

**Aqua Illinois, Inc.**

**Willowbrook Water Division**

**Workpapers**

## **Jurisdictional Allocation Summary Workpaper**

### **Corporate Office Allocation Procedures**

Line

- |   |   |
|---|---|
| 1 | Costs related to the Company's Corporate Office are allocated among each of the |
| 2 | operating divisions based upon customer count.                                  |

Proposed Test Year Period: Future  
 Period Reported: Average 2012

### Jurisdictional Allocation Summary Workpaper

Line	Account Number (A)	Account Description (B)	Willowbrook Water Allocation Factors	
			Local Accounts (C)	Corporate Office (D)
1		<b>Intangible Plant</b>		
2	301	Organization	100%	0%
3	302	Franchises & Consents	100%	0%
4		<b>Source of Supply Plant</b>		
5	303	Land and Land Rights	100%	0%
6	304	Structures and Improvements	100%	0%
7	306	Lake, River and Other Intakes	100%	0%
8	307	Wells and Springs	100%	0%
9	309	Supply Mains	100%	0%
10				
11				
12		<b>Pumping Plant</b>		
13	303	Land and Land Rights	100%	0%
14	304	Structures and Improvements	100%	0%
15	310	Power Generating Equipment	100%	0%
16	311	Electric Pumping Equipment	100%	0%
17		<b>Water Treatment Plant</b>		
18	303	Land and Land Rights	100%	0%
19	304	Structures and Improvements	100%	0%
20	320	Water Treatment Equipment	100%	0%
21				
22		<b>Transmission &amp; Dist. Plant</b>		
23	303	Land and Land Rights	100%	0%
24	304	Structures and Improvements	100%	0%
25	330	Dist. Reservoirs & Standpipes	100%	0%
26	331	T & D Mains	100%	0%
27	333	Services	100%	0%
28	334	Meters	100%	0%
29	334	Meter Installations	100%	0%
30	335	Hydrants	100%	0%
31				
32		<b>General Plant</b>		
33	303	Land and Land Rights	100%	1.6060%
34	304	Structures and Improvements	100%	1.6060%
35	344	Laboratory Equipment	100%	0.0000%
36	340500	Office Furniture & Equipment	100%	1.6060%
37	340550	Personal Computers	100%	1.6060%
38	340560	PC Software	100%	1.6060%
39	340556	MainFrame Computers	100%	1.6060%
40	340565	MainFrame Software	100%	1.6060%
41	340	Other Machinery & Equipment	100%	0.0000%
42	346	Communication Equipment	100%	1.6060%
43	347	Miscellaneous Equipment	100%	0.0000%
44	341	Transportation Equipment	100%	0.0000%
45	343	Tools, Shop and Garage Equip.	100%	0.0000%

(1) General Accounts 303, 304, 340500-340565 & 346 include Corporate accounts. The balances of these Corporate accounts are allocated among operating divisions based on customer count. (See Schedule A-5, page 2, line 1)

Proposed Test Year Period: Future  
 Period Reported: Average 2012

### Jurisdictional Allocation Summary Workpaper

#### Jurisdictional Allocation Statistics

Line	Aqua Illinois, Inc. Operating Division (A)	Ave. 2012 Customer Count (B)	Allocation Factor % (C)	Ave. 2012 Plant (net of CIAC) (D)	Allocation Factor % (E)	2011 & 2012 Tank Painting Expense (F)	Allocation Factor % (G)	2011 Pension Expense (H)	Allocation Factor % (I)	2011 OPEB Expense (J)	Allocation Factor % (K)
1	Corporate			\$10,463,001	3.89%			\$154,227	14.84%	\$4,420	14.85%
2	Kankakee	29,312	45.75%	112,009,505	41.59%	\$133,810	51.96%	364,739	35.11%	10,452	35.10%
3	Willowbrook:										
4	Water	1,029	1.61%	4,022,260	1.49%	10,747	4.17%	27,835	2.68%	798	2.68%
5	Sewer	1,082	1.69%	4,601,577	1.71%			27,804	2.68%	797	2.68%
6	University Park:										
7	Water	2,503	3.91%	8,875,850	3.30%	36,026	13.99%	59,176	5.70%	1,696	5.70%
8	Sewer	2,317	3.62%	19,074,712	7.08%			49,204	4.74%	1,410	4.74%
9											
10	Fairhaven Estates Water	88	0.14%	357,855	0.13%	0	0.00%	0	0.00%	0	0.00%
11											
12	Candlewick:										
13	Cw. Water	2,018	3.15%	4,343,232	1.61%	0	0.00%	8,769	0.84%	251	0.84%
14	Cw. Sewer	2,013	3.14%	9,997,066	3.71%			17,595	1.69%	504	1.69%
15	Oak-Run	1,353	2.11%	2,588,775	0.96%	12,410	4.82%	0	0.00%	0	0.00%
16	Hawthorn Woods Water	478	0.75%	4,249,413	1.58%	0	0.00%	0	0.00%	0	0.00%
17	Hawthorn Woods Sewer	445	0.69%	2,331,910	0.87%			0	0.00%	0	0.00%
18	Ivanhoe Water	292	0.46%	226,226	0.08%	4,576	1.78%	0	0.00%	0	0.00%
19	Ivanhoe Sewer	193	0.30%	2,345,154	0.87%			0	0.00%	0	0.00%
20	Ravenna	54	0.08%	367,195	0.14%	0	0.00%	0	0.00%	0	0.00%
21	Eilwood Greens Sewer	238	0.37%	186,807	0.07%			7,312	0.70%	210	0.71%
22	Vermilion	20,659	32.24%	83,273,734	30.92%	59,935	23.28%	322,316	31.02%	9,236	31.02%
23											
24	TOTAL	64,074	100%	\$269,314,272	100%	\$257,503	100%	\$1,038,977	100%	\$29,774	100%
25											
26											
27	Consol. Water	28,474	44.44%	108,304,541	40.21%	123,694	48.04%	418,096	40.24%	11,981	40.24%
28											
29	Consol. Sewer	6,288	9.81%	38,537,225	14.31%	0	0.00%	101,915	9.81%	2,921	9.81%

