8	0.0	0.0	8.0	June	1.97	0.0	0.0	2.0
8	July	8	0.0	0.0	8.0	July	1.97	0.0	0.0	2.0
9	August	8	0.0	0.0	8.0	August	1.97	0.0	0.0	2.0
10	September	8	0.0	0.0	8.0	September	1.97	0.0	0.0	2.0
11	October	8	0.0	0.0	8.0	October	1.97	0.0	0.0	2.0
12	November	8	0.0	0.0	8.0	November	1.97	0.0	0.0	2.0
13	December	8	0.0	0.0	8.0	December	1.97	0.0	0.0	2.0
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	11.06	1.67	0.8	11.9	January	3	1.35	0.7	3.7
20	February	11.06	1.67	0.8	11.9	February	3	1.35	0.7	3.7
21	March	11.06	1.67	0.8	11.9	March	3	1.35	0.7	3.7
22	April	11.06	1.67	0.8	11.9	April	3	1.35	0.7	3.7
23	May	11.06	1.67	0.8	11.9	May	3	1.35	0.7	3.7
24	June	11.06	1.67	0.8	11.9	June	3	1.35	0.7	3.7
25	July	11.06	1.67	0.8	11.9	July	3	1.35	0.7	3.7
26	August	11.06	1.67	0.8	11.9	August	3	1.35	0.7	3.7
27	September	11.06	1.67	0.8	11.9	September	3	1.35	0.7	3.7
28	October	11.06	1.67	0.8	11.9	October	3	1.35	0.7	3.7
29	November	11.06	1.67	0.8	11.9	November	3	1.35	0.7	3.7
30	December	11.06	1.67	0.8	11.9	December	3	1.35	0.7	3.7

**Number of Employees**

Period Reported: 2012

Total Company

Line	Department (A)	Actual Number of Full Time Employees (B)	Actual Number of Part Time Employees (C)	Actual Number of Full Time Equivalents (D)	Actual Full Time Equivalents (B + D) (E)	Department (F)	Actual Number of Full Time Employees (G)	Actual Number of Part Time Employees (H)	Actual Number of Full Time Equivalents (I)	Actual Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	25.4	0.0	0.0	25.4	January	12.6	0.0	0.0	12.6
3	February	25.4	0.0	0.0	25.4	February	12.6	0.0	0.0	12.6
4	March	25.4	0.0	0.0	25.4	March	12.6	0.0	0.0	12.6
5	April	25.4	0.0	0.0	25.4	April	12.6	0.0	0.0	12.6
6	May	25.4	0.0	0.0	25.4	May	12.6	0.0	0.0	12.6
7	June	25.4	0.0	0.0	25.4	June	12.6	0.0	0.0	12.6
8	July	25.4	0.0	0.0	25.4	July	12.6	0.0	0.0	12.6
9	August	25.4	0.0	0.0	25.4	August	12.6	0.0	0.0	12.6
10	September	25.4	0.0	0.0	25.4	September	12.6	0.0	0.0	12.6
11	October	25.4	0.0	0.0	25.4	October	12.6	0.0	0.0	12.6
12	November	25.4	0.0	0.0	25.4	November	12.6	0.0	0.0	12.6
13	December	25.4	0.0	0.0	25.4	December	12.6	0.0	0.0	12.6
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	32.8	3.5	1.8	34.6	January	21.9	3.3	1.7	23.6
20	February	32.8	3.5	1.8	34.6	February	21.9	3.3	1.7	23.6
21	March	32.8	3.5	1.8	34.6	March	21.9	3.3	1.7	23.6
22	April	32.8	3.5	1.8	34.6	April	21.9	3.3	1.7	23.6
23	May	32.8	3.5	1.8	34.6	May	21.9	3.3	1.7	23.6
24	June	32.8	3.5	1.8	34.6	June	21.9	3.3	1.7	23.6
25	July	32.8	3.5	1.8	34.6	July	21.9	3.3	1.7	23.6
26	August	32.8	3.5	1.8	34.6	August	21.9	3.3	1.7	23.6
27	September	32.8	3.5	1.8	34.6	September	21.9	3.3	1.7	23.6
28	October	32.8	3.5	1.8	34.6	October	21.9	3.3	1.7	23.6
29	November	32.8	3.5	1.8	34.6	November	21.9	3.3	1.7	23.6
30	December	32.8	3.5	1.8	34.6	December	21.9	3.3	1.7	23.6

**Number of Employees**

Period Reported: 2012

Vermilion Water Division

Line	Department (A)	Actual Number of Full Time Employees (B)	Actual Number of Part Time Employees (C)	Actual Number of Full Time Equivalents (D)	Actual Full Time Equivalents (B + D) (E)	Department (F)	Actual Number of Full Time Employees (G)	Actual Number of Part Time Employees (H)	Actual Number of Full Time Equivalents (I)	Actual Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	8	0.0	0.0	8.0	January	1.97	0.0	0.0	2.0
3	February	8	0.0	0.0	8.0	February	1.97	0.0	0.0	2.0
4	March	8	0.0	0.0	8.0	March	1.97	0.0	0.0	2.0
5	April	8	0.0	0.0	8.0	April	1.97	0.0	0.0	2.0
6	May	8	0.0	0.0	8.0	May	1.97	0.0	0.0	2.0
7	June	8	0.0	0.0	8.0	June	1.97	0.0	0.0	2.0
8	July	8	0.0	0.0	8.0	July	1.97	0.0	0.0	2.0
9	August	8	0.0	0.0	8.0	August	1.97	0.0	0.0	2.0
10	September	8	0.0	0.0	8.0	September	1.97	0.0	0.0	2.0
11	October	8	0.0	0.0	8.0	October	1.97	0.0	0.0	2.0
12	November	8	0.0	0.0	8.0	November	1.97	0.0	0.0	2.0
13	December	8	0.0	0.0	8.0	December	1.97	0.0	0.0	2.0
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	11.06	1.67	0.8	11.9	January	3	1.35	0.7	3.7
20	February	11.06	1.67	0.8	11.9	February	3	1.35	0.7	3.7
21	March	11.06	1.67	0.8	11.9	March	3	1.35	0.7	3.7
22	April	11.06	1.67	0.8	11.9	April	3	1.35	0.7	3.7
23	May	11.06	1.67	0.8	11.9	May	3	1.35	0.7	3.7
24	June	11.06	1.67	0.8	11.9	June	3	1.35	0.7	3.7
25	July	11.06	1.67	0.8	11.9	July	3	1.35	0.7	3.7
26	August	11.06	1.67	0.8	11.9	August	3	1.35	0.7	3.7
27	September	11.06	1.67	0.8	11.9	September	3	1.35	0.7	3.7
28	October	11.06	1.67	0.8	11.9	October	3	1.35	0.7	3.7
29	November	11.06	1.67	0.8	11.9	November	3	1.35	0.7	3.7
30	December	11.06	1.67	0.8	11.9	December	3	1.35	0.7	3.7

**Number of Employees**

Period Reported: 2009

**Total Company**

<u>Line</u>	<u>Department</u> (A)	<u>Authorized</u> <u>Number of</u> <u>Full Time</u> <u>Employees</u> (B)	<u>Authorized</u> <u>Number of</u> <u>Part Time</u> <u>Employees</u> (C)	<u>Authorized</u> <u>Number of</u> <u>Full Time</u> <u>Equivalents</u> (D)	<u>Authorized</u> <u>Full Time</u> <u>Equivalents</u> (B + D) (E)	<u>Department</u> (F)	<u>Authorized</u> <u>Number of</u> <u>Full Time</u> <u>Employees</u> (G)	<u>Authorized</u> <u>Number of</u> <u>Part Time</u> <u>Employees</u> (H)	<u>Authorized</u> <u>Number of</u> <u>Full Time</u> <u>Equivalents</u> (I)	<u>Authorized</u> <u>Full Time</u> <u>Equivalents</u> (G + I) (J)
1	<b><u>Production</u></b>					<b><u>Customer Service</u></b>				
2	January	28.0	0.0	0.0	28.0	January	11.0	1.3	0.7	11.7
3	February	28.0	0.0	0.0	28.0	February	11.0	1.3	0.7	11.7
4	March	28.0	0.0	0.0	28.0	March	11.0	1.3	0.7	11.7
5	April	28.0	0.0	0.0	28.0	April	11.0	1.3	0.7	11.7
6	May	28.0	0.0	0.0	28.0	May	11.0	1.3	0.7	11.7
7	June	28.0	0.0	0.0	28.0	June	11.0	1.3	0.7	11.7
8	July	28.0	0.0	0.0	28.0	July	11.0	1.3	0.7	11.7
9	August	28.0	0.0	0.0	28.0	August	11.0	1.3	0.7	11.7
10	September	28.0	0.0	0.0	28.0	September	11.0	1.3	0.7	11.7
11	October	28.0	0.0	0.0	28.0	October	11.0	1.3	0.7	11.7
12	November	28.0	0.0	0.0	28.0	November	11.0	1.3	0.7	11.7
13	December	28.0	0.0	0.0	28.0	December	11.0	1.3	0.7	11.7
14										
15										
16										
17										
18	<b><u>Transmission and Distribution</u></b>					<b><u>Administrative &amp; General</u></b>				
19	January	32.0	8.8	4.4	36.4	January	23.0	1.6	0.8	23.8
20	February	32.0	8.8	4.4	36.4	February	23.0	1.6	0.8	23.8
21	March	32.0	8.8	4.4	36.4	March	23.0	1.6	0.8	23.8
22	April	32.0	8.8	4.4	36.4	April	23.0	1.6	0.8	23.8
23	May	32.0	8.8	4.4	36.4	May	23.0	1.6	0.8	23.8
24	June	32.0	8.8	4.4	36.4	June	23.0	1.6	0.8	23.8
25	July	32.0	8.8	4.4	36.4	July	23.0	1.6	0.8	23.8
26	August	32.0	8.8	4.4	36.4	August	23.0	1.6	0.8	23.8
27	September	32.0	8.8	4.4	36.4	September	23.0	1.6	0.8	23.8
28	October	32.0	8.8	4.4	36.4	October	23.0	1.6	0.8	23.8
29	November	32.0	8.8	4.4	36.4	November	23.0	1.6	0.8	23.8
30	December	32.0	8.8	4.4	36.4	December	23.0	1.6	0.8	23.8

