ILLINOIS AMERICAN WATER COMPANY
Water
Division

Depreciation Study
as of December 31, 2010

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October 7, 2011

Mr. Edward J. Grubb
Manager, Rates and Regulations
Illinois American Water Company
727 Craig Road
St. Louis, MO 63141-6875

RE: Illinois American Water Company-
Depreciation Study-Water Division

Dear Mr. Grubb:

In accordance with your authorization, we have prepared a depreciation study related to the utility plant in service of Illinois American Water Company-Water Division as of December 31, 2010. Our findings and recommendations, together with supporting schedules and exhibits, are set forth in the accompanying report.

Summary schedules have been prepared to illustrate the impact of instituting the recommended annual depreciation rates as a basis for the Company's annual depreciation expense as compared to the rates presently utilized. The application of the present rates to the Company's depreciable plant in service as of December 31, 2010 results in an annual depreciation expense of $36,953,583. In comparison, the application of the proposed depreciation rates to the depreciable plant in service at December 31, 2010 results in an annual depreciation expense of $36,283,828 which is a decrease of $669,756 from current rates. The composite annual depreciation rate under present rates is 3.31 percent, while the proposed composite depreciation rate is 3.25 percent.

Section 2 of our report contains the summary schedules showing the results of our service life and salvage studies and summaries of presently utilized depreciation rates. The subsequent sections of the report present a detailed outline of the methodology and procedures used in the study together with supporting calculations and analyses used in the development of the results.

Respectfully submitted,

Earl M Robinson

EARL M. ROBINSON, CDP

TABLE OF CONTENTS

TABLE OF CONTENTS

TABLE OF CONTENTS

SECTION 1

ILLINOIS-AMERICAN WATER COMPANY
All Wastewater Divisions

Executive Summary

Table1 on pages 2-1 and 2-3 is a comparative summary which illustrates the effect of instituting the revised historical depreciation rates. The schedule includes a comparison of the annual depreciation rates and annual depreciation expense under both present and proposed rates applied using the Straight Line Method for each depreciable property group of the Illinois-American Water Company's wastewater divisions ("Company") plant in service as of December 31, 2010. Both the present and proposed depreciation rates were developed utilizing the Straight Line (SL) Method, Broad Group (BG) Procedure, and the Average Remaining Life (ARL) Technique. In addition, Table 1 contains the proposed property group level depreciation rates detailed by depreciation rate component (i.e. plant only, gross salvage, and cost of removal).

Table1a on pages 2-4 and 2-6 summarizes the Company's December 31, 2010 property group depreciation reserves by the detailed segments of plant only, gross salvage, and cost of removal components.

Table2 - Plant Only on pages 2-7 to 2-10 (which is the development of average remaining life depreciation rates for the Plant Only recovery component) provides a summary of the detailed life estimates and service life parameters (Iowa Curves) utilized in preparing the Average Remaining Life depreciation rates for each property group. The schedule provides a summary of the detailed data and narrative of the study results set forth in Sections 4 through 6. The developed depreciation rates (Column L) were

determined by studying the Company's historical investment data together with the interpretation of future life expectancies which will have a bearing on the overall service life of the Company's property.

Table 2 - Gross Salvage on pages 2-11 to 2-14 is a similar table to Table 2 - Plant Only, except that this table develops the component level depreciation rates for the recovery of the gross salvage portion of the property cost.

Table 2 - Cost of Removal on pages 2-15 to 2-18 summarizes the depreciation recovery rates for the cost of removal segment of the total plant cost.

Table 3 on pages 2-19 to 2-21 reconciles the December 31, 2010 account level plant in service balances per books versus the balances utilized in the performance of the depreciation study.

Table 4 on pages 2-22 to 2-24 summarizes the various components of the Company's December 31, 2010 book depreciation reserve balances per books, adjustments, and the depreciation reserve per the December 31, 2010 depreciation study.

Table 5 on pages 2-25 and 2-28 allocates the Company's December 31, 2010 book depreciation reserves for selected property accounts to the applicable sub-accounts based upon theoretical depreciation reserves as of December 31, 2010.

Table 6 on pages 2-29 to 2-31 summarizes the depreciation parameters underlying the Company's current depreciation rates as well as also provides similar information relative to the proposed depreciation parameters and depreciation rates as of December 31, 2010.

With regard to Illinois-American Water Company's plant in service, several of the

proposed rates reflect marked changes (as outlined in Section 4 of the study) from the current depreciation rates. The accounts for which the most notable depreciation expense changes occurred in comparison to the current depreciation rates include Account 354.40- Structures & Improvements-Treat & Disposal Equipment, Account 363.00-Services to Customers, Account 380.05 – Grit Removal, Account 380.35 - Secondary Treatment Equipment, and Account 389.10 – Other Plant & Misc. Equipment.

The depreciation rate for Account 354.40- Structures & Improvements-Treat & Disposal Equipment decreased from 4.97 percent to 3.57 percent. The drivers underlying the proposed depreciation rate is an Iowa 35-R4 life and curve and estimated net salvage of negative twenty-five (20) percent. The underlying depreciation parameters for the present depreciation rate is an implicit 25.2 year average service life and negative twenty-five (25) percent net salvage.

The proposed depreciation rate for Account 363.00 - Services to Customers, increased from 2.69 percent to 4.02 percent. The drivers underlying the proposed depreciation rate is an Iowa 55-R3 life and curve and estimated net salvage of negative one hundred twenty-five (125) percent. The average service life and negative net salvage percent was estimated based upon consideration of parameters underlying depreciation rates for the Company's sister operating properties, Illinois American Water depreciation parameters, and various other data sources. The underlying depreciation parameters for the present depreciation rate is an implicit 83.6 year average service life and negative one hundred twenty-five (125) percent net salvage.

The depreciation rate for Account 380.05 – Grit Removal increased from 10.26 percent to 56.46 percent. The depreciation parameters underlying the proposed depreciation rate is an Iowa 15-R3 life and curve and estimated net salvage of negative twenty-five (25) percent. The primary driver behind the significantly high proposed depreciation rate is the fact that the Company's current book depreciation reserve for this property currently has a negative balance of $775,377 relative to a plant in service balance of only $418,004. Accordingly, a high depreciation rate is required to recover the under recovered account investment over the property's 5.5 year average remaining life.

The depreciation rate for Account 380.35 – Secondary Treatment Equipment decreased from 10.73 percent to 8.18 percent. The drivers underlying the proposed depreciation rate is an Iowa 20-R2.5 life and curve and estimated net salvage of negative twenty-five (25) percent. The average service life and negative net salvage percent was estimated based upon consideration of parameters underlying depreciation rates for the Company's sister operating properties and various other data sources. The underlying depreciation parameters for the present depreciation rate is an implicit 11.6 year average service life and negative twenty-five (25) percent net salvage.

The depreciation rate for Account 389.10 – Other Plant & Misc Equipment increased from 0.00 percent to 41.67 percent. The depreciation parameters underlying the proposed depreciation rate is an Iowa 30-R2.5 life and curve and estimated net salvage of zero (0) percent. As with the previously discussed Account 380.05, the primary driver behind the significantly high proposed depreciation rate for Account 389.10 is the fact that the Company's current book depreciation reserve for this property

currently has a negative balance of $1,212,976 relative to a plant in service balance of only $393,338. Accordingly, a high depreciation rate is required to recover the under recovered investment in the property group over the property's 9.8 year average remaining life.

The utilization of the recommended depreciation rates based upon the Straight Line Average Remaining Life Procedure results in the setting of depreciation rates which will continuously true up the Company's level of capital recovery over the life of each asset group. Application of this procedure, which is based upon the current best estimates of service life together with the Company's plant in service and accrued depreciation, produces annual depreciation rates that will result in the Company recovering 100 percent of its investment -- no more, no less.

It is recommended that the Company continue to apply depreciation rates and maintain its book depreciation reserve on an account-level basis. The maintenance of the book reserve on an account-level basis requires both the development of annual depreciation expense and distribution of other reserve account charges to an individual level. Maintaining the Company's depreciation records in this detail will aid in completing the various rate studies and, most importantly, clearly identify the Company's level of capital recovery relative to each category of plant investment.

The general drivers for the proposed depreciation rates include an assessment of the Company's historical experience with regard to achieved service lives and net salvage factors. In addition, consideration is given to current and anticipated events which are anticipated to impact the Company's ability to recover its fixed capital costs related to utility plant in service.

The depreciation rate for each individual account changed as a result of estimates obtained through the in-depth analysis of the Company's most recent data together with an interpretation of ongoing and anticipated future events. Some of the revisions were not significant and typically reflect fine tuning of previously utilized depreciation rates while others were more substantial in nature. Several of the accounts did reflect more significant changes (as outlined in Section 4 of this report) from the previously utilized depreciation rates.

Several of the remaining account/sub-accounts experienced increases or decreases in recommended depreciation rates to a lesser degree, as noted per Table 1 of this report. This revision in annual depreciation rates and expense is the result of both changes in the estimated service lives and salvage factors, and reflects the impact of the Company's property changes since the most recent study.

With regard to the inclusion of higher negative net salvage levels in the development of proposed depreciation rates, as noted within the discussion related to net salvage in Section 3 of the depreciation report, it should be noted that the level of experienced net salvage should simply be a benchmark from which to estimate future net salvage. It is highly likely that the negative net salvage amounts experienced even recently will simply be the floor above which future negative net salvage levels will increase to a higher level. To appropriately and proportionately allocate the true total asset cost (original cost adjusted for net salvage) over its applicable service life, proper consideration must be given, in each accounting period, to the total costs that are anticipated to occur relative to the Company's assets that provide customer service.

Applying the proposed depreciation rates to the Company's December 31, 2010 plant in service balances produces annual depreciation expense of $6,072,281, which is a decrease of $642,832 in depreciation expense from the application of the current depreciation rates.

The following summary compares the present and proposed composite depreciation rates for the historic and Pro Forma period is for illustrative purposes only. The Composite Depreciation Rate should not be applied to the total Company investment inasmuch as the non-proportional change in plant investment as a result of property additions or retirements would render the composite rate inappropriate. The Table 1 schedule (in Section 2 of the report) lists the recommended annual depreciation rates for each of the applicable property accounts.

Present Depreciation Rates

Depreciable Plant In Service at December 31, 2010	$146,054,272
Annual Depreciation Expense	6,715,112
Composite Annual Depreciation Rate	4.60%

Proposed Depreciation Rates

Depreciable Plant In Service at December 31, 2010	$146,054,272
Annual Depreciation Expense	6,072,281
Composite Annual Depreciation Rate	4.16%

SECTION 2

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service as of December 31, 2010
and Related Annual Depreciation Expense Under Present and Proposed Rates

Account No.	Description	Original Cost 12/31/10	Present Rates		Proposed Rates								Net Change Depr.. Exp.
					Proposed Plant Only Rates		Proposed Gross Salv Rates		Proposed COR Rates		Total Proposed Rates		
			Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
	DEPRECIABLE PLANT												
	Source of Supply												
304.10	SS Structures & Improvements	14,312,284.64	2.81%	402,175.20	2.66%	380,706.77	0.00%	0.00	0.56%	80,148.79	3.22%	460,855.57	58,680.37
305.00	Collecting & Impounding Res.	2,577,319.54	1.20%	30,927.83	0.87%	22,422.68	0.00%	0.00	0.61%	15,721.65	1.48%	38,144.33	7,216.50
306.00	Lakes, River & Other Intakes	2,782,340.79	3.49%	97,103.69	1.97%	54,812.11	0.00%	0.00	2.15%	59,820.33	4.12%	114,632.44	17,528.75
307.00	Wells & Springs	11,763,176.86	2.02%	237,616.17	1.52%	178,800.29	0.00%	0.00	0.68%	79,989.60	2.20%	258,789.89	21,173.72
308.00	Infiltration Galleries and Tunnels	13,291.94	1.19%	158.17	1.17%	155.52	0.00%	0.00	0.00%	0.00	1.17%	155.52	(2.65)
309.00	Supply Mains	10,911,813.23	1.76%	192,047.91	1.10%	120,029.95	0.00%	0.00	0.71%	77,473.87	1.81%	197,503.82	5,455.91
	Total Source of Supply Plant	42,360,227.00	2.27%	960,028.99	1.79%	756,927.32	0.00%	0.00	0.74%	313,154.24	2.53%	1,070,081.57	110,052.58
	Pumping Plant												
304.20	Pumping Structures & Improvements	22,619,939.95	2.49%	563,236.50	1.74%	393,586.96	0.00%	0.00	0.61%	137,981.63	2.35%	531,568.59	(31,667.91)
310.00	Power Generation Equip	5,919,295.65	2.84%	168,108.00	3.35%	198,296.40	0.00%	0.00	0.41%	24,269.11	3.76%	222,565.52	54,457.52
311.20	Electric Pumping Eq.	33,340,550.34	4.81%	1,603,680.47	2.85%	950,205.68	0.00%	0.00	1.17%	390,084.44	4.02%	1,340,290.12	(263,390.35)
311.30	Diesel Pumping Eq.	1,706,552.88	3.39%	57,852.14	3.17%	54,097.73	0.00%	0.00	0.43%	7,338.18	3.60%	61,435.90	3,583.76
311.40	Hydraulic Pumping Equip	1,620.06	4.80%	77.76	2.81%	45.52	0.00%	0.00	0.22%	3.56	3.03%	49.09	(28.67)
311.50	Other Pumping Eq.	11,621,266.59	2.44%	283,304.66	0.83%	96,456.51	0.00%	0.00	0.53%	61,592.71	1.36%	158,049.23	(125,255.43)
	Total Pumping Plant	75,209,225.47	3.56%	2,676,259.53	2.25%	1,692,688.80	0.00%	0.00	0.83%	621,269.63	3.08%	2,313,958.45	(362,301.08)
	Water Treatement Plant												
304.30	WT Structures & Improvements	92,685,366.71	2.52%	2,335,671.24	1.92%	1,779,559.04	0.00%	0.00	0.45%	417,084.15	2.37%	2,196,643.19	(139,028.05)
320.10	Treatment Plant Equipment	88,477,649.60	3.61%	3,194,043.15	1.83%	1,619,140.99	0.00%	0.00	0.67%	592,800.25	2.50%	2,211,941.24	(982,101.91)
320.193	Water Treatment Equip Chemical	6,258,912.96	5.10%	319,204.56	5.35%	334,851.84	0.00%	0.00	1.62%	101,394.39	6.97%	436,246.23	117,041.67
320.20	Water Treatment Equip Filter Media	4,166,835.88	4.15%	172,923.69	16.33%	680,444.30	0.00%	0.00	5.24%	218,342.20	21.57%	898,786.50	725,862.81
339.30	Other P/E WT	1,792.90	5.10%	91.44	3.24%	58.09	0.00%	0.00	0.97%	17.39	4.21%	75.48	(15.96)
	Total Water Treatment Plant	191,590,558.05	3.14%	6,021,934.08	2.30%	4,414,054.26	0.00%	0.00	0.69%	1,329,638.38	3.00%	5,743,692.64	(278,241.44)
	Transmission & Distribution Plant												
304.40	TD Structures & Improvements	3,620,119.58	3.30%	119,463.95	2.22%	80,366.65	0.00%	0.00	0.64%	23,168.77	2.86%	103,535.42	(15,928.53)
330.00	Distr. Reservoirs & Standpipes	22,606,125.07	2.10%	474,728.63	1.27%	287,097.79	0.00%	0.00	0.75%	169,545.94	2.02%	456,643.73	(18,084.90)
330.10	Elevated Tanks and Standpipe	1,931,077.88	2.10%	40,552.64	1.51%	29,159.28	0.00%	0.00	0.31%	5,986.34	1.82%	35,145.62	(5,407.02)
330.20	Ground Level Facilities	1,716,877.79	2.10%	36,054.43	1.41%	24,207.98	0.00%	0.00	0.35%	6,009.07	1.76%	30,217.05	(5,837.38)
330.30	Below Grade Facilties	73,532.58	2.10%	1,544.18	1.81%	1,330.94	0.00%	0.00	-0.40%	(294.13)	1.41%	1,036.81	(507.37)
331.001	T & D Mains Conversion	74,620,734.67	1.56%	1,163,732.70	1.26%	940,221.26	0.00%	0.00	0.76%	567,117.58	2.02%	1,507,338.84	343,606.14
331.10	TD Mains 4in & less	18,833,857.04	1.82%	343,627.45	1.26%	237,306.60	0.00%	0.00	1.51%	284,391.24	2.77%	521,697.84	178,070.39
331.20	TD Mains 6in to 8 in	181,036,808.17	1.53%	2,768,008.90	1.03%	1,864,679.12	0.00%	0.00	1.00%	1,810,368.08	2.03%	3,675,047.21	907,038.31
331.30	TD Mains 10in to 16in	126,126,348.70	1.52%	1,915,871.20	0.98%	1,236,038.22	0.00%	0.00	0.93%	1,172,975.04	1.91%	2,409,013.26	493,142.06
331.40	TD Mains 18in & greater	50,628,384.21	1.32%	668,294.67	0.95%	480,969.65	0.00%	0.00	0.86%	435,404.10	1.81%	916,373.75	248,079.08
331.71	Mains - Valves 4" & Under	5,230.93	1.58%	82.65	2.17%	113.51	0.00%	0.00	1.79%	93.63	3.96%	207.14	124.49
331.72	Mains - Valves 6" - 8"	4,655.00	1.58%	73.55	-0.15%	(6.98)	0.00%	0.00	5.73%	266.73	5.58%	259.75	186.20
331.73	Mains - Valves 10" - 16"	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
331.74	Mains - Valves 18" & Over	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
331.75	Mains - Valves Boxes	2,385,937.03	1.58%	37,693.40	2.06%	49,150.30	0.00%	0.00	1.97%	47,002.96	4.03%	96,153.26	58,459.86
331.80	Mains - Manholes, Pits & Vaults	894,978.48	1.58%	14,140.66	1.41%	12,619.20	0.00%	0.00	1.41%	12,619.20	2.82%	25,238.39	11,097.73
331.91	Mains-All Material Types - 4 In & Under	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
331.92	Mains-All Material Types - 6 In - 8 In	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
331.93	Mains-All Material Types - 10 In - 16 In	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service as of December 31, 2010
and Related Annual Depreciation Expense Under Present and Proposed Rates

Account No.	Description	Original Cost 12/31/10	Present Rates		Proposed Rates								Net Change Depr.. Exp.
					Proposed Plant Only Rates		Proposed Gross Salv Rates		Proposed COR Rates		Total Proposed Rates		
			Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
331.94	Mains - All Material Types 18" & Over	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
331.95	Mains-Special Crossings	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	TOTAL ACCOUNT 331	454,536,934.23	1.52%	6,911,525.18	1.06%	4,821,090.88	0.00%	0.00	0.95%	4,330,238.56	2.01%	9,151,329.44	2,239,804.26
332.00	Fire Mains	209,469.02	1.84%	3,854.23	0.99%	2,073.74	0.00%	0.00	0.10%	209.47	1.09%	2,283.21	(1,571.02)
333.00	Services-Non Unitized	7,398,718.78	2.14%	158,330.20	19.36%	1,432,391.96	0.00%	0.00	-7.94%	(587,458.27)	11.42%	844,933.68	686,603.48
333.10	Services - 1" & Under	87,729,612.94	5.56%	4,881,130.34	0.92%	807,112.44	0.00%	0.00	5.70%	5,000,587.94	6.62%	5,807,700.38	926,570.04
333.20	Services - Over 1"	23,637,117.55	5.56%	1,314,902.71	0.77%	182,005.81	0.00%	0.00	4.98%	1,177,128.45	5.75%	1,359,134.26	44,231.55
	TOTAL ACCOUNT 333	118,765,449.27	5.35%	6,354,363.26	2.04%	2,421,510.21	0.00%	0.00	4.71%	5,590,258.12	6.75%	8,011,768.32	1,657,405.06
334.12	334.120 - Meters - Plastic	26,080.38	0.00%	0.00	33.58%	8,757.79	0.00%	0.00	-33.58%	(8,757.79)	0.00%	0.00	0.00
334.30	334.300 - Meter Vaults	1,599,624.40	3.18%	50,868.06	4.67%	74,702.46	0.00%	0.00	0.51%	8,158.08	5.18%	82,860.54	31,992.48
334.41	Meters 1 Inch & Under												
	334.100 - Meters	10,316,605.87	12.03%	1,241,337.89	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	334.110 - Meters-Bronze Cased	24,676,412.19	12.02%	2,966,191.92	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	334.120 - Meters	98,180.93	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	334.130 - Meters-Other	61,370.44	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	334.131 - Remote Reading Devices	416,823.50	12.07%	50,310.60	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	334.200 - Meters	182,587.56	4.87%	8,889.07	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	Total Meters 1 Inch & Under	35,751,980.49	11.93%	4,266,729.48	6.97%	2,491,913.04	0.00%	0.00	-3.27%	(1,169,089.76)	3.70%	1,322,823.28	(2,943,906.20)
334.42	Meters 1 Over 1 Inch												
	334.100 - Meters	1,256,689.88	12.05%	151,433.64	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	334.110 - Meters-Bronze Cased	2,962,594.41	11.92%	353,285.35	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	334.130 - Meters-Other	40,890.57	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	334.131 - Remote Reading Devices	205,851.82	12.07%	24,846.31	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	334.200 - Meters	11,626.23	4.91%	570.85	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	Total Meters Over 1 Inch	4,477,652.91	11.84%	530,136.15	4.31%	192,986.84	0.00%	0.00	-2.61%	(116,866.74)	1.70%	76,120.10	(454,016.05)
334.43	334.430 - Meters-Undefined Size	1,820,361.41	3.59%	65,440.03	6.34%	115,410.91	0.00%	0.00	-2.59%	(47,147.36)	3.75%	68,263.55	2,823.52
334.50	334.500 - Meter Reading Equipment	569,181.03	4.32%	24,588.62	4.16%	23,677.93	0.00%	0.00	-4.16%	(23,677.93)	0.00%	0.00	(24,588.62)
	Total Meters	44,244,880.62	11.16%	4,937,762.34	6.57%	2,907,448.97	0.00%	0.00	-3.07%	(1,357,381.50)	3.50%	1,550,067.47	(3,387,694.87)
334.20	334.200 - Meter Installations	30,270,827.90	4.91%	1,486,280.63	2.00%	605,416.56	0.00%	0.00	0.80%	242,166.62	2.80%	847,583.18	(638,697.45)
335.00	Hydrants	51,931,421.45	3.89%	2,021,494.67	1.70%	882,834.16	0.00%	0.00	1.44%	747,812.47	3.14%	1,630,646.63	(390,848.04)
336.00	Backflow Prevention Devices	3,943.40	3.00%	118.30	3.53%	139.20	0.00%	0.00	-0.06%	(2.37)	3.47%	136.84	18.54
339.50	Other Plant & Misc. Equip.	2,450.61	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	Total Trans & Distr Plant	729,913,109.40	3.07%	22,387,742.43	1.65%	12,062,676.36	0.00%	0.00	1.34%	9,757,717.36	2.99%	21,820,393.72	(567,348.71)
	General Plant												
304.50	Adm & Gen Structures & Improvements	5,392,771.35	2.96%	159,626.03	2.49%	134,280.01	0.00%	0.00	0.69%	37,210.12	3.18%	171,490.13	11,864.10
304.60	Office Structures & Improvements	5,293,951.27	3.15%	166,759.47	3.62%	191,641.04	0.00%	0.00	0.02%	1,058.79	3.64%	192,699.83	25,940.36
304.70	Stores, Shop & Garage Structures	3,602,602.41	2.06%	74,082.67	3.86%	139,060.45	0.00%	0.00	0.46%	16,571.97	4.32%	155,632.42	81,549.75
304.80	Misc. Structures & Improvements	545,075.62	5.27%	28,725.49	3.99%	21,748.52	0.00%	0.00	0.24%	1,308.18	4.23%	23,056.70	(5,668.79)
	Total General Structures	14,834,400.65	2.89%	429,193.65	3.28%	486,730.02	0.00%	0.00	0.38%	56,149.06	3.66%	542,879.08	113,685.43
340.10	Office Furniture & Equipment	2,543,667.04	3.58%	91,063.28	3.73%	94,878.78	0.00%	0.00	0.16%	4,069.87	3.89%	98,948.65	7,885.37
340.20	Personal Computer Eq.	1,774,349.82	14.28%	253,377.15	5.04%	89,427.23	0.00%	0.00	0.11%	1,951.78	5.15%	91,379.02	(161,998.13)

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service as of December 31, 2010
and Related Annual Depreciation Expense Under Present and Proposed Rates

Account No.	Description	Original Cost 12/31/10	Present Rates		Proposed Rates								Net Change Depr.. Exp.
					Proposed Plant Only Rates		Proposed Gross Salv Rates		Proposed COR Rates		Total Proposed Rates		
			Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
340.21	Mainframe Computer Equipment	2,696,098.55	16.55%	446,204.31	9.79%	263,948.05	0.00%	0.00	0.14%	3,774.54	9.93%	267,722.59	(178,481.72)
340.30	Computer Software	7,555,390.22	16.56%	1,251,172.62	7.43%	561,113.09	0.00%	0.00	0.00%	0.00 (2)	7.43%	561,113.09	(690,059.53)
340.32	Personal Computer-Software	4,184,898.77	14.27%	597,185.05	17.33%	725,242.96	0.00%	0.00	0.00%	0.00	17.33%	725,242.96	128,057.91
340.40	Data Handling Equipment	517,614.45	14.27%	73,863.58	12.56%	65,012.37	0.00%	0.00	0.00%	0.00	12.56%	65,012.37	(8,851.21)
340.50	Other Office Equipment	801,776.03	5.59%	44,819.28	4.47%	35,839.39	0.00%	0.00	0.00%	0.00	4.47%	35,839.39	(8,979.89)
	TOTAL ACCOUNT 340	20,073,794.88	13.74%	2,757,685.28	9.14%	1,835,461.87	0.00%	0.00	0.05%	9,796.19	9.19%	1,845,258.07	(912,427.21)
341.01-.00	Transportation Equip Not Classified	618,673.15	3.65%	22,581.57	16.69%	103,256.55	-3.57%	(22,086.63)	-1.43%	(8,847.03)	11.69%	72,322.89	49,741.32
341.10	Trans. Equip. - Light Trucks	5,878,185.07	3.36%	197,507.02	16.65%	978,717.81	-5.56%	(326,827.09)	2.48%	145,778.99	13.57%	797,669.71	600,162.69
341.20	Trans. Equip. - Heavy Trucks	6,161,728.12	3.97%	244,620.61	10.42%	642,052.07	-2.70%	(166,366.66)	0.31%	19,101.36	8.03%	494,786.77	250,166.16
341.30	Trans. Equip. - Cars	2,028,613.84	4.74%	96,156.30	30.33%	615,278.58	-8.70%	(176,489.40)	-2.00%	(40,572.28)	19.63%	398,216.90	302,060.60
341.40	Trans. Equip. - Other	2,631,830.77	2.94%	77,313.53	11.60%	305,292.37	0.00%	0.00	-0.03%	(789.55)	11.57%	304,502.82	227,189.29
	TOTAL ACCOUNT 341	17,319,030.95	3.68%	638,179.02	15.27%	2,644,597.38	-3.99%	(691,769.78)	0.66%	114,671.49	11.94%	2,067,499.09	1,429,320.07
342.00	Stores Equipment	372,912.08	2.45%	9,136.35	3.33%	12,417.97	0.00%	0.00	0.00%	0.00	3.33%	12,417.97	3,281.62
343.00	Tools, Shop & Garage Equipment	7,481,642.42	2.54%	190,033.72	3.05%	228,190.09	0.00%	0.00	0.02%	1,496.33	3.07%	229,686.42	39,652.70
343.10	Tools/Shop/Garage Equipment	66,242.99	2.54%	1,682.57	4.36%	2,888.19	0.00%	0.00	0.02%	13.25	4.38%	2,901.44	1,218.87
344.00	Laboratory Equipment	1,528,068.22	3.85%	58,830.63	3.29%	50,273.44	0.00%	0.00	0.01%	152.81	3.30%	50,426.25	(8,404.38)
345.00	Power Operated Equipment	3,233,172.49	6.45%	208,539.63	7.56%	244,427.84	-2.11%	(68,219.94)	0.87%	28,128.60	6.32%	204,336.50	(4,203.13)
346.00	Communication Equipment	6,978,601.92	6.04%	421,507.56	3.42%	238,668.19	0.00%	0.00	0.00%	0.00	3.42%	238,668.19	(182,839.37)
346.10	Comm. Equipment (Non-Telephone)	344,839.45	3.95%	13,606.60	4.00%	13,793.58	0.00%	0.00	0.00%	0.00	4.00%	13,793.58	186.98
346.19	Comm. Equipment	1,956,374.93	6.04%	118,165.05	3.42%	66,908.02	0.00%	0.00	0.01%	195.64	3.43%	67,103.66	(51,061.39)
346.20	Comm. Equipment	285,292.01	6.04%	17,231.64	3.03%	8,644.35	0.00%	0.00	0.08%	228.23	3.11%	8,872.58	(8,359.06)
347.00	Miscellaneous Equipment	1,746,079.25	2.51%	43,826.59	2.97%	51,858.55	0.00%	0.00	0.00%	0.00	2.97%	51,858.55	8,031.96
348.00	Other Tangible Plant	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
	Total General Plant	76,220,452.24	6.44%	4,907,618.27	7.72%	5,884,859.49	-1.00%	(759,989.72)	0.28%	210,831.60	7.00%	5,335,701.38	428,083.11
	TOTAL DEPRECIABLE PLANT	1,115,293,572.16	3.31%	36,953,583.30	2.22%	24,811,206.23	-0.07%	(759,989.72)	1.10%	12,232,611.21	3.25%	36,283,827.76	(669,755.54)
	NON-DEPRECIABLE PLANT												
301.00	Organization	549,256.39											
302.00	Franchises	897,955.14											
303.10	Land & Land Rights	0.00											
303.20	Land & Land Rights	1,787,252.15											
303.30	Land & Land Rights	2,543,978.44											
303.40	Land & Land Rights	4,276,293.76											
303.50	Land & Land Rights	2,290,162.30											
303.60	Land & Land Rights	723,520.15											
339.00	Miscellaneous Intangible Plant	2,382,668.56											
	TOTAL NON-DEPRECIABLE PLANT	15,451,086.89											
	TOTAL PLANT IN SERVICE	1,130,744,659.05											

(2)) Account 340.300-Computer Software--Current Proforma Depreciation Rate Based Upon ProForma Plant Thru December 31, 2013

Table 1a

Illinois-American Water Company
All Water Districts

Calculation of Cost of Removal In Book Depreciation Reserve as of December 31, 2010 Based Upon Theoretical Depreciation Reserves (By Location and Account) Using Existing Depreciation Parameters