Proposed Test Year Period: Future  
 Period Reported: 2011 & 2012

### Jurisdictional Rate Base Summary

Detailed Back-up for Calculation of Average Test Year

Line	Rate Base Component (A)	Supporting Schedule (B)	Projected 12/31/2011 (C)	2011 to 2012 Change (D)	Projected 12/31/2012 (E)	Ave. Future Test Year (C + E)/2 (F)
1	Gross Utility Plant in Service at Orig. Cost	B - 5	\$ 5,408,351	\$ 77,500	\$ 5,485,851	\$ 5,447,101
2	Allocation of Corporate Gross Util. Plant	B - 5	\$ 162,093	11,877	\$ 173,969	168,031
3	Utility Plant Acquisition Adjustment - Net	WP-B5.2	\$ (0)	0	\$ -	(0)
4	Non-AFUDC CWIP	B - 7	-	-	-	-
5	Less: Reserve for Accum. Depreciation	B - 6	795,109	143,403	938,512	866,811
6	Allocation of Corp. Res. For Accum. Dep.	B - 6	53,154	1,476	54,630	53,892
7	Net Utility Plant		\$ 4,722,180	\$ (55,503)	\$ 4,666,678	\$ 4,694,429
8						
9	<b>Additions</b>					
10						
11	Property Held For Future Use	B - 11	-	-	-	-
12	Deferred Charges	B - 10	64,963	(10,747)	54,216	59,590
13	Materials & Supplies	B - 8.1	-	-	-	-
14	Cash Working Capital	WP-B8	50,810	1,706	52,516	51,663
15	Amort. of Contributions In Aid of Const.	B - 15	103,063	26,929	129,992	116,527
16						
17	<b>Deductions</b>					
18						
19	FAS 87 Pension	B - 87	75,141	(0)	75,141	75,141
20	FAS 106 OPEB	B -106	11,462	0	11,462	11,462
21	Customer Advances	B - 15	538	-	538	538
22	Contributions In Aid of Construction	B - 15	1,424,840	-	1,424,840	1,424,840
23	Deferred Income Taxes - Total	B - 9	375,549	31,099	406,649	391,099
24						
25						
26	Original Cost Rate Base		\$ 3,053,486	\$ (68,714)	\$ 2,984,772	\$ 3,019,129

Proposed Test Year: Future  
 Period Reported: 2012

**Property Merged or Acquired from Other Utilities**

Supporting Workpaper - Utility Plant Acquisition Adjustment - Net of Accumulated Amortization

Line	Approval Date & Order No. (A)	Property Description (B)	Net Balance 12/31/2009 (C)	Annual Amortization (D)	Net Balance 12/31/2010 (Col. C-Col. D) (E)	Net Balance 12/31/2011 (Col. E-Col. D) (F)	Net Balance 12/31/2012 (Col. F-Col. D) (G)	Property Accounting Treatment (H)
1	<u>Acquisitions not Requiring Amortization to Rate Base:</u>							
2								
3	July 11, 2002	Village Woods	\$ (80,685)	\$ 40,330	\$ (40,355)	\$ (0)	\$ -	Below-the-line Account 421900 10 Years
4	02-0539							
5								
6								
7								
8								
9			\$ -	\$ -	\$ -	\$ -	0	
10								
11								
12	Subtotal:		\$ (80,685)	\$ 40,330	\$ (40,355)	\$ (0)	\$ -	
13								
14								
15								
16	<u>Acquisitions Requiring Amortization to Rate Base:</u>							
17								
18			\$ -	\$ -	\$ -	\$ -	\$ -	
19								
20								
21								
22								
23			0	0	0	0	0	
24								
25								
26								
27	Subtotal:		\$ -	\$ -	\$ -	\$ -	\$ -	To WP-B1, line 3
28								
29								
30								
31	<b>Total</b>		\$ (80,685)	\$ 40,330	\$ (40,355)	\$ (0)	\$ -	

Period Reported: 2012

### Allowance for Funds Used During Construction - Willowbrook Water Division

#### Supporting Workpaper - Test Year Analysis

<u>Line</u>	<u>Month</u> <u>(A)</u>	<u>Total CWIP</u> <u>Balance (1)</u> <u>(B)</u>	<u>CWIP Bal.</u> <u>with AFUDC</u> <u>(C)</u>	<u>CWIP Bal.</u> <u>w/o AFUDC</u> <u>(D)</u>	<u>Ave.</u> <u>AFUDC</u> <u>Accrual Rate</u> <u>(E)</u>	<u>AFUDC</u> <u>Generated</u> <u>(F)</u>
1	January	\$4,908	\$0	\$4,908	0.172%	\$ -
2						
3	February	\$9,817	\$0	\$9,817	0.172%	-
4						
5	March	\$10,075	\$0	\$10,075	0.172%	-
6						
7	April	\$14,208	\$0	\$14,208	0.172%	-
8						
9	May	\$18,342	\$0	\$18,342	0.172%	-
10						
11	June	\$9,300	\$0	\$9,300	0.172%	-
12						
13	July	\$12,658	\$0	\$12,658	0.172%	-
14						
15	August	\$16,017	\$0	\$16,017	0.172%	-
16						
17	September	\$3,100	\$0	\$3,100	0.172%	-
18						
19	October	\$6,458	\$0	\$6,458	0.172%	-
20						
21	November	\$9,042	\$0	\$9,042	0.172%	-
22						
23	December	\$0	\$0	-	0.172%	-
24						
25					2.06%	\$ -

1) Please note, this is rate jurisdictional CWIP - will therefore not tie to Total Company CWIP on Schedule D-2, pages 3 & 4.

Period Reported: 2011 & 2012

## Cash Working Capital

2011 and 2012 Supporting Workpapers

Line	Individual Component and Calculation Methodology (A)	Amount (B)	Supporting Workpapers or Schedules (C)
<u>2011 Cash Working Capital:</u>			
1	Total Operating Expenses (Pre Income Taxes)	\$ 574,652	C-4p3, Col. H, lines 19 - 23
2	Less:		
3	Uncollectible Accounts Expense	2,375	C-4p3, Col. H, line 17
4	Annual Amortization of Rate Case Expense	-	C-4p3, Col. H, line 16
5	Depreciation Expense	133,049	C-4p3, Col. H, line 20
6	Amortization of Utility Plant Acquisition Adjust.	-	C-4p3, Col. H, line 21
7	Amortization Expense	10,747	C-4p3, Col. H, line 22
8	Real Estate Tax Expense	<u>22,001</u>	C-19p2, Col. C, line 11
9	Operating Expense Requiring Working Capital	\$ 406,479	
10	45 (lag days) / 360 (30 day month year)	<u>12.50%</u>	
11	TOTAL:	\$ 50,810	
12			
13			
14	<u>2012 Cash Working Capital:</u>		
15			
16			
17	Total Operating Expenses (Pre Income Taxes)	\$ 591,353	C-4p3, Col. K, lines 19 - 23
18	Less:		
19	Uncollectible Accounts Expense	2,387	C-4p3, Col. K, line 17
20	Annual Amortization of Rate Case Expense	-	C-4p3, Col. K, line 16
21	Depreciation Expense	135,431	C-4p3, Col. K, line 20
22	Amortization of Utility Plant Acquisition Adjust.	-	C-4p3, Col. K, line 21
23	Amortization Expense	10,747	C-4p3, Col. K, line 22
24	Real Estate Tax Expense	<u>22,661</u>	C-19p2, Col. C, line 16
25	Operating Expense Requiring Working Capital	\$ 420,127	
26	45 (lag days) / 360 (30 day month year)	<u>12.50%</u>	
27	TOTAL:	\$ 52,516	