Period Reported: 2009

**Number of Employees**

Vermilion Water Division

Line	Department (A)	Authorized Number of Full Time Employees (B)	Authorized Number of Part Time Employees (C)	Authorized Number of Full Time Equivalents (D)	Authorized Full Time Equivalents (B + D) (E)	Department (F)	Authorized Number of Full Time Employees (G)	Authorized Number of Part Time Employees (H)	Authorized Number of Full Time Equivalents (I)	Authorized Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	8	0.0	0.0	8.0	January	3	1.25	0.6	3.6
3	February	8	0.0	0.0	8.0	February	3	1.25	0.6	3.6
4	March	8	0.0	0.0	8.0	March	3	1.25	0.6	3.6
5	April	8	0.0	0.0	8.0	April	3	1.25	0.6	3.6
6	May	8	0.0	0.0	8.0	May	3	1.25	0.6	3.6
7	June	8	0.0	0.0	8.0	June	3	1.25	0.6	3.6
8	July	8	0.0	0.0	8.0	July	3	1.25	0.6	3.6
9	August	8	0.0	0.0	8.0	August	3	1.25	0.6	3.6
10	September	8	0.0	0.0	8.0	September	3	1.25	0.6	3.6
11	October	8	0.0	0.0	8.0	October	3	1.25	0.6	3.6
12	November	8	0.0	0.0	8.0	November	3	1.25	0.6	3.6
13	December	8	0.0	0.0	8.0	December	3	1.25	0.6	3.6
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	12.0	2.8	1.4	13.4	January	3	0	0.0	3.0
20	February	12.0	2.8	1.4	13.4	February	3	0	0.0	3.0
21	March	12.0	2.8	1.4	13.4	March	3	0	0.0	3.0
22	April	12.0	2.8	1.4	13.4	April	3	0	0.0	3.0
23	May	12.0	2.8	1.4	13.4	May	3	0	0.0	3.0
24	June	12.0	2.8	1.4	13.4	June	3	0	0.0	3.0
25	July	12.0	2.8	1.4	13.4	July	3	0	0.0	3.0
26	August	12.0	2.8	1.4	13.4	August	3	0	0.0	3.0
27	September	12.0	2.8	1.4	13.4	September	3	0	0.0	3.0
28	October	12.0	2.8	1.4	13.4	October	3	0	0.0	3.0
29	November	12.0	2.8	1.4	13.4	November	3	0	0.0	3.0
30	December	12.0	2.8	1.4	13.4	December	3	0	0.0	3.0

**Number of Employees**

Period Reported: 2010

Total Company

Line	Department (A)	Authorized Number of Full Time Employees (B)	Authorized Number of Part Time Employees (C)	Authorized Number of Full Time Equivalents (D)	Authorized Full Time Equivalents (B + D) (E)	Department (F)	Authorized Number of Full Time Employees (G)	Authorized Number of Part Time Employees (H)	Authorized Number of Full Time Equivalents (I)	Authorized Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	28.0	0.0	0.0	28.0	January	12.0	0.0	0.0	12.0
3	February	28.0	0.0	0.0	28.0	February	12.0	0.0	0.0	12.0
4	March	28.0	0.0	0.0	28.0	March	12.0	0.0	0.0	12.0
5	April	28.0	0.0	0.0	28.0	April	12.0	0.0	0.0	12.0
6	May	28.0	0.0	0.0	28.0	May	12.0	0.0	0.0	12.0
7	June	28.0	0.0	0.0	28.0	June	12.0	0.0	0.0	12.0
8	July	28.0	0.0	0.0	28.0	July	12.0	0.0	0.0	12.0
9	August	28.0	0.0	0.0	28.0	August	12.0	0.0	0.0	12.0
10	September	28.0	0.0	0.0	28.0	September	12.0	0.0	0.0	12.0
11	October	28.0	0.0	0.0	28.0	October	12.0	0.0	0.0	12.0
12	November	28.0	0.0	0.0	28.0	November	12.0	0.0	0.0	12.0
13	December	28.0	0.0	0.0	28.0	December	12.0	0.0	0.0	12.0
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	32.0	5.5	2.8	34.8	January	23.0	1.0	0.5	23.5
20	February	32.0	5.5	2.8	34.8	February	23.0	1.0	0.5	23.5
21	March	32.0	5.5	2.8	34.8	March	23.0	1.0	0.5	23.5
22	April	32.0	5.5	2.8	34.8	April	23.0	1.0	0.5	23.5
23	May	32.0	5.5	2.8	34.8	May	23.0	1.0	0.5	23.5
24	June	32.0	5.5	2.8	34.8	June	23.0	1.0	0.5	23.5
25	July	32.0	5.5	2.8	34.8	July	23.0	1.0	0.5	23.5
26	August	32.0	5.5	2.8	34.8	August	23.0	1.0	0.5	23.5
27	September	32.0	5.5	2.8	34.8	September	23.0	1.0	0.5	23.5
28	October	32.0	5.5	2.8	34.8	October	23.0	1.0	0.5	23.5
29	November	32.0	5.5	2.8	34.8	November	23.0	1.0	0.5	23.5
30	December	32.0	5.5	2.8	34.8	December	23.0	1.0	0.5	23.5

**Number of Employees**

Period Reported: 2010

Vermilion Water Division

<u>Line</u>	<u>Department (A)</u>	<u>Authorized Number of Full Time Employees (B)</u>	<u>Authorized Number of Part Time Employees (C)</u>	<u>Authorized Number of Full Time Equivalents (D)</u>	<u>Authorized Full Time Equivalents (B + D) (E)</u>	<u>Department (F)</u>	<u>Authorized Number of Full Time Employees (G)</u>	<u>Authorized Number of Part Time Employees (H)</u>	<u>Authorized Number of Full Time Equivalents (I)</u>	<u>Authorized Full Time Equivalents (G + I) (J)</u>
1	<b><u>Production</u></b>					<b><u>Customer Service</u></b>				
2	January	8	0.0	0.0	8.0	January	2.3	0.0	0.0	2.3
3	February	8	0.0	0.0	8.0	February	2.3	0.0	0.0	2.3
4	March	8	0.0	0.0	8.0	March	2.3	0.0	0.0	2.3
5	April	8	0.0	0.0	8.0	April	2.3	0.0	0.0	2.3
6	May	8	0.0	0.0	8.0	May	2.3	0.0	0.0	2.3
7	June	8	0.0	0.0	8.0	June	2.3	0.0	0.0	2.3
8	July	8	0.0	0.0	8.0	July	2.3	0.0	0.0	2.3
9	August	8	0.0	0.0	8.0	August	2.3	0.0	0.0	2.3
10	September	8	0.0	0.0	8.0	September	2.3	0.0	0.0	2.3
11	October	8	0.0	0.0	8.0	October	2.3	0.0	0.0	2.3
12	November	8	0.0	0.0	8.0	November	2.3	0.0	0.0	2.3
13	December	8	0.0	0.0	8.0	December	2.3	0.0	0.0	2.3
14										
15										
16										
17										
18	<b><u>Transmission and Distribution</u></b>					<b><u>Administrative &amp; General</u></b>				
19	January	11.0	3.2	1.6	12.6	January	3	0	0.0	3.0
20	February	11.0	3.2	1.6	12.6	February	3	0	0.0	3.0
21	March	11.0	3.2	1.6	12.6	March	3	0	0.0	3.0
22	April	11.0	3.2	1.6	12.6	April	3	0	0.0	3.0
23	May	11.0	3.2	1.6	12.6	May	3	0	0.0	3.0
24	June	11.0	3.2	1.6	12.6	June	3	0	0.0	3.0
25	July	11.0	3.2	1.6	12.6	July	3	0	0.0	3.0
26	August	11.0	3.2	1.6	12.6	August	3	0	0.0	3.0
27	September	11.0	3.2	1.6	12.6	September	3	0	0.0	3.0
28	October	11.0	3.2	1.6	12.6	October	3	0	0.0	3.0
29	November	11.0	3.2	1.6	12.6	November	3	0	0.0	3.0
30	December	11.0	3.2	1.6	12.6	December	3	0	0.0	3.0