Account No. (a)	Description (b)	Original Cost 12/31/10 (c)	Total Depr Reserve 12/31/10 (d)	Cost of Removal In Book Res. (e)	Gross Salvage In Book Res. (f)	Plant Only Book Depr Resr 12/31/10 (g)
	DEPRECIABLE PLANT					
	Source of Supply					
304.10	SS Structures & Improvements	14,312,284.64	4,625,726.68	685,980.95	0.00	3,939,745.73
305.00	Collecting & Impounding Res.	2,577,319.54	868,856.25	57,377.00	0.00	811,479.25
306.00	Lakes, River & Other Intakes	2,782,340.79	1,143,173.23	144,933.90	0.00	998,239.33
307.00	Wells & Springs	11,763,176.86	1,935,766.58	191,995.69	0.00	1,743,770.89
308.00	Infiltration Galleries and Tunnels	13,291.94	4,252.80	0.00	0.00	4,252.80
309.00	Supply Mains	10,911,813.23	3,200,055.52	265,604.24	0.00	2,934,451.28
	Total Source of Supply Plant	42,360,227.00	11,777,831.06	1,345,891.78	0.00	10,431,939.28
	Pumping Plant					
304.20	Pumping Structures & Improvements	22,619,939.95	8,662,648.71	1,429,185.31	0.00	7,233,463.40
310.00	Power Generation Equip	5,919,295.65	1,451,726.05	39,590.16	0.00	1,412,135.89
311.20	Electric Pumping Eq.	33,340,550.34	13,605,606.61	2,518,903.57	0.00	11,086,703.04
311.30	Diesel Pumping Eq.	1,706,552.88	887,955.29	53,407.99	0.00	834,547.30
311.40	Hydraulic Pumping Equip	1,620.06	208.06	48.77	0.00	159.29
311.50	Other Pumping Eq.	11,621,266.59	8,503,157.78	1,258,086.77	0.00	7,245,071.01
	Total Pumping Plant	75,209,225.47	33,111,302.49	5,299,222.57	0.00	27,812,079.92
	Water Treatement Plant					
304.30	WT Structures & Improvements	92,685,366.71	18,705,670.26	1,072,753.28	0.00	17,632,916.98
320.10	Treatment Plant Equipment	88,477,649.60	49,779,653.26	9,113,785.11	0.00	40,665,868.15
320.193	Water Treatment Equip Chemical	6,258,912.96	240,115.05	42,235.71	0.00	197,879.34
320.20	Water Treatment Equip Filter Media	4,166,835.88	264,516.62	(159,685.66)	0.00	424,202.28
339.30	Other P/E WT	1,792.90	0.00	0.00	0.00	0.00
	Total Water Treatment Plant	191,590,558.05	68,989,955.19	10,069,088.44	0.00	58,920,866.75
	Transmission & Distribution Plant					
304.40	TD Structures & Improvements	3,620,119.58	758,620.52	60,274.77	0.00	698,345.75
330.00	Distr. Reservoirs & Standpipes	22,606,125.07	8,135,088.83	304,884.19	0.00	7,830,204.64
330.10	Elevated Tanks and Standpipe	1,931,077.88	25,797.04	75,766.79		(49,969.75)
330.20	Ground Level Facilities	1,716,877.79	90,160.87	16,861.75		73,299.12
330.30	Below Grade Facilties	73,532.58	13,806.28	26,437.76		(12,631.48)
331.001	T & D Mains Conversion	74,620,734.67	16,594,174.08	13,083,321.94		3,510,852.14
331.10	TD Mains 4in & less	18,833,857.04	5,823,766.69	(635,389.77)		6,459,156.46
331.20	TD Mains 6in to 8 in	181,036,808.17	42,762,467.32	365,023.51		42,397,443.81
331.30	TD Mains 10in to 16in	126,126,348.70	26,406,643.21	401,139.39		26,005,503.82
331.40	TD Mains 18in & greater	50,628,384.21	9,508,591.24	275,200.25		9,233,390.99
331.71	Mains - Valves 4" & Under	5,230.93	474.20	0.00	0.00	474.20
331.72	Mains - Valves 6" - 8"	4,655.00	4,749.48	0.00	0.00	4,749.48
331.73	Mains - Valves 10" - 16"	0.00	0.00	0.00	0.00	0.00
331.74	Mains - Valves 18" & Over	0.00	0.00	0.00	0.00	0.00
331.75	Mains - Valves Boxes	2,385,937.03	514,183.56	0.00	0.00	514,183.56
331.80	Mains - Manholes, Pits & Vaults	894,978.48	222,883.20	0.00	0.00	222,883.20
331.91	Mains-All Material Types - 4 In & Under	0.00	0.00	0.00	0.00	0.00
331.92	Mains-All Material Types - 6 In - 8 In	0.00	0.00	0.00	0.00	0.00
331.93	Mains-All Material Types - 10 In - 16 In	0.00	0.00	0.00	0.00	0.00
331.94	Mains - All Material Types 18" & Over	0.00	0.00	0.00	0.00	0.00
331.95	Mains-Special Crossings	0.00	0.00	0.00	0.00	0.00
	TOTAL ACCOUNT 331	454,536,934.23	101,837,933.00	13,489,295.32	0.00	88,348,637.68

Table 1a

Illinois-American Water Company
All Water Districts

Calculation of Cost of Removal In Book Depreciation Reserve as of December 31, 2010 Based Upon Theoretical Depreciation Reserves (By Location and Account) Using Existing Depreciation Parameters

Account No.	Description	Original Cost 12/31/10	Total Depr Reserve 12/31/10	Cost of Removal In Book Res.	Gross Salvage In Book Res.	Plant Only Book Depr Resr 12/31/10
(a)	(b)	(c)	(d)	(e)	(f)	(g)
332.00	Fire Mains	209,469.02	44,599.87	3,245.45	0.00	41,354.42
333.00	Services-Non Unitized	7,398,718.78	6,026,171.14	38,581,336.20	0.00	(32,555,165.06)
333.10	Services - 1" & Under	87,729,612.94	45,070,983.02	0.00	0.00	45,070,983.02
333.20	Services - Over 1"	23,637,117.55	12,622,886.18	0.00	0.00	12,622,886.18
	TOTAL ACCOUNT 333	118,765,449.27	63,720,040.34	38,581,336.20	0.00	25,138,704.14
334.12	334.120 - Meters - Plastic	26,080.38	28,688.42	13,116.19	0.00	15,572.23
334.30	334.300 - Meter Vaults	1,599,624.40	1,571,299.89	718,389.79	0.00	852,910.10
334.41	Meters 1 Inch & Under					
	334.100 - Meters	10,316,605.87	0.00	0.00	0.00	0.00
	334.110 - Meters-Bronze Cased	24,676,412.19	0.00	0.00	0.00	0.00
	334.120 - Meters	98,180.93	0.00	0.00	0.00	0.00
	334.130 - Meters-Other	61,370.44	0.00	0.00	0.00	0.00
	334.131 - Remote Reading Devices	416,823.50	0.00	0.00	0.00	0.00
	334.200 - Meters	182,587.56	0.00	0.00	0.00	0.00
	Total Meters 1 Inch & Under	35,751,980.49	26,072,522.59	11,920,215.92	0.00	14,152,306.67
334.42	Meters 1 Over 1 Inch					
	334.100 - Meters	1,256,689.88	0.00	0.00	0.00	0.00
	334.110 - Meters-Bronze Cased	2,962,594.41	0.00	0.00	0.00	0.00
	334.130 - Meters-Other	40,890.57	0.00	0.00	0.00	0.00
	334.131 - Remote Reading Devices	205,851.82	0.00	0.00	0.00	0.00
	334.200 - Meters	11,626.23	0.00	0.00	0.00	0.00
	Total Meters Over 1 Inch	4,477,652.91	3,733,005.63	1,706,709.93	0.00	2,026,295.70
334.43	334.430 - Meters-Undefined Size	1,820,361.41	1,229,031.07	561,906.34	0.00	667,124.73
334.50	334.500 - Meter Reading Equipment	569,181.03	569,181.03	260,226.48	0.00	308,954.55
	Total Meters	44,244,880.62	33,203,728.63	15,180,564.65	0.00	18,023,163.98
334.20	334.200 - Meter Installations	30,270,827.90	16,130,131.44	6,807,676.00	0.00	9,322,455.44
335.00	Hydrants	51,931,421.45	19,422,259.60	6,163,415.31	0.00	13,258,844.29
336.00	Backflow Prevention Devices	3,943.40	313.85	58.76	0.00	255.09
339.50	Other Plant & Misc. Equip.	2,450.61	537,000.40	0.00	0.00	537,000.40
	Total Trans & Distr Plant	729,913,109.40	243,919,480.66	80,709,816.95	0.00	163,209,663.71
	General Plant					
304.50	Adm & Gen Structures & Improvements	5,392,771.35	484,738.43	(1,622.47)	0.00	486,360.90
304.60	Office Structures & Improvements	5,293,951.27	2,478,015.07	(14,194.05)	0.00	2,492,209.12
304.70	Stores, Shop & Garage Structures	3,602,602.41	2,273,959.14	19,750.86	0.00	2,254,208.28
304.80	Misc. Structures & Improvements	545,075.62	224,187.75	7,115.47	0.00	217,072.28
	Total General Structures	14,834,400.65	5,460,900.39	11,049.81	0.00	5,449,850.58
340.10	Office Furniture & Equipment	2,543,667.04	1,250,792.45	(2,976.46)	0.00	1,253,768.91
340.20	Personal Computer Eq.	1,774,349.82	1,490,940.66	(6,240.78)	0.00	1,497,181.44
340.21	Mainframe Computer Equipment	2,696,098.55	1,492,059.47	(16,407.85)	0.00	1,508,467.32
340.30	Computer Software	7,555,390.22	11,500,236.88	163.96	0.00	11,500,072.92
340.32	Personal Computer-Software	4,184,898.77	558,128.63	8.11	0.00	558,120.52
340.40	Data Handling Equipment	517,614.45	335,554.33	0.00	0.00	335,554.33
340.50	Other Office Equipment	801,776.03	590,442.60	12.61	0.00	590,429.99
	TOTAL ACCOUNT 340	20,073,794.88	17,218,155.03	(25,440.41)	0.00	17,243,595.44
341.01-.00	Transportation Equip Not Classified	618,673.15	354,360.38	24,792.08	0.00	329,568.30
341.10	Trans. Equip. - Light Trucks	5,878,185.07	1,830,030.75	(525,580.31)	0.00	2,355,611.06
341.20	Trans. Equip. - Heavy Trucks	6,161,728.12	1,266,826.95	(142,346.98)	0.00	1,409,173.93

Table 1a

Illinois-American Water Company
All Water Districts

Calculation of Cost of Removal In Book Depreciation Reserve as of December 31, 2010 Based Upon Theoretical Depreciation Reserves (By Location and Account) Using Existing Depreciation Parameters

Account No.	Description	Original Cost 12/31/10	Total Depr Reserve 12/31/10	Cost of Removal In Book Res.	Gross Salvage In Book Res.	Plant Only Book Depr Resr 12/31/10
(a)	(b)	(c)	(d)	(e)	(f)	(g)
341.30	Trans. Equip. - Cars	2,028,613.84	706,490.07	93,180.54	0.00	613,309.53
341.40	Trans. Equip. - Other	2,631,830.77	438,695.56	5,220.11	0.00	433,475.45
	TOTAL ACCOUNT 341	17,319,030.95	4,596,403.71	(544,734.56)	0.00	5,141,138.27
342.00	Stores Equipment	372,912.08	91,030.53	0.00	0.00	91,030.53
343.00	Tools, Shop & Garage Equipment	7,481,642.42	2,241,209.03	(30,642.39)	0.00	2,271,851.42
343.10	Tools/Shop/Garage Equipment	66,242.99	0.00	(351.04)	0.00	351.04
344.00	Laboratory Equipment	1,528,068.22	538,450.41	(2,899.28)	0.00	541,349.69
345.00	Power Operated Equipment	3,233,172.49	642,570.06	(268,214.43)	0.00	910,784.49
346.00	Communication Equipment	6,978,601.92	3,659,614.33	549.85	0.00	3,659,064.48
346.10	Comm. Equipment (Non-Telephone)	344,839.45	0.00	0.00	0.00	0.00
346.19	Comm. Equipment	1,956,374.93	220,319.76	(4,343.74)	0.00	224,663.50
346.20	Comm. Equipment	285,292.01	66,249.63	(5,516.33)	0.00	71,765.96
347.00	Miscellaneous Equipment	1,746,079.25	557,375.19	(530.06)	0.00	557,905.25
348.00	Other Tangible Plant	0.00	0.00	0.00	0.00	0.00
	Total General Plant	76,220,452.24	35,292,278.07	(871,072.58)	0.00	36,163,350.65
	TOTAL DEPRECIABLE PLANT	1,115,293,572.16	393,090,847.47	96,552,947.16	0.00	296,537,900.31
	NON-DEPRECIABLE PLANT					
301.00	Organization	549,256.39	1.57	0.00	0.00	1.57
302.00	Franchises	897,955.14	(304.01)	0.00	0.00	(304.01)
303.10	Land & Land Rights	0.00	0.00	0.00	0.00	0.00
303.20	Land & Land Rights	1,787,252.15	(5,250.76)	(5,112.92)	0.00	(137.84)
303.30	Land & Land Rights	2,543,978.44	343.85	0.00	0.00	343.85
303.40	Land & Land Rights	4,276,293.76	(12,448.12)	(2,900.00)	0.00	(9,548.12)
303.50	Land & Land Rights	2,290,162.30	(373,513.94)	0.00	0.00	(373,513.94)
303.60	Land & Land Rights	723,520.15	0.00	0.00	0.00	0.00
339.00	Miscellaneous Intangible Plant	2,382,668.56	3,111.74	0.00	0.00	3,111.74
	TOTAL NON-DEPRECIABLE PLANT	15,451,086.89	(388,059.67)	(8,012.92)	0.00	(380,046.75)
	TOTAL PLANT IN SERVICE	1,130,744,659.05	392,702,787.80	96,544,934.24	0.00	296,157,853.56

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	DEPRECIABLE PLANT										
	Source of Supply										
304.10	SS Structures & Improvements	14,312,284.64	0%	0.00	14,312,284.64	3,939,745.73	10,372,538.91	39-R3	27.2	381,343.34	2.66%
305.00	Collecting & Impounding Res.	2,577,319.54	0%	0.00	2,577,319.54	811,479.25	1,765,840.29	100-R4	78.4	22,523.47	0.87%
306.00	Lakes, River & Other Intakes	2,782,340.79	0%	0.00	2,782,340.79	998,239.33	1,784,101.46	60-R2	32.5	54,895.43	1.97%
307.00	Wells & Springs	11,763,176.86	0%	0.00	11,763,176.86	1,743,770.89	10,019,405.97	65-R1	56.2	178,281.25	1.52%
308.00	Infiltration Galleries and Tunnels	13,291.94	0%	0.00	13,291.94	4,252.80	9,039.14	75-R3	58.2	155.31	1.17%
309.00	Supply Mains	10,911,813.23	0%	0.00	10,911,813.23	2,934,451.28	7,977,361.95	90-R4	66.6	119,780.21	1.10%
	Total Source of Supply Plant	42,360,227.00	0%	0.00	42,360,227.00	10,431,939.28	31,928,287.72			756,979.01	1.79%
	Pumping Plant										
304.20	Pumping Structures & Improvements	22,619,939.95	0%	0.00	22,619,939.95	7,233,463.40	15,386,476.55	50-R1.5	39.0	394,525.04	1.74%
310.00	Power Generation Equip	5,919,295.65	0%	0.00	5,919,295.65	1,412,135.89	4,507,159.76	30-R2	22.7	198,553.29	3.35%
311.20	Electric Pumping Eq.	33,340,550.34	0%	0.00	33,340,550.34	11,086,703.04	22,253,847.30	33-L0.5	23.4	951,019.12	2.85%
311.30	Diesel Pumping Eq.	1,706,552.88	0%	0.00	1,706,552.88	834,547.30	872,005.58	30-L2	16.1	54,161.84	3.17%
311.40	Hydraulic Pumping Equip	1,620.06	0%	0.00	1,620.06	159.29	1,460.77	35-R1.5	32.1	45.51	2.81%
311.50	Other Pumping Eq.	11,621,266.59	0%	0.00	11,621,266.59	7,245,071.01	4,376,195.58	55-L1.5	45.6	95,969.20	0.83%
	Total Pumping Plant	75,209,225.47	0%	0.00	75,209,225.47	27,812,079.92	47,397,145.55			1,694,273.99	2.25%
	Water Treatement Plant										
304.30	WT Structures & Improvements	92,685,366.71	0%	0.00	92,685,366.71	17,632,916.98	75,052,449.73	50-R2	42.1	1,782,718.52	1.92%
320.10	Treatment Plant Equipment	88,477,649.60	0%	0.00	88,477,649.60	40,665,868.15	47,811,781.45	40-L1	29.5	1,620,738.35	1.83%
320.193	Water Treatment Equip Chemical	6,258,912.96	0%	0.00	6,258,912.96	197,879.34	6,061,033.62	20-L1	18.1	334,863.74	5.35%
320.20	Water Treatment Equip Filter Media	4,166,835.88	0%	0.00	4,166,835.88	424,202.28	3,742,633.60	8-S1.5	5.5	680,478.84	16.33%
339.30	Other P/E WT	1,792.90	0%	0.00	1,792.90	0.00	1,792.90	35-L1	30.9	58.02	3.24%
	Total Water Treatment Plant	191,590,558.05	0%	0.00	191,590,558.05	58,920,866.75	132,669,691.30			4,418,857.47	2.31%
	Transmission & Distribution Plant										
304.40	TD Structures & Improvements	3,620,119.58	0%	0.00	3,620,119.58	698,345.75	2,921,773.83	45-R3	36.3	80,489.64	2.22%
330.00	Distr. Reservoirs & Standpipes	22,606,125.07	0%	0.00	22,606,125.07	7,830,204.64	14,775,920.43	70-R3	51.6	286,355.05	1.27%
330.10	Elevated Tanks and Standpipe	1,931,077.88	0%	0.00	1,931,077.88	(49,969.75)	1,981,047.63	70-R3	68.1	29,090.27	1.51%
330.20	Ground Level Facilities	1,716,877.79	0%	0.00	1,716,877.79	73,299.12	1,643,578.67	70-R3	67.7	24,277.38	1.41%
330.30	Below Grade Facilties	73,532.58	0%	0.00	73,532.58	(12,631.48)	86,164.06	70-R3	64.8	1,329.69	1.81%
331.001	T & D Mains Conversion	74,620,734.67	0%	0.00	74,620,734.67	3,510,852.14	71,109,882.53	90-R4	75.5	941,852.75	1.26%
331.10	TD Mains 4in & less	18,833,857.04	0%	0.00	18,833,857.04	6,459,156.46	12,374,700.58	67-R1	52.0	237,975.01	1.26%
331.20	TD Mains 6in to 8 in	181,036,808.17	0%	0.00	181,036,808.17	42,397,443.81	138,639,364.36	90-R4	74.6	1,858,436.52	1.03%
331.30	TD Mains 10in to 16in	126,126,348.70	0%	0.00	126,126,348.70	26,005,503.82	100,120,844.88	95-R4	80.6	1,242,194.11	0.98%
331.40	TD Mains 18in & greater	50,628,384.21	0%	0.00	50,628,384.21	9,233,390.99	41,394,993.22	100-R4	86.4	479,108.72	0.95%

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
331.71	Mains - Valves 4" & Under	5,230.93	0%	0.00	5,230.93	474.20	4,756.73	45-R3	42.0	113.26	2.17%
331.72	Mains - Valves 6" - 8"	4,655.00	0%	0.00	4,655.00	4,749.48	(94.48)	50-R3	13.1	(7.21)	-0.15%
331.73	Mains - Valves 10" - 16"	0.00	0%	0.00	0.00	0.00	0.00			0.00	0.00%
331.74	Mains - Valves 18" & Over	0.00	0%	0.00	0.00	0.00	0.00			0.00	0.00%
331.75	Mains - Valves Boxes	2,385,937.03	0%	0.00	2,385,937.03	514,183.56	1,871,753.47	45-L1	38.0	49,256.67	2.06%
331.80	Mains - Manholes, Pits & Vaults	894,978.48	0%	0.00	894,978.48	222,883.20	672,095.28	65-R2	53.3	12,609.67	1.41%
331.91	Mains-All Material Types - 4 In & Under	0.00	0%	0.00	0.00	0.00	0.00	67-R1	52.0	0.00	0.00%
331.92	Mains-All Material Types - 6 In - 8 In	0.00	0%	0.00	0.00	0.00	0.00	90-R4	74.6	0.00	0.00%
331.93	Mains-All Material Types - 10 In - 16 In	0.00	0%	0.00	0.00	0.00	0.00	95-R4	80.6	0.00	0.00%
331.94	Mains - All Material Types 18" & Over	0.00	0%	0.00	0.00	0.00	0.00	100-R4	86.4	0.00	0.00%
331.95	Mains-Special Crossings	0.00	0%	0.00	0.00	0.00	0.00			0.00	0.00%
	TOTAL ACCOUNT 331	454,536,934.23	0%	0.00	454,536,934.23	88,348,637.68	366,188,296.55			4,821,539.48	1.06%
332.00	Fire Mains	209,469.02	0%	0.00	209,469.02	41,354.42	168,114.60	90-S0	80.7	2,083.20	0.99%
333.00	Services-Non Unitized	7,398,718.78	0%	0.00	7,398,718.78	(32,555,165.06)	39,953,883.84	40-L1.5	27.9	1,432,038.85	19.36%
333.10	Services - 1" & Under	87,729,612.94	0%	0.00	87,729,612.94	45,070,983.02	42,658,629.92	65-R1.5	52.6	811,000.57	0.92%
333.20	Services - Over 1"	23,637,117.55	0%	0.00	23,637,117.55	12,622,886.18	11,014,231.37	75-R3	60.2	182,960.65	0.77%
	TOTAL ACCOUNT 333	118,765,449.27	0%	0.00	118,765,449.27	25,138,704.14	93,626,745.13			2,426,000.07	2.04%
334.12	334.120 - Meters - Plastic	26,080.38	0%	0.00	26,080.38	15,572.23	10,508.15	10-R3	1.2	8,756.79	33.58%
334.30	334.300 - Meter Vaults	1,599,624.40	0%	0.00	1,599,624.40	852,910.10	746,714.30	12-L2	10.0	74,671.43	4.67%
334.41	Meters 1 Inch & Under										
	334.100 - Meters	10,316,605.87	0%	0.00	0.00	0.00	0.00	Weighted	8.7	0.00	0.00%
	334.110 - Meters-Bronze Cased	24,676,412.19	0%	0.00	0.00	0.00	0.00	Weighted	8.7	0.00	0.00%
	334.120 - Meters	98,180.93	0%	0.00	0.00	0.00	0.00	Weighted	8.7	0.00	0.00%
	334.130 - Meters-Other	61,370.44	0%	0.00	0.00	0.00	0.00	Weighted	8.7	0.00	0.00%
	334.131 - Remote Reading Devices	416,823.50	0%	0.00	0.00	0.00	0.00	Weighted	8.7	0.00	0.00%
	334.200 - Meters	182,587.56	0%	0.00	0.00	0.00	0.00	Weighted	8.7	0.00	0.00%
	Total Meters 1 Inch & Under	35,751,980.49	0%	0.00	35,751,980.49	14,152,306.67	21,599,673.82	Weighted	8.7	2,492,544.11	6.97%
334.42	Meters 1 Over 1 Inch										
	334.100 - Meters	1,256,689.88	0%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.110 - Meters-Bronze Cased	2,962,594.41	0%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.130 - Meters-Other	40,890.57	0%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.131 - Remote Reading Devices	205,851.82	0%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.200 - Meters	11,626.23	0%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	Total Meters Over 1 Inch	4,477,652.91	0%	0.00	4,477,652.91	2,026,295.70	2,451,357.21	16-L0.5	12.7	193,020.25	4.31%
334.43	334.430 - Meters-Undefined Size	1,820,361.41	0%	0.00	1,820,361.41	667,124.73	1,153,236.68	12-L2	10.0	115,323.67	6.34%
334.50	334.500 - Meter Reading Equipment	569,181.03	0%	0.00	569,181.03	308,954.55	260,226.48	15-R3	11.0	23,656.95	4.16%

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
	Total Meters	44,244,880.62		0.00	44,244,880.62	18,023,163.98	26,221,716.64			2,907,973.20	6.57%	
334.20	334.200 - Meter Installations	30,270,827.90	0%	0.00	30,270,827.90	9,322,455.44	20,948,372.46	48-R2.5	34.6	605,444.29	2.00%	
335.00	Hydrants	51,931,421.45	0%	0.00	51,931,421.45	13,258,844.29	38,672,577.16	55-L2	43.8	882,935.55	1.70%	
336.00	Backflow Prevention Devices	3,943.40	0%	0.00	3,943.40	255.09	3,688.31	30-R3	26.5	139.18	3.53%	
339.50	Other Plant & Misc. Equip.	2,450.61	0%	0.00	2,450.61	537,000.40	(534,549.79)	30-R3	25.6	(20,880.85)	0.00%	(1)
	Total Trans & Distr Plant	729,913,109.40	0%	0.00	729,913,109.40	163,209,663.71	566,703,445.69			12,046,776.17	1.65%	
	General Plant											
304.50	Adm & Gen Structures & Improvements	5,392,771.35	0%	0.00	5,392,771.35	486,360.90	4,906,410.45	40-R3	36.5	134,422.20	2.49%	
304.60	Office Structures & Improvements	5,293,951.27	0%	0.00	5,293,951.27	2,492,209.12	2,801,742.15	26-L1.5	14.6	191,900.15	3.62%	
304.70	Stores, Shop & Garage Structures	3,602,602.41	0%	0.00	3,602,602.41	2,254,208.28	1,348,394.13	20-L2	9.7	139,009.70	3.86%	
304.80	Misc. Structures & Improvements	545,075.62	0%	0.00	545,075.62	217,072.28	328,003.34	25-L1	15.1	21,722.08	3.99%	
	Total General Structures	14,834,400.65	0%	0.00	14,834,400.65	5,449,850.58	9,384,550.07			487,054.13	3.28%	
340.10	Office Furniture & Equipment	2,543,667.04	0%	0.00	2,543,667.04	1,253,768.91	1,289,898.13	23-R1.5	13.6	94,845.45	3.73%	
340.20	Personal Computer Eq.	1,774,349.82	0%	0.00	1,774,349.82	1,497,181.44	277,168.38	7-L1.5	3.1	89,409.16	5.04%	
340.21	Mainframe Computer Equipment	2,696,098.55	0%	0.00	2,696,098.55	1,508,467.32	1,187,631.23	7-L1.5	4.5	263,918.05	9.79%	
340.30	Computer Software	7,555,390.22	0%	0.00	7,555,390.22	11,500,072.92	(3,944,682.70)	13-R1	7.8	561,113.09	7.43%	(2)
340.32	Personal Computer-Software	4,184,898.77	0%	0.00	4,184,898.77	558,120.52	3,626,778.25	11-L3	5.0	725,355.65	17.33%	
340.40	Data Handling Equipment	517,614.45	0%	0.00	517,614.45	335,554.33	182,060.12	8-L3	2.8	65,021.47	12.56%	
340.50	Other Office Equipment	801,776.03	0%	0.00	801,776.03	590,429.99	211,346.04	15-S0.5	5.9	35,821.36	4.47%	
	TOTAL ACCOUNT 340	20,073,794.88	0%	0.00	20,073,794.88	17,243,595.44	2,830,199.44			1,835,484.23	9.14%	
341.01-.00	Transportation Equip Not Classified	618,673.15	0%	0.00	618,673.15	329,568.30	289,104.85	10-L2	2.8	103,251.73	16.69%	
341.10	Trans. Equip. - Light Trucks	5,878,185.07	0%	0.00	5,878,185.07	2,355,611.06	3,522,574.01	7-L3	3.6	978,492.78	16.65%	
341.20	Trans. Equip. - Heavy Trucks	6,161,728.12	0%	0.00	6,161,728.12	1,409,173.93	4,752,554.19	11-L3	7.4	642,237.05	10.42%	
341.30	Trans. Equip. - Cars	2,028,613.84	0%	0.00	2,028,613.84	613,309.53	1,415,304.31	5-L2	2.3	615,349.70	30.33%	
341.40	Trans. Equip. - Other	2,631,830.77	0%	0.00	2,631,830.77	433,475.45	2,198,355.32	9-L3	7.2	305,327.13	11.60%	
	TOTAL ACCOUNT 341	17,319,030.95	0%	0.00	17,319,030.95	5,141,138.27	12,177,892.68			2,644,658.39	15.27%	
342.00	Stores Equipment	372,912.08	0%	0.00	372,912.08	91,030.53	281,881.55	28-L0	22.7	12,417.69	3.33%	
343.00	Tools, Shop & Garage Equipment	7,481,642.42	0%	0.00	7,481,642.42	2,271,851.42	5,209,791.00	27-O2	22.8	228,499.61	3.05%	
343.10	Tools/Shop/Garage Equipment	66,242.99	0%	0.00	66,242.99	351.04	65,891.95	27-O2	22.8	2,890.00	4.36%	
344.00	Laboratory Equipment	1,528,068.22	0%	0.00	1,528,068.22	541,349.69	986,718.53	25-L0	19.6	50,342.78	3.29%	
345.00	Power Operated Equipment	3,233,172.49	0%	0.00	3,233,172.49	910,784.49	2,322,388.00	15-R2	9.5	244,461.89	7.56%	
346.00	Communication Equipment	6,978,601.92	0%	0.00	6,978,601.92	3,659,064.48	3,319,537.44	20-L1	13.9	238,815.64	3.42%	
346.10	Comm. Equipment (Non-Telephone)	344,839.45	0%	0.00	344,839.45	0.00	344,839.45	27-O2	25.0	13,793.58	4.00%	
346.19	Comm. Equipment	1,956,374.93	0%	0.00	1,956,374.93	224,663.50	1,731,711.43	27-O2	25.9	66,861.45	3.42%	
346.20	Comm. Equipment	285,292.01	0%	0.00	285,292.01	71,765.96	213,526.05	27-O2	24.7	8,644.78	3.03%	

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
347.00	Miscellaneous Equipment	1,746,079.25	0%	0.00	1,746,079.25	557,905.25	1,188,174.00	29-L0.5	22.9	51,885.33	2.97%	
348.00	Other Tangible Plant	0.00	0%	0.00	0.00	0.00	0.00			0.00	0.00%	(1)
	Total General Plant	76,220,452.24	0%	0.00	76,220,452.24	36,163,350.65	40,057,101.59			5,885,809.49	7.72%	
	TOTAL DEPRECIABLE PLANT	1,115,293,572.16	0%	0.00	1,115,293,572.16	296,537,900.31	818,755,671.85			24,802,696.13	2.22%	
	NON-DEPRECIABLE PLANT											
301.00	Organization	549,256.39										
302.00	Franchises	897,955.14										
303.10	Land & Land Rights	0.00										
303.20	Land & Land Rights	1,787,252.15										
303.30	Land & Land Rights	2,543,978.44										
303.40	Land & Land Rights	4,276,293.76										
303.50	Land & Land Rights	2,290,162.30										
303.60	Land & Land Rights	723,520.15										
339.00	Miscellaneous Intangible Plant	2,382,668.56										
	TOTAL NON-DEPRECIABLE PLANT	15,451,086.89										
	TOTAL PLANT IN SERVICE	1,130,744,659.05										

(1) Account fully depreciated. No further depreciation until additional additions added.
(2)) Account 340.300-Computer Software--Current Proforma Depreciation Rate Based Upon ProForma Plant Thru December 31, 2013