AQUA ILLINOIS, INC.  
 Willowbrook Water Division  
 Rate Case Docket No. 11-  
 Period Reported: 2010 -2012  
 Prior Year (2009) 12 Mo. Actual

Schedule WP-B9 1  
 Page 1 of 1  
 Person Responsible: P. Hanley

Detailed Listing of Balance Sheet Assets and Liabilities - Rate Base

Debit / (Credit)	Components	ICC & Aqua Illinois, Inc.		Description of Event	Willowbrook Water Proj.		Willowbrook Water Proj.		Willowbrook Water Proj. Ave. 2011 (F + H)/2	Willowbrook Water Proj.		Willowbrook Water Proj.	Willowbrook Water Proj. Difference to C-5 (M)
		Account #	(C)		TOTAL Proj. Difference as of 12/31/2010	Difference as of 12/31/2010 (D x E)	TOTAL Proj. Difference as of 12/31/2011	Difference as of 12/31/2011 (D x G)		TOTAL Proj. Difference as of 12/31/2012	Difference as of 12/31/2012 (D x J)	Ava. Future Test Year 2012 (H + K)/2	
Line	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Rate Base Items Only				See Column A									
			Allocator	Allocation %									
1	Overheads and Other	283	Plant	1.49%	\$ (8,746,365)	(\$130,629)	\$ (8,746,365)	(\$130,629)	\$ (130,629)	\$ (8,746,365)	(\$130,629)	\$ (130,629)	\$ -
2	PostRetirement Benefits	253	Expense	2.68%	392,719	10,526	392,719	10,526	10,526	392,719	10,526	10,526	-
3	Pension	253	Expense	2.68%	2,575,549	69,001	2,575,549	69,001	69,001	2,575,549	69,001	69,001	-
4	Tank Painting	186	Expense	4.17%	(1,447,862)	(60,430)	(1,292,431)	(53,942)	(57,186)	(1,115,691)	(46,566)	(50,254)	6,932
5	Excess Tax Depreciation	108	Plant	1.49%	(59,553,000)	(889,435)	(71,506,223)	(1,067,959)	(978,697)	(78,679,946)	(1,175,100)	(1,121,530)	(142,632)
6	Cost of Removal / Loss	108	Plant	1.49%	(1,939,784)	(28,971)	(1,939,784)	(28,971)	(28,971)	(1,939,784)	(28,971)	(28,971)	-
7	Contributions in Aid of Construction	271	Plant	1.49%	9,096,742	135,862	9,096,742	135,862	135,862	9,096,742	135,862	135,862	-
8	Customer Advances	252	Plant	1.49%	46,617	696	46,617	696	696	46,617	696	696	-
9	Cleaning Intake (Kankakee)	186	Actual	0.00%	(7,392)	-	(3,536)	0	-	-	0	-	-
10	Oak Run Negative Excess Deprec.	108	Plant	0.00%	(52,085)	-	(52,085)	0	-	(52,085)	0	-	-
11													
12													
13													
14	Total Deferred income Taxes				\$ (59,634,880)	\$ (693,361)	\$ (71,428,795)	\$ (1,065,417)	\$ (979,399)	\$ (78,422,243)	\$ (1,165,181)	\$ (1,115,289)	\$ (135,900)

**Detailed Jurisdictional Operating Income Summary**

Proposed Test Year Period: Future  
 Period Reported: 2012

Detailed Back-up Workpaper

Line	Account Number (A)	Income Statement Category (B)	Unadj. Jurisdictional Balance at Present Rates (C)	Adjustments (D)	Supporting Schedule Source (E)	Pro Forma Present Rates (F)	Rate Increase and Related Adjustments (G)	Projected Future Year 2012 (H)
1	460-474	Operating Revenues	\$ 662,516	\$ -	C - 2.1	\$ 662,516	\$ 326,958	\$ 989,474
2								
3	601	Salaries & Wages, Employees	110,512			110,512		110,512
4	603	Salaries & Wages, Officers	7,305			7,305		7,305
5	604	Employee Pensions & Benefits	54,116			54,116		54,116
6	615 & 616	Purchased Power & Fuel for Power Prod.	50,868			50,868		50,868
7	618	Chemicals	17,627			17,627		17,627
8	620	Materials & Supplies	12,360			12,360		12,360
9	631	Contractual Services - Engineering	-			-		-
10	632	Contractual Services - Accounting	1,660			1,660		1,660
11	633	Contractual Services - Legal	-			-		-
12	634	Contractual Services - Management	22,094			22,094		22,094
13	635 & 636	Contractual Services - Other	82,639			82,639		82,639
14	641 - 642	Lease Expense	-			-		-
15	650	Transportation Expense	9,715			9,715		9,715
16	656 - 659	Insurance Expense	12,701			12,701		12,701
17	666 & 667	Regulatory Commission Exp. Amortization	-	6,418	C - 2.2	6,418		6,418
18	670	Bad Debt Expense	2,387	-	C - 2.3	2,387	1,178	3,564
19	675	Miscellaneous Expense	162			162		162
20		SUB-TOTAL O&M	384,145	6,418		390,563	1,178	391,741
21	403	Depreciation	135,431	(1,213)	C - 2.4	134,218		134,218
22	406	Amortization of Utility Plant Acquisition Adjust.	-			-		-
23	407	Amortization Expense	10,747			10,747		10,747
24	408	Taxes Other Than Income	61,030			61,030		61,030
25								
26		TOTAL EXPENSES (Excluding Income Tax)	\$ 591,353	\$ 5,205		\$ 596,559	\$ 1,178	\$ 597,736
27								
28	409 - 411	Income Taxes Federal	2,827	(11,425)	C - 2.5	(8,598)	103,191	94,592
29	409 - 411	State	1,001	(3,579)	C - 2.5	(2,579)	30,949	28,370
30		Amort. of ITC	(912)			(912)		(912)
31		TOTAL EXPENSES (Including Income Tax)	\$ 594,269	\$ (9,799)		\$ 584,469	\$ 135,318	\$ 719,787
32								
33		Net Operating income	\$ 68,247	\$ 9,799		\$ 78,047	\$ 191,640	\$ 269,687
34								
35	419,421,426	Non-operating Income - Net	39,279	-		39,279		39,279
36	409	Non-operating Income Taxes	-	-		-		-
37								
38	420,427-429	Interest Expense -	96,735	(3,350)		93,385	-	93,385
39								
40		Net Income	\$ 10,791	\$ 13,149		\$ 23,941		\$ 215,581
41								
42		Rate Base -(B - 1) - Future Test Year Average	\$ 3,019,129	\$ 8,275		\$ 3,027,404		\$ 3,027,404
43								
44		Return on Rate Base -(D - 1)	2.26%			2.58%		8.91%