**Number of Employees**

Period Reported: 2011

Total Company

Line	Department (A)	Authorized Number of Full Time Employees (B)	Authorized Number of Part Time Employees (C)	Authorized Number of Full Time Equivalents (D)	Authorized Full Time Equivalents (B + D) (E)	Department (F)	Authorized Number of Full Time Employees (G)	Authorized Number of Part Time Employees (H)	Authorized Number of Full Time Equivalents (I)	Authorized Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	25.4	0.0	0.0	25.4	January	12.6	0.0	0.0	12.6
3	February	25.4	0.0	0.0	25.4	February	12.6	0.0	0.0	12.6
4	March	25.4	0.0	0.0	25.4	March	12.6	0.0	0.0	12.6
5	April	25.4	0.0	0.0	25.4	April	12.6	0.0	0.0	12.6
6	May	25.4	0.0	0.0	25.4	May	12.6	0.0	0.0	12.6
7	June	25.4	0.0	0.0	25.4	June	12.6	0.0	0.0	12.6
8	July	25.4	0.0	0.0	25.4	July	12.6	0.0	0.0	12.6
9	August	25.4	0.0	0.0	25.4	August	12.6	0.0	0.0	12.6
10	September	25.4	0.0	0.0	25.4	September	12.6	0.0	0.0	12.6
11	October	25.4	0.0	0.0	25.4	October	12.6	0.0	0.0	12.6
12	November	25.4	0.0	0.0	25.4	November	12.6	0.0	0.0	12.6
13	December	25.4	0.0	0.0	25.4	December	12.6	0.0	0.0	12.6
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	32.8	3.5	1.8	34.6	January	21.9	3.3	1.7	23.6
20	February	32.8	3.5	1.8	34.6	February	21.9	3.3	1.7	23.6
21	March	32.8	3.5	1.8	34.6	March	21.9	3.3	1.7	23.6
22	April	32.8	3.5	1.8	34.6	April	21.9	3.3	1.7	23.6
23	May	32.8	3.5	1.8	34.6	May	21.9	3.3	1.7	23.6
24	June	32.8	3.5	1.8	34.6	June	21.9	3.3	1.7	23.6
25	July	32.8	3.5	1.8	34.6	July	21.9	3.3	1.7	23.6
26	August	32.8	3.5	1.8	34.6	August	21.9	3.3	1.7	23.6
27	September	32.8	3.5	1.8	34.6	September	21.9	3.3	1.7	23.6
28	October	32.8	3.5	1.8	34.6	October	21.9	3.3	1.7	23.6
29	November	32.8	3.5	1.8	34.6	November	21.9	3.3	1.7	23.6
30	December	32.8	3.5	1.8	34.6	December	21.9	3.3	1.7	23.6

**Number of Employees**

Period Reported: 2011

Vermilion Water Division

Line	Department (A)	Authorized Number of Full Time Employees (B)	Authorized Number of Part Time Employees (C)	Authorized Number of Full Time Equivalents (D)	Authorized Full Time Equivalents (B + D) (E)	Department (F)	Authorized Number of Full Time Employees (G)	Authorized Number of Part Time Employees (H)	Authorized Number of Full Time Equivalents (I)	Authorized Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	8	0.0	0.0	8.0	January	1.97	0.0	0.0	2.0
3	February	8	0.0	0.0	8.0	February	1.97	0.0	0.0	2.0
4	March	8	0.0	0.0	8.0	March	1.97	0.0	0.0	2.0
5	April	8	0.0	0.0	8.0	April	1.97	0.0	0.0	2.0
6	May	8	0.0	0.0	8.0	May	1.97	0.0	0.0	2.0
7	June	8	0.0	0.0	8.0	June	1.97	0.0	0.0	2.0
8	July	8	0.0	0.0	8.0	July	1.97	0.0	0.0	2.0
9	August	8	0.0	0.0	8.0	August	1.97	0.0	0.0	2.0
10	September	8	0.0	0.0	8.0	September	1.97	0.0	0.0	2.0
11	October	8	0.0	0.0	8.0	October	1.97	0.0	0.0	2.0
12	November	8	0.0	0.0	8.0	November	1.97	0.0	0.0	2.0
13	December	8	0.0	0.0	8.0	December	1.97	0.0	0.0	2.0
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	11.06	1.67	0.8	11.9	January	3	1.35	0.7	3.7
20	February	11.06	1.67	0.8	11.9	February	3	1.35	0.7	3.7
21	March	11.06	1.67	0.8	11.9	March	3	1.35	0.7	3.7
22	April	11.06	1.67	0.8	11.9	April	3	1.35	0.7	3.7
23	May	11.06	1.67	0.8	11.9	May	3	1.35	0.7	3.7
24	June	11.06	1.67	0.8	11.9	June	3	1.35	0.7	3.7
25	July	11.06	1.67	0.8	11.9	July	3	1.35	0.7	3.7
26	August	11.06	1.67	0.8	11.9	August	3	1.35	0.7	3.7
27	September	11.06	1.67	0.8	11.9	September	3	1.35	0.7	3.7
28	October	11.06	1.67	0.8	11.9	October	3	1.35	0.7	3.7
29	November	11.06	1.67	0.8	11.9	November	3	1.35	0.7	3.7
30	December	11.06	1.67	0.8	11.9	December	3	1.35	0.7	3.7

**Number of Employees**

Period Reported: 2012

Total Company

Line	Department (A)	Authorized Number of Full Time Employees (B)	Authorized Number of Part Time Employees (C)	Authorized Number of Full Time Equivalents (D)	Authorized Full Time Equivalents (B + D) (E)	Department (F)	Authorized Number of Full Time Employees (G)	Authorized Number of Part Time Employees (H)	Authorized Number of Full Time Equivalents (I)	Authorized Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	25.4	0.0	0.0	25.4	January	12.6	0.0	0.0	12.6
3	February	25.4	0.0	0.0	25.4	February	12.6	0.0	0.0	12.6
4	March	25.4	0.0	0.0	25.4	March	12.6	0.0	0.0	12.6
5	April	25.4	0.0	0.0	25.4	April	12.6	0.0	0.0	12.6
6	May	25.4	0.0	0.0	25.4	May	12.6	0.0	0.0	12.6
7	June	25.4	0.0	0.0	25.4	June	12.6	0.0	0.0	12.6
8	July	25.4	0.0	0.0	25.4	July	12.6	0.0	0.0	12.6
9	August	25.4	0.0	0.0	25.4	August	12.6	0.0	0.0	12.6
10	September	25.4	0.0	0.0	25.4	September	12.6	0.0	0.0	12.6
11	October	25.4	0.0	0.0	25.4	October	12.6	0.0	0.0	12.6
12	November	25.4	0.0	0.0	25.4	November	12.6	0.0	0.0	12.6
13	December	25.4	0.0	0.0	25.4	December	12.6	0.0	0.0	12.6
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	32.8	3.5	1.8	34.6	January	21.9	3.3	1.7	23.6
20	February	32.8	3.5	1.8	34.6	February	21.9	3.3	1.7	23.6
21	March	32.8	3.5	1.8	34.6	March	21.9	3.3	1.7	23.6
22	April	32.8	3.5	1.8	34.6	April	21.9	3.3	1.7	23.6
23	May	32.8	3.5	1.8	34.6	May	21.9	3.3	1.7	23.6
24	June	32.8	3.5	1.8	34.6	June	21.9	3.3	1.7	23.6
25	July	32.8	3.5	1.8	34.6	July	21.9	3.3	1.7	23.6
26	August	32.8	3.5	1.8	34.6	August	21.9	3.3	1.7	23.6
27	September	32.8	3.5	1.8	34.6	September	21.9	3.3	1.7	23.6
28	October	32.8	3.5	1.8	34.6	October	21.9	3.3	1.7	23.6
29	November	32.8	3.5	1.8	34.6	November	21.9	3.3	1.7	23.6
30	December	32.8	3.5	1.8	34.6	December	21.9	3.3	1.7	23.6

**Number of Employees**

Period Reported: 2012

Vermilion Water Division

Line	Department (A)	Authorized Number of Full Time Employees (B)	Authorized Number of Part Time Employees (C)	Authorized Number of Full Time Equivalents (D)	Authorized Full Time Equivalents (B + D) (E)	Department (F)	Authorized Number of Full Time Employees (G)	Authorized Number of Part Time Employees (H)	Authorized Number of Full Time Equivalents (I)	Authorized Full Time Equivalents (G + I) (J)
1	<b>Production</b>					<b>Customer Service</b>				
2	January	8	0.0	0.0	8.0	January	1.97	0.0	0.0	2.0
3	February	8	0.0	0.0	8.0	February	1.97	0.0	0.0	2.0
4	March	8	0.0	0.0	8.0	March	1.97	0.0	0.0	2.0
5	April	8	0.0	0.0	8.0	April	1.97	0.0	0.0	2.0
6	May	8	0.0	0.0	8.0	May	1.97	0.0	0.0	2.0
7	June	8	0.0	0.0	8.0	June	1.97	0.0	0.0	2.0
8	July	8	0.0	0.0	8.0	July	1.97	0.0	0.0	2.0
9	August	8	0.0	0.0	8.0	August	1.97	0.0	0.0	2.0
10	September	8	0.0	0.0	8.0	September	1.97	0.0	0.0	2.0
11	October	8	0.0	0.0	8.0	October	1.97	0.0	0.0	2.0
12	November	8	0.0	0.0	8.0	November	1.97	0.0	0.0	2.0
13	December	8	0.0	0.0	8.0	December	1.97	0.0	0.0	2.0
14										
15										
16										
17										
18	<b>Transmission and Distribution</b>					<b>Administrative &amp; General</b>				
19	January	11.06	1.67	0.8	11.9	January	3	1.35	0.7	3.7
20	February	11.06	1.67	0.8	11.9	February	3	1.35	0.7	3.7
21	March	11.06	1.67	0.8	11.9	March	3	1.35	0.7	3.7
22	April	11.06	1.67	0.8	11.9	April	3	1.35	0.7	3.7
23	May	11.06	1.67	0.8	11.9	May	3	1.35	0.7	3.7
24	June	11.06	1.67	0.8	11.9	June	3	1.35	0.7	3.7
25	July	11.06	1.67	0.8	11.9	July	3	1.35	0.7	3.7
26	August	11.06	1.67	0.8	11.9	August	3	1.35	0.7	3.7
27	September	11.06	1.67	0.8	11.9	September	3	1.35	0.7	3.7
28	October	11.06	1.67	0.8	11.9	October	3	1.35	0.7	3.7
29	November	11.06	1.67	0.8	11.9	November	3	1.35	0.7	3.7
30	December	11.06	1.67	0.8	11.9	December	3	1.35	0.7	3.7