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	DEPRECIABLE PLANT										
	Source of Supply										
304.10	SS Structures & Improvements	14,312,284.64	0%	0.00	14,312,284.64	0.00	0.00	39-R3	27.2	0.00	0.00%
305.00	Collecting & Impounding Res.	2,577,319.54	0%	0.00	2,577,319.54	0.00	0.00	100-R4	78.4	0.00	0.00%
306.00	Lakes, River & Other Intakes	2,782,340.79	0%	0.00	2,782,340.79	0.00	0.00	60-R2	32.5	0.00	0.00%
307.00	Wells & Springs	11,763,176.86	0%	0.00	11,763,176.86	0.00	0.00	65-R1	56.2	0.00	0.00%
308.00	Infiltration Galleries and Tunnels	13,291.94	0%	0.00	13,291.94	0.00	0.00	75-R3	58.2	0.00	0.00%
309.00	Supply Mains	10,911,813.23	0%	0.00	10,911,813.23	0.00	0.00	90-R4	66.6	0.00	0.00%
	Total Source of Supply Plant	42,360,227.00	0%	0.00	42,360,227.00	0.00	0.00			0.00	0.00%
	Pumping Plant										
304.20	Pumping Structures & Improvements	22,619,939.95	0%	0.00	22,619,939.95	0.00	0.00	50-R1.5	39	0.00	0.00%
310.00	Power Generation Equip	5,919,295.65	0%	0.00	5,919,295.65	0.00	0.00	30-R2	22.7	0.00	0.00%
311.20	Electric Pumping Eq.	33,340,550.34	0%	0.00	33,340,550.34	0.00	0.00	33-L0.5	23.4	0.00	0.00%
311.30	Diesel Pumping Eq.	1,706,552.88	0%	0.00	1,706,552.88	0.00	0.00	30-L2	16.1	0.00	0.00%
311.40	Hydraulic Pumping Equip	1,620.06	0%	0.00	1,620.06	0.00	0.00	35-R1.5	32.1	0.00	0.00%
311.50	Other Pumping Eq.	11,621,266.59	0%	0.00	11,621,266.59	0.00	0.00	55-L1.5	45.6	0.00	0.00%
	Total Pumping Plant	75,209,225.47	0%	0.00	75,209,225.47	0.00	0.00			0.00	0.00%
	Water Treatement Plant										
304.30	WT Structures & Improvements	92,685,366.71	0%	0.00	92,685,366.71	0.00	0.00	50-R2	42.1	0.00	0.00%
320.10	Treatment Plant Equipment	88,477,649.60	0%	0.00	88,477,649.60	0.00	0.00	40-L1	29.5	0.00	0.00%
320.193	Water Treatment Equip Chemical	6,258,912.96	0%	0.00	6,258,912.96	0.00	0.00	20-L1	18.1	0.00	0.00%
320.20	Water Treatment Equip Filter Media	4,166,835.88	0%	0.00	4,166,835.88	0.00	0.00	8-S1.5	5.5	0.00	0.00%
339.30	Other P/E WT	1,792.90	0%	0.00	1,792.90	0.00	0.00	35-L1	30.9	0.00	0.00%
	Total Water Treatment Plant	191,590,558.05	0%	0.00	191,590,558.05	0.00	0.00			0.00	0.00%
	Transmission & Distribution Plant										
304.40	TD Structures & Improvements	3,620,119.58	0%	0.00	3,620,119.58	0.00	0.00	45-R3	36.3	0.00	0.00%
330.00	Distr. Reservoirs & Standpipes	22,606,125.07	0%	0.00	22,606,125.07	0.00	0.00	70-R3	51.6	0.00	0.00%
330.10	Elevated Tanks and Standpipe	1,931,077.88	0%	0.00	1,931,077.88	0.00	0.00	70-R3	68.1	0.00	0.00%
330.20	Ground Level Facilities	1,716,877.79	0%	0.00	1,716,877.79	0.00	0.00	70-R3	67.7	0.00	0.00%
330.30	Below Grade Facilties	73,532.58	0%	0.00	73,532.58	0.00	0.00	70-R3	64.8	0.00	0.00%
331.001	T & D Mains Conversion	74,620,734.67	0%	0.00	74,620,734.67	0.00	0.00	90-R4	75.5	0.00	0.00%
331.10	TD Mains 4in & less	18,833,857.04	0%	0.00	18,833,857.04	0.00	0.00	67-R1	52	0.00	0.00%
331.20	TD Mains 6in to 8 in	181,036,808.17	0%	0.00	181,036,808.17	0.00	0.00	90-R4	74.6	0.00	0.00%
331.30	TD Mains 10in to 16in	126,126,348.70	0%	0.00	126,126,348.70	0.00	0.00	95-R4	80.6	0.00	0.00%
331.40	TD Mains 18in & greater	50,628,384.21	0%	0.00	50,628,384.21	0.00	0.00	100-R4	86.4	0.00	0.00%

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
331.71	Mains - Valves 4" & Under	5,230.93	0%	0.00	5,230.93	0.00	0.00	45-R3	42	0.00	0.00%
331.72	Mains - Valves 6" - 8"	4,655.00	0%	0.00	4,655.00	0.00	0.00	50-R3	13.1	0.00	0.00%
331.73	Mains - Valves 10" - 16"	0.00	0%	0.00	0.00	0.00	0.00			0.00	0.00%
331.74	Mains - Valves 18" & Over	0.00	0%	0.00	0.00	0.00	0.00			0.00	0.00%
331.75	Mains - Valves Boxes	2,385,937.03	0%	0.00	2,385,937.03	0.00	0.00	45-L1	38	0.00	0.00%
331.80	Mains - Manholes, Pits & Vaults	894,978.48	0%	0.00	894,978.48	0.00	0.00	65-R2	53.3	0.00	0.00%
331.91	Mains-All Material Types - 4 In & Under	0.00	0%	0.00	0.00	0.00	0.00	67-R1	52	0.00	0.00%
331.92	Mains-All Material Types - 6 In - 8 In	0.00	0%	0.00	0.00	0.00	0.00	90-R4	74.6	0.00	0.00%
331.93	Mains-All Material Types - 10 In - 16 In	0.00	0%	0.00	0.00	0.00	0.00	95-R4	80.6	0.00	0.00%
331.94	Mains - All Material Types 18" & Over	0.00	0%	0.00	0.00	0.00	0.00	100-R4	86.4	0.00	0.00%
331.95	Mains-Special Crossings	0.00	0%	0.00	0.00	0.00	0.00			0.00	0.00%
	TOTAL ACCOUNT 331	454,536,934.23	0%	0.00	454,536,934.23	0.00	0.00			0.00	0.00%
332.00	Fire Mains	209,469.02	0%	0.00	209,469.02	0.00	0.00	90-S0	80.7	0.00	0.00%
333.00	Services-Non Unitized	7,398,718.78	0%	0.00	7,398,718.78	0.00	0.00	40-L1.5	27.9	0.00	0.00%
333.10	Services - 1" & Under	87,729,612.94	0%	0.00	87,729,612.94	0.00	0.00	65-R1.5	52.6	0.00	0.00%
333.20	Services - Over 1"	23,637,117.55	0%	0.00	23,637,117.55	0.00	0.00	75-R3	60.2	0.00	0.00%
	TOTAL ACCOUNT 333	118,765,449.27	0%	0.00	118,765,449.27	0.00	0.00			0.00	
334.12	334.120 - Meters - Plastic	26,080.38	0%	0.00	26,080.38	0.00	0.00	10-R3	1.2	0.00	0.00%
334.30	334.300 - Meter Vaults	1,599,624.40	0%	0.00	1,599,624.40	0.00	0.00	12-L2	10	0.00	0.00%
334.41	Meters 1 Inch & Under										
	334.100 - Meters	10,316,605.87	0%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	334.110 - Meters-Bronze Cased	24,676,412.19	0%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	334.120 - Meters	98,180.93	0%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	334.130 - Meters-Other	61,370.44	0%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	334.131 - Remote Reading Devices	416,823.50	0%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	334.200 - Meters	182,587.56	0%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	Total Meters 1 Inch & Under	35,751,980.49	0%	0.00	35,751,980.49	0.00	0.00	Weighted	8.6657138	0.00	0.00%
334.42	Meters 1 Over 1 Inch										
	334.100 - Meters	1,256,689.88	0%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.110 - Meters-Bronze Cased	2,962,594.41	0%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.130 - Meters-Other	40,890.57	0%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.131 - Remote Reading Devices	205,851.82	0%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.200 - Meters	11,626.23	0%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	Total Meters Over 1 Inch	4,477,652.91	0%	0.00	4,477,652.91	0.00	0.00	16-L0.5	12.7	0.00	0.00%
334.43	334.430 - Meters-Undefined Size	1,820,361.41	0%	0.00	1,820,361.41	0.00	0.00	12-L2	10	0.00	0.00%
334.50	334.500 - Meter Reading Equipment	569,181.03	0%	0.00	569,181.03	0.00	0.00	15-R3	11.0	0.00	0.00%

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
	Total Meters	44,244,880.62	0%	0.00	44,244,880.62	0.00	0.00			0.00	0.00%	
334.20	334.200 - Meter Installations	30,270,827.90	0%	0.00	30,270,827.90	0.00	0.00	48-R2.5	34.6	0.00	0.00%	
335.00	Hydrants	51,931,421.45	0%	0.00	51,931,421.45	0.00	0.00	55-L2	43.8	0.00	0.00%	
336.00	Backflow Prevention Devices	3,943.40	0%	0.00	3,943.40	0.00	0.00	30-R3	26.5	0.00	0.00%	
339.50	Other Plant & Misc. Equip.	2,450.61	0%	0.00	2,450.61	0.00	0.00	30-R3	25.6	0.00	0.00%	
	Total Trans & Distr Plant	729,913,109.40	0%	0.00	729,913,109.40	0.00	0.00			0.00	0.00%	
	General Plant											
304.50	Adm & Gen Structures & Improvements	5,392,771.35	0%	0.00	5,392,771.35	0.00	0.00	40-R3	36.5	0.00	0.00%	
304.60	Office Structures & Improvements	5,293,951.27	0%	0.00	5,293,951.27	0.00	0.00	26-L1.5	14.6	0.00	0.00%	
304.70	Stores, Shop & Garage Structures	3,602,602.41	0%	0.00	3,602,602.41	0.00	0.00	20-L2	9.7	0.00	0.00%	
304.80	Misc. Structures & Improvements	545,075.62	0%	0.00	545,075.62	0.00	0.00	25-L1	15.1	0.00	0.00%	
	Total General Structures	14,834,400.65	0%	0.00	14,834,400.65	0.00	0.00			0.00	0.00%	
340.10	Office Furniture & Equipment	2,543,667.04	0%	0.00	2,543,667.04	0.00	0.00	23-R1.5	13.6	0.00	0.00%	
340.20	Personal Computer Eq.	1,774,349.82	0%	0.00	1,774,349.82	0.00	0.00	7-L1.5	3.1	0.00	0.00%	
340.21	Mainframe Computer Equipment	2,696,098.55	0%	0.00	2,696,098.55	0.00	0.00	7-L1.5	4.5	0.00	0.00%	
340.30	Computer Software	7,555,390.22	0%	0.00	7,555,390.22	0.00	0.00	13-R1	7.8	0.00	0.00%	(2)
340.32	Personal Computer-Software	4,184,898.77	0%	0.00	4,184,898.77	0.00	0.00	11-L3	5	0.00	0.00%	
340.40	Data Handling Equipment	517,614.45	0%	0.00	517,614.45	0.00	0.00	8-L3	2.8	0.00	0.00%	
340.50	Other Office Equipment	801,776.03	0%	0.00	801,776.03	0.00	0.00	15-S0.5	5.9	0.00	0.00%	
	TOTAL ACCOUNT 340	20,073,794.88	0%	0.00	20,073,794.88	0.00	0.00			0.00	0.00%	
341.01-.00	Transportation Equip Not Classified	618,673.15	10%	61,867.32	556,805.83	0.00	(61,867.32)	10-L2	2.8	(22,095.47)	-3.57%	
341.10	Trans. Equip. - Light Trucks	5,878,185.07	20%	1,175,637.01	4,702,548.06	0.00	(1,175,637.01)	7-L3	3.6	(326,565.84)	-5.56%	
341.20	Trans. Equip. - Heavy Trucks	6,161,728.12	20%	1,232,345.62	4,929,382.50	0.00	(1,232,345.62)	11-L3	7.4	(166,533.19)	-2.70%	
341.30	Trans. Equip. - Cars	2,028,613.84	20%	405,722.77	1,622,891.07	0.00	(405,722.77)	5-L2	2.3	(176,401.20)	-8.70%	
341.40	Trans. Equip. - Other	2,631,830.77	0%	0.00	2,631,830.77	0.00	0.00	9-L3	7.2	0.00	0.00%	
	TOTAL ACCOUNT 341	17,319,030.95	17%	2,875,572.72	14,443,458.23	0.00	(2,875,572.72)			(691,595.70)	-3.99%	
342.00	Stores Equipment	372,912.08	0%	0.00	372,912.08	0.00	0.00	28-L0	22.7	0.00	0.00%	
343.00	Tools, Shop & Garage Equipment	7,481,642.42	0%	0.00	7,481,642.42	0.00	0.00	27-O2	22.8	0.00	0.00%	
343.10	Tools/Shop/Garage Equipment	66,242.99	0%	0.00	66,242.99	0.00	0.00	27-O2	22.8	0.00	0.00%	
344.00	Laboratory Equipment	1,528,068.22	0%	0.00	1,528,068.22	0.00	0.00	25-L0	19.6	0.00	0.00%	
345.00	Power Operated Equipment	3,233,172.49	20%	646,634.50	2,586,537.99	0.00	(646,634.50)	15-R2	9.5	(68,066.79)	-2.11%	
346.00	Communication Equipment	6,978,601.92	0%	0.00	6,978,601.92	0.00	0.00	20-L1	13.9	0.00	0.00%	
346.10	Comm. Equipment (Non-Telephone)	344,839.45	0%	0.00	344,839.45	0.00	0.00	27-O2	25	0.00	0.00%	
346.19	Comm. Equipment	1,956,374.93	0%	0.00	1,956,374.93	0.00	0.00	27-O2	25.9	0.00	0.00%	
346.20	Comm. Equipment	285,292.01	0%	0.00	285,292.01	0.00	0.00	27-O2	24.7	0.00	0.00%	
347.00	Miscellaneous Equipment	1,746,079.25	0%	0.00	1,746,079.25	0.00	0.00	29-L0.5	22.9	0.00	0.00%	

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
348.00	Other Tangible Plant	0.00	0%	0.00	0.00	0.00	0.00			0.00	0.00%
	Total General Plant	76,220,452.24	5%	3,522,207.22	72,698,245.02	0.00	(3,522,207.22)			(759,662.49)	-1.00%
	TOTAL DEPRECIABLE PLANT	1,115,293,572.16	0%	3,522,207.22	1,111,771,364.94	0.00	(3,522,207.22)			(759,662.49)	-0.07%
	NON-DEPRECIABLE PLANT										
301.00	Organization	549,256.39									
302.00	Franchises	897,955.14									
303.10	Land & Land Rights	0.00									
303.20	Land & Land Rights	1,787,252.15									
303.30	Land & Land Rights	2,543,978.44									
303.40	Land & Land Rights	4,276,293.76									
303.50	Land & Land Rights	2,290,162.30									
303.60	Land & Land Rights	723,520.15									
339.00	Miscellaneous Intangible Plant	2,382,668.56									
	TOTAL NON-DEPRECIABLE PLANT	15,451,086.89									
	TOTAL PLANT IN SERVICE	1,130,744,659.05									

(2)) Account 340.300-Computer Software--Current Proforma Depreciation Rate Based Upon ProForma Plant Thru December 31, 2013

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	DEPRECIABLE PLANT										
	Source of Supply										
304.10	SS Structures & Improvements	14,312,284.64	-20%	(2,862,456.93)	17,174,741.57	685,980.95	2,176,475.98	39-R3	27.2	80,017.50	0.56%
305.00	Collecting & Impounding Res.	2,577,319.54	-50%	(1,288,659.77)	3,865,979.31	57,377.00	1,231,282.77	100-R4	78.4	15,705.14	0.61%
306.00	Lakes, River & Other Intakes	2,782,340.79	-75%	(2,086,755.59)	4,869,096.38	144,933.90	1,941,821.69	60-R2	32.5	59,748.36	2.15%
307.00	Wells & Springs	11,763,176.86	-40%	(4,705,270.74)	16,468,447.60	191,995.69	4,513,275.05	65-R1	56.2	80,307.39	0.68%
308.00	Infiltration Galleries and Tunnels	13,291.94	0%	0.00	13,291.94	0.00	0.00	75-R3	58.2	0.00	0.00%
309.00	Supply Mains	10,911,813.23	-50%	(5,455,906.62)	16,367,719.85	265,604.24	5,190,302.38	90-R4	66.6	77,932.47	0.71%
	Total Source of Supply Plant	42,360,227.00	-39%	(16,399,049.65)	58,759,276.65	1,345,891.78	15,053,157.87			313,710.85	0.74%
	Pumping Plant										
304.20	Pumping Structures & Improvements	22,619,939.95	-30%	(6,785,981.98)	29,405,921.93	1,429,185.31	5,356,796.67	50-R1.5	39	137,353.76	0.61%
310.00	Power Generation Equip	5,919,295.65	-10%	(591,929.57)	6,511,225.22	39,590.16	552,339.41	30-R2	22.7	24,332.13	0.41%
311.20	Electric Pumping Eq.	33,340,550.34	-35%	(11,669,192.62)	45,009,742.96	2,518,903.57	9,150,289.05	33-L0.5	23.4	391,037.99	1.17%
311.30	Diesel Pumping Eq.	1,706,552.88	-10%	(170,655.29)	1,877,208.17	53,407.99	117,247.30	30-L2	16.1	7,282.44	0.43%
311.40	Hydraulic Pumping Equip	1,620.06	-10%	(162.01)	1,782.07	48.77	113.24	35-R1.5	32.1	3.53	0.22%
311.50	Other Pumping Eq.	11,621,266.59	-35%	(4,067,443.31)	15,688,709.90	1,258,086.77	2,809,356.54	55-L1.5	45.6	61,608.70	0.53%
	Total Pumping Plant	75,209,225.47	-31%	(23,285,364.78)	98,494,590.25	5,299,222.57	17,986,142.21			621,618.55	0.83%
	Water Treatement Plant										
304.30	WT Structures & Improvements	92,685,366.71	-20%	(18,537,073.34)	111,222,440.05	1,072,753.28	17,464,320.06	50-R2	42.1	414,829.46	0.45%
320.10	Treatment Plant Equipment	88,477,649.60	-30%	(26,543,294.88)	115,020,944.48	9,113,785.11	17,429,509.77	40-L1	29.5	590,830.84	0.67%
320.193	Water Treatment Equip Chemical	6,258,912.96	-30%	(1,877,673.89)	8,136,586.85	42,235.71	1,835,438.18	20-L1	18.1	101,405.42	1.62%
320.20	Water Treatment Equip Filter Media	4,166,835.88	-25%	(1,041,708.97)	5,208,544.85	(159,685.66)	1,201,394.63	8-S1.5	5.5	218,435.39	5.24%
339.30	Other P/E WT	1,792.90	-30%	(537.87)	2,330.77	0.00	537.87	35-L1	30.9	17.41	0.97%
	Total Water Treatment Plant	191,590,558.05	-25%	(48,000,288.95)	239,590,847.00	10,069,088.44	37,931,200.51			1,325,518.51	0.69%
	Transmission & Distribution Plant										
304.40	TD Structures & Improvements	3,620,119.58	-25%	(905,029.90)	4,525,149.48	60,274.77	844,755.13	45-R3	36.3	23,271.49	0.64%
330.00	Distr. Reservoirs & Standpipes	22,606,125.07	-40%	(9,042,450.03)	31,648,575.10	304,884.19	8,737,565.84	70-R3	51.6	169,332.67	0.75%
330.10	Elevated Tanks and Standpipe	1,931,077.88	-25%	(482,769.47)	2,413,847.35	75,766.79	407,002.68	70-R3	68.1	5,976.54	0.31%
330.20	Ground Level Facilities	1,716,877.79	-25%	(429,219.45)	2,146,097.24	16,861.75	412,357.70	70-R3	67.7	6,090.96	0.35%
330.30	Below Grade Facilties	73,532.58	-10%	(7,353.26)	80,885.84	26,437.76	(19,084.50)	70-R3	64.8	(294.51)	-0.40%
331.001	T & D Mains Conversion	74,620,734.67	-75%	(55,965,551.00)	130,586,285.67	13,083,321.94	42,882,229.06	90-R4	75.5	567,976.54	0.76%
331.10	TD Mains 4in & less	18,833,857.04	-75%	(14,125,392.78)	32,959,249.82	(635,389.77)	14,760,782.55	67-R1	52	283,861.20	1.51%
331.20	TD Mains 6in to 8 in	181,036,808.17	-75%	(135,777,606.13)	316,814,414.30	365,023.51	135,412,582.62	90-R4	74.6	1,815,182.07	1.00%
331.30	TD Mains 10in to 16in	126,126,348.70	-75%	(94,594,761.53)	220,721,110.23	401,139.39	94,193,622.14	95-R4	80.6	1,168,655.36	0.93%
331.40	TD Mains 18in & greater	50,628,384.21	-75%	(37,971,288.16)	88,599,672.37	275,200.25	37,696,087.91	100-R4	86.4	436,297.31	0.86%

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
331.71	Mains - Valves 4" & Under	5,230.93	-75%	(3,923.20)	9,154.13	0.00	3,923.20	45-R3	42	93.41	1.79%
331.72	Mains - Valves 6" - 8"	4,655.00	-75%	(3,491.25)	8,146.25	0.00	3,491.25	50-R3	13.1	266.51	5.73%
331.73	Mains - Valves 10" - 16"	0.00	-75%	0.00	0.00	0.00	0.00			0.00	0.00%
331.74	Mains - Valves 18" & Over	0.00	-75%	0.00	0.00	0.00	0.00			0.00	0.00%
331.75	Mains - Valves Boxes	2,385,937.03	-75%	(1,789,452.77)	4,175,389.80	0.00	1,789,452.77	45-L1	38	47,090.86	1.97%
331.80	Mains - Manholes, Pits & Vaults	894,978.48	-75%	(671,233.86)	1,566,212.34	0.00	671,233.86	65-R2	53.3	12,593.51	1.41%
331.91	Mains-All Material Types - 4 In & Unde	0.00	-75%	0.00	0.00	0.00	0.00	67-R1	52	0.00	0.00%
331.92	Mains-All Material Types - 6 In - 8 In	0.00	-75%	0.00	0.00	0.00	0.00	90-R4	74.6	0.00	0.00%
331.93	Mains-All Material Types - 10 In - 16 I	0.00	-75%	0.00	0.00	0.00	0.00	95-R4	80.6	0.00	0.00%
331.94	Mains - All Material Types 18" & Over	0.00	-75%	0.00	0.00	0.00	0.00	100-R4	86.4	0.00	0.00%
331.95	Mains-Special Crossings	0.00	0%	0.00	0.00	0.00	0.00			0.00	0.00%
	TOTAL ACCOUNT 331	454,536,934.23	-75%	(340,902,700.68)	795,439,634.91	13,489,295.32	327,413,405.36			4,332,016.78	0.95%
332.00	Fire Mains	209,469.02	-10%	(20,946.90)	230,415.92	3,245.45	17,701.45	90-S0	80.7	219.35	0.10%
333.00	Services-Non Unitized	7,398,718.78	-300%	(22,196,156.34)	29,594,875.12	38,581,336.20	(16,385,179.86)	40-L1.5	27.9	(587,282.43)	-7.94%
333.10	Services - 1" & Under	87,729,612.94	-300%	(263,188,838.82)	350,918,451.76	0.00	263,188,838.82	65-R1.5	52.6	5,003,590.09	5.70%
333.20	Services - Over 1"	23,637,117.55	-300%	(70,911,352.65)	94,548,470.20	0.00	70,911,352.65	75-R3	60.2	1,177,929.45	4.98%
	TOTAL ACCOUNT 333	118,765,449.27	-300%	(356,296,347.81)	475,061,797.08	38,581,336.20	317,715,011.61			5,594,237.11	4.71%
334.12	334.120 - Meters - Plastic	26,080.38	-10%	(2,608.04)	28,688.42	13,116.19	(10,508.15)	10-R3	1.2	(8,756.79)	-33.58%
334.30	334.300 - Meter Vaults	1,599,624.40	-50%	(799,812.20)	2,399,436.60	718,389.79	81,422.41	12-L2	10	8,142.24	0.51%
334.41	Meters 1 Inch & Under										
	334.100 - Meters	10,316,605.87	-5%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	334.110 - Meters-Bronze Cased	24,676,412.19	-5%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	334.120 - Meters	98,180.93	-5%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	334.130 - Meters-Other	61,370.44	-5%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	334.131 - Remote Reading Devices	416,823.50	-5%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	334.200 - Meters	182,587.56	-5%	0.00	0.00	0.00	0.00	Weighted	8.6657138	0.00	0.00%
	Total Meters 1 Inch & Under	35,751,980.49	-5%	(1,787,599.02)	37,539,579.51	11,920,215.92	(10,132,616.90)	Weighted	8.7	(1,169,276.66)	-3.27%
334.42	Meters 1 Over 1 Inch										
	334.100 - Meters	1,256,689.88	-5%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.110 - Meters-Bronze Cased	2,962,594.41	-5%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.130 - Meters-Other	40,890.57	-5%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.131 - Remote Reading Devices	205,851.82	-5%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	334.200 - Meters	11,626.23	-5%	0.00	0.00	0.00	0.00	16-L0.5	12.7	0.00	0.00%
	Total Meters Over 1 Inch	4,477,652.91	-5%	(223,882.65)	4,701,535.56	1,706,709.93	(1,482,827.28)	16-L0.5	12.7	(116,758.05)	-2.61%

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
334.43	334.430 - Meters-Undefined Size	1,820,361.41	-5%	(91,018.07)	1,911,379.48	561,906.34	(470,888.27)	12-L2	10	(47,088.83)	-2.59%	
334.50	334.500 - Meter Reading Equipment	569,181.03	0%	0.00	569,181.03	260,226.48	(260,226.48)	15-R3	11.0	(23,656.95)	-4.16%	
	Total Meters	44,244,880.62		(2,904,919.98)	47,149,800.60	15,180,564.65	(12,275,644.67)			(1,357,395.05)	-3.07%	
334.20	334.200 - Meter Installations	30,270,827.90	-50%	(15,135,413.95)	45,406,241.85	6,807,676.00	8,327,737.95	48-R2.5	34.6	240,686.07	0.80%	
335.00	Hydrants	51,931,421.45	-75%	(38,948,566.09)	90,879,987.54	6,163,415.31	32,785,150.78	55-L2	43.8	748,519.42	1.44%	
336.00	Backflow Prevention Devices	3,943.40	0%	0.00	3,943.40	58.76	(58.76)	30-R3	26.5	(2.22)	-0.06%	
339.50	Other Plant & Misc. Equip.	2,450.61	0%	0.00	2,450.61	0.00	0.00	30-R3	25.6	0.00	0.00%	
	Total Trans & Distr Plant	729,913,109.40	-105%	(765,075,717.52)	1,494,988,826.92	80,709,816.95	684,365,900.57			9,762,658.61	1.34%	
	General Plant											
304.50	Adm & Gen Structures & Improvemen	5,392,771.35	-25%	(1,348,192.84)	6,740,964.19	(1,622.47)	1,349,815.31	40-R3	36.5	36,981.24	0.69%	
304.60	Office Structures & Improvements	5,293,951.27	0%	0.00	5,293,951.27	(14,194.05)	14,194.05	26-L1.5	14.6	972.20	0.02%	
304.70	Stores, Shop & Garage Structures	3,602,602.41	-5%	(180,130.12)	3,782,732.53	19,750.86	160,379.26	20-L2	9.7	16,533.94	0.46%	
304.80	Misc. Structures & Improvements	545,075.62	-5%	(27,253.78)	572,329.40	7,115.47	20,138.31	25-L1	15.1	1,333.66	0.24%	
	Total General Structures	14,834,400.65	-10%	(1,555,576.74)	16,389,977.39	11,049.81	1,544,526.93			55,821.04	0.38%	
340.10	Office Furniture & Equipment	2,543,667.04	-2%	(50,873.34)	2,594,540.38	(2,976.46)	53,849.80	23-R1.5	13.6	3,959.54	0.16%	
340.20	Personal Computer Eq.	1,774,349.82	0%	0.00	1,774,349.82	(6,240.78)	6,240.78	7-L1.5	3.1	2,013.15	0.11%	
340.21	Mainframe Computer Equipment	2,696,098.55	0%	0.00	2,696,098.55	(16,407.85)	16,407.85	7-L1.5	4.5	3,646.19	0.14%	
340.30	Computer Software	7,555,390.22	0%	0.00	7,555,390.22	163.96	(163.96)	13-R1	7.8	0.00	0.00%	(2)
340.32	Personal Computer-Software	4,184,898.77	0%	0.00	4,184,898.77	8.11	(8.11)	11-L3	5	(1.62)	0.00%	
340.40	Data Handling Equipment	517,614.45	0%	0.00	517,614.45	0.00	0.00	8-L3	2.8	0.00	0.00%	
340.50	Other Office Equipment	801,776.03	0%	0.00	801,776.03	12.61	(12.61)	15-S0.5	5.9	(2.14)	0.00%	
	TOTAL ACCOUNT 340	20,073,794.88	0%	(50,873.34)	20,124,668.22	(25,440.41)	76,313.75			9,615.13	0.05%	
341.01-.00	Transportation Equip Not Classified	618,673.15	0%	0.00	618,673.15	24,792.08	(24,792.08)	10-L2	2.8	(8,854.31)	-1.43%	
341.10	Trans. Equip. - Light Trucks	5,878,185.07	0%	0.00	5,878,185.07	(525,580.31)	525,580.31	7-L3	3.6	145,994.53	2.48%	
341.20	Trans. Equip. - Heavy Trucks	6,161,728.12	0%	0.00	6,161,728.12	(142,346.98)	142,346.98	11-L3	7.4	19,236.08	0.31%	
341.30	Trans. Equip. - Cars	2,028,613.84	0%	0.00	2,028,613.84	93,180.54	(93,180.54)	5-L2	2.3	(40,513.28)	-2.00%	
341.40	Trans. Equip. - Other	2,631,830.77	0%	0.00	2,631,830.77	5,220.11	(5,220.11)	9-L3	7.2	(725.02)	-0.03%	
	TOTAL ACCOUNT 341	17,319,030.95	0%	0.00	17,319,030.95	(544,734.56)	544,734.56			123,992.32	0.72%	
342.00	Stores Equipment	372,912.08	0%	0.00	372,912.08	0.00	0.00	28-L0	22.7	0.00	0.00%	
343.00	Tools, Shop & Garage Equipment	7,481,642.42	0%	0.00	7,481,642.42	(30,642.39)	30,642.39	27-O2	22.8	1,343.96	0.02%	
343.10	Tools/Shop/Garage Equipment	66,242.99	0%	0.00	66,242.99	(351.04)	351.04	27-O2	22.8	15.40	0.02%	
344.00	Laboratory Equipment	1,528,068.22	0%	0.00	1,528,068.22	(2,899.28)	2,899.28	25-L0	19.6	147.92	0.01%	
345.00	Power Operated Equipment	3,233,172.49	0%	0.00	3,233,172.49	(268,214.43)	268,214.43	15-R2	9.5	28,233.10	0.87%	
346.00	Communication Equipment	6,978,601.92	0%	0.00	6,978,601.92	549.85	(549.85)	20-L1	13.9	(39.56)	0.00%	
346.10	Comm. Equipment (Non-Telephone)	344,839.45	0%	0.00	344,839.45	0.00	0.00	27-O2	25	0.00	0.00%	
346.19	Comm. Equipment	1,956,374.93	0%	0.00	1,956,374.93	(4,343.74)	4,343.74	27-O2	25.9	167.71	0.01%	
346.20	Comm. Equipment	285,292.01	0%	0.00	285,292.01	(5,516.33)	5,516.33	27-O2	24.7	223.33	0.08%	

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Deprecation Reserve and Average Remaining Lives as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depr Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
347.00	Miscellaneous Equipment	1,746,079.25	0%	0.00	1,746,079.25	(530.06)	530.06	29-L0.5	22.9	23.15	0.00%
348.00	Other Tangible Plant	0.00	0%	0.00	0.00	0.00	0.00			0.00	0.00%
	Total General Plant	76,220,452.24	-2%	(1,606,450.08)	77,826,902.32	(871,072.58)	2,477,522.66			219,543.50	0.29%
	TOTAL DEPRECIABLE PLANT	1,115,293,572.16	-77%	(854,366,870.98)	1,969,660,443.14	96,552,947.16	757,813,923.82			12,243,050.03	1.10%
	NON-DEPRECIABLE PLANT										
301.00	Organization	549,256.39									
302.00	Franchises	897,955.14									
303.10	Land & Land Rights	0.00									
303.20	Land & Land Rights	1,787,252.15									
303.30	Land & Land Rights	2,543,978.44									
303.40	Land & Land Rights	4,276,293.76									
303.50	Land & Land Rights	2,290,162.30									
303.60	Land & Land Rights	723,520.15									
339.00	Miscellaneous Intangible Plant	2,382,668.56									
	TOTAL NON-DEPRECIABLE PLANT	15,451,086.89									
	TOTAL PLANT IN SERVICE	1,130,744,659.05									