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

Schedule  
Page  
Person Responsible:

WP-C17  
1 of 2  
P. Hanley

Period Reported: 2008 & 2009

	Date of Loss	Status	Claimant	Coverage	Net Incurred:		
					Incurred	Paid	Outstanding
1	31-Jan-08	4/18/2008	Devitt, Ryan	Workers' Compensation	\$65.68	\$65.68	\$ -
2	18-Feb-08	8/23/2008	Dayton, Danny	Workers' Compensation	\$114.48	\$114.48	\$ -
3	19-Feb-08	4/30/2008	Wright, Patty	Workers' Compensation	\$146.20	\$146.20	\$ -
4	10-Mar-08	8/30/2008	Myers-Martin, Angelique	Workers' Compensation	\$4,451.78	\$4,451.78	\$ -
5	26-Mar-08	5/27/2008	Milcke, Arlye	Workers' Compensation	\$272.30	\$272.30	\$ -
6	18-May-08	12-Sep-08	Kelly, Charles	Workers' Compensation	\$0.00	\$0.00	\$ -
7	5-Jun-08	21-Aug-08	Hupe, Louis D	Workers' Compensation	\$1,331.01	\$1,331.01	\$ -
8	9-Jun-08	20-Jul-09	Martin, Marty	Workers' Compensation	\$10,852.44	\$10,852.44	\$ -
9	25-Jul-08	19-Sep-08	Fisher, Demecha C	Workers' Compensation	\$1,582.34	\$1,582.34	\$ -
10	7-Aug-08	24-Sep-08	Myers-Martin, Angelique	Workers' Compensation	\$680.36	\$680.36	\$ -
11	5-Sep-08	24-Oct-08	Bays, Christian L	Workers' Compensation	\$7.00	\$7.00	\$ -
12	9-Oct-08	28-Jan-09	Carochino, Jerome D	Workers' Compensation	\$234.38	\$234.38	\$ -
13	5-Jan-08	7-Feb-08	Obanion, John	General Liability	\$18,906.98	\$18,906.98	\$ -
14	8-Feb-08	11-Apr-09	Kasat, Jeff	General Liability	\$18,057.48	\$18,057.48	\$ -
15	8-Apr-08	17-Sep-08	Mitchell, Taurance	General Liability	\$4,553.45	\$4,553.45	\$ -
18	5-May-08	27-Jun-08	Sharp, Barbara	General Liability	\$9,552.09	\$9,552.09	\$ -
17	10-Jun-08	24-Feb-09	Buranski, Bhiran MD	General Liability	\$0.00	\$0.00	\$ -
18	10-Jun-08	26-Jan-09	Walker, John	General Liability	\$0.00	\$0.00	\$ -
19	10-Jun-08	11-Sep-08	Lopez, Tammy	General Liability	\$0.00	\$0.00	\$ -
20	8-Sep-08	22-Oct-08	Childress, Kaeli	General Liability	\$18,685.82	\$18,685.82	\$ -
21	8-Sep-08	9-Oct-08	Childress, Kaeli	General Liability	\$0.00	\$0.00	\$ -
22	10-Nov-08	Open	Allen, Joseph	General Liability	\$5,100.00	\$0.00	\$ 5,100.00
23	11-Nov-08	Open	Peoples, Tricia	General Liability	\$1,100.00	\$0.00	\$ 1,100.00
24	1-Dec-08	19-Aug-09	Brown, Daniel	General Liability	\$0.00	\$0.00	\$ -
25	21-Dec-08	18-Mar-09	Holland, Melissa	General Liability	\$32,084.04	\$32,084.04	\$ -
26	21-Dec-08	19-May-09	Gordon, Darin	General Liability	\$8,000.00	\$8,000.00	\$ -
27	21-Dec-08	19-Jun-09	Holland, Melissa	General Liability	\$0.00	\$0.00	\$ -
28	21-Dec-08	19-Jun-09	Gordon, Darin	General Liability	\$0.00	\$0.00	\$ -
29	28-Dec-08	26-Jun-09	Huffman, Randy	General Liability	\$590.20	\$590.20	\$ -
30	16-May-08	23-Jul-08	Wilbanks, Jodi	General Liability	\$1,805.88	\$1,805.88	\$ -
31	28-Jan-09	3/12/2009	Dayton, Danny	Workers' Compensation	\$1,685.07	\$1,685.07	\$ -
32	9-Apr-09	6/2/2009	Myers, Jeffrey	Workers' Compensation	\$658.88	\$658.88	\$ -
33	18-May-09	7/1/2009	Blaazats, Stephen L	Workers' Compensation	\$0.00	\$0.00	\$ -
34	20-May-09	7/28/2008	Hemdon, Jaycen	Workers' Compensation	\$201.13	\$201.13	\$ -
35	20-May-09	8/3/2008	Cronk, Mitch	Workers' Compensation	\$151.70	\$151.70	\$ -
36	13-Aug-09	Open	Oliver, Gregory M	Workers' Compensation	\$0.00	\$0.00	\$ -
37	3-Jan-09	Open	Emma, Steve	General Liability	\$7,169.00	\$3,692.50	\$ 3,476.50
38	3-Jan-09	Open	Steve's Auto Sales	General Liability	\$82,000.00	\$0.00	\$ 82,000.00
39	3-Jan-09	Open	Girard Electric	General Liability	\$5,330.53	\$330.53	\$ 5,000.00
40	23-Jan-09	Open	Phillips, Cheryl	General Liability	\$1,000.00	\$0.00	\$ 1,000.00
41	23-Jan-09	10-Jun-09	Brown, Carolyn	General Liability	\$1,283.16	\$1,283.16	\$ -
42	30-Jan-09	24-Mar-09	Huddleston, Debra	General Liability	\$37,446.84	\$37,446.84	\$ -
43	10-Feb-09	Open	Talley, Patrice	General Liability	\$18,600.00	\$0.00	\$ 18,600.00
44	26-Mar-09	18-May-09	Lagasse, Steve	General Liability	\$0.00	\$0.00	\$ -
45	8-Apr-08	22-Jun-09	Plenty, Andrea	General Liability	\$10,081.09	\$10,081.09	\$ -
46	15-Jun-09	Open	Mitchell, David	General Liability	\$8,000.00	\$4,824.29	\$ 3,175.71
47	23-Jun-09	Open	Ortman, Robert Mrs.	General Liability	\$1,600.00	\$0.00	\$ 1,600.00
48	22-Jul-09	Open	Dyaon, Surlanda	General Liability	\$1,750.00	\$0.00	\$ 1,750.00
49	3-Jan-09	4-Mar-09	Enne, Steve	Auto Liability	\$0.00	\$0.00	\$ -
					\$291,091.11	\$188,288.90	\$102,802.21

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

Schedule  
Page  
Person Responsible:

WP-C17  
2 of 2  
P. Hanley

Period Reported: 2010

	<u>Date of Loss</u>	<u>Status</u>	<u>Claimant</u>	<u>Coverage</u>	<u>Net Incurred:</u>		
					<u>Incurred</u>	<u>Paid</u>	<u>Outstanding</u>
1	2-Mar-10	5/17/2010	Sellers, Amy	Auto Liability	\$174.89	\$174.89	\$ -
2	8-Nov-10	Open	Zimmerman, Brenda	General Liability	\$2,500.00	\$0.00	\$ 2,500.00
3	29-Oct-10	Open	Samuelson, Paul	General Liability	\$15,000.00	\$0.00	\$ 15,000.00
4	29-Oct-10	Open	Samuelson, Kim & Patri	General Liability	\$71,819.70	\$51,039.70	\$ 20,780.00
5	29-Oct-10	Open	Harper, Cheryl	General Liability	\$5,000.00	\$0.00	\$ 5,000.00
6	29-Oct-10	Open	Baston, Shirley	General Liability	\$5,000.00	\$0.00	\$ 5,000.00
7	29-Oct-10	Open	Blake, Carl	General Liability	\$5,000.00	\$0.00	\$ 5,000.00
8	4-Sep-10	Open	Andrew, Herman	General Liability	\$1,750.00	\$0.00	\$ 1,750.00
9	28-Apr-10	Open	Arnette, Connie	General Liability	\$1,350.00	\$0.00	\$ 1,350.00
10	1-Dec-10	Open	Devore, Gary	Workers' Compensation	\$7.00	\$7.00	\$ -
11	11-Oct-10	Open	Manago, Jerry L	Workers' Compensation	\$3,614.00	\$691.64	\$ 2,922.36
12	2-Aug-10	Open	Yates, Stephan R	Workers' Compensation	\$3,026.30	\$513.76	\$ 2,512.54
13	26-Jul-10	Open	Myers-Martin, Angelique	Workers' Compensation	\$3,000.00	\$0.00	\$ 3,000.00
14	20-Jul-10	3-Sep-10	Hudson, Ulysses	Workers' Compensation	\$123.16	\$123.16	\$ -
15	14-Jul-10	23-Aug-10	Hudson, Ulysses	Workers' Compensation	\$323.63	\$323.63	\$ -
16	29-Jun-10	10-Aug-10	Lamb, Charles	Workers' Compensation	\$349.40	\$349.40	\$ -
17	25-Jun-10	27-Sep-10	Michenfelder, Schulyer A	Workers' Compensation	\$0.00	\$0.00	\$ -
18	18-Jun-10	2-Aug-10	Hupe, Louis D	Workers' Compensation	\$217.78	\$217.78	\$ -
19	11-Jun-10	26-Jul-10	Munger, Cynthia	Workers' Compensation	\$669.68	\$669.68	\$ -
20	7-Apr-10	28-May-10	Richards, Frances	Workers' Compensation	\$0.00	\$0.00	\$ -
21	26-Feb-10	Open	Martin, Marty	Workers' Compensation	\$3,000.00	\$0.00	\$ 3,000.00
22	22-Feb-10	12-Apr-10	Manago, Jerry L	Workers' Compensation	\$1,607.78	\$1,607.78	\$ -
					<b>\$123,533.32</b>	<b>\$55,718.42</b>	<b>\$67,814.90</b>

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

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

**Monthly / Average Balances for Accrued Property Taxes**

		(Debit) / Credit													
Line	Municipality (A)	Beginning Balance (B)	January (C)	February (D)	March (E)	April (F)	May (G)	June (H)	July (I)	August (J)	September (K)	October (L)	November (M)	December (N)	Ave. Monthly Balance (Q)
1	<u>2009</u>														
2	Accrued Property Taxes	\$778,213	846,487	914,761	982,035	1,051,309	1,027,356	984,247	867,470	725,728	607,660	674,464	741,270	808,073	\$846,852
3															
4															
5															
6															
7															
8															
9	<u>Projected 2010</u>														
10	Accrued Property Taxes	808,073	877,331	946,591	1,015,849	1,085,109	1,008,491	1,002,455	710,842	645,652	730,720	815,781	846,444	915,240	\$877,583
11															
12															
13															
14															
15															
16															
17	<u>Projected 2011</u>														
18	Accrued Property Taxes	915,240	946,328	1,020,861	1,095,393	1,169,927	1,093,191	1,091,982	754,204	702,227	793,416	884,596	913,616	986,210	\$951,322
19															
20															
21															
22															
23															
24															
25	<u>Projected 2012</u>														
26	Accrued Property Taxes	986,210	974,718	1,051,488	1,128,266	1,205,026	1,125,987	1,124,742	776,831	723,294	817,218	911,134	941,025	1,015,797	\$983,210

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

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

**Monthly / Average Balances for Accrued Property Taxes**

Line	Municipality (A)	Beginning Balance (B)	(Debit) / Credit												Ave. Monthly Balance (Q)	
			January (C)	February (D)	March (E)	April (F)	May (G)	June (H)	July (I)	August (J)	September (K)	October (L)	November (M)	December (N)		
1	<u>2009</u>															
2	Accrued Property Taxes	\$ 19,376	\$ 20,991	\$ 22,606	\$ 24,221	\$ 25,836	\$ 17,820	\$ 19,665	\$ 21,204	\$ 13,226	\$ 14,880	\$ 16,533	18,186	19,839	\$	19,568
3																
4																
5																
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7																
8																
9	<u>Projected 2010</u>															
10	Accrued Property Taxes	19,839	21,542	23,245	24,948	26,651	18,085	20,847	22,609	14,103	15,892	17,680	19,469	21,257	\$	20,474
11																
12																
13																
14																
15																
16																
17	<u>Projected 2011</u>															
18	Accrued Property Taxes	\$21,257	21,670	23,383	25,096	26,809	18,192	20,971	22,743	14,187	15,986	17,785	19,585	21,383	\$	20,696
19																
20																
21																
22																
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24																
25	<u>Projected 2012</u>															
26	Accrued Property Taxes	\$ 21,383	22,320	24,085	25,849	27,614	18,738	21,600	23,426	14,612	16,466	18,319	20,172	22,025	\$	21,278