Period Reported: 2008 - 2011  
 Prior Year (2009) 12 Mo. Actual

**Employee Benefits**

Vermilion Water Division

Line	Description of Employee Benefit (A)	Employee Classification Receiving Benefit (B)	2009 Cost (C)	Projected 2010 Cost (D)	Projected 2011 Cost (E)	Specific Benefit Test Year Information					
						Projected 2012 Cost (F)	Amount Capitalized (G)	Percentage Capitalized (H)	Amount Expensed (I)	Percentage Expensed (J)	
1	Pension	All	\$ 308,439	\$ 243,442	\$ 322,316	\$ 331,986	\$ 68,073	20.50%	\$ 263,912	79.50%	
2	FASB 106 Post Retirement	All	7,355	6,208	9,236	9,513	1,951	20.50%	7,562	79.50%	
3	Health, Life & Disability Insurance	All	285,822	283,996	304,866	314,012	64,388	20.50%	249,624	79.50%	
4	Employee Savings Plan - 401(k)	All	26,845	20,426	20,381	20,993	4,305	20.50%	16,688	79.50%	
5	Employee Training & Education	All	6,428	1,198	5,160	5,315	1,090	20.50%	4,225	79.50%	
6											
7											
8	Miscellaneous	All	(1,241)	2,064	3,600	3,708	760	20.50%	2,948	79.50%	
9											
10											
11	Total Cost of all Benefits		\$ 633,648	\$ 557,333	\$ 665,560	\$ 685,527	\$ 140,567	20.50%	\$ 544,960	79.50%	
12											
13	Amount of Expensed Benefits		\$ 496,903	\$ 427,009	\$ 528,036	\$ 544,960					
14											
15	Percentage of Total Benefits Expensed		78.42%	76.62%	79.34%	79.50%					
16											
17											
18	Amount of Capitalized Benefits		\$ 136,745	\$ 130,324	\$ 137,524	\$ 140,567					
19											
20	Percentage of Total Benefits Capitalized		21.58%	23.38%	20.66%	20.50%					
21											
22											
23	Benefits are capitalized via an overhead rate booked to account 675860, "overheads capitalized".										
24											
25											
26											
27				<u>Capitalized credit booked to 675860</u>							
28			<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>					
28	Pension		66,563	56,925	66,600	68,073					
29	FASB 106 Post Retirement		1,587	1,452	1,908	1,951					
30	Health, Life & Disability Insurance		61,682	66,408	62,994	64,388					
31	Employee Savings Plan - 401(k)		5,793	4,776	4,211	4,305					
32	Employee Training & Education		1,387	280	1,066	1,090					
33											
34											
35	Miscellaneous		(268)	483	744	760					
36			<u>136,745</u>	<u>130,324</u>	<u>137,524</u>	<u>140,567</u>					

Period Reported: 2007 - 2009

### Reconciliation of Estimated Overhead and Clearing Costs with Actual Costs

#### Total Company

<u>Line</u>	Reconciliation Items <u>(A)</u>	2007 <u>(B)</u>	2008 <u>(C)</u>	2009 <u>(D)</u>
1	AQUA ILLINOIS, INC. does not use estimates to record overhead and clearing costs. Instead it records actual costs			
2	as they are incurred.			

Period Reported: 2007 - 2009

## Reconciliation of Estimated Overhead and Clearing Costs with Actual Costs

### Vermilion Water Division

<u>Line</u>	Reconciliation Items (A)	2007 (B)	2008 (C)	2009 (D)
1	AQUA ILLINOIS, INC. does not use estimates to record overhead and clearing costs. Instead it records actual costs			
2	as they are incurred.			

Period Reported: 2009 - 2011

Prior Year (2009) 12 Mo. Actual

### Depreciation Expense

													<b>CORPORATE DEPRECIATION</b>		
Line	Account Number (A)	Account Description (B)	Projected Average 12/31/10 Plant Investment (C)	Composite Accrual Rate (D)	Projected 2010 Depreciation Expense (E)	Projected Average 12/31/11 Plant Investment (F)	Composite Accrual Rate (G)	Projected 2011 Depreciation Expense (H)	Projected Average 12/31/12 Plant Investment (I)	Composite Accrual Rate (J)	Unadjusted Projected 2012 Depreciation Expense (K)	Projected Average 12/31/12 Plant Investment (L)	Composite Accrual Rate (M)	Projected 2012 Depreciation Expense (N)	
1		<b>Source of Supply Plant</b>													
2	304	Structures and Improvements	\$ -	4.17%	\$ -	\$ -	4.17%	\$ -	\$ -	4.17%	\$ -				
3	305	Collecting & Impounding Reservoirs	3,040,523	1.50%	45,608	3,093,194	1.50%	46,398	3,093,194	1.50%	46,398				
4	306	Lake, River and Other Intakes	1,076,369	1.47%	15,823	1,076,369	1.47%	15,823	1,076,369	1.47%	15,823				
5	307	Wells and Springs	44,100	1.67%	736	35,864	1.67%	599	60,864	1.67%	1,016				
6	309	Supply Mains	1,009,754	1.89%	19,084	1,009,754	1.89%	19,084	1,009,754	1.89%	19,084				
7															
8															
9		<b>Pumping Plant</b>													
10	304	Structures and Improvements	247,934	2.27%	5,628	255,647	2.27%	5,803	298,147	2.27%	6,768				
11	310	Power Generating Equipment	260,758	3.33%	8,683	260,758	3.33%	8,683	260,758	3.33%	8,683				
12	311	Electric Pumping Equipment	1,583,665	3.13%	49,569	1,613,614	3.13%	50,506	1,613,614	3.13%	50,506				
13		<b>Water Treatment Plant</b>													
14	304	Structures and Improvements	11,475,018	2.78%	319,005	11,574,552	2.78%	321,773	11,689,552	2.78%	324,970				
15	320	Water Treatment Equipment	9,695,911	3.57%	346,144	9,761,126	3.57%	348,472	9,811,126	3.57%	350,257				
16															
17		<b>Transmission &amp; Dist. Plant</b>													
18	304	Structures and Improvements	350,717	4.17%	14,625	359,810	4.17%	15,004	359,810	4.17%	15,004				
19	330	Dist. Reservoirs & Standpipes	5,540,303	1.67%	92,523	5,545,306	1.67%	92,607	5,545,306	1.67%	92,607				
20	331	T & D Mains	22,331,613	1.89%	422,067	24,409,653	1.89%	461,342	25,250,176	1.89%	477,228				
21	333	Services	8,669,622	3.33%	288,698	9,021,548	3.33%	300,418	9,376,798	3.33%	312,247				
22	334	Meters	5,059,281	6.21%	314,181	5,432,113	6.21%	337,334	5,786,332	6.21%	359,331				
23	334	Meter Installations	15,155	4.44%	673	24,445	4.44%	1,085	24,445	4.44%	1,085				
24	335	Hydrants	3,693,090	3.95%	145,877	3,975,878	3.95%	157,047	4,002,328	3.95%	158,092				
25	339	Other Plant & Misc. Equipment	212,749	5.46%	11,616	212,749	5.46%	11,616	212,749	5.46%	11,616				
26		<b>General Plant</b>													
27	304	Structures and Improvements	489,770	4.00%	19,591	517,330	4.00%	20,693	517,330	4.00%	20,693	585,369	4.00%	23,415	
28	344	Laboratory Equipment	110,914	5.00%	5,546	117,063	5.00%	5,853	127,063	5.00%	6,353				
29	340	Office Furniture	136,990	4.74%	6,493	136,990	4.74%	6,493	136,990	4.74%	6,493	245,734	4.74%	11,648	
30	340	Personal Computers	108,208	12.50%	13,526	115,834	12.50%	14,479	120,684	12.50%	15,086	53,121	12.50%	6,640	
31	340	PC Software	29,839	20.00%	5,968	31,173	20.00%	6,235	31,173	20.00%	6,235	93,368	20.00%	18,674	
32	340	MainFrame Computers	45,167	12.50%	5,646	54,803	12.50%	6,850	58,303	12.50%	7,288	1,038,730	12.50%	129,841	
33	340	MainFrame Software	1,964	12.50%	245	1,964	12.50%	245	1,964	12.50%	245	1,310,315	12.50%	163,789	
34	340	Other Machinery & Equipment	55,725	5.00%	2,786	55,822	5.00%	2,791	55,822	5.00%	2,791				
35	342	Stores Equipment	43,007	3.28%	1,411	45,801	3.28%	1,502	45,801	3.28%	1,502				
36	345	Power Operated Equipment	48,103	5.00%	2,405	30,624	5.00%	1,531	30,624	5.00%	1,531				
37	346	Communication Equipment	54,250	12.50%	6,781	81,916	12.50%	10,239	81,916	12.50%	10,239	14,549	12.50%	1,819	
38	347	Miscellaneous Equipment	30,542	5.46%	1,668	30,542	5.46%	1,668	30,542	5.46%	1,668				
39	341	Transportation Equipment	694,597	10.77%	74,808	782,729	10.77%	84,300	877,729	10.77%	94,531				
40	343	Tools, Shop and Garage Equip.	384,493	7.31%	28,106	449,009	7.31%	32,823	482,009	7.31%	35,235				
41	348	Other Tangible Plant	19,959	3.31%	661	19,959	3.31%	661	19,959	3.31%	661	0		0	
42		Subtotal:	76,560,093		\$ 2,276,183	\$ 80,133,941		\$ 2,389,959	\$ 82,089,234		\$ 2,461,268	\$ 3,341,186		\$ 355,826	
43															
44		Corporate Assets Allocation of Dep.			277,012			325,653			355,826				
45		Other Adjustments / Timing etc.			(31,928)			542			(5,850)				
46		TOTAL:	<u>\$ 76,560,093</u>		<u>\$ 2,521,270</u>	<u>\$ 80,133,941</u>		<u>\$ 2,716,154</u>	<u>\$ 82,089,234</u>		<u>\$ 2,811,243</u>				
47															
48															
49		Assumptions used to derive composite depreciation rates: As approved by the ICC in Docket 95-0307, 95-0342 and 00-0337. Corporate Allocation per Schedule B-5p3, column J average depreciable assets.													
50		Above depreciable plant investment is net of non-depreciable Contributions In Aid of Construction.													