(2)) Account 340.300-Computer Software--Current Proforma Depreciation Rate Based Upon ProForma Plant Thru December 31, 2013

Table 3

ILLINOIS AMERICAN
All Water Districts

Summary of Original Cost of Utility Plant in Service as of December 31, 2010
Per Books, Pending Retirements, and Adjusted Original Cost Per Depreciation Study

Acct. No.	Account Description	Original Cost Per Books 12/31/10	Pending 2011 Retirement	Interaccount Adjustments	Adjustments From 334200	Original Cost Per Depr. Study 12/31/10
(a)	(b)	(c)	(d)	(e)	(f)	(g)
	DEPRECIABLE PLANT					
	Source of Supply					
304.10	SS Structures & Improvements	14,312,284.64				14,312,284.64
305.00	Collecting & Impounding Res.	2,577,319.54				2,577,319.54
306.00	Lakes, River & Other Intakes	2,782,340.79				2,782,340.79
307.00	Wells & Springs	11,763,176.86				11,763,176.86
308.00	Infiltration Galleries and Tunnels	13,291.94				13,291.94
309.00	Supply Mains	10,911,813.23				10,911,813.23
	Total Source of Supply Plant	42,360,227.00	0.00	0.00		42,360,227.00
	Pumping Plant					
304.20	Pumping Structures & Improvements	22,619,939.95				22,619,939.95
310.00	Power Generation Equip	5,919,295.65				5,919,295.65
311.20	Electric Pumping Eq.	33,340,550.34				33,340,550.34
311.30	Diesel Pumping Eq.	1,706,552.88				1,706,552.88
311.40	Hydraulic Pumping Equip	1,620.06				1,620.06
311.50	Other Pumping Eq.	11,621,266.59				11,621,266.59
	Total Pumping Plant	75,209,225.47	0.00	0.00		75,209,225.47
	Water Treatement Plant					
304.30	WT Structures & Improvements	92,685,366.71				92,685,366.71
320.10	Treatment Plant Equipment	88,477,649.60				88,477,649.60
320.193	Water Treatment Equip Chemical	6,258,912.96				6,258,912.96
320.20	Water Treatment Equip Filter Media	4,166,835.88				4,166,835.88
339.30	Other P/E WT	1,792.90				1,792.90
	Total Water Treatment Plant	191,590,558.05	0.00	0.00		191,590,558.05
	Transmission & Distribution Plant					
304.40	TD Structures & Improvements	3,620,119.58				3,620,119.58
330.00	Distr. Reservoirs & Standpipes	22,606,125.07				22,606,125.07
330.10	Elevated Tanks and Standpipe	1,931,077.88				1,931,077.88
330.20	Ground Level Facilities	1,716,877.79				1,716,877.79
330.30	Below Grade Facilties	73,532.58				73,532.58
331.001	T & D Mains Conversion	74,620,734.67				74,620,734.67
331.10	TD Mains 4in & less	4,396,146.34		14,437,710.70		18,833,857.04
331.20	TD Mains 6in to 8 in	19,201,185.16		161,835,623.01		181,036,808.17
331.30	TD Mains 10in to 16in	10,723,261.18		115,403,087.52		126,126,348.70
331.40	TD Mains 18in & greater	8,609,112.25		42,019,271.96		50,628,384.21
331.71	Mains - Valves 4" & Under	$ 5,230.93				5,230.93
331.72	Mains - Valves 6" - 8"	$ 4,655.00				4,655.00
331.73	Mains - Valves 10" - 16"	0.00				0.00
331.74	Mains - Valves 18" & Over	0.00				0.00
331.75	Mains - Valves Boxes	$ 2,385,937.03				2,385,937.03
331.80	Mains - Manholes, Pits & Vaults	$ 894,978.48				894,978.48
331.91	Mains-All Material Types - 4 In & Under	$ 14,437,710.70		-14,437,710.70		0.00
331.92	Mains-All Material Types - 6 In - 8 In	$ 161,835,623.01		-161,835,623.01		0.00
331.93	Mains-All Material Types - 10 In - 16 In	$ 115,403,087.52		-115,403,087.52		0.00
331.94	Mains - All Material Types 18" & Over	$ 42,019,271.96		-42,019,271.96		0.00
331.95	Mains-Special Crossings					0.00
	TOTAL ACCOUNT 331	454,536,934.23	0.00	0.00		454,536,934.23
332.00	Fire Mains	209,469.02				209,469.02

Table 3

ILLINOIS AMERICAN
All Water Districts

Summary of Original Cost of Utility Plant in Service as of December 31, 2010
Per Books, Pending Retirements, and Adjusted Original Cost Per Depreciation Study

Acct. No.	Account Description	Original Cost Per Books 12/31/10	Pending 2011 Retirement	Interaccount Adjustments	Adjustments From 334200	Original Cost Per Depr. Study 12/31/10
(a)	(b)	(c)	(d)	(e)	(f)	(g)
333.00	Services-Non Unitized	7,398,718.78		0.00		7,398,718.78
333.10	Services - 1" & Under	87,729,612.94		0.00		87,729,612.94
333.20	Services - Over 1"	23,564,643.41		72,474.14		23,637,117.55
	TOTAL ACCOUNT 333	118,692,975.13	0.00	72,474.14	0.00	118,765,449.27
334.12	334.120 - Meters - Plastic	0.00		26,080.38		26,080.38
334.30	334.300 - Meter Vaults	0.00		1,599,624.40		1,599,624.40
334.41	Meters 1 Inch & Under					
	334.100 - Meters	0.00	2,222,356.77	12,538,962.64		10,316,605.87
	334.110 - Meters-Bronze Cased	0.00		24,676,412.19		24,676,412.19
	334.120 - Meters	0.00		98,180.93		98,180.93
	334.130 - Meters-Other	0.00		61,370.44		61,370.44
	334.131 - Remote Reading Devices	0.00		416,823.50		416,823.50
	334.200 - Meters				182,587.56	182,587.56
	Total Meters 1 Inch & Under	0.00	2,222,356.77	37,791,749.70	182,587.56	35,751,980.49
334.42	Meters 1 Over 1 Inch					
	334.100 - Meters	0.00	654,647.47	1,911,337.35		1,256,689.88
	334.110 - Meters-Bronze Cased	0.00		2,962,594.41		2,962,594.41
	334.130 - Meters-Other	0.00		40,890.57		40,890.57
	334.131 - Remote Reading Devices	0.00		205,851.82		205,851.82
	334.200 - Meters				11,626.23	11,626.23
	Total Meters Over 1 Inch	0.00	654,647.47	5,120,674.15	11,626.23	4,477,652.91
334.43	334.430 - Meters-Undefined Size	0.00	1,245,895.65	3,066,257.06		1,820,361.41
334.50	334.500 - Meter Reading Equipment	0.00	28,855.69	597,050.96	985.76	569,181.03
	Total Meters	0.00	4,151,755.58	48,201,436.65	195,199.55	44,244,880.62
334.20	334.200 - Meter Installations	30,046,654.09	19,996.54	439,369.90	(195,199.55)	30,270,827.90
335.00	Hydrants	51,931,421.45				51,931,421.45
336.00	Backflow Prevention Devices	3,943.40				3,943.40
339.50	Other P/E TD	2,450.61				2,450.61
	Total Trans & Distr Plant	685,371,580.83	4,171,752.12	48,713,280.69	0.00	729,913,109.40
	General Plant					
304.50	Adm & Gen Structures & Improvements	5,392,771.35				5,392,771.35
304.60	Office Structures & Improvements	5,293,951.27				5,293,951.27
304.70	Stores, Shop & Garage Structures	3,602,602.41				3,602,602.41
304.80	Misc. Structures & Improvements	545,075.62				545,075.62
	Total General Structures	14,834,400.65	0.00	0.00		14,834,400.65
340.10	Office Furniture & Equipment	2,543,667.04				2,543,667.04
340.20	Personal Computer Eq.	1,774,349.82				1,774,349.82
340.21-.24	Mainframe Computer Equipment	2,696,098.55				2,696,098.55
340.30	Computer Software	7,555,390.22				7,555,390.22
340.32-.33	Personal Computer-Software	4,184,898.77				4,184,898.77
340.40	Data Handling Equipment	517,614.45				517,614.45
340.50	Other Office Equipment	801,776.03				801,776.03
	TOTAL ACCOUNT 340	20,073,794.88	0.00	0.00		20,073,794.88
341.01-.00	Transportation Equip Not Classified	618,673.15				618,673.15
341.10	Trans. Equip. - Light Trucks	5,878,185.07				5,878,185.07

Table 3

ILLINOIS AMERICAN
All Water Districts

Summary of Original Cost of Utility Plant in Service as of December 31, 2010
Per Books, Pending Retirements, and Adjusted Original Cost Per Depreciation Study

Acct. No.	Account Description	Original Cost Per Books 12/31/10	Pending 2011 Retirement	Interaccount Adjustments	Adjustments From 334200	Original Cost Per Depr. Study 12/31/10
(a)	(b)	(c)	(d)	(e)	(f)	(g)
341.20	Trans. Equip. - Heavy Trucks	6,161,728.12				6,161,728.12
341.30	Trans. Equip. - Cars	2,028,613.84				2,028,613.84
341.40	Trans. Equip. - Other	2,631,830.77				2,631,830.77
	TOTAL ACCOUNT 341	17,319,030.95	0.00	0.00		17,319,030.95
342.00	Stores Equipment	372,912.08				372,912.08
343.00	Tools, Shop & Garage Equipment	7,481,642.42				7,481,642.42
343.10	Tools/Shop/Garage Equipment	66,242.99				66,242.99
344.00	Laboratory Equipment	1,528,068.22				1,528,068.22
345.00	Power Operated Equipment	3,233,172.49				3,233,172.49
346.00	Communication Equipment	6,978,601.92				6,978,601.92
346.10	Comm. Equipment (Non-Telephone)	344,839.45				344,839.45
346.19	Comm. Equipment	1,956,374.93				1,956,374.93
346.20	Comm. Equipment	285,292.01				285,292.01
347.00	Miscellaneous Equipment	1,746,079.25				1,746,079.25
348.00	Other Tangible Plant	0.00				0.00
	Total General Plant	76,220,452.24	0.00	0.00		76,220,452.24
	TOTAL DEPRECIABLE PLANT	1,070,752,043.59	4,171,752.12	48,713,280.69	0.00	1,115,293,572.16
	NON-DEPRECIABLE PLANT					
301.00	Organization	549,256.39				549,256.39
302.00	Franchises	897,955.14				897,955.14
303.10	Land & Land Rights	0.00				0.00
303.20	Land & Land Rights	1,787,252.15				1,787,252.15
303.30	Land & Land Rights	2,543,978.44				2,543,978.44
303.40	Land & Land Rights	4,276,293.76				4,276,293.76
303.50	Land & Land Rights	2,290,162.30				2,290,162.30
303.60	Land & Land Rights	723,520.15				723,520.15
339.60	Miscellaneous Intangible Plant	2,382,668.56				2,382,668.56
	TOTAL NON-DEPRECIABLE PLANT	15,451,086.89	0.00	0.00	0.00	15,451,086.89
	TOTAL PLANT IN SERVICE	1,086,203,130.48	4,171,752.12	48,713,280.69	0.00	1,130,744,659.05

Table 4

ILLINOIS AMERICAN
All Water Districts

Summary of Depreciation Reserve Related to Utility Plant in Service as of December 31, 2010
Per Books, Pending Retirements, and Adjusted Depreciation Reserve Per Depreciation Study

Acct. No. (a)	Account Description (b)	Depreciation Reserve Per Books 12/31/10 (c)	Pending 2011 Retirement (d)	Inter Account Adjustments (e)	Depreciation Reserve Per Depr. Study 12/31/10 (f)
	DEPRECIABLE PLANT				
	Source of Supply				
304.10	SS Structures & Improvements	4,625,726.68			4,625,726.68
305.00	Collecting & Impounding Res.	868,856.25			868,856.25
306.00	Lakes, River & Other Intakes	1,143,173.23			1,143,173.23
307.00	Wells & Springs	1,935,766.58			1,935,766.58
308.00	Infiltration Galleries and Tunnels	4,252.80			4,252.80
309.00	Supply Mains	3,200,055.52			3,200,055.52
	Total Source of Supply Plant	11,777,831.06		0.00	11,777,831.06
	Pumping Plant				
304.20	Pumping Structures & Improvements	8,662,648.71			8,662,648.71
310.00	Power Generation Equip	1,451,726.05			1,451,726.05
311.20	Electric Pumping Eq.	13,605,606.61			13,605,606.61
311.30	Diesel Pumping Eq.	887,955.29			887,955.29
311.40	Hydraulic Pumping Equip	208.06			208.06
311.50	Other Pumping Eq.	8,503,157.78			8,503,157.78
	Total Pumping Plant	33,111,302.49		0.00	33,111,302.49
	Water Treatement Plant				
304.30	WT Structures & Improvements	18,705,670.26			18,705,670.26
320.10	Treatment Plant Equipment	49,779,653.26			49,779,653.26
320.193	Water Treatment Equip Chemical	240,115.05			240,115.05
320.20	Water Treatment Equip Filter Media	264,516.62			264,516.62
339.30	Other P/E WT	0.00			0.00
	Total Water Treatment Plant	68,989,955.19		0.00	68,989,955.19
	Transmission & Distribution Plant				
304.40	TD Structures & Improvements	758,620.52			758,620.52
330.00	Distr. Reservoirs & Standpipes	8,135,088.83			8,135,088.83
330.10	Elevated Tanks and Standpipe	25,797.04			25,797.04
330.20	Ground Level Facilities	90,160.87			90,160.87
330.30	Below Grade Facilties	13,806.28			13,806.28
331.001	T & D Mains Conversion	97,521,923.54		(80,927,749.46) (1)	16,594,174.08
331.10	TD Mains 4in & less	(364,547.11)		6,188,313.80 (1)	5,823,766.69
331.20	TD Mains 6in to 8 in	2,071,926.75		40,690,540.57 (1)	42,762,467.32
331.30	TD Mains 10in to 16in	1,737,170.70		24,669,472.51 (1)	26,406,643.21
331.40	TD Mains 18in & greater	871,459.12		8,637,132.12 (1)	9,508,591.24
				0.00 (1)	0.00
331.71	Mains - Valves 4" & Under	0.00		474.20 (1)	474.20
331.72	Mains - Valves 6" - 8"	0.00		4,749.48 (1)	4,749.48
331.73	Mains - Valves 10" - 16"	0.00		0.00 (1)	0.00
331.74	Mains - Valves 18" & Over	0.00		0.00 (1)	0.00
331.75	Mains - Valves Boxes	0.00		514,183.56 (1)	514,183.56
331.80	Mains - Manholes, Pits & Vaults	0.00		222,883.20 (1)	222,883.20
331.91	Mains-All Material Types - 4 In & Under	0.00		0.00 (1)	0.00
331.92	Mains-All Material Types - 6 In - 8 In	0.00		0.00 (1)	0.00
331.93	Mains-All Material Types - 10 In - 16 In	0.00		0.00 (1)	0.00
331.94	Mains - All Material Types 18" & Over	0.00		0.00 (1)	0.00

Table 4

ILLINOIS AMERICAN
All Water Districts

Summary of Depreciation Reserve Related to Utility Plant in Service as of December 31, 2010
Per Books, Pending Retirements, and Adjusted Depreciation Reserve Per Depreciation Study

Acct. No.	Account Description	Depreciation Reserve Per Books 12/31/10	Pending 2011 Retirement	Inter Account Adjustments	Depreciation Reserve Per Depr. Study 12/31/10
(a)	(b)	(c)	(d)	(e)	(f)
331.95	Mains-Special Crossings	0.00		0.00 (1)	0.00
	TOTAL ACCOUNT 331	101,837,933.00		0.00	101,837,933.00
332.00	Fire Mains	44,599.87			44,599.87
333.00	Services-Non Unitized	63,720,040.34		(57,693,869.20) (1)	6,026,171.14
333.10	Services - 1" & Under	0.00		45,070,983.02 (1)	45,070,983.02
333.20	Services - Over 1"	0.00		12,622,886.18 (1)	12,622,886.18
	TOTAL ACCOUNT 333	63,720,040.34		0.00	63,720,040.34
334.12	334.120 - Meters - Plastic	226,186.90		(197,498.48) (1)	28,688.42
334.30	334.300 - Meter Vaults	(139,593.56)		1,710,893.45 (1)	1,571,299.89
334.41	Meters 1 Inch & Under				
	334.100 - Meters	11,956,002.85			0.00
	334.110 - Meters-Bronze Cased	16,765,970.64			0.00
	334.120 - Meters	0.00			0.00
	334.130 - Meters-Other	243,406.22			0.00
	334.131 - Remote Reading Devices	0.00			0.00
	334.200 - Meters	0.00			0.00
	Total Meters 1 Inch & Under	28,965,379.71	2,222,356.77	(5,115,213.89) (1)	26,072,522.59
334.42	Meters 1 Over 1 Inch				0.00
	334.100 - Meters				0.00
	334.110 - Meters-Bronze Cased				0.00
	334.130 - Meters-Other				0.00
	334.131 - Remote Reading Devices				0.00
	334.200 - Meters				0.00
	Total Meters Over 1 Inch	0.00	654,647.47	3,078,358.16 (1)	3,733,005.63
334.43	334.430 - Meters-Undefined Size	0.00	1,245,895.65	(16,864.58) (1)	1,229,031.07
334.50	334.500 - Meter Reading Equipment	0.00	28,855.69	540,325.34 (1)	569,181.03
	Total Meters	29,051,973.05	4,151,755.58	(0.00)	33,203,728.63
334.20	334.200 - Meter Installations	16,150,127.98	19,996.54		16,130,131.44
335.00	Hydrants	19,422,259.60			19,422,259.60
336.00	Backflow Prevention Devices	313.85			313.85
339.50	Other Plant & Misc. Equip.	537,000.40			537,000.40
	Total Trans & Distr Plant	239,787,721.62	4,171,752.12	0.00	243,919,480.66
	General Plant				
304.50	Adm & Gen Structures & Improvements	484,738.43			484,738.43
304.60	Office Structures & Improvements	2,478,015.07			2,478,015.07
304.70	Stores, Shop & Garage Structures	2,273,959.14			2,273,959.14
304.80	Misc. Structures & Improvements	224,187.75			224,187.75
	Total General Structures	5,460,900.39		0.00	5,460,900.39
340.10	Office Furniture & Equipment	1,250,792.45			1,250,792.45
340.20	Personal Computer Eq.	1,867,131.02		(376,190.36) (1)	1,490,940.66
340.21	Mainframe Computer Equipment	1,115,869.11		376,190.36 (1)	1,492,059.47
340.30	Computer Software	11,500,236.88			11,500,236.88

Table 4

ILLINOIS AMERICAN
All Water Districts

Summary of Depreciation Reserve Related to Utility Plant in Service as of December 31, 2010
Per Books, Pending Retirements, and Adjusted Depreciation Reserve Per Depreciation Study

Acct. No.	Account Description	Depreciation Reserve Per Books 12/31/10	Pending 2011 Retirement	Inter Account Adjustments	Depreciation Reserve Per Depr. Study 12/31/10
(a)	(b)	(c)	(d)	(e)	(f)
340.32	Personal Computer-Software	558,128.63			558,128.63
340.40	Data Handling Equipment	335,554.33			335,554.33
340.50	Other Office Equipment	590,442.60			590,442.60
	TOTAL ACCOUNT 340	17,218,155.03		0.00	17,218,155.03
341.01-.00	Transportation Equip Not Classified	1,188,014.04		(833,653.66) (1)	354,360.38
341.10	Trans. Equip. - Light Trucks	1,478,848.78		351,181.97 (1)	1,830,030.75
341.20	Trans. Equip. - Heavy Trucks	1,309,985.11		(43,158.16) (1)	1,266,826.95
341.30	Trans. Equip. - Cars	477,211.78		229,278.29 (1)	706,490.07
341.40	Trans. Equip. - Other	142,343.99		296,351.56 (1)	438,695.56
	TOTAL ACCOUNT 341	4,596,403.71		0.00	4,596,403.71
342.00	Stores Equipment	91,030.53			91,030.53
343.00	Tools, Shop & Garage Equipment	2,241,209.03			2,241,209.03
343.10	Tools/Shop/Garage Equipment	0.00			0.00
344.00	Laboratory Equipment	538,450.41			538,450.41
345.00	Power Operated Equipment	642,570.06			642,570.06
346.00	Communication Equipment	3,659,614.33			3,659,614.33
346.10	Comm. Equipment (Non-Telephone)	0.00			0.00
346.19	Comm. Equipment	220,319.76			220,319.76
346.20	Comm. Equipment	66,249.63			66,249.63
347.00	Miscellaneous Equipment	557,375.19			557,375.19
348.00	Other Tangible Plant	0.00			0.00
	Total General Plant	35,292,278.07		0.00	35,292,278.07
	TOTAL DEPRECIABLE PLANT	388,959,088.43		0.00	393,090,847.47
	NON-DEPRECIABLE PLANT				
301.00	Organization	1.57			1.57
302.00	Franchises	(304.01)			(304.01)
303.10	Land & Land Rights	0.00			0.00
303.20	Land & Land Rights	(5,250.76)			(5,250.76)
303.30	Land & Land Rights	343.85			343.85
303.40	Land & Land Rights	(12,448.12)			(12,448.12)
303.50	Land & Land Rights	(373,513.94)			(373,513.94)
303.60	Land & Land Rights	0.00			0.00
339.00	Miscellaneous Intangible Plant	3,111.74			3,111.74
	TOTAL NON-DEPRECIABLE PLANT	(388,059.67)		0.00	(388,059.67)
	TOTAL PLANT IN SERVICE	388,571,028.76		0.00	392,702,787.80

(1) Re-allocation of Book Reserve to Sub Accounts

Table 5

In Response to WRJ-1.03

In Response to WRJ-1.02

Illinois-American Water Company

All Water Districts

Summary of Original Cost of Utility Plant in Service as of December 31, 2010 and Present and Proposed Parameters

Account No.	Description	Original Cost 12/31/10	Present Parameters: Net Salvage W/ COR %	Present Parameters: Net Salvage Gross Salv %	Present Parameters: Net Salvage Gross COR %	(1) Implicit ASL	Composite Depr Rate	Docket 00-0340 Depr Rates	South Beloitt Depr Rates	Proposed Parameters: Net Salvage W/ COR %	Proposed Parameters: Net Salvage Gross Salv %	Proposed Parameters: Net Salvage Gross COR %	A.S.L./ Survivor Curve	Average Remain. Life
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
	DEPRECIABLE PLANT													
	Source of Supply													
304.10	SS Structures & Improvements	14,312,284.64	-20%	0%	-20%	42.7	2.81%	2.81%		-20%	0%	-20%	39-R3	27.2
305.00	Collecting & Impounding Res.	2,577,319.54	-25%	0%	-25%	104.2	1.20%	1.20%	1.20%	-50%	0%	-50%	100-R4	78.4
306.00	Lakes, River & Other Intakes	2,782,340.79	-50%	0%	-50%	43.0	3.49%	3.49%	3.49%	-75%	0%	-75%	60-R2	32.5
307.00	Wells & Springs	11,763,176.86	-30%	0%	-30%	64.4	2.02%	2.02%	2.06%	-40%	0%	-40%	65-R1	56.2
308.00	Infiltration Galleries and Tunnels	13,291.94	0%	0%	0%	84.0	1.19%	1.19%	1.19%	0%	0%	0%	75-R3	58.2
309.00	Supply Mains	10,911,813.23	-40%	0%	-40%	79.5	1.76%	1.76%	1.76%	-50%	0%	-50%	90-R4	66.6
	Total Source of Supply Plant	42,360,227.00												
	Pumping Plant													
304.20	Pumping Structures & Improvements	22,619,939.95	-25%	0%	-25%	50.2	2.49%	2.49%	3.11%	-30%	0%	-30%	50-R1.5	39.0
310.00	Power Generation Equip	5,919,295.65	-10%	0%	-10%	38.7	2.84%	2.84%	2.84%	-10%	0%	-10%	30-R2	22.7
311.20	Electric Pumping Eq.	33,340,550.34	-35%	0%	-35%	28.1	4.81%	4.81%	4.80%	-35%	0%	-35%	33-L0.5	23.4
311.30	Diesel Pumping Eq.	1,706,552.88	-10%	0%	-10%	32.4	3.39%	3.39%	4.80%	-10%	0%	-10%	30-L2	16.1
311.40	Hydraulic Pumping Equip	1,620.06	-10%	0%	-10%	22.9	4.80%	4.80%	3.69%	-10%	0%	-10%	35-R1.5	32.1
311.50	Other Pumping Eq.	11,621,266.59	-40%	0%	-40%	57.4	2.44%	2.43%	4.80%	-35%	0%	-35%	55-L1.5	45.6
	Total Pumping Plant	75,209,225.47												
	Water Treatement Plant													
304.30	WT Structures & Improvements	92,685,366.71	-20%	0%	-20%	47.6	2.52%	2.52%	3.70%	-20%	0%	-20%	50-R2	42.1
320.10	Treatment Plant Equipment	88,477,649.60	-30%	0%	-30%	36.0	3.61%	3.61%	5.10%	-30%	0%	-30%	40-L1	29.5
320.193	Water Treatment Equip Chemical	6,258,912.96	-30%	0%	-30%	25.5	5.10%	5.10%	3.61%	-30%	0%	-30%	20-L1	18.1
320.20	Water Treatment Equip Filter Media	4,166,835.88	-10%	0%	-10%	26.5	4.15%	4.15%	5.10%	-25%	0%	-25%	8-S1.5	5.5
339.30	Other P/E WT	1,792.90	-30%	0%	-30%	25.5	5.10%	5.10%	4.15%	-30%	0%	-30%	35-L1	30.9
	Total Water Treatment Plant	191,590,558.05												
	Transmission & Distribution Plant													
304.40	TD Structures & Improvements	3,620,119.58	-25%	0%	-25%	37.9	3.30%	3.30%	3.30%	-25%	0%	-25%	45-R3	36.3
330.00	Distr. Reservoirs & Standpipes	22,606,125.07	-20%	0%	-20%	57.1	2.10%	2.10%	2.10%	-40%	0%	-40%	70-R3	51.6
330.10	Elevated Tanks and Standpipe	1,931,077.88	-20%	0%	-20%	57.1	2.10%	2.10%	2.10%	-25%	0%	-25%	70-R3	68.1
330.20	Ground Level Facilities	1,716,877.79	-20%	0%	-20%	57.1	2.10%	2.10%	2.10%	-25%	0%	-25%	70-R3	67.7
330.30	Below Grade Facilties	73,532.58	-20%	0%	-20%	57.1	2.10%	2.10%	2.10%	-10%	0%	-10%	70-R3	64.8
331.001	T & D Mains Conversion	74,620,734.67	-50%	0%	-50%	96.2	1.56%	1.58%	1.10%	-75%	0%	-75%	90-R4	75.5
331.10	TD Mains 4in & less	18,833,857.04	-50%	0%	-50%	82.2	1.82%	1.94%	1.10%	-75%	0%	-75%	67-R1	52.0
331.20	TD Mains 6in to 8 in	181,036,808.17	-50%	0%	-50%	98.1	1.53%	1.53%	1.10%	-75%	0%	-75%	90-R4	74.6
331.30	TD Mains 10in to 16in	126,126,348.70	-50%	0%	-50%	98.7	1.52%	1.52%	1.10%	-75%	0%	-75%	95-R4	80.6

IAWC Ex. 12.01 (Rev.)