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

**Monthly Balances for Common Equity**

Line	Common Equity Components (A)	Beginning Balance (B)	January (C)	February (D)	March (E)	April (F)	May (G)	June (H)	July (I)	August (J)	September (K)	October (L)	November (M)	December (N)	Future Test Yr. 12 Months of Ave. Monthly Balances (O)
1	<b>Actual 2009</b>														
2	Common Equity:														
3	Common Stock	\$3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	\$3,750,000
4	Premium on Capital Stock	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400
5	Other Paid-In Capital	32,290,095	32,299,464	32,308,833	32,267,063	32,275,529	32,283,994	32,292,459	32,301,017	32,309,575	32,318,134	32,326,692	32,335,250	32,343,808	
6	Retained Earnings:														
7	Appropriated	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	
8	Unappropriated	35,679,550	36,147,103	36,385,118	35,644,854	36,049,975	36,380,174	35,323,725	35,831,898	36,396,101	36,017,725	36,546,686	37,016,249	37,656,027	
9															
10	Total Common Equity	81,097,974	81,574,896	81,822,279	81,040,247	81,453,833	81,792,496	80,744,513	81,261,244	81,834,006	81,464,187	82,001,707	82,479,828	83,128,164	
11															
12	<b>Projected 2010</b>														
13	Common Equity:														
14	Common Stock	\$3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	\$3,750,000
15	Premium on Capital Stock	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400
16	Other Paid-In Capital	32,343,808	32,350,950	32,359,539	32,364,352	32,489,211	32,496,570	32,510,923	32,518,383	32,525,802	32,532,035	32,539,475	32,546,914	32,552,697	
17	Retained Earnings:														
18	Appropriated	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	
19	Unappropriated	37,656,027	37,999,720	38,374,018	37,820,264	38,287,629	38,236,972	38,667,130	39,266,425	40,063,106	39,888,761	40,433,633	40,020,917	40,482,086	
20															
21	Total Common Equity	83,128,164	83,478,998	83,861,886	83,312,945	83,905,168	83,861,870	84,306,382	84,913,117	85,717,237	85,549,125	86,101,437	85,696,160	86,163,112	
22															
23	<b>Projected 2011</b>														
24	Common Equity:														
25	Common Stock	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	\$3,750,000
26	Premium on Capital Stock	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400
27	Other Paid-In Capital	32,552,697	32,561,353	32,570,008	32,578,664	32,587,320	32,595,975	32,604,631	32,613,286	32,621,942	32,630,597	32,639,253	32,647,908	32,656,564	
28	Retained Earnings:														
29	Appropriated	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	
30	Unappropriated	40,482,086	41,040,996	41,572,051	39,968,336	40,492,749	41,067,827	39,497,742	40,169,231	40,797,724	39,277,491	39,846,202	40,362,435	38,772,232	
31															
32	Total Common Equity	86,163,112	86,730,678	87,270,388	85,675,329	86,208,397	86,792,131	85,230,702	85,910,847	86,547,995	85,036,417	85,613,784	86,138,672	84,557,125	
33															
34	<b>Projected 2012</b>														
35	Common Equity:														
36	Common Stock	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	\$3,750,000
37	Premium on Capital Stock	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400	8,966,400
38	Other Paid-In Capital	32,656,564	32,665,566	32,674,568	32,683,569	32,692,571	32,701,573	32,710,575	32,719,576	32,728,578	32,737,580	32,746,582	32,755,584	32,764,585	
39	Retained Earnings:														
40	Appropriated	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	411,929	
41	Unappropriated	38,772,232	39,334,399	39,865,702	38,854,589	39,377,036	39,947,261	38,964,824	39,632,905	40,256,503	39,331,413	39,897,963	40,411,174	39,411,563	
42															
43	Total Common Equity	84,557,125	85,128,293	85,688,599	84,666,487	85,197,936	85,777,163	84,803,727	85,480,811	86,113,410	85,197,322	85,772,873	86,295,086	85,304,477	
44															
45	<b>Average Monthly Balances - 2012</b>		\$84,842,709	\$85,398,446	\$85,167,543	\$84,932,211	\$85,487,549	\$85,290,445	\$85,142,269	\$85,797,110	\$85,655,366	\$85,485,098	\$86,033,980	\$85,799,782	<b>\$85,419,376</b>

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

## **Additional Schedule D-1 Workpaper**

Line

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**Description of Company's Capital Structure Objectives**

The Company seeks to maintain a capital structure which enhances its credit worthiness and thus permits the issuance of debt at interest rates most beneficial to its customers. The desired capital structure reflects approximately 53% equity to reflect the greater relative risk of AQUA ILLINOIS, INC. based on its small size when compared to proxy groups per testimony and exhibits of Company witness Mr. Walker's Exhibit 5.

**Cost of Capital Adjustments for Unregulated or Non-Utility Activities.**

The Company's proposed Cost of Capital reflects no adjustments for unregulated or non-utility activities because there are no investments in unregulated or non-utility affiliates, nor are there any unregulated or non-utility investments included in Rate Base.

**List of Amounts Invested in Unregulated or Non-Utility Affiliates**

There are no AQUA ILLINOIS, INC. investments in unregulated or non-utility affiliates.

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

Schedule WP-D3  
Page 1 of 1  
Person Responsible: P. Hanley

Period Reported: Ave. 2012

### Schedule D-3 Workpaper

<u>Line</u>	<u>Premature Redemptions:</u>	<u>Reacquisition Date</u>	<u>Face Amount Retired</u>	<u>Call Premium</u>	<u>Call Price</u>	Annualized		<u>Refunding Issue</u>	
						<u>Unamortized Discount or Premium</u>	<u>Unamortized Debt Expense</u>		<u>Amort. Of Discount or Premium</u>
1	Series I - 9.19% Vermillion	01/01/1996	\$ 6,000,000	\$ -	\$ 6,000,000	-	-	-	N/A
2	Tax Exempt - 7.50%	4/1/1996	10,000,000	300,000	10,300,000	-	-	-	N/A
3	Series P - 9.19%	1/14/2005	6,000,000	330,480	6,330,480	-	-	-	Series W
4	Series Q - 6.10%	12/30/2002	10,000,000	201,529	10,201,529	-	-	-	Series U
5	Series R - 6.00%	12/30/2002	2,800,000	53,571	2,853,571	-	-	-	Series T