Period Reported: 2008

Depreciation Expense

Line	Account Number (A)	Account Description (B)	Average 12/31/09 Plant Investment (C)	Composite Accrual Rate (D)	2009 Depreciation Expense (E)
1		<b>Source of Supply Plant</b>			
2	304	Structures and Improvements	\$ -	4.17%	\$ -
3	305	Collecting & Impounding Reservoirs	2,789,442	1.50%	41,842
4	306	Lake, River and Other Intakes	1,076,367	1.47%	15,823
5	307	Wells and Springs	77,339	1.67%	1,292
6	309	Supply Mains	1,009,752	1.89%	19,084
7					
8					
9		<b>Pumping Plant</b>			
10	304	Structures and Improvements	240,826	2.27%	5,467
11	310	Power Generating Equipment	260,757	3.33%	8,683
12	311	Electric Pumping Equipment	1,546,199	3.13%	48,396
13		<b>Water Treatment Plant</b>			
14	304	Structures and Improvements	11,428,365	2.78%	317,709
15	320	Water Treatment Equipment	9,621,049	3.57%	343,471
16					
17		<b>Transmission &amp; Dist. Plant</b>			
18	304	Structures and Improvements	341,464	4.17%	14,239
19	330	Dist. Reservoirs & Standpipes	5,490,248	1.67%	91,687
20	331	T & D Mains	20,850,851	1.89%	394,081
21	333	Services	8,147,254	3.33%	271,304
22	334	Meters	4,873,178	6.21%	302,624
23	334	Meter Installations	5,865	4.44%	260
24	335	Hydrants	3,304,925	3.95%	130,545
25	339	Other Plant & Misc. Equipment	212,749	5.46%	11,616
26		<b>General Plant</b>			
27	304	Structures and Improvements	452,626	4.00%	18,105
28	344	Laboratory Equipment	109,764	5.00%	5,488
29	340	Office Furniture	136,990	4.74%	6,493
30	340	Personal Computers	101,508	12.50%	12,689
31	340	PC Software	2,376	20.00%	475
32	340	MainFrame Computers	39,030	12.50%	4,879
33	340	MainFrame Software	1,964	12.50%	246
34	340	Other Machinery & Equipment	55,227	5.00%	2,761
35	342	Stores Equipment	40,215	3.28%	1,319
36	345	Power Operated Equipment	65,582	5.00%	3,279
37	346	Communication Equipment	2,215	12.50%	277
38	347	Miscellaneous Equipment	31,611	5.46%	1,726
39	341	Transportation Equipment	693,726	10.77%	74,714
40	343	Tools, Shop and Garage Equip.	375,838	7.31%	27,474
41	348	Other Tangible Plant	19,958	3.31%	661
42		Subtotal:	73,405,260		\$ 2,178,708
43					
44		Corporate Assets Allocation of Dep.	-		238,953
45		Other Adjustments			(0)
46		TOTAL:	\$ 73,405,260		\$ 2,417,661
47					
48					
49					
50					

Assumptions used to derive composite depreciation rates: As approved by the ICC in Docket 95-0307, 95-0342 and 00-0337.  
 Above depreciable plant investment is net of non-depreciable Contributions In Aid of Construction.

Period Reported: 2009 - 2012  
Prior Year (2009) 12 Mo. Actual

### Summary of Affiliated Interest Transactions - Vermilion Water Division

<u>Line</u>	<u>Date of Transaction (A)</u>	<u>Affiliated Company (B)</u>	<u>Service &amp; Sundry Exp. (C)</u>
1	2012	Aqua America, Inc.	\$ 586,217
2			
3			
4			
5			
6			
7	2011	Aqua America, Inc.	\$ 532,924
8			
9			
10			
11			
12			
13	2010	Aqua America, Inc.	\$ 495,224
14			
15			
16			
17			
18			
19	2009	Aqua America, Inc.	\$ 389,263
20			
21			
22			
23			
24			
25			
26			

NOTE: Services provided pursuant to service agreements approved in Dockets 85-0491 and 98-0602

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

### Operating Leases - Vermilion Water Division

Line	Year (A)	ICC Account No. (B)	Description of Leased Property either: \$25,000 or .1% of Total O & M (C)	Amount of Annual Lease Exp. (D)	Period of Lease Agreement (E)	Total Annual Lease Expense of all operating Leases (F)
1	2009	641	Building	\$ -	N/A	\$ -
2		642	Rental of Equipment	8,905	N/A	8,905
3						
4						
5						
6						
7						
8	2010	641	Office Building	-	N/A	-
9		642	Rental of Equipment	12,323	N/A	12,323
10						
11						
12						
13						
14						
15	2011	641	Office Building	-	N/A	-
16		642	Rental of Equipment	9,360	N/A	9,360
17						
18						
19						
20						
21						
22	2012	641	Office Building	-	N/A	-
23		642	Rental of Equipment	9,641	N/A	9,641
24						

**Major Maintenance Projects - Vermilion Water Division**

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

Line	Year (A)	Function (B)	Description of Project: \$500,000 or 1% of Total O & M Function (C)	Facility (D)	Project Dates (E)	Total Project Cost (F)	Amount Expensed in Test Year (G)	Amount Expensed in Prior Year (H)	ICC Exp. Account Number (I)	Date of Last Maintenance on Facility (J)
1	2009		None							
2										
3										
4										
5										
6										
7	2010		None							
8										
9										
10										
11										
12										
13	2011		None							
14										
15										
16										
17										
18										
19	2012		None							

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

### Uncollectible Expense - Vermilion Water Division

Line	Year (A)	Method Used to Determine Uncollectible Exp. (B)	Revenue Used in Calculation (C)	Net Uncollectible Expense (D)	Calculated Uncollectible Expense as a % of Revenue (E)	Activity in the Allowance for Bad Debts						Ending Balance (L)	Expense for Outside Coll. Agencies (M)
						Beginning Balance (F)	Reserve Accrual (G)	Write-offs (H)	Recoveries (I)	Adjustments (J)	Explanation (K)		
1	2009	Based on A/R Aging Balances	N/A	\$ 232,958	N/A	\$89,350	\$ (45,289)	\$ 277,998	\$ (45,040)	N/A	N/A	\$44,061	\$ -
2													
3													
4													
5													
6													
7	2010	Based on A/R Aging Balances	N/A	195,210	N/A	\$44,061	\$ (952)	\$ 243,502	(48,292)	N/A	N/A	\$43,109	-
8													
9													
10													
11													
12													
13	2011	Based on A/R Aging Balances	N/A	170,545	N/A	\$43,109	\$ -	\$ 193,801	(23,256)	N/A	N/A	\$43,109	-
14													
15													
16													
17													
18													
19	2012	Based on A/R Aging Balances	N/A	173,192	N/A	\$43,109	\$ -	\$ 196,410	(23,218)	N/A	N/A	\$43,109	-
20													

Period Reported: 2009 - 2012  
 Prior Year (2008) 12 Mo. Actual

**Insurance Expense - Total Company**

Insurance Policies:

Line	Year (A)	Name of Carrier (B)	Type of Policy (C)	Amount of Coverage (D)	Annual Premium (E)	Deductibles (F)	Claims (G)	
1	2009	ACE American Insurance Company	Vehicle	\$2M Bodily injury and property damage combined single limit.	\$ 81,301	\$100,000	See WP-C17 p 1	
2		ACE American Insurance Company	General Liability	\$1M/occ./\$5M aggregate	286,804	\$250,000	-	
3		Nat. Union Fire Ins. Co. of Pittsburgh PA	Umbrella	\$25M/occ./\$25M aggregate	-	\$10,000	-	
4		ACE American Insurance Company	Workers Comp.	Statutory/\$1M acc	51,457	\$250,000	-	
5		Zurich American Insurance Company	Executive Risk	\$15M aggregate	-	\$1M each loss, no retention applies to non-indemnifiable loss	-	
6		Factory Mutual Insurance Company	Property & Other	Loss limit \$500M with various sublimits	117,583	\$100,000	-	
7		Various	Other	Various	-	-	-	
8					-	-	-	
9					-	-	-	
10	Total				\$ 537,145			
11								
12	2010	ACE American Insurance Company	Vehicle	\$2M Bodily injury and property damage combined single limit.	74,735	\$100,000	See WP-C17 p 2	
13		ACE American Insurance Company	General Liability	\$1M/occ./\$5M aggregate	309,099	\$250,000	-	
14		Nat. Union Fire Ins. Co. of Pittsburgh PA	Umbrella	\$25M/occ./\$25M aggregate	-	\$10,000	-	
15		ACE American Insurance Company	Workers Comp.	Statutory/\$1M acc	84,540	\$250,000	-	
16		Zurich American Insurance Company	Executive Risk	\$15M aggregate	-	\$1M each loss, no retention applies to non-indemnifiable loss	-	
17		Factory Mutual Insurance Company	Property & Other	Loss limit \$500M with various sublimits	113,089	\$100,000	-	
18		Various	Other	Various	-	-	-	
19					-	-	-	
20					-	-	-	
21	Total				\$ 561,463			
22								
23	2011	ACE American Insurance Company	Vehicle	\$2M Bodily injury and property damage combined single limit.	85,896	\$100,000	N/A	
24		ACE American Insurance Company	General Liability	\$1M/occ./\$5M aggregate	376,742	\$250,000	-	
25		Nat. Union Fire Ins. Co. of Pittsburgh PA	Umbrella	\$25M/occ./\$25M aggregate	-	\$10,000	-	
26		ACE American Insurance Company	Workers Comp.	Statutory/\$1M acc	57,249	\$250,000	-	
27		Zurich American Insurance Company	Executive Risk	\$15M aggregate	-	\$1M each loss, no retention applies to non-indemnifiable loss	-	
28		Factory Mutual Insurance Company	Property & Other	Loss limit \$500M with various sublimits	113,133	\$100,000	-	
29		Various	Other	Various	-	-	-	
30					-	-	-	
31					-	-	-	
32	Total				\$ 633,120			
33								
34	2012	ACE American Insurance Company	Vehicle	\$2M Bodily injury and property damage combined single limit.	88,962	\$100,000	N/A	
35		ACE American Insurance Company	General Liability	\$1M/occ./\$5M aggregate	388,044	\$250,000	-	
36		Nat. Union Fire Ins. Co. of Pittsburgh PA	Umbrella	\$25M/occ./\$25M aggregate	-	\$10,000	-	
37		ACE American Insurance Company	Workers Comp.	Statutory/\$1M acc	58,866	\$500,000	-	
38		Zurich American Insurance Company	Executive Risk	\$15M aggregate	-	\$1M each loss, no retention applies to non-indemnifiable loss	-	
39		Factory Mutual Insurance Company	Property & Other	Loss limit \$500M with various sublimits	116,527	\$100,000	-	
40		Various	Other	Various	-	-	-	
41					-	-	-	
42					-	-	-	
43	Total				\$ 652,499			
44								
45	<u>Description of any Self Insurance</u> - There is no Self Insurance other than deductibles							

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Insurance Expense - Vermilion Water Division**

Insurance Policies:

Line	Year (A)	Name of Carrier (B)	Type of Policy (C)	Amount of Coverage (D)	Annual Premium (E)	Deductibles (F)	Claims (G)
1	2009	See note	Vehicle	See note	\$ 26,693	See note	See note
2		-	General Liability	-	93,136	-	-
3		-	Umbrella	-	-	-	-
4		-	Workers Comp.	-	14,631	-	-
5		-	Executive Risk	-	-	-	-
6		-	Property & Other	-	31,360	-	-
7		-	Other	-	-	-	-
8		-	Well/Fiduciary/Flood	-	-	-	-
9							
10		Total			<u>\$ 165,820</u>		
11							
12	2010	See note	Vehicle	See note	\$ 23,836	See note	See note
13		-	General Liability	-	98,447	-	-
14		-	Umbrella	-	-	-	-
15		-	Workers Comp.	-	18,274	-	-
16		-	Executive Risk	-	-	-	-
17		-	Property & Other	-	29,218	-	-
18		-	Other	-	-	-	-
19		-	Well/Fiduciary/Flood	-	-	-	-
20							
21		Total			<u>\$ 169,775</u>		
22							
23	2011	See note	Vehicle	See note	\$ 27,393	See note	See note
24		-	General Liability	-	120,005	-	-
25		-	Umbrella	-	-	-	-
26		-	Workers Comp.	-	15,394	-	-
27		-	Executive Risk	-	-	-	-
28		-	Property & Other	-	27,592	-	-
29		-	Other	-	-	-	-
30		-	Well/Fiduciary/Flood	-	-	-	-
31							
32		Total			<u>\$ 190,384</u>		
33							
34	2012	See note	Vehicle	See note	\$ 28,215	See note	See note
35		-	General Liability	-	123,605	-	-
36		-	Umbrella	-	-	-	-
37		-	Workers Comp.	-	15,856	-	-
38		-	Executive Risk	-	-	-	-
39		-	Property & Other	-	28,419	-	-
40		-	Other	-	-	-	-
41		-	Well/Fiduciary/Flood	-	-	-	-
42							
43		Total			<u>\$ 196,095</u>		

Description of any Self Insurance - There is no Self insurance other than deductibles.

47 Please see C-17, page 1 for additional detail. Policies and claims log will be made available.

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Taxes Other Than Income Taxes - Total Company**

Line	Year (A)	Type of Tax (B)	Amount Charged to Operating Expense (C)	Amount Charged to Clearing Accounts (D)	Amount Charged to Construction (E)	Other (F)	Total Tax Recorded (G)
1	2009	Real Estate Taxes	\$ 814,398				\$ 814,398
2		FUTA	5,824				5,824
3		FICA	421,059				421,059
4		SUTA	17,473				17,473
5		Franchise Taxes	129,627				129,627
6		Ill. Invested Cap. Tax	1,235,440				1,235,440
7		Misc. Other Tax	<u>4,260</u>		<u>-</u>		<u>4,260</u>
8	Total		2,628,081		-		2,628,081
9							
10	2010	Real Estate Taxes	\$ 947,750				\$ 947,750
11		FUTA	6,023				6,023
12		FICA	423,147				423,147
13		SUTA	21,391				21,391
14		Franchise Taxes	131,489				131,489
15		Ill. Invested Cap. Tax	1,298,812				1,298,812
16		Misc. Other Tax	<u>39</u>		<u>-</u>		<u>39</u>
17	Total		2,828,651		-		2,828,651
18							
19	2011	Real Estate Taxes	\$ 1,020,421				\$ 1,020,421
20		FUTA	5,578				5,578
21		FICA	440,747				440,747
22		SUTA	21,488				21,488
23		Franchise Taxes	146,444				146,444
24		Ill. Invested Cap. Tax	1,310,050				1,310,050
25		Misc. Other Tax	<u>-</u>		<u>-</u>		<u>-</u>
26	Total		2,944,729		-		2,944,729
27							
28	2012	Real Estate Taxes	\$ 1,051,034				\$ 1,051,034
29		FUTA	5,745				5,745
30		FICA	453,970				453,970
31		SUTA	22,133				22,133
32		Franchise Taxes	150,838				150,838
33		Ill. Invested Cap. Tax	1,349,351				1,349,351
34		Misc. Other Tax	<u>-</u>		<u>-</u>		<u>-</u>
35	Total		3,033,071		-		3,033,071

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Taxes Other Than Income Taxes - Vermilion Water Division**

Line	Year (A)	Type of Tax (B)	Amount Charged to Operating Expense (C)	Amount Charged to Clearing Accounts (D)	Amount Charged to Construction (E)	Other (F)	Total Tax Recorded (G)
1	2009	Real Estate Taxes	\$ 386,750				\$ 386,750
2		FUTA	1,648				1,648
3		FICA	105,470				105,470
4		SUTA	4,937				4,937
5		Franchise Taxes	28,644				28,644
6		Ill. Invested Cap. Tax	405,595				405,595
7		Misc. Other Tax	39		-		39
8	Total		933,083		-		933,083
9							
10	2010	Real Estate Taxes	\$ 475,379				\$ 475,379
11		FUTA	1,585				1,585
12		FICA	102,523				102,523
13		SUTA	5,512				5,512
14		Franchise Taxes	28,786				28,786
15		Ill. Invested Cap. Tax	414,222				414,222
16		Misc. Other Tax	39		-		39
17	Total		1,028,046		-		1,028,046
18							
19	2011	Real Estate Taxes	\$ 543,206				\$ 543,206
20		FUTA	1,357				1,357
21		FICA	107,199				107,199
22		SUTA	5,201				5,201
23		Franchise Taxes	30,810				30,810
24		Ill. Invested Cap. Tax	417,295				417,295
25		Misc. Other Tax	-		-		-
26	Total		1,105,067		-		1,105,067
27							
28	2012	Real Estate Taxes	\$ 559,502				\$ 559,502
29		FUTA	1,398				1,398
30		FICA	110,415				110,415
31		SUTA	5,357				5,357
32		Franchise Taxes	31,735				31,735
33		Ill. Invested Cap. Tax	429,814				429,814
34		Misc. Other Tax	-		-		-
35	Total		1,138,219		-		1,138,219