Table 5

In Response to WRJ-1.03

In Response to WRJ-1.02

Illinois-American Water Company

All Water Districts

Summary of Original Cost of Utility Plant in Service as of December 31, 2010 and Present and Proposed Parameters

			Present Parameters							Proposed Parameters				
			Net Salvage							Net Salvage				
Account No.	Description	Original Cost 12/31/10	W/ COR %	Gross Salv %	Gross COR %	(1) Implicit ASL	Composite Depr Rate	Docket 00-0340 Depr Rates	South Beloitt Depr Rates	W/ COR %	Gross Salv %	Gross COR %	A.S.L./ Survivor Curve	Average Remain. Life
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
331.40	TD Mains 18in & greater	50,628,384.21	-50%	0%	-50%	113.6	1.32%	1.32%	1.10%	-75%	0%	-75%	100-R4	86.4
331.71	Mains - Valves 4" & Under	5,230.93	-50%	0%	-50%	94.9	1.58%	1.58%	1.10%	-75%	0%	-75%	45-R3	42.0
331.72	Mains - Valves 6" - 8"	4,655.00	-50%	0%	-50%	94.9	1.58%	1.58%	1.10%	-75%	0%	-75%	50-R3	13.1
331.73	Mains - Valves 10" - 16"	0.00	-50%	0%	-50%		0.00%	1.58%	1.10%	-75%	0%	-75%		
331.74	Mains - Valves 18" & Over	0.00	-50%	0%	-50%		0.00%	1.58%	1.10%	-75%	0%	-75%		
331.75	Mains - Valves Boxes	2,385,937.03	-50%	0%	-50%	94.9	1.58%	1.58%	1.10%	-75%	0%	-75%	45-L1	38.0
331.80	Mains - Manholes, Pits & Vaults	894,978.48	-50%	0%	-50%	94.9	1.58%	1.58%	1.10%	-75%	0%	-75%	65-R2	53.3
331.91	Mains-All Material Types - 4 In & Under	0.00	-50%	0%	-50%		0.00%	1.58%	1.10%	-75%	0%	-75%	67-R1	52.0
331.92	Mains-All Material Types - 6 In - 8 In	0.00	-50%	0%	-50%		0.00%	1.58%	1.10%	-75%	0%	-75%	90-R4	74.6
331.93	Mains-All Material Types - 10 In - 16 In	0.00	-50%	0%	-50%		0.00%	1.58%	1.10%	-75%	0%	-75%	95-R4	80.6
331.94	Mains - All Material Types 18" & Over	0.00	-50%	0%	-50%		0.00%	1.58%	1.10%	-75%	0%	-75%	100-R4	86.4
331.95	Mains-Special Crossings	0.00	-50%	0%	-50%		0.00%	1.58%	1.10%					
	TOTAL ACCOUNT 331	454,536,934.23												
332.00	Fire Mains	209,469.02	-50%	0%	-50%	81.5	1.84%	1.84%	1.10%	-10%	0%	-10%	90-S0	80.7
333.00	Services-Non Unitized	7,398,718.78	-300%	0%	-300%	186.9	2.14%	1.58%	4.17%	-300%	0%	-300%	40-L1.5	27.9
333.10	Services - 1" & Under	87,729,612.94	-300%	0%	-300%	71.9	5.56%	5.57%	4.17%	-300%	0%	-300%	65-R1.5	52.6
333.20	Services - Over 1"	23,637,117.55	-300%	0%	-300%	71.9	5.56%	5.57%	4.17%	-300%	0%	-300%	75-R3	60.2
	TOTAL ACCOUNT 333	118,765,449.27												
334.12	334.120 - Meters - Plastic	26,080.38	0%	0%	0%	0.0	0.00%	0.00%	0.00%	-10%	0%	-10%	10-R3	1.2
334.30	334.300 - Meter Vaults	1,599,624.40	0%	0%	0%	31.4	3.18%	3.18%	4.32%	-50%	0%	-50%	12-L2	10.0
334.41	Meters 1 Inch & Under													
	334.100 - Meters	10,316,605.87	0%	0%	0%		12.03%	12.07%	4.32%	-5%	0%	-5%	Weighted	8.7
	334.110 - Meters-Bronze Cased	24,676,412.19	0%	0%	0%		12.02%	12.07%	4.32%	-5%	0%	-5%	Weighted	8.7
	334.120 - Meters	98,180.93	0%	0%	0%		0.00%	0.00%	0.00%	-5%	0%	-5%	Weighted	8.7
	334.130 - Meters-Other	61,370.44	0%	0%	0%		0.00%	0.00%	0.00%	-5%	0%	-5%	Weighted	8.7
	334.131 - Remote Reading Devices	416,823.50	0%	0%	0%		12.07%	12.07%	0.00%	-5%	0%	-5%	Weighted	8.7
	334.200 - Meters	182,587.56	0%	0%	0%		4.87%	4.91%	4.32%	-5%	0%	-5%	Weighted	8.7
	Total Meters 1 Inch & Under	35,751,980.49	0%	0%	0%	8.4	11.93%	11.98%	4.32%	-5%	0%	-5%	Weighted	8.7
334.42	Meters 1 Over 1 Inch													
	334.100 - Meters	1,256,689.88	0%	0%	0%	8.3	12.05%	12.07%	4.32%	-5%	0%	-5%	16-L0.5	12.7
	334.110 - Meters-Bronze Cased	2,962,594.41	0%	0%	0%	8.3	11.92%	12.07%	4.32%	-5%	0%	-5%	16-L0.5	12.7
	334.130 - Meters-Other	40,890.57	0%	0%	0%	0.0	0.00%	0.00%		-5%	0%	-5%	16-L0.5	12.7
	334.131 - Remote Reading Devices	205,851.82	0%	0%	0%	8.3	12.07%	12.07%		-5%	0%	-5%	16-L0.5	12.7

Table 5

In Response to WRJ-1.03

In Response to WRJ-1.02

Illinois-American Water Company

All Water Districts

Summary of Original Cost of Utility Plant in Service as of December 31, 2010 and Present and Proposed Parameters

			Present Parameters							Proposed Parameters				
		Original	Net Salvage			(1)	Composite	Docket	South	Net Salvage			A.S.L./	Average
Account No.	Description	Cost 12/31/10	W/ COR %	Gross Salv %	Gross COR %	Implicit ASL	Depr Rate	00-0340 Depr Rates	Beloitt Depr Rates	W/ COR %	Gross Salv %	Gross COR %	Survivor Curve	Remain. Life
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
	334.200 - Meters	11,626.23	0%	0%	0%	20.4	4.91%	4.91%		-5%	0%	-5%	16-L0.5	12.7
	Total Meters Over 1 Inch	4,477,652.91			0%	8.4	11.84%	11.94%	4.32%	-5%	0%	-5%	16-L0.5	12.7
334.43	334.430 - Meters-Undefined Size	1,820,361.41	0%	0%	0%	27.8	3.59%	4.32%		-5%	0%	-5%	12-L2	10.0
334.50	334.500 - Meter Reading Equipment	569,181.03	0%	0%	0%	23.1	4.32%	4.32%		0%	0%	0%	15-R3	11.0
	Total Meters	44,244,880.62					11.16%	4.32%						
334.20	334.200 - Meter Installations	30,270,827.90	-250%	0%	-250%	71.3	4.91%	4.91%	4.32%	-50%	0%	-50%	48-R2.5	34.6
335.00	Hydrants	51,931,421.45	-100%	0%	-100%	51.4	3.89%	3.91%	3.00%	-75%	0%	-75%	55-L2	43.8
336.00	Backflow Prevention Devices	3,943.40	-100%	0%	-100%	66.7	3.00%	3.00%	2.06%	0%	0%	0%	30-R3	26.5
339.50	Other Plant & Misc. Equip.	2,450.61	0%	0%	0%		0.00%	0.00%		0%	0%	0%	30-R3	25.6
	Total Trans & Distr Plant	729,913,109.40												
	General Plant													
304.50	Adm & Gen Structures & Improvements	5,392,771.35	-10%	0%	-10%	37.2	2.96%	2.96%	2.96%	-25%	0%	-25%	40-R3	36.5
304.60	Office Structures & Improvements	5,293,951.27	-10%	0%	-10%	34.9	3.15%	3.15%	3.15%	0%	0%	0%	26-L1.5	14.6
304.70	Stores, Shop & Garage Structures	3,602,602.41	-20%	0%	-20%	58.4	2.06%	2.06%		-5%	0%	-5%	20-L2	9.7
304.80	Misc. Structures & Improvements	545,075.62	-10%	0%	-10%	20.9	5.27%	5.27%	5.27%	-5%	0%	-5%	25-L1	15.1
	Total General Structures	14,834,400.65												
340.10	Office Furniture & Equipment	2,543,667.04	0%	0%	0%	27.9	3.58%	3.58%	3.58%	-2%	0%	-2%	23-R1.5	13.6
340.20	Personal Computer Eq.	1,774,349.82	0%	0%	0%	7.0	14.28%	14.28%	14.28%	0%	0%	0%	7-L1.5	3.1
340.21	Mainframe Computer Equipment	2,696,098.55	0%	0%	0%	6.0	16.55%	16.55%		0%	0%	0%	7-L1.5	4.5
340.30	Computer Software	7,555,390.22	0%	0%	0%	6.0	16.56%	16.56%	16.56%	0%	0%	0%	13-R1	7.8
340.32	Personal Computer-Software	4,184,898.77	0%	0%	0%	7.0	14.27%	14.27%		0%	0%	0%	11-L3	5.0
340.40	Data Handling Equipment	517,614.45	0%	0%	0%	7.0	14.27%	14.27%		0%	0%	0%	8-L3	2.8
340.50	Other Office Equipment	801,776.03	0%	0%	0%	17.9	5.59%	5.59%		0%	0%	0%	15-S0.5	5.9
	TOTAL ACCOUNT 340	20,073,794.88												
341.01-.00	Transportation Equip Not Classified	618,673.15	20%	20%	0%	27.4	3.65%	3.65%	3.36%	10%	10%	0%	10-L2	2.8
341.10	Trans. Equip. - Light Trucks	5,878,185.07	20%	20%	0%	29.8	3.36%	3.36%	3.36%	20%	20%	0%	7-L3	3.6
341.20	Trans. Equip. - Heavy Trucks	6,161,728.12	20%	20%	0%	25.2	3.97%	3.97%	3.97%	20%	20%	0%	11-L3	7.4
341.30	Trans. Equip. - Cars	2,028,613.84	20%	20%	0%	21.1	4.74%	4.74%	4.74%	20%	20%	0%	5-L2	2.3
341.40	Trans. Equip. - Other	2,631,830.77	0%	0%	0%	34.0	2.94%	2.94%		0%	0%	0%	9-L3	7.2
	TOTAL ACCOUNT 341	17,319,030.95												
342.00	Stores Equipment	372,912.08	0%	0%	0%	40.8	2.45%	2.45%	2.45%	0%	0%	0%	28-L0	22.7
343.00	Tools, Shop & Garage Equipment	7,481,642.42	0%	0%	0%	39.4	2.54%	2.54%	2.54%	0%	0%	0%	27-O2	22.8
343.10	Tools/Shop/Garage Equipment	66,242.99	0%	0%	0%	39.4	2.54%	2.54%	2.54%	0%	0%	0%	27-O2	22.8

IAWC Ex. 12.01 (Rev.)

Table 5

In Response to WRJ-1.03

In Response to WRJ-1.02

Illinois-American Water Company

All Water Districts

Summary of Original Cost of Utility Plant in Service as of December 31, 2010 and Present and Proposed Parameters

			Present Parameters							Proposed Parameters				
		Original	Net Salvage			(1)	Composite	Docket	South	Net Salvage			A.S.L./	Average
Account No.	Description	Cost 12/31/10	W/ COR %	Gross Salv %	Gross COR %	Implicit ASL	Depr Rate	00-0340 Depr Rates	Beloitt Depr Rates	W/ COR %	Gross Salv %	Gross COR %	Survivor Curve	Remain. Life
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
344.00	Laboratory Equipment	1,528,068.22	0%	0%	0%	26.0	3.85%	3.85%	3.85%	0%	0%	0%	25-L0	19.6
345.00	Power Operated Equipment	3,233,172.49	30%	30%	0%	15.5	6.45%	6.45%	6.45%	20%	20%	0%	15-R2	9.5
346.00	Communication Equipment	6,978,601.92	0%	0%	0%	16.6	6.04%	6.04%	6.04%	0%	0%	0%	20-L1	13.9
346.10	Comm. Equipment (Non-Telephone)	344,839.45	0%	0%	0%	25.3	3.95%	3.85%	6.45%	0%	0%	0%	27-O2	25.0
346.19	Comm. Equipment	1,956,374.93	0%	0%	0%	16.6	6.04%	6.04%	6.04%	0%	0%	0%	27-O2	25.9
346.20	Comm. Equipment	285,292.01	0%	0%	0%	16.6	6.04%	6.04%	6.04%	0%	0%	0%	27-O2	24.7
347.00	Miscellaneous Equipment	1,746,079.25	0%	0%	0%	39.8	2.51%	2.51%	2.51%	0%	0%	0%	29-L0.5	22.9
348.00	Other Tangible Plant	0.00	0%	0%	0%		0.00%	0.00%	0.00%	0%	0%	0%		
	Total General Plant	76,220,452.24												
	TOTAL DEPRECIABLE PLANT	1,115,293,572.16												
	NON-DEPRECIABLE PLANT													
301.00	Organization	549,256.39												
302.00	Franchises	897,955.14												
303.10	Land & Land Rights	0.00												
303.20	Land & Land Rights	1,787,252.15												
303.30	Land & Land Rights	2,543,978.44												
303.40	Land & Land Rights	4,276,293.76												
303.50	Land & Land Rights	2,290,162.30												
303.60	Land & Land Rights	723,520.15												
339.00	Miscellaneous Intangible Plant	2,382,668.56												
	TOTAL NON-DEPRECIABLE PLANT	15,451,086.89												
	TOTAL PLANT IN SERVICE	1,130,744,659.05												

(1) Implicit Life Based Upon Depr Settlement Rates And Proposed Net Salvage Factors In 12-98 Depr Study (Adjusted for Depr Rates of Subsequent Acquistion Properties)

(2)) Account 340.300-Computer Software--Current Proforma Depreciation Rate Based Upon ProForma Plant Thru December 31, 2013

Table 6

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Allocation of
Book Deprecation Reserve Based Upon Theoretical Depr Reserves as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Net Salvage %	A.S.L./ Survivor Curve	Theoretical Depr Reserve	Sub Totals	Allocated Book Depr. Reserve
(a)	(b)	(c)	(d)	(g)	(h)	(i)	(j)
	DEPRECIABLE PLANT						
	Source of Supply						
304.10	SS Structures & Improvements	14,312,284.64	-20%	39-R3	5,171,386.59		0.00
305.00	Collecting & Impounding Res.	2,577,319.54	-50%	100-R4	833,588.15		0.00
306.00	Lakes, River & Other Intakes	2,782,340.79	-75%	60-R2	2,249,733.34		0.00
307.00	Wells & Springs	11,763,176.86	-40%	65-R1	2,206,344.61		0.00
308.00	Infiltration Galleries and Tunnels	13,291.94	0%	75-R3	2,962.36		2,228.96
309.00	Supply Mains	10,911,813.23	-50%	90-R4	4,255,665.00	4,258,627.36	3,202,079.36
	Total Source of Supply Plant	42,360,227.00			14,719,680.05		
	Pumping Plant						
304.20	Pumping Structures & Improvements	22,619,939.95	-30%	50-R1.5	6,611,194.82		0.00
310.00	Power Generation Equip	5,919,295.65	-10%	30-R2	1,584,538.08		0.00
311.20	Electric Pumping Eq.	33,340,550.34	-35%	33-L0.5	13,036,571.46		0.00
311.30	Diesel Pumping Eq.	1,706,552.88	-10%	30-L2	869,961.66		888,015.32
311.40	Hydraulic Pumping Equip	1,620.06	-10%	35-R1.5	145.02	870,106.68	148.03
311.50	Other Pumping Eq.	11,621,266.59	-35%	55-L1.5	2,661,128.16		0.00
	Total Pumping Plant	75,209,225.47			24,763,539.20		
	Water Treatement Plant						
304.30	WT Structures & Improvements	92,685,366.71	-20%	50-R2	17,450,903.78		0.00
320.10	Treatment Plant Equipment	88,477,649.60	-30%	40-L1	29,971,862.72		0.00
320.193	Water Treatment Equip Chemical	6,258,912.96	-30%	20-L1	775,470.76		0.00
320.20	Water Treatment Equip Filter Media	4,166,835.88	-25%	8-S1.5	1,661,114.57		0.00
339.30	Other P/E WT	1,792.90	-30%	35-L1	206.96		0.00
	Total Water Treatment Plant	191,590,558.05			49,859,558.79		
	Transmission & Distribution Plant						
304.40	TD Structures & Improvements	3,620,119.58	-25%	45-R3	874,984.68		0.00
330.00	Distr. Reservoirs & Standpipes	22,606,125.07	-40%	70-R3	8,297,642.25		8,129,177.21
330.10	Elevated Tanks and Standpipe	1,931,077.88	-25%	70-R3	62,910.31		61,633.06
330.20	Ground Level Facilities	1,716,877.79	-25%	70-R3	69,581.51		68,168.81
330.30	Below Grade Facilties	73,532.58	-10%	70-R3	5,995.67	8,436,129.74	5,873.94
331.001	T & D Mains Conversion	74,620,734.67	-75%	90-R4	20,969,710.50		16,594,174.08
331.10	TD Mains 4in & less	18,833,857.04	-75%	67-R1	7,359,372.08		5,823,766.69
331.20	TD Mains 6in to 8 in	181,036,808.17	-75%	90-R4	54,038,035.02		42,762,467.32
331.30	TD Mains 10in to 16in	126,126,348.70	-75%	95-R4	33,369,522.39		26,406,643.21
331.40	TD Mains 18in & greater	50,628,384.21	-75%	100-R4	12,015,807.76		9,508,591.24
331.71	Mains - Valves 4" & Under	5,230.93	-75%	45-R3	599.24		474.20
331.72	Mains - Valves 6" - 8"	4,655.00	-75%	50-R3	6,001.82		4,749.48
331.73	Mains - Valves 10" - 16"	0.00	-75%		0.00		0.00
331.74	Mains - Valves 18" & Over	0.00	-75%		0.00		0.00
331.75	Mains - Valves Boxes	2,385,937.03	-75%	45-L1	649,763.01		514,183.56
331.80	Mains - Manholes, Pits & Vaults	894,978.48	-75%	65-R2	281,652.84		222,883.20
331.91	Mains-All Material Types - 4 In & Under	0.00	-75%	67-R1	0.00		0.00
331.92	Mains-All Material Types - 6 In - 8 In	0.00	-75%	90-R4	0.00		0.00
331.93	Mains-All Material Types - 10 In - 16 In	0.00	-75%	95-R4	0.00		0.00
331.94	Mains - All Material Types 18" & Over	0.00	-75%	100-R4	0.00		0.00
331.95	Mains-Special Crossings	0.00	0%		0.00		0.00
	TOTAL ACCOUNT 331	454,536,934.23			128,690,464.66	128,690,464.66	101,837,933.00
332.00	Fire Mains	209,469.02	-10%	90-S0	23,608.87		
333.00	Services-Non Unitized	7,398,718.78	-300%	40-L1.5	8,889,020.87		6,026,171.14
333.10	Services - 1" & Under	87,729,612.94	-300%	65-R1.5	66,482,829.57		45,070,983.02
333.20	Services - Over 1"	23,637,117.55	-300%	75-R3	18,619,633.61		12,622,886.18
	TOTAL ACCOUNT 333	118,765,449.27			93,991,484.05		63,720,040.34

Table 6

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Allocation of
Book Deprecation Reserve Based Upon Theoretical Depr Reserves as of December 31, 2010

Account No. (a)	Description (b)	Original Cost 12/31/10 (c)	Net Salvage % (d)	A.S.L./ Survivor Curve (g)	Theoretical Depr Reserve (h)	Sub Totals (i)	Allocated Book Depr. Reserve (j)
334.12	334.120 - Meters - Plastic	26,080.38	-10%	10-R3	28,257.19		28,688.42
334.30	334.300 - Meter Vaults	1,599,624.40	-50%	12-L2	399,545.75		1,571,299.89
334.41	Meters 1 Inch & Under						
	334.100 - Meters	10,316,605.87	-5%	Weighted	0.00		0.00
	334.110 - Meters-Bronze Cased	24,676,412.19	-5%	Weighted	0.00		0.00
	334.120 - Meters	98,180.93	-5%	Weighted	0.00		0.00
	334.130 - Meters-Other	61,370.44	-5%	Weighted	0.00		0.00
	334.131 - Remote Reading Devices	416,823.50	-5%	Weighted	0.00		0.00
	334.200 - Meters	182,587.56	-5%	Weighted	0.00		0.00
	Total Meters 1 Inch & Under	35,751,980.49		Weighted	6,629,648.26		26,072,522.59
334.42	Meters 1 Over 1 Inch						
	334.100 - Meters	1,256,689.88	-5%	16-L0.5	0.00		0.00
	334.110 - Meters-Bronze Cased	2,962,594.41	-5%	16-L0.5	0.00		0.00
	334.130 - Meters-Other	40,890.57	-5%	16-L0.5	0.00		0.00
	334.131 - Remote Reading Devices	205,851.82	-5%	16-L0.5	0.00		0.00
	334.200 - Meters	11,626.23	-5%	16-L0.5	0.00		0.00
	Total Meters Over 1 Inch	4,477,652.91			949,218.25		3,733,005.63
334.43	334.430 - Meters-Undefined Size	1,820,361.41	-5%	12-L2	312,514.59		1,229,031.07
334.50	334.500 - Meter Reading Equipment	569,181.03	0%	15-R3	189,997.88		569,181.03
	Total Meters	44,244,880.62			8,509,181.92	8,509,181.92	33,203,728.63
334.20	334.200 - Meter Installations	30,270,827.90	-50%	48-R2.5	12,626,665.25		
335.00	Hydrants	51,931,421.45	-75%	55-L2	18,366,740.69		0.00
336.00	Backflow Prevention Devices	3,943.40	0%	30-R3	449.82		
339.50	Other Plant & Misc. Equip.	2,450.61	0%	30-R3	358.05		0.00
	Total Trans & Distr Plant	729,913,109.40			271,520,067.73		
	General Plant						
304.50	Adm & Gen Structures & Improvements	5,392,771.35	-25%	40-R3	584,793.45		0.00
304.60	Office Structures & Improvements	5,293,951.27	0%	26-L1.5	2,316,842.54		0.00
304.70	Stores, Shop & Garage Structures	3,602,602.41	-5%	20-L2	1,966,714.61		0.00
304.80	Misc. Structures & Improvements	545,075.62	-5%	25-L1	226,515.71		0.00
	Total General Structures	14,834,400.65			5,094,866.31		0.00
340.10	Office Furniture & Equipment	2,543,667.04	-2%	23-R1.5	1,031,401.52		0.00
340.20	Personal Computer Eq.	1,774,349.82	0%	7-L1.5	979,490.97		1,490,940.66
340.21	Mainframe Computer Equipment	2,696,098.55	0%	7-L1.5	980,225.99	1,959,716.96	1,492,059.47
340.30	Computer Software	7,555,390.22	0%	13-R1	3,025,930.62		0.00
340.32	Personal Computer-Software	4,184,898.77	0%	11-L3	2,276,855.69		0.00
340.40	Data Handling Equipment	517,614.45	0%	8-L3	338,789.16		0.00
340.50	Other Office Equipment	801,776.03			487,893.02		2,983,000.13
	TOTAL ACCOUNT 340	20,073,794.88			9,120,586.97		5,966,000.26
341.01-.00	Transportation Equip Not Classified	618,673.15	10%	10-L2	445,434.56		354,360.38
341.10	Trans. Equip. - Light Trucks	5,878,185.07	20%	7-L3	2,300,367.02		1,830,030.75
341.20	Trans. Equip. - Heavy Trucks	6,161,728.12	20%	11-L3	1,592,414.20		1,266,826.95
341.30	Trans. Equip. - Cars	2,028,613.84	20%	5-L2	888,065.11		706,490.07
341.40	Trans. Equip. - Other	2,631,830.77	0%	9-L3	551,444.72		438,695.56
	TOTAL ACCOUNT 341	17,319,030.95			5,777,725.61	5,777,725.61	
342.00	Stores Equipment	372,912.08	0%	28-L0	69,622.36		0.00
343.00	Tools, Shop & Garage Equipment	7,481,642.42	0%	27-O2	1,141,430.70		0.00
343.10	Tools/Shop/Garage Equipment	66,242.99	0%	27-O2			0.00
344.00	Laboratory Equipment	1,528,068.22	0%	25-L0	325,521.94		0.00
345.00	Power Operated Equipment	3,233,172.49	20%	15-R2	976,646.15		0.00
346.00	Communication Equipment	6,978,601.92	0%	20-L1	2,111,447.57		0.00
346.10	Comm. Equipment (Non-Telephone)	344,839.45	0%	27-O2	24,221.41		0.00
346.19	Comm. Equipment	1,956,374.93	0%	27-O2	74,821.69		0.00

Table 6

Illinois-American Water Company
All Water Districts

Summary of Original Cost of Utility Plant in Service and Allocation of
Book Deprecation Reserve Based Upon Theoretical Depr Reserves as of December 31, 2010

Account No.	Description	Original Cost 12/31/10	Net Salvage %	A.S.L./ Survivor Curve	Theoretical Depr Reserve	Sub Totals	Allocated Book Depr. Reserve
(a)	(b)	(c)	(d)	(g)	(h)	(i)	(j)
346.20	Comm. Equipment	285,292.01	0%	27-O2	22,765.97		0.00
347.00	Miscellaneous Equipment	1,746,079.25	0%	29-L0.5	363,593.06		0.00
348.00	Other Tangible Plant	0.00	0%				0.00
	Total General Plant	76,220,452.24			25,103,249.74		
	TOTAL DEPRECIABLE PLANT	1,115,293,572.16			385,966,095.51		
	NON-DEPRECIABLE PLANT						
301.00	Organization	549,256.39					
302.00	Franchises	897,955.14					
303.10	Land & Land Rights	0.00					
303.20	Land & Land Rights	1,787,252.15					
303.30	Land & Land Rights	2,543,978.44					
303.40	Land & Land Rights	4,276,293.76					
303.50	Land & Land Rights	2,290,162.30					
303.60	Land & Land Rights	723,520.15					
339.00	Miscellaneous Intangible Plant	2,382,668.56					
	TOTAL NON-DEPRECIABLE PLANT	15,451,086.89			0.00		0.00
	TOTAL PLANT IN SERVICE	1,130,744,659.05			385,966,095.51		

SECTION 3

ILLINOIS AMERICAN WATER COMPANY

General

This report sets forth the results of our study of the depreciable property of Illinois American Water Company(the “Company”) as of December 31, 2010 and contains the basic parameters (recommended average service lives and life characteristics) for the proposed average remaining life depreciation rates. All average service lives set forth in this report are developed based upon plant in service as of December 31, 2010.

The scope of the study included an analysis of the Company’s historical data through December 31, 2010, discussions with Company management and staff to identify prior and prospective factors affecting the Company's plant in service, as well as interpretation of past service life data experience and future life expectancies to determine the appropriate average service lives of the Company's surviving plant. The service lives and life characteristics resulting from the in-depth study were utilized together with the Company's plant in service and book depreciation reserve to determine the recommended Average Remaining Life (ARL) depreciation rates related to the Company's plant in service as of December 31, 2010.

In preparing the study, the Company's historical investment data were studied using various service life analysis techniques. Further, discussions were held with the Company's management to obtain an overview of the Company's facilities and to discuss the general scope of operations together with other factors which could have a bearing on the service lives of the Company's property. Finally, the study results were tempered by

information gathered during plant inspection tours of a representative portion of the Company's property.

The Company maintains property records containing a summary of its fixed capital investments by property account. This investment data was analyzed and summarized by property group and/or sub group and vintage then utilized as a basis for the various depreciation calculations.

Depreciation Study Overview

There are numerous methods utilized to recover property investment depending upon the goal. For example, accelerated methods such as double declining balance and sum of years digits are methods used in tax accounting to motivate additional investments. Broad Group (BG) and Equal Life Group (ELG) are both Straight Line Grouping Procedures recognized and utilized by various regulatory jurisdictions depending upon the policy of the specific agency.

The Straight Line Group Method of depreciation utilized in this study to develop the recommended depreciation rates is the Broad Group Procedure together with the Average Remaining Life Technique. The use of this procedure and technique is based upon recovering the net book cost (original cost less book reserve) of the surviving plant in service over its estimated remaining useful life. Any variance between the book reserve and an implied theoretical calculated reserve is compensated for under this procedure. That is, as the Company's book reserve increases above or declines below the theoretical reserve at a specific point in time, the Company's average remaining life depreciation rate in subsequent years will be increased or decreased to compensate for the variance, thereby, assuring full recovery of the Company's investment by the end of the property's

life.

The Company, like any other business, includes as an annual operating expense an amount which reflects a portion of the capital investment which was consumed in providing service during the accounting period. The annual depreciation amount to be recognized is based upon the remaining productive life over which the undepreciated capital investment needs to be recovered. The determination of the productive remaining life for each property group usually includes an in-depth study of past experience in addition to estimates of future expectations.

Annual Depreciation Accrual

Through the utilization of the Average Remaining Life Technique, the Company will recover the undepreciated fixed capital investment in the appropriate amounts as annual depreciation expense in each year throughout the remaining life of the property. The procedure incorporates the future life expectancy of the property, the vintaged surviving plant in service, and estimated net salvage, together with the book depreciation reserve balance to develop the annual depreciation rate for each property account. Accordingly, the ARL technique meets the objective of providing a straight line recovery of the undepreciated fixed capital property investment.

As indicated, the use of the Average Remaining Life Technique results in charging the appropriate annual depreciation amounts over the remaining life of the property to insure full recovery by the end of the life of the property. The annual expense is calculated on a Straight Line Method rather than by the previously mentioned, “sum of the years digits” or “double declining balance” methods, etc. The "group" refers to the method of calculating annual depreciation on the summation of the investment in any one depreciable

group or plant account rather than calculating depreciation for each individual unit.

Under Broad Group Depreciation some units may be over depreciated and other units may be under depreciated at the time when they are retired from service, but overall, the account is fully depreciated when average service life is attained. By comparison, Equal Life Group depreciation rates are designed to fully accrue the cost of the asset group by the time of retirement. For both the Broad Group and Equal Life Group Procedures the full cost of the investment is credited to plant in service when the retirement occurs and likewise the depreciation reserve is debited with an equal retirement cost. No gain or loss is recognized at the time of property retirement because of the assumption that the retired property was at average service life.

Group Depreciation Procedures

Group depreciation procedures are utilized to depreciate property when more than one item of property is being depreciated. Such a procedure is appropriate because all of the items within a specific group typically do not have identical service lives, but have lives which are dispersed over a range of time. Utilizing a group depreciation procedure allows for a condensed application of depreciation rates to groups of similar property in lieu of extensive depreciation calculations on an item by item basis. The two more common group depreciation procedures are the Broad Group (BG) and Equal Life Group (ELG) approach.

In developing depreciation rates using the Broad Group procedure, the annual depreciation rate is based on the average life of the overall property group, which is then applied to the group's surviving original cost investment. A characteristic of this procedure is that retirements of individual units occurring prior to average service life will be under

depreciated, while individual units retired after average service life will be over depreciated when removed from service, but overall, the group investment will achieve full recovery by the end of the life of the total property group. That is, the under recovery occurring early in the life of the account is balanced by the over recovery occurring subsequent to average service life. In summary, the cost of the investment is complete at the end of the property's life cycle, but the rate of recovery does not match the consumption pattern which was used to provide service to the company's customers.

Under the average service life procedure, the annual depreciation rate is calculated by the following formula:

$$\text{Annual Accrual Rate, Percent} = \frac{100\% - \text{Salvage}}{\text{Average Service Life}} \times 100$$

The application of the broad group procedure to life span groups results in each vintage investment having a different average service life. This circumstance exists because the concurrent retirement of all vintages at the anticipated retirement year results in truncating and, therefore, restricting the life of each successive years vintage investment. An average service life is calculated for each vintage investment in accordance with the above formula. Subsequently, a composite service life and depreciation rate is calculated relative to all vintages within the property group by weighting the life for each vintage by the related surviving vintage investment within the group.

In the Equal Life Group, the property group is subdivided, through the use of plant life tables, into equal life groups. In each equal life group, portions of the overall property group includes that portion which experiences the life of the specific sub-group. The relative size of each sub-group is determined from the overall group life characteristic (property dispersion curve). This procedure both overcomes the disadvantage of

voluminous record requirements of unit depreciation, as well as eliminates the need to base depreciation on overall lives as required under the broad group procedure. The application of this procedure results in each sub-group of the property having a single life. In this procedure, the full cost of short lived units is accrued during their lives leaving no under accruals to be recovered by over accruals on long lived plant. The annual depreciation for the group is the summation of the depreciation accruals based on the service life of each Equal Life Group.

The ELG Procedure is viewed as being the more definitive procedure for identifying the life characteristics of utility property and as a basis for developing service lives and depreciation rates, nevertheless, the Broad Group procedure is more widely utilized throughout the utiity industry by regulatory commissions as a basis for depreciation rates. That is, the ELG Procedure is more definitive because it allocates the capital cost of a group property to annual expense in accordance with the consumption of the property group providing service to customers. In this regard, the company's customers are more appropriately charged with the cost of the property consumed in providing them service during the applicable service period. The more timely return of plant cost is accomplished by fully accruing each unit's cost during its service life, thereby not only reducing the risk of incomplete cost recovery, but also resulting in less return on rate base over the life of a depreciable group. The total depreciation expense over the life of the property is the same for all procedures which allocate the full capital cost to expense, but at any specific point in time, the depreciated original cost is less under the ELG procedure than under the BG procedure. This circumstance exists because under the equal life group procedure, the rate base is not maintained at a level of greater than the future service value of the

surviving plant as is the case when using the average service life procedure. Consequently, the total return required from the ratepayers is less under the ELG procedure.