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

**Comparative Financial Data (Total Company) Workpaper**

Detailed Back-up Workpaper to Schedule D-7, page 2 of 2

Line	Description (A)	Average Test Year 2012 (B)	Projected 2011 (C)	Projected 2010 (D)	2009 (E)	2008 (F)	2007 (G)	2006 (H)	2005 (I)
1	<b>Earnings Ratios:</b>								
2	AFUDC as a % of earnings for common	0.00	0.00	3.14	5.27	8.50	1.42	4.30	1.23
3	Line 2 Calculations	(0*100)/6,759,331	(0*100)/6,790,146	(186,019*100)/5,926,060	(315,030*100)/5,977,477	(525,843*100)/6,188,279	(97,141*100)/6,829,149	(252,133*100)/5,860,898	(59,555*100)/4,825,348
4									
5	Return on net original cost rate base	6.92%	7.05%	6.28%	6.59%	6.55%	7.47%	7.04%	6.90%
6	Line 3 Calculations	11,081,131/160,236,984	11,143,502/156,153,954	10,016,125/159,528,718	9,982,031/151,464,656	9,925,582/151,448,151	10,960,802/146,772,305	9,584,344/136,149,964	8,661,874/125,486,317
7									
8	Return on average common equity	7.91%	7.95%	7.00%	7.28%	7.90%	9.27%	8.35%	7.52%
9	Line 4 Calculations	6,759,331/85,419,376	6,790,146/85,360,119	5,926,060/84,645,638	5,977,477/82,113,069	6,188,279/78,287,826	6,829,149/73,685,587	5,860,898/70,155,974	4,825,348/64,149,523
10									
11	<b>Fixed Charge Coverages:</b>								
12	Pre-tax interest cov. (Excl. AFUDC)	3.23	3.23	2.94	2.90	3.11	3.35	3.20	2.75
13	Line 7 Calculations	15,996,708/4,948,249	16,081,631/4,984,176	14,489,432/4,921,376	14,461,866/4,995,077	16,988,557/5,460,262	15,809,046/4,722,859	13,737,531/4,297,913	12,029,783/4,374,050
14									
15	After-tax fixed cov. (Incl. AFUDC)	2.36	2.36	2.20	2.19	2.13	2.44	2.38	2.08
16	Line 8 Calculations	11,728,305/4,968,973	11,795,046/5,004,900	10,868,160/4,942,100	10,993,277/5,015,801	11,669,266/5,480,986	11,572,732/4,743,583	10,179,672/4,318,775	9,180,791/4,384,989
17									
18	<b>Cash Flow Ratios:</b>								
19	Funds flow interest coverage	3.65	3.68	3.53	3.12	2.37	2.78	5.07	2.71
20	Line 11 Calculations	18,080,728/4,948,249	18,320,754/4,984,176	17,384,204/4,921,376	15,604,462/4,995,077	12,937,683/5,460,262	13,113,480/4,722,859	21,808,959/4,297,913	11,864,940/4,374,050
21									
22	Funds flow as a % of average total debt	23.29%	23.92%	22.65%	19.87%	15.07%	16.50%	32.12%	17.62%
23	Line 12 Calculations	18,080,728/77,645,000	18,320,754/(153,190,000/2)	17,384,204/(153,510,000/2)	15,604,462/(157,045,000/2)	12,937,683/(171,705,000/2)	13,113,480/(158,990,000/2)	21,808,959/(135,810,000/2)	11,864,940/(134,675,216/2)
24									
25	Cash coverage of common dividends	2.95	2.15	5.60	3.89	18.97	3.82	7.97	3.91
26	Line 13 Calculations	18,060,004/6,120,000	18,300,030/8,500,000	17,363,480/3,100,000	15,583,738/4,001,000	12,916,959/681,000	13,092,758/3,431,000	21,788,097/2,735,000	11,844,001/3,027,312
27									
28	Net cash coverage as a % of Constr. Exp.	84.76%	93.11%	107.64%	160.21%	109.10%	27.64%	106.87%	52.48%
29	Line 14 Calculations	11,940,004/14,086,124	9,800,030/10,525,525	14,263,480/13,250,549	11,582,738/7,229,825	12,235,959/11,215,611	9,661,756/34,956,045	19,053,097/17,828,800	8,818,689/16,798,581

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

## Comparison of Prior Forecasts to Actual Data - Prior Three Years

### Supporting Workpaper

Line

1 The 2009 budgets for the Willowbrook Water Division are shown on Schedules G-1, pages 2 and 4 (Column I).  
2  
3 2010 Capital Budget: \$256,890  
4  
5 2010 Operating Budget: Schedule C-4, page 3 of 4, column E (latest projection).  
6  
7  
8 2011 Capital Budget: \$71,500  
9  
10 2011 Operating Budget: Schedule C-4, page 3 of 4, column H.  
11  
12  
13 2012 Capital Budget: \$77,500  
14  
15 2012 Operating Budget: Schedule C-4, page 3 of 4, column K.  
16  
17  
18 Budget guidelines used to develop the utility's most recent budget is provided as part of Paul Hanley's direct testimony.  
19 Please see Aqua Illinois, Inc. Exhibit 4.2.

Proposed Test Year Period: Future  
 Period Reported: 2010

### Comparison of Prior Forecasts to Actual Data - Prior Three Years

#### Supporting Workpaper - Original rate jurisdictional

Line	Account # (A)	Account Description (B)	(C)
1	460-474	Total Operating Revenues	\$ 669,065
2	601	Salaries & Wages, Employees	62,146
3	603	Salaries & Wages, Officers	3,351
4	604	Employee Pensions & Benefits	28,876
5	615 & 616	Purchased Power & Fuel for Power Prod.	48,496
6	618	Chemicals	15,265
7	620	Materials & Supplies	9,480
8	631	Contractual Services - Engineering	-
9	632	Contractual Services - Accounting	1,586
10	633	Contractual Services - Legal	-
11	634	Contractual Services - Management	19,957
12	635 & 636	Contractual Services - Other	73,818
13	641 - 642	Lease Expense	360
14	650	Transportation Expense	5,624
15	656 - 659	Insurance Expense	10,040
16	666 & 667	Regulatory Commission Exp. Amortization	-
17	670	Bad Debt Expense	756
18	675	Miscellaneous Expense	16,822
19		O & M Expenses	296,577
20	403	Depreciation Expenses	132,536
21	406	Amortization of Utility Plant Acquisition Adjust.	-
22	407	Amortization Expense	10,747
23	408	Taxes Other Than Income	51,031
24	409	Income Taxes - Current Federal	39,475
25	409	Income Taxes - Current State	8,807
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	(912)
30	412	Amortization of I. T. C. - State	-
31		Utility Operating Expenses	\$ 538,261
32		Utility Operating Income	\$ 130,803
33	414	Gains (Losses) from Disposition of Utility Property (Net)	\$ -
34		Total Utility Operating Income	\$ 130,803
35		<u>Other Income and Deductions:</u>	
36	419	Interest and Dividend Income	-
37	420	Allowance for Funds Used During Construction	173
38	421	Non-Utility Income	40,330
39	426	Miscellaneous Non-Utility Expenses	(1,098)
40	409	Non-Operating Income Taxes	-
41		Amortization of Pre-1971 I. T. C.	-
42		Total Other Income and Deductions	39,405
43		<u>Debt Expense:</u>	
44	427	Interest Expense	92,873
45	428	Amortization of Debt Discount and Expense	3,312
46	429	Amortization of Premium on Debt	756
47		Total Debt Expense	\$ 96,940
48		NET INCOME	\$ 73,268
49			
50		Capital Budget	\$ 144,500