AQUA ILLINOIS, INC.  
Vermilion Water Division  
Rate Case Docket No. 11-

Period Reported: 2009 - 2012  
Prior Year (2009) 12 Mo. Actual

Schedule C - 19  
Page 1 of 2  
Person Responsible: P. Hanley

### Property Taxes - Total Company

<u>Line</u>	<u>Year</u> <u>(A)</u>	<u>Municipality or Jurisdiction</u> <u>(B)</u>	<u>Operating Expense</u> <u>(C)</u>	<u>Number</u> <u>(D)</u>
1	2009	Total AQUA ILLINOIS, INC.	\$ 814,398	408-110
2	2010	Total AQUA ILLINOIS, INC.	\$ 947,750	408-110
3	2011	Total AQUA ILLINOIS, INC.	\$ 1,020,421	408-110
4	2012	Total AQUA ILLINOIS, INC.	\$ 1,051,034	408-110

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

### Property Taxes - Vermilion Water Division

<u>Line</u>	<u>Year</u> <u>(A)</u>	<u>Municipality or Jurisdiction</u> <u>(B)</u>	<u>Amount Charged to</u> <u>Operating Expense</u> <u>(C)</u>	<u>Account</u> <u>Number</u> <u>(D)</u>
1	2009	Vermilion County, IL	\$ 386,750	408-110
2		(Vermilion Water)		
3				
4				
5				
6	2010	Vermilion County, IL	\$ 475,379	408-110
7		(Vermilion Water)		
8				
9				
10				
11	2011	Vermilion County, IL	\$ 543,206	408-110
12		(Vermilion Water)		
13				
14				
15				
16	2012	Vermilion County, IL	\$ 559,502	408-110
17		(Vermilion Water)		

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Local Taxes, Municipal Taxes, and Franchise Taxes - Total Company**

Line	Year (A)	Description and Location of Tax (B)	Taxing Authority (C)	Effective Tax Rate (D)	Basis (E)	Total Tax Assessed (F)	Amt. Passed to Customers (G)	Amount Charged to Op. Expenses (H)	ICC Account (I)	Foregone Discounts, Coll./acct Fees (J)	Explanation of Column J (K)
1	2009	Franchise Tax	State of Illinois	0.001	Illinois Capital	45,046	0	45,046	408	-	N/A
2		Franchise Tax	Village of Philo	0.06	Revenue	28,644	In Base Rates	28,644	408	-	N/A
3		Franchise Tax	Village of Aroma Park	0.01	Revenue	1,017	In Base Rates	1,017	408	-	N/A
4		Franchise Tax	Village of Sun River Terrace	0.015	Revenue	924	In Base Rates	924	408	-	N/A
5		Franchise Tax	City of Kankakee	0.01	Revenue	<u>53,996</u>	In Base Rates	<u>53,996</u>	408	-	N/A
6						\$ 129,627		\$ 129,627			
7											
8											
9											
10											
11	2010	Franchise Tax	State of Illinois	0.001	Illinois Capital	45,046	0	45,046	408	-	N/A
12		Franchise Tax	Village of Philo	0.06	Revenue	27,861	In Base Rates	27,861	408	-	N/A
13		Franchise Tax	Village of Aroma Park	0.01	Revenue	1,050	In Base Rates	1,050	408	-	N/A
14		Franchise Tax	Village of Sun River Terrace	0.015	Revenue	932	In Base Rates	932	408	-	N/A
15		Franchise Tax	City of Kankakee	0.01	Revenue	<u>54,984</u>	In Base Rates	<u>54,984</u>	408	-	N/A
16						\$ 129,873		\$ 129,873			
17											
18											
19											
20											
21	2011	Franchise Tax	State of Illinois	0.001	Illinois Capital	46,000	0	46,000	408	-	N/A
22		Franchise Tax	Village of Philo	0.06	Revenue	30,810	In Base Rates	30,810	408	-	N/A
23		Franchise Tax	Village of Aroma Park	0.01	Revenue	6,174	In Base Rates	6,174	408	-	N/A
24		Franchise Tax	Village of Sun River Terrace	0.015	Revenue	903	In Base Rates	903	408	-	N/A
25		Franchise Tax	City of Kankakee	0.01	Revenue	<u>62,557</u>	In Base Rates	<u>62,557</u>	408	-	N/A
26						\$ 146,444		\$ 146,444			
27											
28											
29											
30											
31	2012	Franchise Tax	State of Illinois	0.001	Illinois Capital	47,380	0	47,380	408	-	N/A
32		Franchise Tax	Village of Philo	0.06	Revenue	31,735	In Base Rates	31,735	408	-	N/A
33		Franchise Tax	Village of Aroma Park	0.01	Revenue	6,359	In Base Rates	6,359	408	-	N/A
34		Franchise Tax	Village of Sun River Terrace	0.015	Revenue	930	In Base Rates	930	408	-	N/A
35		Franchise Tax	City of Kankakee	0.01	Revenue	<u>64,434</u>	In Base Rates	<u>64,434</u>	408	-	N/A
36						\$ 150,838		\$ 150,838			

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

### Local Taxes, Municipal Taxes, and Franchise Taxes - Vermilion Water Division

Line	Year (A)	Description and Location of Tax (B)	Taxing Authority (C)	Effective Tax Rate (D)	Basis (E)	Total Tax Assessed (F)	Amt. Passed to Customers (G)	Amount Charged to Op. Expenses (H)	ICC Account (I)	Foregone Discounts, Coll./acct Fees (J)	Explanation of Column J (K)
1	2009	Franchise Tax	Village of Philo	0.06	Revenue	28,644	In Base Rates	28,644	408	-	N/A
2						-					
3						-					
4						\$ 28,644		\$ 28,644			
5											
6											
7	2010	Franchise Tax	Village of Philo	0.06	Revenue	27,861	In Base Rates	27,861	408	-	N/A
8						-					
9						-					
10						\$ 27,861		\$ 27,861			
11											
12											
13	2011	Franchise Tax	Village of Philo	0.06	Revenue	30,810	In Base Rates	30,810	408	-	N/A
14						-					
15						-					
16						\$ 30,810		\$ 30,810			
17											
18											
19	2012	Franchise Tax	Village of Philo	0.06	Revenue	31,735	In Base Rates	31,735	408	-	N/A
20						-					
21						-					
22						\$ 31,735		\$ 31,735			

Period Reported: 2012

### Local Taxes, Municipal Taxes, and Franchise Taxes - Total Company

Reconciliation of Taxes Other Than Income at Present Rates for the Test Year  
 Reflected on C-1 with the Total Test Year Taxes Reflected on C-19, C-20 and C-25.

<u>Line</u>	Reconciliation Items (A)	Amount (B)
1	Property Taxes on C-19, page 1	\$ 1,051,034
2	Franchise Taxes on C-20	150,838
3		-
4	Total	<u>1,201,872</u>
5		
6		
7	Add: FUTA, SUTA & FICA on C-18	481,848
8	Invested Capital Tax on C-18	1,349,351
9	Misc. Other Tax on C-18	-
10		
11		
12		
13		
14		
15		
16		<u>-</u>
17		
18	Sub-Total	3,033,071
19		
20		
21		
22		
23	Total Taxes Other Than Income on C-1	<u>\$ 3,033,071</u>

Period Reported: 2012

### Local Taxes, Municipal Taxes, and Franchise Taxes - Vermilion Water Division

Reconciliation of Taxes Other Than Income at Present Rates for the Test Year  
 Reflected on C-1 with the Total Test Year Taxes Reflected on C-19, C-20 and C-25.

Line	Reconciliation Items (A)	Amount (B)
1	Property Taxes on C-19 page 2	\$ 559,502
2	Franchise Taxes on C-20 page 2	31,735
3		-
4	Total	<u>591,237</u>
5		
6		
7	Add: FUTA, SUTA & FICA on C-18	117,169
8	Invested Capital Tax on C-18	429,814
9	Misc. Other Tax on C-18	-
10		
11		
12		
13		
14		
15		
16		<u>-</u>
17		
18	Sub-Total	1,138,220
19		
20		
21		
22		
23	Total Taxes Other Than Income on C-1	<u>\$ 1,138,219</u>

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Miscellaneous General Expenses  
 (Account 675)**