While the Equal Life Group procedure has been known to depreciation experts for many years, widespread interest in applying the procedure developed only after high speed electronic computers became available to perform the large volume of arithmetic computations required in developing ELG based depreciation lives and rates. The table on the following page illustrates the procedure for calculating equal life group depreciation accrual rates and summarizes the results of the underlying calculations. Depreciation rates are determined for each age interval (one year increment) during the life of a group of property which was installed in a given year or vintage group. The age of the vintage group is shown in column (A) of the ELG table. The percent surviving at the beginning of each age interval is determined from the Iowa 10-R3 survivor curve which is set forth in column (B). The percent retired during each age interval, as shown in column (C), is the difference between the percent surviving at successive age intervals. Accordingly, the percentage amount of the vintage group retired defines the size of each equal life group. For example, during the interval 3 1/2 to 4 1/2, 1.93690 percent of the vintage group is retired at an average age of four years. In this case, the 1.93690 percent of the group experiences an equal life of four years. Likewise, 3.00339 percent is retired during the interval 4 1/2 to 5 1/2 and experiences a service life of five years. Furthermore, 4.42969 percent experiences a six-year life; etc. Calculations are made for each age interval from the zero age interval

Table 7

XYZ UTILITY COMPANY
CALCULATION OF ASL, ARL AND ACCRUED DEPRECIATION FACTORS
BASED UPON AN IOWA 10-R3 CURVE USING THE EQUAL LIFE GROUP (ELG) PROCEDURE

							EQUAL LIFE GROUP PROCEDURE			
AGE AT BEGIN OF INTERVAL	LIFE TABLE BEGIN OF INTERVAL	RETIREMENT DURING INTERVAL	AVERAGE SURVIVING	AGE OF AMOUNT RETIRED	AMOUNT FOR EACH LIFE GROUP	AMOUNT FOR REMAINING LIFE GROUPS	AVERAGE SERVICE LIFE	AVERAGE REMAINING LIFE	ELG/ARL DEPR RATE	ACCRUED DEPR RES FACTOR
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
0.0	1.0000000	0.0009198	0.9995401	0.25	0.0009198	0.0583036	8.57	8.57	11.67	0.0000000
0.5	0.9990802	0.0033314	0.9974145	1.0	0.0033314	0.1131019	8.82	8.32	11.34	0.0566975
1.5	0.9957488	0.0065393	0.9924792	2.0	0.0032697	0.1098013	9.04	7.54	11.06	0.1659501
2.5	0.9892095	0.0117037	0.9833577	3.0	0.0039012	0.1062159	9.26	6.76	10.80	0.2700337
3.5	0.9775058	0.0193690	0.9678213	4.0	0.0048422	0.1018442	9.50	6.00	10.52	0.3683062
4.5	0.9581368	0.0300339	0.9431199	5.0	0.0060068	0.0964196	9.78	5.28	10.22	0.4600565
5.5	0.9281029	0.0442969	0.9059545	6.0	0.0073828	0.0897248	10.10	4.60	9.90	0.5447146
6.5	0.8838060	0.0631367	0.8522377	7.0	0.0090195	0.0815237	10.45	3.95	9.57	0.6217794
7.5	0.8206693	0.0876232	0.7768577	8.0	0.0109529	0.0715375	10.86	3.36	9.21	0.6906424
8.5	0.7330461	0.1166879	0.6747022	9.0	0.0129653	0.0595783	11.32	2.82	8.83	0.7505770
9.5	0.6163582	0.1431836	0.5447664	10.0	0.0143184	0.0459365	11.86	2.36	8.43	0.8010714
10.5	0.4731746	0.1533568	0.3964962	11.0	0.0139415	0.0318066	12.47	1.97	8.02	0.8423003
11.5	0.3198178	0.1363216	0.2516570	12.0	0.0113601	0.0191557	13.14	1.64	7.61	0.8753616
12.5	0.1834962	0.0975199	0.1347363	13.0	0.0075015	0.0097249	13.85	1.35	7.22	0.9022159
13.5	0.0859763	0.0559043	0.0580242	14.0	0.0039932	0.0039775	14.59	1.09	6.85	0.9254232
14.5	0.0300720	0.0244398	0.0178521	15.0	0.0016293	0.0011663	15.31	0.81	6.53	0.9473077
15.5	0.0056322	0.0055324	0.0028660	16.0	0.0003458	0.0001788	16.03	0.53	6.24	0.9667657
16.5	0.0000998	0.0000998	0.0000499	17.0	0.0000059	0.0000029	17.00	0.50	5.88	0.9705882
17.5	0.0000000	0.0000000	0.0000000	18.0	0.0000000	0.0000000				
		1.0000000				1.0000000				

through the end of the life of the vintage group. The average service life for each age interval's equal life group is shown in column (E) of the table.

The amount to be accrued annually for each equal life group is equal to the

percentage retired in the equal life group divided by its service life. In as much as additions and retirements are assumed, for calculation purposes, to occur at midyear only one-half of the equal life group's annual accrual is allocated to expense during its first and last years of service life. The accrual amount for the property retired during age interval 0 to .5 must be equal to the amount retired to insure full recovery of that component during that period. The accruals for each equal life group during the age intervals of the vintage group's life cycle are shown in column (F). The total accrual for a given year is the summation of the equal life group accruals for that year. For example, the total accrual for the second year, as shown in column (G), is 11.31019 percent and is the sum of all succeeding years remaining equal life group accruals plus one half of the current years life group accrual listed in column (F). For the zero age interval year, the total accrual is equal to one half of the sum of all succeeding years remaining equal life accruals plus the amount for the zero interval equal life group accrual. The one half year accrual for the zero age interval is consistent with the half year convention relative to property during its installation year. The sum of the annual accruals for each age interval contained in column (G) total to 1.000 demonstrating that the developed rates will recover 100% of plant no more and no less. The annual accrual rate which will result in the accrual amount is the ratio of the accrual amount (11.31019 percent) to the average percent surviving during the interval, column (D), (99.74145 percent), which is a rate of 11.34% (column J). Column (J) contains a summary of the accrual rates for each age interval of the property groups life cycle based upon an Iowa 10-R3 survivor curve.

Remaining Life Technique

In the Average Remaining Life depreciation technique, the annual accrual is calculated according to the following formula where, (A) the annual depreciation for each

group equals, (D) the depreciable cost of plant less (U) the accumulated provision for depreciation less (S) the estimated future net salvage, divided by (R) the composite remaining life of the group:

$$A = \frac{D - U - S}{R}$$

The annual accrual rate (a) is expressed as a percentage of the depreciable plant balance by dividing the equation by (D) the depreciable cost of plant times 100:

$$(a) = \frac{D - U - S}{R} \times \frac{1}{D} \times 100$$

As further indicated by the equation, the accumulated provision for depreciation by vintage is required in order to calculate the remaining life depreciation rate for each property group. In practice, most often such detail is not available; therefore, composite remaining lives are determined for each depreciable group, (i.e., property account).

The remaining life for a depreciable group is calculated by first determining the remaining life for each vintage year in which there is surviving investment. This is accomplished by solving the area under the survivor curve selected to represent the average life and life characteristic of the property account. The remaining life for each vintage is determined by dividing (D) the depreciable cost of each vintage, by (L) its average service life, and multiplying this ratio by its average remaining life (E). The composite remaining life of the group (R) equals the sums of products divided by the sum of the quotients:

$$\text{R Group} = \frac{\sum \frac{D/L \times E}{}}{\sum D/L}$$

The functional level accumulated provision for depreciation, which was the basis for developing the composite average remaining life accrual and annual depreciation rate for each property account as per this report, was obtained from the Company's books and

records. The functional level depreciation reserve was further allocated to each property account and sub-account based upon a detailed theoretical depreciation reserve calculation as of December 31, 2004.

Salvage

Net salvage is the difference between gross salvage, or what is received when an asset is disposed of, and the cost of removing it from service. Salvage experience is normally included with the depreciation rate so that current accounting periods reflect a proportional share of the ultimate abandonment and removal cost or salvage received at the end of the property service life. Net salvage is said to be positive if gross salvage exceeds the cost of removal, but if cost of removal exceeds gross salvage the result is then negative salvage.

The cost of removal includes such costs as demolishing, dismantling, tearing down, disconnecting or otherwise removing plant, as well as normal environmental clean up costs associated with the property. Salvage includes proceeds received for the sale of plant and materials or the return of equipment to stores for reuse.

Net salvage experience is studied for a period of years to determine the trends which have occurred in the past. These trends are considered together with any changes that are anticipated in the future to determine the future net salvage factor for remaining life depreciation purposes. The net salvage percentage is determined by relating the total net positive or negative salvage to the book cost of the property investment.

Many retired assets generate little, if any, positive salvage. Instead, many of the Company's asset property groups generate negative net salvage at end of their life as a result of the cost of removal (retirement).

The method used to estimate the retirement cost is a standard analysis approach

which is used to identify a company's historical experience with regard to what the end of life cost will be relative to the cost of the plant when first placed into service. This information, along with knowledge about the average age of the historical retirements that have occurred to date, enables the depreciation professional to estimate the level of retirement cost that will be experienced by the Company at the end of each property group's useful life. The study methodology utilized has been extensively set forth in depreciation textbooks and has been the accepted practice by depreciation professionals for many decades. Furthermore, the cost of removal analysis approach is the current standard practice used for mass assets by essentially all depreciation professionals in estimating future net salvage for the purpose of identifying the applicable depreciation for a property group. There is a direct relationship to the installation of specific plant in service and its corresponding removal in that the installation is its beginning of life cost while the removal is its end of life cost. Also, it is important to note that average remaining life based depreciation rates incorporate future net salvage which is routinely more representative of recent versus long-term past average net salvage.

The Company's historical net salvage experience was analyzed to identify the historical net salvage factor for each applicable property group. This analysis routinely identifies that historical retirements have occurred at average ages significantly prior to the property group's average service life. This occurrence of historical retirements, at an age which is significantly younger than the average service life of the property category, clearly demonstrates that the historical data does not appropriately recognize the true level of retirement cost at the end of the property's useful life. An additional level of cost to retire will occur due to the passage of time until all the current in service plant is retired at end of life. That is, the level of retirement costs will increase over time until the average service

life is attained. The estimated additional inflation, within the estimate of retirement cost, is related to those additional year's cost increases (primarily higher labor costs over time) that will occur prior to the end of the property group's average life.

To provide an additional explanation of the issue, several general principles surrounding property retirements and related net salvage need to be highlighted. Those are that as property continues to age, the retirement of assets, if generating positive salvage when retired, will typically generate a lower percent of positive salvage. By comparison, if the class of property is one that typically generates negative net salvage (cost of removal), with increasing age at retirement the negative percentage as related to original cost will typically be greater. This situation is routinely driven by the higher labor cost with the passage of time.

Next, a simple example will aid in a better understanding of the above discussed net salvage analysis and the required adjustment to the historical analysis results. Assume the following scenario. A company has two (2) cars, Car #1 and Car #2, each purchased for $20,000. Car #1 is retired after 2 years and Car #2, is retired after 10 years. Accordingly, the average life of the two cars is six (6) years (2 Yrs. Plus 10 Yrs./2). Car #1 generates 75% salvage or $15,000 when retired and Car #2 generates 5% salvage or $1,000 when retired.

Unit	Cost	Ret. Age (Yrs)	% Salv.	Salvage Amount
Car # 1	$20,000	2	75%	$15,000
Car # 2	20,000	10	5%	1,000
Total	40,000	6	40%	16,000

Assume an analysis of the experienced net salvage at year three (3). Based upon the Car #1 retirement, which was retired at a young age (2 Yrs.) as compared to the

average six (6) year life of the property group, the analysis indicates that the property group would generate 75% salvage. This analysis indication is incorrect and is the result of basing the estimate on incomplete data. That is, the estimate is based upon the salvage generated from a retirement that occurred at an age which is far less than the average service life of the property group. The actual total net salvage, that occurred over the average life of the assets (which experienced a six (6) year average life for the property group) is 40% as opposed to the initial incorrect estimate of 75%.

This is exactly the situation with the majority of the Company's historical net salvage data except that most of the Company's plant property groups routinely experience negative net salvage (cost of removal) as opposed to positive salvage.

The total end of life net salvage amount must be incorporated in the development of annual depreciation rates to enable the Company to fully recover its total plant life costs. Otherwise, upon retirement of the plant, the Company will incur end of life costs without having recovered those plant related costs from the customers who benefitted from the use of the expired plant.

With regard to location type properties (e.g. generation facilities, etc.) a company will routinely experience both interim and terminal net salvage. Interim net salvage occurs in conjunction with interim retirements that occur throughout the life of the asset group. This net salvage activity (routinely and largely cost of removal) is attributable to the removal of components within the Company's facilities to enable the placement of a new asset component. Interim net salvage is routinely negative given the care required in removing the defective component so as not to damage the remaining plant in service. Interim net salvage is applicable to the estimated interim retirement assets.

The terminal net salvage component is attributable to the end of life costs incurred

(less any gross salvage received) to disconnect, remove, demolish and/or dispose of the operating asset. Terminal net salvage is attributable to those assets remaining in service subsequent to the occurrence of interim retirements.

The total net salvage incorporated into the depreciation rate for location type plant account investments is the sum of interim and terminal net salvage. Both of the items must be incorporated in the development of annual depreciation rates to enable the Company to fully recover its total plant life costs. Otherwise, upon retirement of the plant, the Company will incur end of life costs without having recovered those plant related costs from the customers who benefitted from the use of the expired facility.

Service Lives

Several factors contribute to the length of time or average service life which the property achieves. The three (3) major categories under which these factors fall are: (1) physical; (2) functional, and; (3) contingent casualties.

The physical category includes such things as deterioration, wear and tear and the action of the natural elements. The functional category includes inadequacy, obsolescence and requirements of governmental authorities. Obsolescence occurs when it is no longer economically feasible to use the property to provide service to customers or when technological advances have provided a substitute of superior performance. The remaining factor of contingent casualties relates to retirements caused by accidental damage or construction activity of one type or another.

In performing the life analysis for any property being studied, both past experience and future expectations must be considered in order to fully evaluate the circumstances which may have a bearing on the remaining life of the property. This ensures the selection of an average service life which best represents the expected life of each property

investment.

Survivor Curves

The preparation of a depreciation study or theoretical depreciation reserve typically incorporates smooth curves to represent the experienced or estimated survival characteristics of the property. The "smoothed" or standard survivor curves generally used are the family of curves developed at Iowa State University which are widely used and accepted throughout the utility industry.

The shape of the curves within the Iowa family are dependent upon whether the maximum rate of retirement occurs before, during or after the average service life. If the maximum retirement rate occurs earlier in life, it is a left (L) mode curve; if occurring at average life, it is a symmetrical (S) mode curve; if it occurs after average life, it is a right (R) mode curve. In addition, there is the origin (O) mode curve for plant which has heavy retirements at the beginning of life.

Many times, actual Company data has not completed its life cycle, therefore, the survivor table generated from the Company data is not extended to zero percent surviving. This situation requires an estimate be made with regard to the remaining segment of the property group's life experience. Furthermore, actual Company experience is often erratic, making its utilization for average service life estimating difficult. Accordingly, the Iowa curves are used to both extend Company experience to zero percent surviving as well as to smooth actual Company data.

Study Procedures

Several study procedures were used to determine the prospective service lives recommended for the Company's plant in service. These include the review and analysis of historical retirements, current and future construction, historical experience and future

expectations of salvage and cost of removal as related to plant investment. Service lives are affected by many different factors, some of which can be obtained from studying plant experience, others which may rely heavily on future expectations. When physical aspects are the controlling factor in determining the service life of property, historical experience is a valuable tool in selecting service lives. In the case where changing technology or a less costly alternative develops, then historical experience is of lesser value.

While various methods are available to study historical data, the principal methods utilized to determine average service lives for a Company's property are the Retirement Rate Method, the Simulated Plant Record Method, the Life Span Method, and the Judgement Method.

Retirement Rate Method - The Retirement Rate Method uses actual Company retirement experience to develop a survivor curve (Observed Life Table) which is used to determine the average service life being experienced in the account under study. Computer processing provides the opportunity to review various experience bands throughout the life of the account to observe trends and changes. For each experience band studied, the "observed life table" is constructed based on retirement experience within the band of years. In some cases, the total life of the account has not been achieved and the experienced life table, when plotted, results in a "stub curve." It is this "stub curve" or total life curve, if achieved, which is matched or fitted to a standard Survivor curve. The matching process is performed both by computer analysis, using a least squares technique, and by manually plotting observed life tables to which smooth curves are fitted. The fitted smooth curve provides the basis to determine the average service life of the property group under study.

Simulated Balances Method - In this method of analysis, simulated surviving

balances are determined for each balance included in the test band by multiplying each proceeding year's original gross additions installed by the Company by the appropriate factor of each Standard Survivor Curve, summing the products, and comparing the results with the related year end plant balance to determine the "best fitting" curve and life within the test period. Various test bands are reviewed to determine trends or changes to indicated service lives in various bands of years. By definition, the curve with the "best fit" is the curve which produces simulated plant balances that most closely matches the actual plant balances as determined by the sum of the "least squares". The sum of the "least squares" is arrived at by starting with the difference between the simulated balances and the actual balance for a given year, squaring the difference, and the curve which produces the smallest sum (of squared difference) is judged to be the "best fit".

Period Retirements Method - The application of the Period Retirements Method is similar to the "Simulated Plant Balances" Method, except the procedure utilizes a Standard Survivor Curve and service life to simulate annual retirements instead of balances in performing the "least squares" fitting process during the test period. This procedure does tend to experience wider fluctuations due to the greater variations in level of experienced retirements versus additions and balances thereby producing greater variation in the study results.

Life Span Method - The Life Span or Forecast Method is a method utilized to study various accounts in which the expected retirement dates of specific property or locations can be reasonably estimated. In the Life Span Method, an estimated probable retirement year is determined for each location of the property group. An example of this would be a structure account, in which the various segments of the account are "life spanned" to a probable retirement date which is determined after considering a number of factors, such

as management plans, industry standards, the original construction date, subsequent additions, resultant average age and the current - as well as the overall - expected service life of the property being studied. If, in the past, the property has experienced interim retirements, these are studied to determine an interim retirement rate. Otherwise, interim retirement rate parameters are estimated for properties which are anticipated to experience such retirements. The selected interim service life parameters (Iowa curve and life) are then used with the vintage investment and probable retirement year of the property to determine the average remaining life as of the study date.

The use of the Life Span Method for production facilities together with the inclusion of an interim retirement rate (average service life and Iowa Curve) to define those portions of property at each of the plant sites that will not live the entire life span of the applicable property specifically addresses and correlates to the sub categorization of property group issue as set forth in the FPC Chapter 25-6.03361 entitled “Sub-categorization of Electric Plant for Depreciation Studies and Rate Design”. Thus the depreciation calculations, as preformed in the preparation of this depreciation study and proposed depreciation rates, are in accordance with the intent of the Florida PSC rule.

Judgement Method - Standard quantitative methods such as the Retirement Rate Method, Simulated Plant Record Method, etc. are normally utilized to analyze a Company's available historical service life data. The results of the analysis together with information provided by management as well as judgement are utilized in estimating the prospective recommended average service lives. However, there are some circumstances where sufficient retirements have not occurred, or where prospective plans or guidelines are unavailable. In these circumstances, judgement alone is utilized to estimate service lives based upon service lives used by other utilities for this class of plant as well as what is

considered to be a reasonable life for this plant giving consideration to the current age and use of the facilities.

SECTION 4

ILLINOIS AMERICAN WATER COMPANY

Study Analysis Results & Recommendations

ACCOUNT – 304.10 Source of Supply Structures & Improvements

Historical Experience

Plant Statistics
Plant Balance = $14,312,285
Average Age of Survivors = 12.66 years
Original Gross Additions = $10,396,997
Oldest Surviving vintage = 1956
Retirements = $577,320 or 5,6% of historical additions.
Average Age of Retirements = 21.8 years

Experience Band 1964 – 2010 (Full Depth) 39-R3

Historical Net Salvage: (1999-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1999-2010
-0%	-0%	0%	-20%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -41.50%

Plant Considerations/Future Expectations

The investments in this account are, to a large degree, related to structures located at the Company's many well sites. In additional the Company also has various surface water supply facilities. Most of these facilities are routinely of smaller to moderate size structures and are of masonry construction. Ongoing upgrades, related to various of the building components such as heating, roof covering, doors, windows, etc will continue to limit the overall average useful life of the property group investments. In coming years the Company anticipates replacing the raw water pump station at Streator as well as at Lincoln.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ASL/Curve: 42.7 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -20%

Proposed Depreciation Parameters

ASL/Curve**:** 39-R3

Future Net Salvage: -20%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.22 %	2.81%	2.81%	N/A
Avg. Remaining Life	27.2 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 304.20 Pumping Structures & Improvements

Historical Experience

Plant Statistics
Plant Balance = $22,619,940
Average Age of Survivors = 15.30 years
Original Gross Additions = $18,928,033
Oldest Surviving vintage = 1890
Retirements = $1,613,519 or 8.5% of historical additions.
Average Age of Retirements = 28.0 years

Experience Band 1955 – 2010 (Full Depth) 50-R1.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-24%%	-39%	-44%	-33%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
19%	17%	0%	0%

Forecasted Net Salvage: -99%

Plant Considerations/Future Expectations

Similar to the investments in Source of Supply Structures, the investments in this property account are, to a large degree, related to structures located at the Company's many well and booster pumping sites. In additional, the Company also has various surface water supply facilities, of which a portion of the property investment is contained in this property account. Many, if not most, of these facilities are routinely of smaller to moderate size structures and are of masonry construction. Ongoing upgrades, related to the building components such as heating, roof covering, doors, windows, etc will continue to limit the overall average useful life of the property group investments. The current capital budget includes projects related to the replacement of the high service pump station at East St. Louis, a pump station upgrade at Couteau Island, and a replacement of the high service pump station at Granite City

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 50.2 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -25%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 50-R1.5

Future Net Salvage: -30%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	2.35%	2.49%	2.49%	3.11%
Avg. Remaining Life	39.0 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 304.30 Treatment Structures & Improvements

Historical Experience

Plant Statistics
Plant Balance = $92,685,367
Average Age of Survivors = 9.25 years
Original Gross Additions = $92,683,131
Oldest Surviving vintage = 1918
Retirements = $2,063,944 or 2.2% of historical additions.
Average Age of Retirements = 16.3 years

Experience Band 1955 – 2010 (Full Depth) 50-R2

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
17%	-3%	-7%	-7%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -56%

Plant Considerations/Future Expectations

The major facilities whose investments comprise this property account are the Company's various treatment plants located throughout its service territory. Treatment plants include facilities such as the Alton, East St. Louis, Aldrich, Treatment, Granite City, Peoria, Cairo, and San Koty Treatment Structures. Due to the ever increasing regulatory requirements on the treatment facilities, upgrades, expansions, and/or replacements continually impact the useful life of this property group. While numerous of the properties are larger facilities, ongoing required changes to processes, etc over the life of the properties have and will continue to impact the average service life to be achieved by the property group investments. Future capital projects include the replacement of the chemical storage equipment and potential structure modifications as Champaign, and the replacement and/or upgrade of the clearwell at Granite City.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 47.6 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 50-R2

Future Net Salvage: -20%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	2.37%	2.52%	2.52%	3.70%
Avg. Remaining Life	42.1 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 304.40 Trans./Distr. Structures & Improvements

Historical Experience

Plant Statistics
Plant Balance = $3,620,120
Average Age of Survivors = 9.45 years
Original Gross Additions = $3,710,218
Oldest Surviving vintage = 1961
Retirements = $94,814 or 2.6% of historical additions.
Average Age of Retirements – 14.8 years

Experience Band 1961 – 2010 (Full Depth) 45-R3

Historical Net Salvage: (2001-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	2001-10
0%	0%	0%	-38%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -83%

Plant Considerations/Future Expectations

The investments with in this property group are related to a limited quantity of smaller facilities located at various locations throughout the Company's service territory.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 37.9 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -25%

Proposed Depreciation Parameters

ASL/Curve: 45-R3

Future Net Salvage: -25%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	2.86%	3.30%	3.30%	3.30%
Avg. Remaining Life	36.3 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 304.50 Admin & General Structures & Improvements

Historical Experience

Plant Statistics
Plant Balance = $5,392,771
Average Age of Survivors = 3.85 years
Original Gross Additions = $5,321,131
Oldest Surviving Vintage = 1914
Retirements = $6,972 or 0.1% of historical additions.
Average Age of Retirements = 9.4 years

Experience Band 1999 – 2010 (Full Depth) 40-R3

Historical Net Salvage: (2000-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	2000-10
0%	0%	-1,447%	-330%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -938%

Plant Considerations/Future Expectations

This account contains only a limited property investment.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 37.2 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -10%

Proposed Depreciation Parameters

ASL/Curve: 40-R3

Future Net Salvage: -25%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.18%	2.96%	2.96%	2.96%
Avg. Remaining Life	36.5 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 304.60 Office Structures & Improvements

Historical Experience

Plant Statistics
Plant Balance = $5,293,951
Average Age of Survivors = 18.26 years
Original Gross Additions = $7,135,777
Oldest Surviving Vintage = 1971
Retirements = $1,989,893 or 27.9% of historical additions.
Average Age of Retirements = 16.1 years

Experience Band 1955 – 2010 (Full Depth) 26-L1.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
46%	37%	0%	33%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0.4%

Forecasted Net Salvage: 34%

Plant Considerations/Future Expectations

This property group contains the Company's investment applicable to headquarters as well as regional business/administration offices. Such offices typically included both administrative as well as plant and engineering administrative staff. In addition, some inventory and transportation facilities are located in either a combined structure and/or an adjacent structure. Such investments for those facilities are contained in separate property group categories.

While the structures, whose investments comprise this property category, are routinely are larger facilities, ongoing changes and alterations to the properties historical has and will continue to impact/reduce the overall achievable life of the property investments in this account. Such changes are driven by changing business operations within the company. In addition, the need to maintain desirable business office working conditions also drives numerous changes within each of the facilities.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 34.9 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Net Salvage: -10%

Proposed Depreciation Parameters

ASL/Curve: 26-L1.5

Future Net Salvage: 0%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.64 %	3.15%	3.15%	3.15%
Avg. Remaining Life	14.6 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 304.70 Stores, Shop & Garage Structures

Historical Experience

Plant Statistics
Plant Balance = $3,602,602
Average Age of Survivors = 18.99 years
Original Gross Additions = $4,055,491
Oldest Surviving Vintage = 1915
Retirements = $661,082 or 16.3% of historical additions.
Average Age of Retirements = 13.8 years

Experience Band 1955 – 2010 (Full Depth) 20-L2

Historical Net Salvage: (1982-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1982-10
46%	47%	-4%	14%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	7%	15%

Forecasted Net Salvage: -20%

Plant Considerations/Future Expectations

This property group contains the Company's investment applicable to storerooms and garages routinely located at regional business/administration offices. While such structures typically included property used for all operating functions (including plant and engineering administrative staff), that component of the structures are contained in separate investment accounts.

While the structures, whose investments comprise this property category, are routinely are larger facilities, ongoing changes and alterations to the properties historical has and will continue to impact/reduce the overall achievable life of the property investments in this account. Such changes are driven by changing business operations within the company.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 58.4 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 20-L2

Future Net Salvage: -5%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	4.32%	2.06	2.06%	N/A
Avg. Remaining Life	9.7 years	N/A	N/A	N/A

ACCOUNT – 304.80 Misc Structures & Improvements

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Historical Experience

Plant Statistics
Plant Balance = $545,076
Average Age of Survivors = 17.48 years
Original Gross Additions = $646,281
Oldest Surviving Vintage = 1934
Retirements = $116,980 or 18.1% of historical additions.
Average Age of Retirements = 13.4 years

Experience Band 1955 – 2010 (Full Depth) 25-L1

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
73%	66%	250%	35%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	4%	8%

Forecasted Net Salvage: 39%

Plant Considerations/Future Expectations

This property group contains the Company's investment relative to a limited amount of Miscellaneous Structures whose related investment is equally limited. Typically the property investment is related to smaller structures used for storage, etc.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 20.9 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -10%

Proposed Depreciation Parameters

ASL/Curve: 25-L1

Future Net Salvage: -5%

New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Rate	4.23%	5.27%	5.27%	5.27%
Avg. Remaining Life	15.1 years	N/A	N/A	N/A

ACCOUNT – 305.00 Collecting & Impounding Reservoirs

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Historical Experience

Plant Statistics
Plant Balance = $2,577,320
Average Age of Survivors = 22.17 years
Original Gross Additions = $2,702,905
Oldest Surviving Vintage = 1927
Retirements = $11,786, or 0.4% of historical additions.
Average Age of Retirements = 47.3 years

Experience Band 1955 – 2010 (Full Depth) 100-R4

Historical Net Salvage: (1990-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1990-10
0%	0%	0%	-230%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: 1867%

Plant Considerations/Future Expectations

This property account investment is related to river reservoirs located in the Streator and Pontiac districts with significantly lesser investments in the Chicago Metro and Interurban districts. The life was based upon the consideration of general property comprising the investment within the account. Future projects include the retirement and replacement of the reservoir at Pekin.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 104.2 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -25%

Proposed Depreciation Parameters

ASL/Curve: 100-R4

Future Net Salvage: -50%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	1.48%	1.20%	1.20%	1.20%
Avg. Remaining Life	78.4 years	N/A	N/A	N/A

ACCOUNT – 306.00 Lakes, River & Other Intakes

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Historical Experience

Plant Statistics
Plant Balance = $2,782,341
Average Age of Survivors = 39.92 years
Original Gross Additions = $3,067,321
Oldest Surviving Vintage = 1891
Retirements = $370,148 or 12.1% of historical additions.
Average Age of Retirements = 32.7 years

Experience Band 1955 – 2010 (Full Depth) 60-R2

Historical Net Salvage: (1981-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1981-10
0%	-175%	-175%	-74%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -160%

Plant Considerations/Future Expectations

This property group includes the investments associated with the Reservoir and Treatment Plant property and generally relates to intake facilities such as trash rakes and traveling screens, etc. Given the mechanical nature of much of the property and exposure to the river elements this property has and will continue to require upgrades and replacements. Several projects including the replacement of the raw water pump station at Streator, and the replacement of the raw water pump station at Lincoln will likely result in some levels of upgrades to the intakes, etc.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 43.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -50%

Proposed Depreciation Parameters

ASL/Curve: 60-R2

Future Net Salvage: -75%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	4.12%	3.49%	3.49%	3.49%
Avg. Remaining Life	32.5 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 307.00 Wells & Springs

Historical Experience

Plant Statistics
Plant Balance = $11,763,177
Average Age of Survivors = 12.84 years
Original Gross Additions = $10,434,117
Oldest Surviving Vintage = 1890
Retirements = $613,899 or 5.9% of historical additions.
Average Age of Retirements = 27.0 years

Experience Band 1955 – 2010 (Full Depth) 65-R1

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-25%	-10%	-73%	-26%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -88%

Plant Considerations/Future Expectations

While the Company has Wells throughout its operating territory, a larger portion of the wells are located in the more northern operating districts. The legacy Illinois American districts obtain a greater portion of their water supply via surface water supplies. A significant quantity of Wells was added in conjunction with the Company's acquisition of the Northern Illinois and Chicago Metro systems. In addition, due to the water quality and capacity of various northern wells, various wells are maintained in standby mode with their use being limited to higher than typical water demand periods. While the wells are maintained to be able to operate when required, the longer term usefulness of such Wells is limited.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 64.4 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -30%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 65-R1

Future Net Salvage: -40%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	2.20%	2.02%	2.02%	2.06%
Avg. Remaining Life	56.2 years	N/a	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 308.00 Infiltration Galleries & Tunnels

Historical Experience

Plant Statistics
Plant Balance = $13,292
Average Age of Survivors = 17.31 years
Original Gross Additions = $0
Oldest Surviving Vintage = 1992
Retirements = $0, or 0 % of historical additions.
Average Age of Retirements = 0 years

Experience Band 1955 – 2010 (Full Depth) 75-R3

Historical Net Salvage: (1980-2010) N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
N/A	N/A	N/A	N/A

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
N/A	N/A	N/A	N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

This property account contains a very minimal account investment.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 84.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 75-R3

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	1.17%	1.19%	1.19%	1.19%
Avg. Remaining Life	58.2 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 309.00 Supply Mains

Historical Experience

Plant Statistics
Plant Balance = $10,911,813
Average Age of Survivors = 24.76 years
Original Gross Additions = $10,766,111
Oldest Surviving Vintage = 1911
Retirements = $202,394, or 1.9% of historical additions.
Average Age of Retirements = 15.4 years

Experience Band 1955 – 2010 (Full depth) 90-R4

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-3%	-52%	-60%	-80%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -769%

Plant Considerations/Future Expectations

Many of the facilities included in this property class are related to supply mains at the Company's various well sites. In addition, portions of the property group investment are used to supply water to the Company's treatment plants located throughout its operating districts. The facilities are anticipated to experience average service lives general representative of T&D Mains with the exception that the overall useful life of various components of the property will be limited by the source of supply (Well or Treatment Plant) to which the various components of property are associated.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 79.5 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -40%

Proposed Depreciation Parameters

ASL/Curve: 90-R4

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Future Net Salvage: -50%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	1.81%	1.76%	1.76%	1.76%
Avg. Remaining Life	66.6 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 310.00 Power Generation Equipment

Historical Experience

Plant Statistics
Plant Balance = $5,919,296
Average Age of Survivors = 9.27 years
Original Gross Additions = $6,018,875
Oldest Surviving Vintage = 1959
Retirements = $233,645, or 3.9% of historical additions.
Average Age of Retirements = 17.4 years

Experience Band 1966– 2010 (Full Depth) 30-R2

Historical Net Salvage: (1991-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1991-10
-3%	-17%	-109%	-10%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -12%

Plant Considerations/Future Expectations

This equipment is associated with and provides backup power to portions of the Company's pumping and other equipment. While some of the equipment is transportable, much of the equipment is stationary equipment located at various operating sites.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 38.7 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -10%

Proposed Depreciation Parameters

ASL/Curve: 30-R2

Future Net Salvage: -10%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	2.84%	2.84%	2.84%	2.84%
Avg. Remaining Life	22.7 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 311.20 Electric Pumping Equipment

Historical Experience

Plant Statistics
Plant Balance = $33,340,550
Average Age of Survivors = 16.81 years
Original Gross Additions = $39,190,134
Oldest Surviving Vintage = 1911
Retirements = $7,191,984, or 18.4% of historical additions.
Average Age of Retirements = 18.5 years

Experience Band 1955 – 2010 (Full Depth) 33-L0.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-12%	-6%	-15%	-55%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -63%

Plant Considerations/Future Expectations

The Company's electric pumping equipment contains a wide range of sizes and types of property from larger high service pumps, to vertical turbine and submersible well pumps and smaller centrifugal booster pumps. The larger high service pumps will typically experience longer average service lives, however, the medium to smaller size pumps, which comprise the larger portion of facilities, experience greater levels of changes due to changes in flow requirements as well as normal operational wear and tear.