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

Proposed Test Year Period: Future  
Period Reported: 2009

Workpaper WP-G9  
Page 1 of 2  
Person Responsible: P. Hanley

## **Comparison of Budgeted Non-Payroll Expense to Actual**

### **Explanations for percentage differences of 15% or more:**

**Schedule G-9, Page 5 of 6 (TOTAL COMPANY):**

**Employee Pensions & Benefits: 19% -- Pensions costs escalated due to economy.**

**Contractual Services - Engineering: 740% -- Engineering design work on capital projects that are not moving forward.**

**Contractual Services - Legal: (99%) -- Reclassified legal costs for Saller Well project to CWIP.**

**Bad Debt Expense: (16%) -- Improved collection system.**

**Miscellaneous Expense -- Increase Payroll Overheads due to increase in Pension Costs.**

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

Proposed Test Year Period: Future  
Period Reported: 2009

Workpaper WP-G9  
Page 2 of 2  
Person Responsible: P. Hanley

## **Comparison of Budgeted Non-Payroll Expense to Actual**

### **Explanations for percentage differences of 15% or more:**

**Schedule G-9, Page 6 of 6 (Willowbrook Water Division):**

**Employee Pensions & Benefits: 45% – Pensions costs escalated due to economy.**

**Materials & Supplies: 71% – Increase in expensable main breaks.**

**Contractual Services - Accounting: (30%) – External Audit Savings**

**Bad Debt Expense: (70%) -- Improved collection system.**

**Miscellaneous Expense – Increase Payroll Overheads due to increase in Pension Costs.**

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

Workpaper  
 Page  
 Person Responsible:

WP-G10  
 1 of 4  
 P. Hanley

Proposed Test Year Period: Future  
 Period Reported: 2007 - 2009

### Budgeted Payroll Expense

Line		Actual Payroll	Budget Payroll	Variance	Percentage
1	Explanations for percentage differences of 15% or more - N/A.				
2					
3	<u>2007 -</u>				
4					
5	Total Company	\$4,592,663	\$5,012,271	\$ (419,607)	-8.37%
6					
7					
8	Willowbrook Water	65,969	103,122	(37,153)	-36.03%
9					
10					
11					
12	<u>2008 -</u>				
13					
14	Total Company	4,832,207	4,812,583	19,624	0.41%
15					
16					
17	Willowbrook Water	52,674	85,057	(32,383)	-38.07%
18					
19					
20					
21	<u>2009 -</u>				
22					
23	Total Company	4,674,108	5,012,016	(337,908)	-6.74%
24					
25					
26	Willowbrook Water	60,354	62,549	(2,195)	-3.51%

Proposed Test Year Period: Future  
 Period Reported: 2007 - 2009

### Budgeted Payroll Expense - Total Company

Line	Month (A)	Actual 2007 Payroll Exp. By Month (B)	2007 Budget Payroll Exp. By Month (C)	Actual 2008 Payroll Exp. By Month (D)	2008 Budget Payroll Exp. By Month (E)	Actual 2009 Payroll Exp. By Month (F)	2009 Budget Payroll Exp. By Month (G)
1	January	\$ 430,870	\$434,037	\$ 421,406	\$ 408,012	\$ 445,172	\$ 409,680
2							
3	February	379,621	386,253	392,173	377,787	378,359	378,283
4							
5	March	405,002	418,109	337,657	377,787	301,206	409,680
6							
7	April	394,814	408,692	388,081	403,325	401,570	418,385
8							
9	May	375,615	440,996	397,369	403,699	383,873	402,316
10							
11	June	353,045	408,692	417,242	397,600	433,668	436,478
12							
13	July	363,157	424,874	438,193	428,806	428,164	453,375
14							
15	August	377,476	440,996	374,885	397,600	389,346	419,595
16							
17	September	355,563	392,509	416,579	403,699	376,145	420,451
18							
19	October	383,663	440,996	438,431	418,847	371,119	420,451
20							
21	November	394,800	424,874	354,929	372,269	347,711	404,296
22							
23	December	<u>379,038</u>	<u>391,240</u>	<u>455,262</u>	<u>423,150</u>	<u>417,775</u>	<u>439,024</u>
24	SUB-TOTAL:	4,592,663	5,012,271	4,832,207	4,812,583	4,674,108	5,012,016
25							
26							
27							
28	Total Payroll Expense by Month	\$4,592,663	\$5,012,271	\$4,832,207	\$4,812,583	\$4,674,108	\$5,012,016

Proposed Test Year Period: Future  
 Period Reported: 2007 - 2009

### Budgeted Payroll Expense - Willowbrook Water Division

Line	Month (A)	Actual 2007 Payroll Exp. By Month (B)	2007 Budget Payroll Exp. By Month (C)	Actual 2008 Payroll Exp. By Month (D)	2008 Budget Payroll Exp. By Month (E)	Actual 2009 Payroll Exp. By Month (F)	2009 Budget Payroll Exp. By Month (G)
1	January	\$10,396	\$9,064	\$4,792	\$7,117	\$5,564	\$5,060
2							
3	February	895	\$8,094	2,350	6,597	5,464	4,675
4							
5	March	6,238	\$8,740	5,149	6,597	4,530	5,060
6							
7	April	5,066	\$8,378	4,944	7,113	3,821	5,222
8							
9	May	6,023	\$9,017	2,861	7,113	4,373	5,022
10							
11	June	6,527	\$8,378	4,817	7,172	4,120	5,551
12							
13	July	5,362	\$8,698	4,675	7,714	6,871	5,767
14							
15	August	2,693	\$9,017	3,554	7,172	4,791	5,337
16							
17	September	3,514	\$8,059	5,376	7,113	4,993	5,222
18							
19	October	9,193	\$9,017	7,054	7,384	6,845	5,222
20							
21	November	6,556	\$8,698	2,758	6,572	4,388	5,022
22							
23	December	<u>3,507</u>	<u>\$7,962</u>	<u>4,344</u>	<u>7,393</u>	<u>4,595</u>	<u>5,389</u>
24	SUB-TOTAL:	65,969	103,122	52,674	85,057	60,354	62,549
25							
26							
27							
28	Total Payroll Expense by Month	\$65,969	\$103,122	\$52,674	\$85,057	\$60,354	\$62,549

Proposed Test Year Period: Future  
 Period Reported: 2012

**Budgeted Payroll Expense - Total Company & Willowbrook Water Division**

Line	Month (A)	Total Company	Willowbrook Water Division
		Budgeted 2012 Payroll Exp. By Month (B)	Budgeted 2012 Payroll Exp. By Month (C)
1	January	\$436,008	\$9,492
2			
3	February	416,763	9,077
4			
5	March	466,014	10,111
6			
7	April	437,840	9,595
8			
9	May	446,557	9,802
10			
11	June	461,309	10,312
12			
13	July	438,874	9,817
14			
15	August	475,870	10,504
16			
17	September	459,828	10,040
18			
19	October	435,841	9,505
20			
21	November	445,851	9,690
22			
23	December	<u>452,921</u>	<u>9,871</u>
24	SUB-TOTAL:	5,373,675	117,816
25			
26			
27			
28	Total Payroll Expense by Month	\$5,373,675	\$117,816