Line	Year (A)	Type of Expense and Amount (B)	Total Company (C)	Proposed Rates on Schedule C - 1 (D)	Non-operating Items (E)
1	2012 Projected	Telephone	\$ 207,277	\$ 43,013	NONE
2		Postage	27,068	4,696	
3		Dues	70,328	27,439	
4		Charitable Contributions	68,474	27,192	
5		Intra Co. Clearing (Admin. Alloc.)	-	539,927	
6			-	-	
7		Bank and Trustee Fees	54,755	4,326	
8		Capitalized Benefits	(952,992)	(349,149)	
9		Miscellaneous Other	117,358	252,266	
10		Total:	\$ (407,732)	\$ 549,710	
11					
12					
13	2011 Projected	Telephone	\$ 201,240		
14		Postage	30,120		
15		Dues	68,280		
16		Charitable Contributions	66,480		
17		Intra Co. Clearing (Admin. Alloc.)	-		
18			-		
19		Bank and Trustee Fees	53,160		
20		Capitalized Benefits	(925,236)		
21		Miscellaneous Other	104,230		
22		Total:	\$ (401,726)		
23					
24					
25	2010 Projected	Telephone	\$ 195,004		
26		Postage	24,497		
27		Dues	72,017		
28		Charitable Contributions	63,697		
29		Intra Co. Clearing (Admin. Alloc.)	8,800		
30			-		
31		Bank and Trustee Fees	53,851		
32		Capitalized Benefits	(1,122,251)		
33		Miscellaneous Other	5,248		
34		Total:	\$ (699,137)		
35					
36					
37	2009	Telephone	\$ 216,088		
38		Postage	24,043		
39		Dues	60,826		
40		Charitable Contributions	55,198		
41		Intra Co. Clearing (Admin. Alloc.)	-		
42			-		
43		Bank and Trustee Fees	27,710		
44		Capitalized Benefits	(1,130,683)		
45		Miscellaneous Other	45,584		
46		Total:	\$ (701,234)		

Period Reported: 2010 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Cost Savings Programs - Total Company**

Line	Title (A)	Description (B)	Date of Implementation (C)	Initial Implementation Start-up Costs (D)	Costs to be Incurred-2010 (E)	Costs to be Incurred-2011 (F)	Costs to be Incurred-2012 (G)	Savings to be Incurred-2010 (H)	Savings to be Incurred-2011 (I)	Savings to be Incurred-2012 (J)
1		NONE OF THE TYPE		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2		DESCRIBED								
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										

Applicable only if costs proposed to be recorded in test year.

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

**Miscellaneous Operating Revenue - Total Company**

Line	ICC Acct # (A)	Account Description (B)	2009 (C)	Proj. 2010 (D)	Proj. 2011 (E)	Proj. 2012 (F)
1	471	Late Payment Fees	\$ 136,151	\$ 170,553	\$ 163,320	\$ 164,886
2						
3	471	Misc. Service Revenues	172,972	137,213	138,960	140,258
4	471	QIPS Revenue	903,682	1,239,540	677,809	544,727
5	472	Rents from Water Property	23,310	24,225	36,900	36,900
6						
7	474/536	Other Water & Sewer Revenues	200,298	188,831	213,004	214,995
8						
9	466/524	Other Systems Revenues	786,301	725,332	741,097	749,290
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20		TOTAL	\$ 2,222,713	\$ 2,485,693	\$ 1,971,091	\$ 1,851,056

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

### Miscellaneous Operating Revenue - Vermilion Water Division

Line	ICC Acct # (A)	Account Description (B)	2009 (C)	Proj. 2010 (D)	Proj. 2011 (E)	Proj. 2012 (F)
1	471	Late Payment Fees	\$ 58,078	\$ 51,003	\$ 53,400	\$ 53,464
2				-	-	
3	471	Misc. Service Revenues	63,624	46,239	46,920	46,976
4	471	QIPS Revenue	43,537	401,979	677,809	(0)
5	472	Rents from Water Property	5,610	6,525	7,200	7,200
6	474	Other Water Revenues	56,216	54,193	57,090	57,159
7	466	Other Systems Revenues	-	-	-	-
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20		TOTAL	\$ 227,065	\$ 559,940	\$ 842,420	\$ 164,799

### Legal Expense and Reserves - Total Company

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

#### Reserve for Outstanding Lawsuits, Claims, etc.

Line	Year (A)	Account or Subaccount # (B)	Description of Reserve (C)	Balance at Beginning of Year (D)	Additions to Reserve (E)	Amounts Charged to Legal Expense (F)	Other (G)	Balance at End of Year (H)
1	<u>2012</u>	Proj.				\$ 111,446		
2								
3								
4								
5	<u>2011</u>	Proj.				108,200		
6								
7								
8								
9	<u>2010</u>	Proj.				73,907		
10								
11								
12								
13	<u>2009</u>					939		

### Legal Expense and Reserves - Vermilion Water Division

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

#### Reserve for Outstanding Lawsuits, Claims, etc.

Line	Year (A)	Account or Subaccount # (B)	Description of Reserve (C)	Balance at Beginning of Year (D)	Additions to Reserve (E)	Amounts Charged to Legal Expense (F)	Other (G)	Balance at End of Year (H)
1	2012	Proj.	None			\$ 7,416		
2								
3								
4								
5	2011	Proj.	None			7,200		
6								
7								
8								
9	2010	Proj.	None			959		
10								
11								
12								
13	2009		None			42,719		

Period Reported: 2012

### Add-On Taxes

<u>Line</u>		<u>Vermilion Water</u>	<u>State of Illinois</u>	<u>Other</u>	<u>Vermilion Water Division Total</u>
1	Unadjusted test year amounts at present rates:	\$ -	\$ -	\$ -	\$ -
2					
3	Pro forma test year amounts at proposed rates:	\$ -	\$ -	\$ -	\$ -
4					
5					
6					
7					
8					
9					
10	<b>Add-On Taxes are not included in revenues or expenses as reflected on Schedule C-1.</b>				

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

### Amortization of Deferred Charges - Total Company

Line	Description (A)	Time Period Charges Recorded (B)	Amortization Period (C)	Authorizing ICC Docket #s (D)	Balance at 1/1/2009 (E)	Balance at 12/31/2009 (F)
1	Tank Painting	Feb 01-Sep 12 *	10 Years *	None	\$ 1,483,466	\$ 1,223,806
2	Rate Case	2005 - 2012	3, 4, & 5 years	Various	606,826	413,919
3	Intake Cleaning	Dec-07	5 Years	None	<u>15,104</u>	<u>11,248</u>
4	Total				\$ 2,105,396	\$ 1,648,973
5						
6						
7						
8		Balance at	Balance at	Balance at		
9		12/31/2010	12/31/2011	12/31/2012		
10		(G)	(H)	(I)		
11	Tank Painting	\$ 1,447,882	\$ 1,292,431	\$ 1,115,691		
12	Rate Case	721,615	1,324,034	1,135,519		
13	Intake Cleaning	<u>7,392</u>	<u>3,535</u>	<u>-</u>		
14	Total	\$ 2,176,889	\$ 2,620,000	\$ 2,251,209		
15						
16						
17						
18		Amortization	Amortization	Amortization	Amortization	
19		Expense	Expense	Expense	Expense	
20		2009	2010	2011	2012	
21		(K)	(L)	(M)	(N)	
22	Tank Painting	\$ 259,660	\$ 288,805	\$ 255,450	\$ 256,741	
23	Rate Case	225,725	226,243	221,534	188,515	2012 Excludes rate case adjustment
24	Intake Cleaning	<u>3,856</u>	<u>3,856</u>	<u>3,856</u>	<u>3,535</u>	
25	Total	\$ 489,241	\$ 518,904	\$ 480,841	\$ 448,791	
26						
27						

\* AQUA ILLINOIS, INC. has many deferrals currently being amortized. A complete listing of all deferrals will be made available.

Period Reported: 2009 - 2012  
 Prior Year (2009) 12 Mo. Actual

### Amortization of Deferred Charges - Vermilion Water Division

Line	Description (A)	Time Period Charges Recorded (B)	Amortization Period (C)	Authorizing ICC Docket #s (D)	Balance at 1/1/2009 (E)	Balance at 12/31/2009 (F)
1	Tank Painting	Feb 01-Sep 12 *	10 Years	None	\$ 424,755	\$ 322,468
2	Rate Case	2008 - 2012	4 & 5 Years	Various	351,597	264,151
3	Intake Cleaning	N/A	N/A	None	-	-
4	Total				\$ 776,352	\$ 586,619
5						
6						
7						
8		Balance at	Balance at	Balance at		
9		12/31/2010	12/31/2011	12/31/2012		
10		(G)	(H)	(I)		
11	Tank Painting	\$ 220,180	\$ 262,723	\$ 280,311		
12	Rate Case	192,404	583,021	516,983		
13	Intake Cleaning	-	-	-		
14	Total	\$ 412,585	\$ 845,744	\$ 797,294		
15						
16						
17						
18		Amortization	Amortization	Amortization	Amortization	
19		Expense	Expense	Expense	Expense	
20		2009	2010	2011	2012	
21		(J)	(K)	(L)	(M)	
22	Tank Painting	\$ 102,287	\$ 102,287	\$ 57,457	\$ 62,412	
23	Rate Case	96,946	98,793	99,057	66,038	2012 Excludes rate case adjustment
24	Intake Cleaning	-	-	-	-	
25	Total	\$ 199,233	\$ 201,080	\$ 156,514	\$ 128,450	
26						
27						

\* AQUA ILLINOIS, INC. has many deferrals currently being amortized. A complete listing of all deferrals will be made available.

Period Reported: 2012

### Competitive Services

<u>Line</u>	Description:	
1		N/A for Vermilion Water Division
2		
3		
4		
5	Beginning Date:	N/A

**AQUA ILLINOIS, INC.**  
Vermilion Water Division  
Rate Case Docket No. 11-

Schedule C - 32  
Page 1 of 1  
Person Responsible: P. Hanley

Period Reported: 2012

### Non-Utility Operations

<u>Line</u>	<u>Description:</u>	<u>Beginning Date:</u>
1	N/A for Vermilion Water Division	N/A