Significant future capital projects in the near future will include the replacement of the high service pump station at East St. Louis, the replacement of the high service pump station at Granite City, and a pump station upgrade at Couteau Island.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 28.1 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -35%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 33-L0.5

Future Net Salvage: -35%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	4.02%	4.81	4.81%	4.80%
Avg. Remaining Life	23.4 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 311.30 Diesel Pumping Equipment

Historical Experience

Plant Statistics
Plant Balance = $1,706,553
Average Age of Survivors = 20.50 years
Original Gross Additions = $2,110,237
Oldest Surviving Vintage = 1938
Retirements = $467,989, or 22.2% of historical additions.
Average Age of Retirements = 17.3 years

Experience Band 1955 – 2010 (Full Depth) 30-L2

Historical Net Salvage: (1981-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1981-10
-3%	-13%	-17%	23%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -97%

Plant Considerations/Future Expectations

This account contains the Company's investment related to its limited amount of diesel driven emergency backup pumping. This property group provides a similar function as the power generation equipment except that the power equipment is an integral component of the pumping equipment.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 32.4 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -10%

Proposed Depreciation Parameters

ASL/Curve: 30-L2

Future Net Salvage: -10%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.60%	3.39%	3.39%	4.80%
Avg. Remaining Life	16.1 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 311.40 Hydraulic Pumping Equipment

Historical Experience

Plant Statistics
Plant Balance = $1,620
Average Age of Survivors = 3.50 years
Original Gross Additions = $1,620
Oldest Surviving Vintage = 2007
Retirements = $0 or 0% of historical additions.
Average Age of Retirements = N/A

Experience Band 1955 – 2010 (Full Depth) 35-R1.5 Cost

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
N/A	N/A	N/A	N/A

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
N/A	N/A	N/A	N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

The overwhelming majority of this property group investment is contained in the Company's recently acquired Chicago Metro district and is related to various classes of pumping equipment located throughout the operating district.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 22.9 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -10%

Proposed Depreciation Parameters

ASL/Curve: 35-R1.5

Future Net Salvage: -10%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.03%	4.80%	4.80%	3.69%
Avg. Remaining Life	32.1 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 311.50 Other Pumping Equipment

Historical Experience

Plant Statistics
Plant Balance = $11,621,267
Average Age of Survivors = 11.30 years
Original Gross Additions = $6,539,843
Oldest Surviving Vintage = 1941
Retirements = $418,427, or 6.4% of historical additions.
Average Age of Retirements = 23.4 years

Experience Band 1955 – 2010 (Full Depth) 55-L1.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-5%	-8%	-15%	-34%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -105%

Plant Considerations/Future Expectations

The overwhelming majority of this property group investment is contained in the Company's recently acquired Chicago Metro district and is related to various classes of pumping equipment located throughout the operating district.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 57.4 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -40%

Proposed Depreciation Parameters

ASL/Curve: 55-L1.5

Future Net Salvage: -35%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	1.36%	2.44%	2.43%	4.80%
Avg. Remaining Life	45.6 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 320.10 Treatment Plant

Historical Experience

Plant Statistics
Plant Balance = $88,477,650
Average Age of Survivors = 15.56 years
Original Gross Additions = $96,665,755
Oldest Surviving Vintage = 1901
Retirements = $12,037,027, or 12.5% of historical additions.
Average Age of Retirements = 19.9 years

Experience Band 1955 – 2010 (Full Depth) 40-L1

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-18%	-24%	-43 %	-25%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -51%

Plant Considerations/Future Expectations

The major facilities whose investments comprise this property account are the Company's various treatment plants located throughout its service territory. Treatment plants include facilities such as the Alton, East St. Louis, Aldrich, Treatment, Granite City, Peoria, Cairo, and San Koty Treatment Structures. Due to the ever increasing regulatory requirements on the treatment facilities, upgrades, expansions, and/or replacements continually impact the useful life of this property group. While numerous of the properties are larger facilities, ongoing required changes to processes, etc over the life of the properties have and will continue to impact the average service life to be achieved by the property group investments.

Numerous Treatment Plant projects will be occurring over the next several years. Projects include a new flocculator at Streator, replacing filter piping and a clearwell upgrade at Granite City, replacing the chemical feed building at Pontiac, and various conversions from gas chlorination to sodium hypo chloride.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Current Depreciation Parameters

ASL/Curve: 36.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -30%

Proposed Depreciation Parameters

ASL/Curve: 40-L1
Future Net Salvage: -30%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	2.50%	3.61%	3.61%	5.10%
Avg. Remaining Life	29.5 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 320.19 Chemical Equipment

Historical Experience

Plant Statistics
Plant Balance = $6,258,913
Average Age of Survivors = 2.13 years
Original Gross Additions = $6,258,913
Oldest Surviving Vintage = 2004
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = N/A

Experience Band 1955 – 2010 (Full Depth) 20-L1

Historical Net Salvage: (2008-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	2008-10
N/A	N/A	N/A	-67%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -116%

Plant Considerations/Future Expectations

This property group investment is principally related to chemical treatment equipment located either at the Company's treatment plants and/or at the many Company well locations. Many, if not most, of the chemicals use in the treatment of water supplies are corrosive thereby impacting the useful life that can be achieved by the property class.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 25.5 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -30%

Proposed Depreciation Parameters

ASL/Curve: 20-L1

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Future Net Salvage: -30%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	6.97%	5.10%	5.10%	3.61%
Avg. Remaining Life	18.1 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 320.20 Treatment Equip. Filter Media

Historical Experience

Plant Statistics
Plant Balance = $4,166,836
Average Age of Survivors = 2.87 years
Original Gross Additions = $4,794,726
Oldest Surviving Vintage = 2003
Retirements = $1,488,141, or 31.0% of historical additions.
Average Age of Retirements = 16.2 years

Experience Band 1955 – 2010 (Full Depth) 8-S1.5

Historical Net Salvage: (2007-2010) N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	2007-10
N/A	-714%	N/A	-678%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -558%

Plant Considerations/Future Expectations

This property group investment is principally related to chemical treatment equipment located either at the Company's treatment plants and/or at the many Company well locations. Many, if not most, of the chemicals use in the treatment of water supplies are corrosive thereby impacting the useful life that can be achieved by the property class.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 26.5 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -10%

Proposed Depreciation Parameters

ASL/Curve: 8-S1.5

Future Net Salvage: -25%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	21.57%	4.15%	4.15%	5.10%
Avg. Remaining Life	5.5 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 330.00 Distribution Reservoirs & Standpipe

Historical Experience

Plant Statistics
Plant Balance = $22,606,125
Average Age of Survivors = 19.91 years
Original Gross Additions = $13,803,954
Oldest Surviving Vintage = 1890
Retirements = $486,004, or 3.5% of historical additions.
Average Age of Retirements = 32.7 years

Experience Band 1955 – 2010 (Full Depth) 70-R3

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-44%	-147%	-131 %	-76%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -395%

Plant Considerations/Future Expectations

The Company has more than 100 distribution reservoirs located throughout its operating territory ranging from clear wells, masonry ground storage reservoirs, metal storage tanks, standpipes, and elevated tanks. The capacities of the tanks range from less than 100,000 gallons to more than 5 million gallons. Approximately twenty-five (25) of the distribution reservoirs have a capacity in the range of one (1) to four (4) million gallon, while three are of five (5) million gallon capacity or greater. The remaining two-thirds plus of the distribution reservoirs have capacities ranging between 250,000 and 750,000 gallons and smaller.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 57.1 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 70-R3

Future Net Salvage: -40%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	2.02%	2.10%	2.10%	2.10%
Avg. Remaining Life	51.6 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 330.10 Elevated Tanks & Standpipe

Historical Experience

Plant Statistics
Plant Balance = $1,931,078
Average Age of Survivors = 1.86 years
Original Gross Additions = $1,939,878
Oldest Surviving Vintage = 2002
Retirements = $8,800, or 0.5% of historical additions.
Average Age of Retirements = 5.5 years

Experience Band 1955 – 2010 (Full Depth) 70-R3

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
N/A	N/A	-25 %	-25%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -141%

Plant Considerations/Future Expectations

The Company has more than 100 distribution reservoirs located throughout its operating territory ranging from clear wells, masonry ground storage reservoirs, metal storage tanks, standpipes, and elevated tanks. The capacities of the tanks range from less than 100,000 gallons to more than 5 million gallons. Approximately twenty-five (25) of the distribution reservoirs have a capacity in the range of one (1) to four (4) million gallon, while three are of five (5) million gallon capacity or greater. The remaining two-thirds plus of the distribution reservoirs have capacities ranging between 250,000 and 750,000 gallons and smaller.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 57.1 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 70-R3

Future Net Salvage: -25%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	1.82%	2.10%	2.10%	2.10%
Avg. Remaining Life	68.1 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 330.20 Ground Level Facilities

Historical Experience

Plant Statistics
Plant Balance = $1,716,878
Average Age of Survivors = 2.31 years
Original Gross Additions = $1,716,878
Oldest Surviving Vintage = 2003
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = N/A years

Experience Band 1955 – 2010 (Full Depth) 70-R3

Historical Net Salvage: (1980-2010) N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
N/A	N/A	N/A	N/A

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
N/A	N/A	N/A	N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

The Company has more than 100 distribution reservoirs located throughout its operating territory ranging from clear wells, masonry ground storage reservoirs, metal storage tanks, standpipes, and elevated tanks. The capacities of the tanks range from less than 100,000 gallons to more than 5 million gallons. Approximately twenty-five (25) of the distribution reservoirs have a capacity in the range of one (1) to four (4) million gallon, while three are of five (5) million gallon capacity or greater. The remaining two-thirds plus of the distribution reservoirs have capacities ranging between 250,000 and 750,000 gallons and smaller.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 57.1 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 70-R3

Future Net Salvage: -25%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	1.76%	2.10%	2.10%	2.10%
Avg. Remaining Life	67.7 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 330.30 Below Grade Facilities

Historical Experience

Plant Statistics
Plant Balance = $73,533
Average Age of Survivors = 5.30 years
Original Gross Additions = $73,533
Oldest Surviving Vintage = 2003
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = N/A

Experience Band 1955 – 2010 (Full Depth) 70-R3

Historical Net Salvage: (1980-2010) – N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
N/A	N/A	N/A	N/A

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
N/A	N/A	N/A	N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

The Company has more than 100 distribution reservoirs located throughout its operating territory ranging from clear wells, masonry ground storage reservoirs, metal storage tanks, standpipes, and elevated tanks. The capacities of the tanks range from less than 100,000 gallons to more than 5 million gallons. Approximately twenty-five (25) of the distribution reservoirs have a capacity in the range of one (1) to four (4) million gallon, while three are of five (5) million gallon capacity or greater. The remaining two-thirds plus of the distribution reservoirs have capacities ranging between 250,000 and 750,000 gallons and smaller. The company has several pending projects related to underground storage facilities.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 57.1 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: 70-R3

Future Net Salvage: -10%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	1.41%	2.10%	2.10%	2.10%
Avg. Remaining Life	64.8 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 331.00 Mains

Historical Experience

Plant Statistics
Plant Balance = $454,536,934
Average Age of Survivors = 15.25 years
Original Gross Additions = $40,689,668
Oldest Surviving Vintage = 1915
Retirements = $7,339,265, or 1.8% of historical additions.
Average Age of Retirements = 29.0 years

Experience Band 1955 – 2010 (Full Depth) Various-See Section 2, Table 5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-158%	-153%	-147%	-100%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	5%

Forecasted Net Salvage: -1065%

Plant Considerations/Future Expectations

This property group contains the Company's investment in Transmission and Distribution Mains. Given that the investment group comprises approximately forty (40) percent of the Company's depreciable plant in service, the property group was identified by various asset classes with service life parameters estimated for each of the individual property groups. The asset investments were identified by Valves by size groupings, Valve Boxes, Manholes, Mains by size groupings, and Special Crossings. In addition, the size groups were identified by 4 In & Under, 6-8 In, 10 to 16 In, and 18 In & Over. Section 2, Table 5 of the depreciation study report lists the applicable estimated depreciation parameters for each of the studied property groups.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 94.9 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -50%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Proposed Depreciation Parameters

ASL/Curve: Varies (See Section 2 Schedule 5

Future Net Salvage: -75%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	2.01%	1.52%	1.58%	1.10%
Avg. Remaining Life	Varies- See Sec 2-Table 5	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 332.00 Fire Mains

Historical Experience

Plant Statistics
Plant Balance = $209,469
Average Age of Survivors = 10.58 years
Original Gross Additions = $20,066
Oldest Surviving Vintage = 1999
Retirements = $2,163, or 10.8% of historical additions.
Average Age of Retirements = 6.5 years

Experience Band 1955 – 2010 (Full Depth) 90-S0

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-5%	0%	0%	-2%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -24%

Plant Considerations/Future Expectations

This limited property group investment is principally related to smaller sized Fire Mains at customer sites. An average service life generally representative of smaller diameter T&D Mains was estimated for this property group.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 81.5 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -50%

Proposed Depreciation Parameters

ASL/Curve: 90-S0

Future Net Salvage: -10%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	1.09%	1.84%	1.84%	1.10%
Avg. Remaining Life	80.7 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 333.00 Services – Non Unitized

Historical Experience

Plant Statistics
Plant Balance = $7,398,719
Average Age of Survivors = 16.10 years
Original Gross Additions = $40,132,850
Oldest Surviving Vintage = 1936
Retirements = $87,135, or 2.2% of historical additions.
Average Age of Retirements = 28.0 years

Experience Band 1955 – 2010 (Full Depth) 40-L1.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-146%	-213%	-268%	-326%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	1%	1%

Forecasted Net Salvage: -1213%

Plant Considerations/Future Expectations

This property group contains the Company's investment in customer Services. The investment group comprises approximately eleven (11) percent of the Company's depreciable plant in service. Accordingly, the property group was identified by two (2) asset classes with service life parameters estimated for each of the individual property groups. By comparison and analysis of the unidentified (non-unitized) produced a far shorter life indication of 40 years. The asset investments were identified by smaller residential and small commercial Services 1 Inch & Under, and larger commercial and industrial Services Over 1 Inch. Section 2, Table 5 of the depreciation study report lists the applicable estimated depreciation parameters for each of the studied property groups.

In the completion of the current analysis it was identified that the Services are currently living longer periods of years than had previously occurred. The current depreciation study life analysis indications were 65 years for 1 Inch & Under Services and 75 Years for Over 1 Inch Services. Similar to the prior depreciation study future net salvage (based upon an analysis of Company experience) was estimated at negative 300%. Management's current belief is that the plant activity driving the more recent service life experience is indicative of what is expected during the coming future years.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ASL/Curve: 186.9 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -300%

Proposed Depreciation Parameters

ASL/Curve: 40-L1.5

Future Net Salvage: -300%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	11.42%	2.14%	1.58%	4.17%
Avg. Remaining Life	27.9 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 333.10 Services 1" & Under

Historical Experience

Plant Statistics
Plant Balance = $87,729,613
Average Age of Survivors = 16.18 years
Original Gross Additions = $58,851,674
Oldest Surviving Vintage = 1914
Retirements = $3,884,951, or 6.6% of historical additions.
Average Age of Retirements = 23.6 years

Experience Band 1955 – 2010 (Full Depth) 65-R1.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-146%	-213%	-268%	-326%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	1%	1%

Forecasted Net Salvage: -344%

Plant Considerations/Future Expectations

This property group contains the Company's investment in customer Services. The investment group comprises approximately eleven (11) percent of the Company's depreciable plant in service. Accordingly, the property group was identified by two (2) asset classes with service life parameters estimated for each of the individual property groups. The asset investments were identified by smaller residential and small commercial Services 1 Inch & Under, and larger commercial and industrial Services Over 1 Inch. Section 2, Table 5 of the depreciation study report lists the applicable estimated depreciation parameters for each of the studied property groups.

In the completion of the current analysis it was identified that the Services are currently living longer periods of years than had previously occurred. The current depreciation study life analysis indications were 65 years for 1 Inch & Under Services and 75 Years for Over 1 Inch Services. Similar to the prior depreciation study future net salvage (based upon an analysis of Company experience) was estimated at negative 300%. Management's current belief is that the plant activity driving the more recent service life experience is indicative of what is expected during the coming future years.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ASL/Curve: 71.9 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -300%

Proposed Depreciation Parameters

ASL/Curve: 65-R1.5

Future Net Salvage: -300%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	6.62%	5.56%	5.57%	4.17%
Avg. Remaining Life	52.6 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 333.20 Services – Over 1”

Historical Experience

Plant Statistics
Plant Balance = $23,637,118
Average Age of Survivors = 15.82 years
Original Gross Additions = $13,047,836
Oldest Surviving Vintage = 1914
Retirements = $405,645, or 3.1% of historical additions.
Average Age of Retirements = 28.6 years

Experience Band 1955 – 2010 (Full Depth) 75-R3

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-146%	-213%	-268%	-326%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	1%	1%

Forecasted Net Salvage: -344%

Plant Considerations/Future Expectations

This property group contains the Company’s investment in customer Services. The investment group comprises approximately eleven (11) percent of the Company’s depreciable plant in service. Accordingly, the property group was identified by two (2) asset classes with service life parameters estimated for each of the individual property groups. The asset investments were identified by smaller residential and small commercial Services 1 Inch & Under, and larger commercial and industrial Services Over 1 Inch. Section 2, Table 5 of the depreciation study report lists the applicable estimated depreciation parameters for each of the studied property groups.

In the completion of the current analysis it was identified that the Services are currently living longer periods of years than had previously occurred. The current depreciation study life analysis indications were 65 years for 1 Inch & Under Services and 75 Years for Over 1 Inch Services. Similar to the prior depreciation study future net salvage (based upon an analysis of Company experience) was estimated at negative 300%. Management’s current belief is that the plant activity driving the more recent service life experience is indicative of what is expected during the coming future years.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ASL/Curve: 71.9 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -300%

Proposed Depreciation Parameters

ASL/Curve: 75-R3

Future Net Salvage: -300%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	5.75%	5.56%	5.57%	4.17%
Avg. Remaining Life	60.2 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 334.12 Meter Plastic

Historical Experience

Plant Statistics
Plant Balance = $26,080
Average Age of Survivors = 23.79 years
Original Gross Additions = $26,080
Oldest Surviving Vintage = 1976
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = N/A

Experience Band 1955 – 2010 (Full Depth) 10-R3

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-48%	0%	0%	-48%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -63%

Plant Considerations/Future Expectations

The Company's original investment in this property group (plastic meters) is nearly fully retired. At one time the Company was installing significant amounts of plastic cased meters, but during more recent years it has reverted to the use of bronze case meters.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 81.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 10-R3

Future Net Salvage: -10%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	0%	0%	0%	0%
Avg. Remaining Life	1.2 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

In Response to WRJ-1.04

ACCOUNT – 334.20 Meter Installation

Historical Experience

Plant Statistics
Plant Balance = $30,290,824
Average Age of Survivors = 15.67 years
Original Gross Additions = $31,234,990
Oldest Surviving Vintage = 1914
Retirements = $962,097, or 3.1% of historical additions.
Average Age of Retirements = 15.67 years

Experience Band 1955 – 2010 (Full Depth) 48-R2.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-15%	-23%	-22%	-120%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	1%	3%	4%

Forecasted Net Salvage: -152%

Plant Considerations/Future Expectations

This property group contains the Company's investment in customer Meter Installation.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 20.4 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -250%

Proposed Depreciation Parameters

ASL/Curve: 48-R2.5

Future Net Salvage: -50%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	2.80 %	4.91%	4.91%	4.32%
Avg. Remaining Life	34.6 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 334.30 Meter Vaults

Historical Experience

Plant Statistics
Plant Balance = $1,599,624
Average Age of Survivors = 2.49 years
Original Gross Additions = $1,699,891
Oldest Surviving Vintage = 1955
Retirements = $100,267, or 5.9% of historical additions.
Average Age of Retirements = 6.4 years

Experience Band 1955 – 2010 (Full Depth) 12-L2

Historical Net Salvage: (2007-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	2007-10
N/A	-25%	-194%	-194%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
1%	1%	1%	1%

Forecasted Net Salvage: -225%

Plant Considerations/Future Expectations

This property group investment is principally related to vaults used to house meters placed underground. The estimated service life gives consideration to the general age of the experienced retirements to date, the age of the surviving property, and the anticipated life of the overall property group.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 110.1 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 12-L2

Future Net Salvage: -50%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	5.18 %	3.18%	3.18%	4.32%
Avg. Remaining Life	10.0 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 334.41 Meters –1" & Under

Historical Experience

Plant Statistics
Plant Balance = $ 35,751,980
Average Age of Survivors = 6.08 years
Original Gross Additions = $46,102,015
Oldest Surviving Vintage = 1941
Retirements = $11,215,869, or 24.3% of historical additions.
Average Age of Retirements = 13.0 years

Experience Band 1955 – 2010 (Full Depth) Weighted

Historical Net Salvage: (2006-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	2006-05
-1%	-10%	-10 %	-5%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
1%	2%	3%	3%

Forecasted Net Salvage: -6%

Plant Considerations/Future Expectations

This property group contains the Company's investment in customer Meters. The property group was identified by two (2) asset classes with service life parameters estimated for each of the individual property groups. The asset investments were identified by smaller residential and small commercial Meters 1 Inch & Under, and larger commercial Meters Over 1 Inch. Section 2, Table 5 of the depreciation study report lists the applicable estimated depreciation parameters for each of the studied property groups.

At the time of the completion of the prior depreciation study the proposed depreciation rate for this property group (Meters 1 Inch & Under) was 4.95% based upon and analysis of the underlying factors available at the time. In completion of the subsequent rate case the Commission concluded that the appropriate deprecation rate for the property group was to be based upon an 11 year average service life with a resulting Company book depreciation rate of 12.07%. As of the December 31, 2005 depreciation study date the Company's book depreciation reserve relative to Meters 1 Inch & Under was approximately 33% of the original cost investment. By comparison, given the subsequent use of the far higher depreciation rate than proposed in the prior 12-31-05 depreciation study report the Company's book depreciation reserve has now grown to approximately 73% of the Company's original cost investment. The result of this circumstance of the Company's book depreciation reserve currently being far higher than required is a proposed significantly suppressed ARL based depreciation rate of 1.70%. The use of this lower ARL depreciation rate over the coming years along with the Company's ongoing plant investment will, over time, turn up the book depreciation reserve to the more appropriate level. The useful average service life and resulting depreciation rate needs to monitored and adjusted, as required in future deprecation studies.

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

The proposed average service life and average remaining life for Meters 1 Inch & Under are being influenced by a number of factors. First and foremost, the Company is required by the regulatory agency to pull 5/8 inch diameter meters on a set schedule of years (which varies somewhat depending upon the different operating districts) to verify the accuracy of the metering devices. Given the high cost of testing and rotating small diameter meters, the Company's current policy is, once a 5/8 inch meter is pull for its testing cycle, it is retire and disposed of, and a new meter is installed in its place. The new meter being installed is an AMR (Automatic Meter Reading) device which improves the Company's operating efficiency. Hence, the implicit average service life and average remaining life of the current 5/8 inch meters are limited by the Company's operating policy. Table 5a of Section 2 of this report, utilizes the time limitations of the Company's meter change out policy to weight the non-AMR 5/8 inch, AMR 5/8 inch, and ¾ & 1 inch meters and develop the resulting implicit average service life and average remaining life for the property group.

In additional, there was a large group of Meters in the Company's Chicago Metro district that had failed to be retired when removed via an accelerated Meter conversion project. Those meters were identified and the applicable pending retirement adjustments were included on Tables 3 and 4 of Section 2 of the depreciation study report.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 8.4 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: Weighted

Future Net Salvage: -5%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.70 %	11.93%	11.98%	4.32%
Avg. Remaining Life	8.7 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 334.42 Meters – Over 1”

Historical Experience

Plant Statistics
Plant Balance = $4,477,653
Average Age of Survivors = 7.47 years
Original Gross Additions = $5,691,217
Oldest Surviving Vintage = 1936
Retirements = $1,586,173, or 27.9% of historical additions.
Average Age of Retirements = 13.8 years

Experience Band 1955 – 2010 (Full Depth) 16-L0.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-1%	-10%	-10%	-5%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
1%	2%	3%	3%

Forecasted Net Salvage: -6%

Plant Considerations/Future Expectations

This property group contains the Company’s investment in customer Meters. The property group was identified by two (2) asset classes with service life parameters estimated for each of the individual property groups. The asset investments were identified by smaller residential and small commercial Meters 1 Inch & Under, and larger commercial Meters Over 1 Inch. Section 2, Table 5 of the depreciation study report lists the applicable estimated depreciation parameters for each of the studied property groups.

At the time of the completion of the prior depreciation study the proposed depreciation rate for this property group (Meters 1 Inch & Under) was 4.95% based upon and analysis of the underlying factors available at the time. In completion of the subsequent rate case the Commission concluded that the appropriate deprecation rate for the property group was to be based upon an 11 year average service life with a resulting Company book depreciation rate of 12.07%. As of the December 31, 2005 depreciation study date the Company’s book depreciation reserve relative to Meters 1 Inch & Under was approximately 33% of the original cost investment. By comparison, given the subsequent use of the far higher depreciation rate than proposed in the prior 12-31-05 depreciation study report the Company’s book depreciation reserve has now grown to approximately 73% of the Company’s original cost investment. The result of this circumstance of the Company’s book depreciation reserve currently being far higher than required is a proposed significantly suppressed ARL based depreciation rate of 1.70%. The use of this lower ARL depreciation rate over the coming years along with the Company’s ongoing plant investment will, over time, turn up the book depreciation reserve to the more appropriate level. The useful average service life and resulting depreciation rate needs to monitored and adjusted, as required in future deprecation studies.

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

The proposed average service life and average remaining life for Meters 1 Inch & Under are being influenced by a number of factors. First and foremost, the Company is required by the regulatory agency to pull 5/8 inch diameter meters on a set schedule of years (which varies somewhat depending upon the different operating districts) to verify the accuracy of the metering devices. Given the high cost of testing and rotating small diameter meters, the Company's current policy is, once a 5/8 inch meter is pull for its testing cycle, it is retire and disposed of, and a new meter is installed in its place. The new meter being installed is an AMR (Automatic Meter Reading) device which improves the Company's operating efficiency. Hence, the implicit average service life and average remaining life of the current 5/8 inch meters are limited by the Company's operating policy. Table 5a of Section 2 of this report, utilizes the time limitations of the Company's meter change out policy to weight the non-AMR 5/8 inch, AMR 5/8 inch, and ¾ & 1 inch meters and develop the resulting implicit average service life and average remaining life for the property group.

In additional, there was a large group of Meters in the Company's Chicago Metro district that had failed to be retired when removed via an accelerated Meter conversion project. Those meters were identified and the applicable pending retirement adjustments were included on Tables 3 and 4 of Section 2 of the depreciation study report.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 8.4 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 16-L0.5

Future Net Salvage: -5%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	1.70 %	11.84%	11.94%	4.32%
Avg. Remaining Life	12.7 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 334.43 Meters – Undefined Size

Historical Experience

Plant Statistics
Plant Balance = $1,820,361
Average Age of Survivors = 9.34 years
Original Gross Additions = $7,575,339
Oldest Surviving Vintage = 1970
Retirements = $2,677,887, or 35.4% of historical additions.
Average Age of Retirements = 10.7 years

Experience Band 1955 – 2010 (Full Depth) 12-L2

Historical Net Salvage: (1986-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1986-10
-1%	-10%	-10%	-5%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
1%	2%	3%	3%

Forecasted Net Salvage: -6%

Plant Considerations/Future Expectations

The Company's original investment in this property group is related to facilities that have not been identified by size or type.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 27.8 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 12-L2

Future Net Salvage: -5%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Parameters	@ Old Parameters	Old Rate @Old Parameters	@ Old Parameters
Rate	3.75 %	3.59%	4.32%	0%
Avg. Remaining Life	10.0 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 334.50 Meter Reading Equipment

Historical Experience

Plant Statistics
Plant Balance = $569,181
Average Age of Survivors = 6.14 years
Original Gross Additions = $598,037
Oldest Surviving Vintage = 1944
Retirements = $214, or 0.04% of historical additions.
Average Age of Retirements = 61.7 years

Experience Band 1955 – 2010 (Full Depth) 15-R3

Historical Net Salvage: (1986-2010) N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1986-10
-1%	-10%	-10%	-5%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
1%	2%	3%	3%

Forecasted Net Salvage: -6%

Plant Considerations/Future Expectations

This property group investment is principally related to Meters Reading Equipment. The estimated service life gives consideration to the general age of the experienced retirements to date, the age of the surviving property, and the anticipated life of the overall property group.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 23.1 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 15-R3

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters
Rate	0 %	4.32%	4.32%
Avg. Remaining Life	11.0 years	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 335.00 Hydrants

Historical Experience

Plant Statistics
Plant Balance = $51,931,421
Average Age of Survivors = 13.12 years
Original Gross Additions = $47,847,194
Oldest Surviving Vintage = 1914
Retirements = $2,602,972, or 5.4% of historical additions.
Average Age of Retirements = 26.8 years

Experience Band 1955 – 2010 (Full Depth) 55-L2

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-22%	-38%	-72%	-78%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	1%

Forecasted Net Salvage: -265%

Plant Considerations/Future Expectations

Due to the continued expansion of the Company's operating system, internal grown, and the increased cost of replacement and installation of this property class, the Company's investment in this account has grown at an annual compound rate of more than eleven (11) percent per year. Nevertheless, the property class continues to experience mechanical failure over time, is impacted by vehicular accidents, as well as experiences a certain amount of obsolescence which ultimately requires property replacement.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 51.4 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -100%

Proposed Depreciation Parameters

ASL/Curve: 55-L2

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

Future Net Salvage: -75%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.14 %	3.89%	3.91%	3.00%
Avg. Remaining Life	43.8 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 336.00 Backflow Prevention Devices

Historical Experience

Plant Statistics
Plant Balance = $3,943
Average Age of Survivors = 3.50 years
Original Gross Additions = $3,943
Oldest Surviving Vintage = 2006
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = N/A

Experience Band 1955 – 2010 (Full Dept) 30-R3 Est.

Historical Net Salvage: (1980-2010) N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
N/A	N/A	N/A	N/A

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
N/A	N/A	N/A	N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 66.7 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -100%

Proposed Depreciation Parameters

ASL/Curve: 30-R3

Future Net Salvage: 0%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.47 %	3.00%	3.00%	2.06%
Avg. Remaining Life	26.5 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 339.30 Other D/E WT

Historical Experience

Plant Statistics
Plant Balance = $1,793
Average Age of Survivors = 4.5 years
Original Gross Additions = $1793
Oldest Surviving Vintage = 2006
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = N/A

Experience Band 1955 – 2010 (Full Depth) 35-L1

Historical Net Salvage: (1980-2010) N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
N/A	N/A	N/A%	N/A

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
N/A	N/A	N/A	N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 25.5 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: -30%

Proposed Depreciation Parameters

ASL/Curve: 35-L1

Future Net Salvage: -30%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	4.21 %	5.10%	5.10%	4.15%
Avg. Remaining Life	30.9 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 339.50 Other Plant & Misc Equipment

Historical Experience

Plant Statistics
Plant Balance = $2,451
Average Age of Survivors = 4.50 years
Original Gross Additions = $12,777
Oldest Surviving Vintage =
Retirements = $10,327, or 80.8% of historical additions.
Average Age of Retirements = 4.7 years

Experience Band 1955 – 2010 (Full Depth) 30-R3

Historical Net Salvage: (1980-2010) N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
N/A	N/A	N/A%	N/A

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
N/A	N/A	N/A	N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: N/A Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 30-R3

Future Net Salvage: 0%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters
Rate	0 %	0%	0%
Avg. Remaining Life	25.6 years	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 340.10 Office Furniture & Equipment

Historical Experience

Plant Statistics
Plant Balance = $2,543,667
Average Age of Survivors = 12.77 years
Original Gross Additions = $3,339,360
Oldest Surviving Vintage = 1935
Retirements = $1,021,417, or 30.6% of historical additions.
Average Age of Retirements = 16.4 years

Experience Band 1983 – 2010 (Full Depth) 23-R1.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-2%	0%	0 %	-5%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -6%

Plant Considerations/Future Expectations

This property group investment is principally related to servers and PC equipment. Accordingly, this property is continually experiencing upgrades and replacement on an ongoing basis.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 27.9 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 23-R1.5

Future Net Salvage: -2%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.89 %	3.58%	3.58%	3.58%
Avg. Remaining Life	13.6 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 340.20 Personal Computers & Peripheral Eq.

Historical Experience

Plant Statistics
Plant Balance = $1,774,350
Average Age of Survivors = 6.85 years
Original Gross Additions = $9,242,159
Oldest Surviving Vintage = 1985
Retirements = $6,796,486, or 73.5% of historical additions.
Average Age of Retirements = 3.7 years

Experience Band 1983 – 2010 (Full Depth) 7-L1.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
0%	0%	0 %	-0.3%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0.1%	0.1%

Forecasted Net Salvage: 0.1%

Plant Considerations/Future Expectations

This property group investment is principally related to servers and PC equipment. Accordingly, this property is continually experiencing upgrades and replacement on an ongoing basis.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 7.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 7-L1.5

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	5.15 %	14.28%	14.28%	14.28%
Avg. Remaining Life	3.1 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 340.21 Mainframe Computer Equipment

Historical Experience

Plant Statistics
Plant Balance = $2,696,099
Average Age of Survivors = 4.16 years
Original Gross Additions = $4,967,320
Oldest Surviving Vintage =
Retirements = $2,885,997, or 58.1% of historical additions.
Average Age of Retirements = 6.1 years

Experience Band 1987 – 2010 (Full Depth) 7-L1.5

Historical Net Salvage: (2007-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	2007-10
N/A	-2%	-5 %	-4%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0.3%	0.3%	0.3%	0.3%

Forecasted Net Salvage: -4.1%

Plant Considerations/Future Expectations

This property group investment is principally related to computer related type of equipment. Accordingly, this property is continually experiencing upgrades and replacement on an ongoing basis.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 6.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 7-L1.5

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters
Rate	9.93 %	16.55%	16.55%
Avg. Remaining Life	4.5 years	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 340.30 Computer Software

Historical Experience

Plant Statistics
Plant Balance = $7,555,390
Average Age of Survivors = 7.65 years
Original Gross Additions = $9,715,158
Oldest Surviving Vintage = 1999
Retirements = $2,286,680, or 23.54% of historical additions.
Average Age of Retirements = 6.4 years

Experience Band 1984 – 2010 (Full Depth) 13-R1

Historical Net Salvage: (1992-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1992-10
0%	0%	0 %	0.1%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0.1%	0%	0%	0%

Forecasted Net Salvage: 0%

Plant Considerations/Future Expectations

This property group investment is principally related to computer related type of equipment. Accordingly, this property is continually experiencing upgrades and replacement on an ongoing basis.

Currently the Company has a JDE and Orcom property that is anticipated to be replaced by 2013. In developing a pro forma depreciation rate for the property group calculations were incorporated to reflect the impact on the original cost and book depreciation reserve of the property retirements and corresponding significant new plant investments and. Utilizing the underlying calculations a pro forma deprecation rate was development that would be applied to the ongoing plant balance within the property group.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 6.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ASL/Curve: 13-R1

Future Net Salvage: 0%

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	7.43 %	16.56%	16.56%	16.56%
Avg. Remaining Life	7.8 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 340.32 Personal Computer Software

Historical Experience

Plant Statistics
Plant Balance = $4,184,899
Average Age of Survivors = 6.68 years
Original Gross Additions = $4,600,547
Oldest Surviving Vintage = 1991
Retirements = $641,202, or 13.9% of historical additions.
Average Age of Retirements = 7.4 years

Experience Band 1984 – 2010 (Full Depth) 11-L3

Historical Net Salvage: (2008-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	2008-10
N/A	N/A	0 %	0%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: 0%

Plant Considerations/Future Expectations

This property group investment is principally related to computer related type of equipment. Accordingly, this property is continually experiencing upgrades and replacement on an ongoing basis.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 7.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 11-L3

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters
Rate	17.33 %	14.27%	14.27%
Avg. Remaining Life	5.0years	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 340.40 Data Handling Equipment

Historical Experience

Plant Statistics
Plant Balance = $517,614
Average Age of Survivors = 6.77 years
Original Gross Additions = $517,614
Oldest Surviving Vintage = 1991
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = N/A

Experience Band 1955 – 2010 (Full Depth) 8-L3

Historical Net Salvage: (1981-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1981-10
0%	0%	0 %	6%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: 0%

Plant Considerations/Future Expectations

This property group includes investments related to data handling equipment utilized by the Company's administrative personnel.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 7.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 8-L3

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters
Rate	12.56 %	14.27%	14.27%
Avg. Remaining Life	2.8 years	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 340.50 Other Office Equipment

Historical Experience

Plant Statistics
Plant Balance = $801,776
Average Age of Survivors = 14.15 years
Original Gross Additions = $739,616
Oldest Surviving Vintage = 1973
Retirements = $737,034, or 99.7% of historical additions.
Average Age of Retirements = 10.7 years

Experience Band 1955 – 2010 (Full Depth) 15-S0.5

Historical Net Salvage: (1986-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1986-10
0%	0%	0 %	1%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
9%	4%	0%	0%

Forecasted Net Salvage: 0%

Plant Considerations/Future Expectations

This property group includes investments related to miscellaneous equipment located at the Company's various office sites.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 17.9 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 15-S0.5

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters
Rate	4.47 %	5.59%	5.59%
Avg. Remaining Life	5.9 years	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 341.00 Transportation Equipment Not Classified

Historical Experience

Plant Statistics
Plant Balance = $618,673
Average Age of Survivors = 14.77 years
Original Gross Additions = $879,115
Oldest Surviving Vintage = 1955
Retirements = $216,825, or 24.7% of historical additions.
Average Age of Retirements = 12.2 years

Experience Band 1955 – 2010 (Full Depth) 10-L2

Historical Net Salvage: (2002-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	2002-10
18%	0%	11%	10%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
12%	12%	12%	0%

Forecasted Net Salvage: -1%

Plant Considerations/Future Expectations

This property group investment is principally related to transportation equipment used in maintaining the Company's operating property and providing customer service that is not specifically identified by type. The Company continues to upgrade its transportation fleet on an as required basis.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 27.4 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 20%

Proposed Depreciation Parameters

ASL/Curve: 10-L2

Future Net Salvage: 10%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	11.69 %	3.65%	3.65%	3.36%
Avg. Remaining Life	2.8 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 341.10 Light Trucks

Historical Experience

Plant Statistics
Plant Balance = $5,878,185
Average Age of Survivors = 4.53 years
Original Gross Additions = $15,379,889
Oldest Surviving Vintage = 1978
Retirements = $10,924,818, or 71.0% of historical additions.
Average Age of Retirements = 6.9 years

Experience Band 1955 – 2010 (Full Depth) 7-L3

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
5%	7%	16%	21%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
2%	0%	4%	9%

Forecasted Net Salvage: 10%

Plant Considerations/Future Expectations

This property group investment is principally related to light trucks used in maintaining the Company's operating property and providing customer service. The Company continues to upgrade its transportation fleet on an as required basis.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 29.8 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 20%

Proposed Depreciation Parameters

ASL/Curve: 7-L3

Future Net Salvage: 20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	13.57 %	3.36%	3.36%	3.36%
Avg. Remaining Life	3.6 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 341.20 Heavy Trucks

Historical Experience

Plant Statistics
Plant Balance = $6,161,728
Average Age of Survivors = 4.07 years
Original Gross Additions = $7,946,192
Oldest Surviving Vintage = 1968
Retirements = $1,818,770, or 22.9% of historical additions.
Average Age of Retirements = 10.5 years

Experience Band 1966 – 2010 (Full Depth) 11-L3

Historical Net Salvage: (1986-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1986-10
5%	10%	29%	19%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
6%	4%	11%	17%

Forecasted Net Salvage: 20%

Plant Considerations/Future Expectations

This property group investment is principally related to heavy trucks used in maintaining the Company's operating property. The Company continues to upgrade its transportation fleet on an as required basis.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 25.2 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 20%

Proposed Depreciation Parameters

ASL/Curve: 11-L3

Future Net Salvage: 20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	8.03 %	3.97%	3.97%	3.97%
Avg. Remaining Life	7.4 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 341.30 Cars

Historical Experience

Plant Statistics
Plant Balance = $2,028,614
Average Age of Survivors = 4.92 years
Original Gross Additions = $7,167,209
Oldest Surviving Vintage = 1977
Retirements = $5,393,558, or 75.3% of historical additions.
Average Age of Retirements = 4.6 years

Experience Band 1955 – 2010 (Full Depth) 5-L2

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
1%	2%	22%	28%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
4%	4%	5%	6%

Forecasted Net Salvage: 7%

Plant Considerations/Future Expectations

This property group investment is principally related to cars used in maintaining the Company's operating property and providing customer service. The Company continues to upgrade its transportation fleet on an as required basis.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 21.1 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 20%

Proposed Depreciation Parameters

ASL/Curve: 5-L2

Future Net Salvage: 20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	19.63 %	4.74%	4.74%	4.74%
Avg. Remaining Life	2.3 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 341.40 Transportation Equipment - Other

Historical Experience

Plant Statistics
Plant Balance = $2,631,831
Average Age of Survivors = 2.12 years
Original Gross Additions = $2,660,414
Oldest Surviving Vintage = 1958
Retirements = $143,336, or 5.4% of historical additions.
Average Age of Retirements = 8.5 years

Experience Band 1955 – 2010 (Full Depth) 9-L3

Historical Net Salvage: (2000-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	2000-10
1080%	18%	80%	82%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
178%	178%	178%	238%

Forecasted Net Salvage: 250%

Plant Considerations/Future Expectations

The minor investment in this property groups is related to other miscellaneous transportation equipment.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 34.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 9-L3

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters
Rate	11.57 %	2.94%	2.94%
Avg. Remaining Life	7.2 years	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 342.00 Stores Equipment

Historical Experience

Plant Statistics
Plant Balance = $372,912
Average Age of Survivors = 10.73 years
Original Gross Additions = $447,230
Oldest Surviving Vintage = 1924
Retirements = $83,189, or 18.6% of historical additions.
Average Age of Retirements = 15.1 years

Experience Band 1955 – 2010 (Full Depth) 28-L0

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
0%	0%	0 %	3%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: 0.4%

Plant Considerations/Future Expectations

This property group contains investments related to property used to store the Company's materials inventory.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 40.8 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 28-L0

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.33 %	2.45%	2.45%	2.45%
Avg. Remaining Life	22.7 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 343.00 Tools, Shop & Garage Equip.

Historical Experience

Plant Statistics
Plant Balance = $7,481,642
Average Age of Survivors = 10.20 years
Original Gross Additions = $9,188,626
Oldest Surviving Vintage = 1927
Retirements = $2,117,347, or 23.0% of historical additions.
Average Age of Retirements = 9.9 years

Experience Band 1955 – 2010 (Full Depth) 27-O2

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
-22%	-40%	-25 %	2%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
9%	7%	0%	0%

Forecasted Net Salvage: -8%

Plant Considerations/Future Expectations

This property group is related to tools and equipment used by the Company's workforce to maintain the distribution system.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 39.4 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 27-O2

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.07 %	2.54%	2.54%	2.54%
Avg. Remaining Life	22.8 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 344.00 Laboratory Equipment

Historical Experience

Plant Statistics
Plant Balance = $1,528,068
Average Age of Survivors = 10.50 years
Original Gross Additions = $1,923,737
Oldest Surviving Vintage = 1938
Retirements = $422,090, or 21.9% of historical additions.
Average Age of Retirements = 12.1 years

Experience Band 1955 – 2010 (Full Depth) 25-L0

Historical Net Salvage: (1981-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1981-10
-7%	-5%	-11 %	0.1%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
0%	0%	0%	0%

Forecasted Net Salvage: -3%

Plant Considerations/Future Expectations

The equipment category typically includes facilities use for testing and/or research purposes. Given the continuing increase in regulatory requirements ongoing upgrades of equipment is required.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 26.0 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 25-L0

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.30 %	3.85%	3.85%	3.85%
Avg. Remaining Life	19.6 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 345.00 Power Operated Equipment

Historical Experience

Plant Statistics
Plant Balance = $3,233,172
Average Age of Survivors = 7.40 years
Original Gross Additions = $7,736,854
Oldest Surviving Vintage = 1946
Retirements = $4,741,593, or 61.3% of historical additions.
Average Age of Retirements = 9.5 years

Experience Band 1955 – 2010 (Full Depth) 15-R2

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
7%	11%	20%	30%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
12%	0%	0%	11%

Forecasted Net Salvage: 12%

Plant Considerations/Future Expectations

This property group investment is principally related equipment such as backhoes, compressors etc. used in the construction, replacement and/or maintenance of the Company's distribution system.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 15.5 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 30%

Proposed Depreciation Parameters

ASL/Curve: 15-R2

Future Net Salvage: 20%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	6.32 %	6.45%	6.45%	6.45%
Avg. Remaining Life	9.5 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 346.00 Communication Equipment

Historical Experience

Plant Statistics
Plant Balance = $6,978,602
Average Age of Survivors = 8.63 years
Original Gross Additions = $7,486,178
Oldest Surviving Vintage = 1971
Retirements = $983,454, or 13.1% of historical additions.
Average Age of Retirements = 10.1 years

Experience Band 1955 – 2010 (Full Depth) 20-L1

Historical Net Salvage: (1982-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1982-10
2%	0%	-5%	-3%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
1%	4%	0%	0%

Forecasted Net Salvage: -9%

Plant Considerations/Future Expectations

The investment in this account is related to Microwave Equipment, Maintenance Radio Equipment, Scada Equipment, etc. All of these items are subject to ongoing upgrades and replacements.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 16.6 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 20-L1

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.42 %	6.04%	6.04%	6.04%
Avg. Remaining Life	13.9 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 346.10 Communication Equipment (Non-Tel)

Historical Experience

Plant Statistics
Plant Balance = $344,839
Average Age of Survivors = 4.39 years
Original Gross Additions = $344,839
Oldest Surviving Vintage = 1999
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = N/A

Experience Band 1955 – 2010 (Full Depth) 27-O2 Est.

Historical Net Salvage: N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1982-10
N/A	N/A	N/A	N/A

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
N/A	N/A	N/A	N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

The investment in this account is related to Microwave Equipment, Maintenance Radio Equipment, Scada Equipment, etc. All of these items are subject to ongoing upgrades and replacements.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 25.3 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 27-O2

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	4.00 %	3.95%	3.85%	6.45%
Avg. Remaining Life	25.0 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 346.19 Communication Equipment

Historical Experience

Plant Statistics
Plant Balance = $1,956,375
Average Age of Survivors = 2.36 years
Original Gross Additions = $1,956,375
Oldest Surviving Vintage = 2005
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = N/A

Experience Band 1955 – 2010 (Full Depth) 27-O2 Est.

Historical Net Salvage: N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1982-10
N/A	N/A	N/A	N/A

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
N/A	N/A	N/A	N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

The investment in this account is related to Microwave Equipment, Maintenance Radio Equipment, Scada Equipment, etc. All of these items are subject to ongoing upgrades and replacements.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 16.6 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 27-O2

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.43 %	6.04%	6.04%	6.04%
Avg. Remaining Life	25.9 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 346.20 Communication Equipment (Non-Tel)

Historical Experience

Plant Statistics
Plant Balance = $285,292
Average Age of Survivors = 4.98 years
Original Gross Additions = $285,292
Oldest Surviving Vintage = 1999
Retirements = $0, or 0% of historical additions.
Average Age of Retirements = N/A

Experience Band 1955 – 2010 (Full Depth) 27-O2 Est.

Historical Net Salvage: N/A

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1982-10
N/A	N/A	N/A	N/A

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
N/A	N/A	N/A	N/A

Forecasted Net Salvage: N/A

Plant Considerations/Future Expectations

The investment in this account is related to Microwave Equipment, Maintenance Radio Equipment, Scada Equipment, etc. All of these items are subject to ongoing upgrades and replacements.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 16.6 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 27-O2

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	3.11 %	6.04%	6.04%	6.04%
Avg. Remaining Life	24.7 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

ACCOUNT – 347.00 Miscellaneous Equipment

Historical Experience

Plant Statistics
Plant Balance = $1,746,079
Average Age of Survivors =9.90 years
Original Gross Additions = $1,861,586
Oldest Surviving Vintage = 1954
Retirements = $301,860, or 16.2% of historical additions.
Average Age of Retirements = 11.8 years

Experience Band 1955 – 2010 (Full Depth) 29-L0.5

Historical Net Salvage: (1980-2010)

Three Year Average Net Salvage Percent			Full Depth
2006-08	2007-09	2008-10	1980-10
0%	0%	13 %	10%

Net Salvage Trend Analysis

20 Year	15 Year	10 Year	5 Year
5%	3%	0%	11%

Forecasted Net Salvage: 10%

Plant Considerations/Future Expectations

This account contains a miscellaneous group of assets used in the utilities operations. These properties are replaced as required.

Life Analysis Method: Retirement Rate Method (Actuarial)

Average Remaining Life Development: Full Mortality

Current Depreciation Parameters

ASL/Curve: 39.8 Yrs -- (Implicit Life Based Upon Depreciation Rates and Net Salvage Factors Approved In Conjunction With The 12-31-05 Depreciation Study—Adjusted for Depreciation Rates of Subsequent Acquisition Properties)

Net Salvage: 0%

Proposed Depreciation Parameters

ASL/Curve: 29-L0.5

Future Net Salvage: 0%

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

	New Rate @ New Parameters	Old Rate Composite @ Old Parameters	Docket 00-0340 Old Rate @Old Parameters	South Beloitt Old Rate @ Old Parameters
Rate	2.97 %	2.51%	2.51%	2.51%
Avg. Remaining Life	22.9 years	N/A	N/A	N/A

(ASL – Average Service Life; NS – Net Salvage; FTA – Fit to Age; N/A—Not Available, Not Applicable

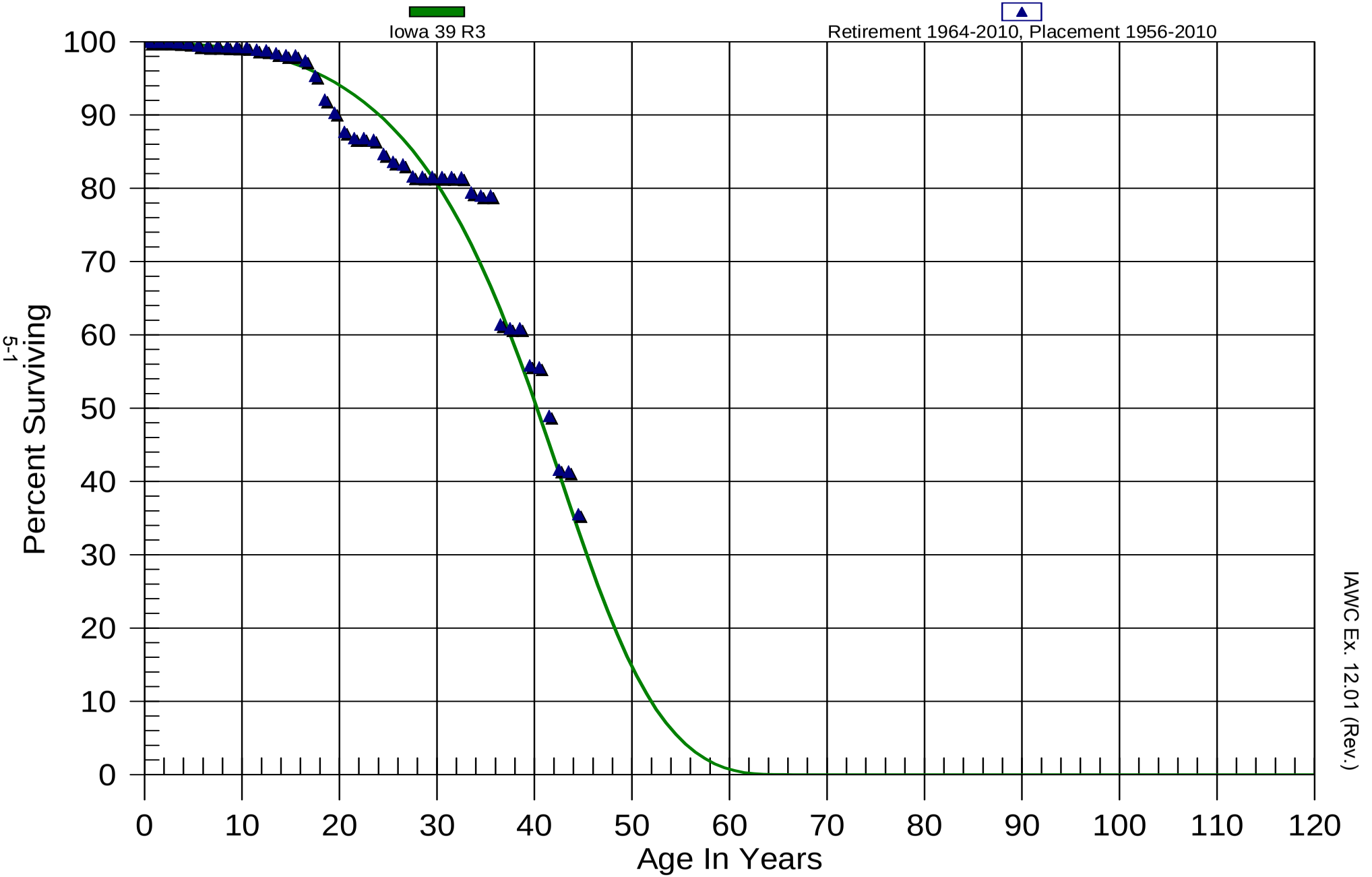
SECTION 5

Illinois-American Water Company-Water

All Divisions

304.10 SS STRUCTURES & IMPROVEMENTS

Original And Smooth Survivor Curves



Illinois-American Water Company-Water
All Divisions
304.10 SS STRUCTURES & IMPROVEMENTS
Observed Life Table
Retirement Expr. 1964 TO 2010
Placement Years 1956 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$10,410,751.78	$0.00	0.00000	100.00
0.5 - 1.5	$9,343,158.68	$0.00	0.00000	100.00
1.5 - 2.5	$8,888,987.47	$0.00	0.00000	100.00
2.5 - 3.5	$8,753,091.20	$6,345.38	0.00072	100.00
3.5 - 4.5	$8,651,503.07	$8,061.00	0.00093	99.93
4.5 - 5.5	$8,535,053.83	$27,761.00	0.00325	99.83
5.5 - 6.5	$8,556,142.67	$9,344.47	0.00109	99.51
6.5 - 7.5	$8,717,842.47	$1.00	0.00000	99.40
7.5 - 8.5	$8,896,735.80	$3,466.63	0.00039	99.40
8.5 - 9.5	$9,632,053.16	$3,128.65	0.00032	99.36
9.5 - 10.5	$9,358,923.30	$5,962.65	0.00064	99.33
10.5 - 11.5	$4,774,651.95	$16,110.01	0.00337	99.27
11.5 - 12.5	$5,358,800.12	$5,676.42	0.00106	98.93
12.5 - 13.5	$4,165,091.45	$16,710.45	0.00401	98.83
13.5 - 14.5	$4,160,359.01	$10,431.48	0.00251	98.43
14.5 - 15.5	$4,090,521.60	$1,967.10	0.00048	98.18
15.5 - 16.5	$3,791,615.65	$27,209.75	0.00718	98.14
16.5 - 17.5	$3,636,709.53	$78,342.47	0.02154	97.43
17.5 - 18.5	$2,461,734.16	$83,680.13	0.03399	95.33
18.5 - 19.5	$1,932,424.57	$37,343.05	0.01932	92.09
19.5 - 20.5	$1,694,581.35	$48,800.74	0.02880	90.31
20.5 - 21.5	$596,940.56	$5,982.02	0.01002	87.71
21.5 - 22.5	$701,633.12	$32.00	0.00005	86.83
22.5 - 23.5	$711,505.89	$1,875.00	0.00264	86.83
23.5 - 24.5	$716,649.84	$15,927.00	0.02222	86.60
24.5 - 25.5	$729,799.95	$9,053.00	0.01240	84.68
25.5 - 26.5	$715,093.63	$3,254.00	0.00455	83.63
26.5 - 27.5	$612,017.99	$11,908.32	0.01946	83.24
27.5 - 28.5	$595,639.67	$488.00	0.00082	81.63
28.5 - 29.5	$707,537.27	$0.00	0.00000	81.56
29.5 - 30.5	$927,924.57	$140.00	0.00015	81.56
30.5 - 31.5	$885,916.38	$0.00	0.00000	81.55
31.5 - 32.5	$847,563.38	$606.60	0.00072	81.55
32.5 - 33.5	$765,059.78	$19,320.00	0.02525	81.49
33.5 - 34.5	$700,982.41	$3,856.00	0.00550	79.43
34.5 - 35.5	$602,157.27	$0.00	0.00000	78.99
35.5 - 36.5	$340,508.48	$75,723.66	0.22238	78.99

Illinois-American Water Company-Water
All Divisions
304.10 SS STRUCTURES & IMPROVEMENTS
Observed Life Table
Retirement Expr. 1964 TO 2010
Placement Years 1956 TO 2010

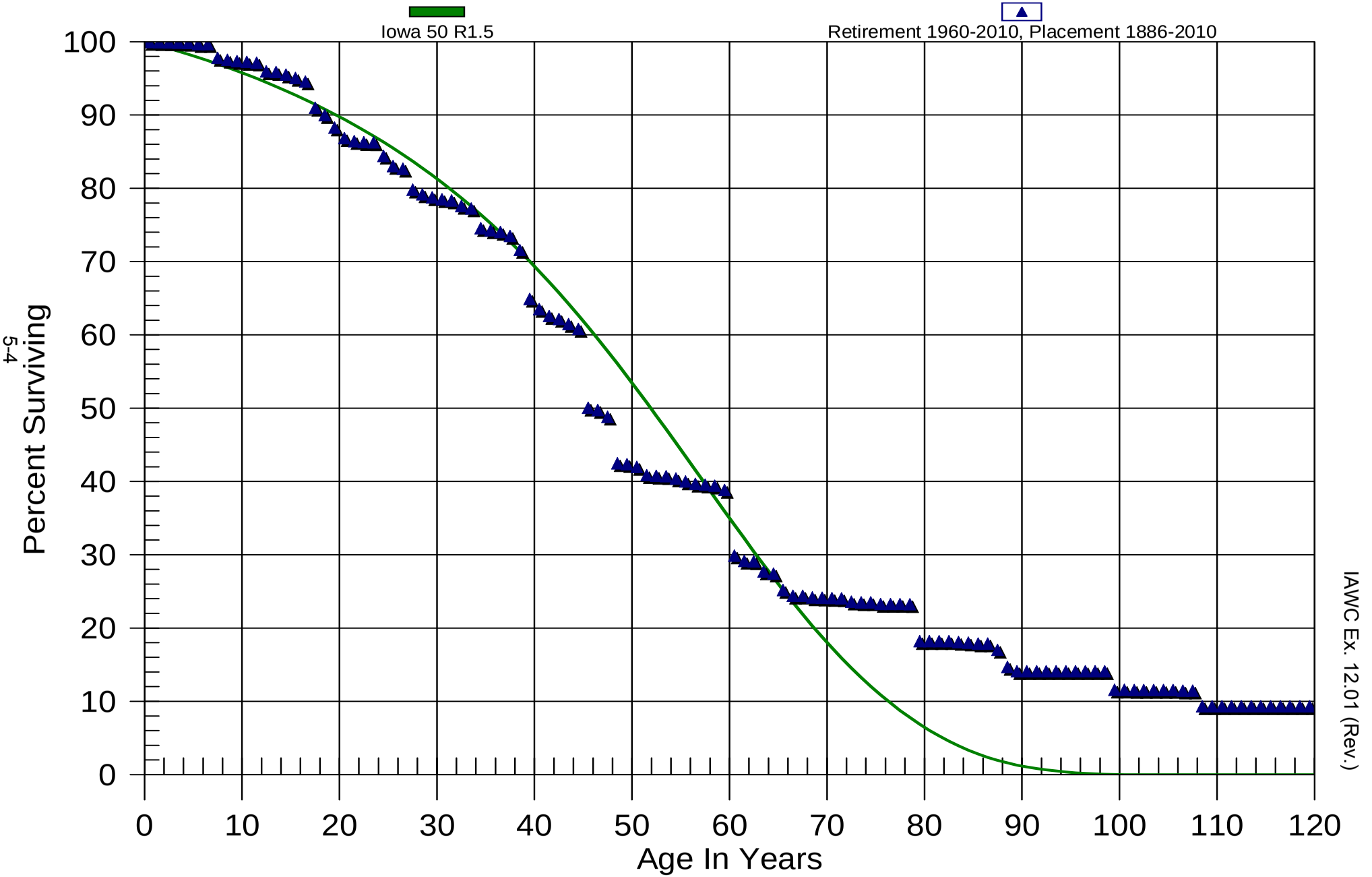
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$220,924.82	$1,900.00	0.00860	61.43
37.5 - 38.5	$221,524.82	$0.00	0.00000	60.90
38.5 - 39.5	$143,875.17	$11,975.00	0.08323	60.90
39.5 - 40.5	$111,478.19	$535.00	0.00480	55.83
40.5 - 41.5	$64,437.19	$7,681.54	0.11921	55.56
41.5 - 42.5	$53,361.65	$8,000.00	0.14992	48.94
42.5 - 43.5	$44,144.65	$270.00	0.00612	41.60
43.5 - 44.5	$39,047.65	$5,500.00	0.14085	41.35
44.5 - 45.5	$31,212.65	$2,950.00	0.09451	35.52
45.5 - 46.5	$28,262.65	$0.00	0.00000	32.17
46.5 - 47.5	$28,262.65	$0.00	0.00000	32.17
47.5 - 48.5	$23,261.00	$0.00	0.00000	32.17
48.5 - 49.5	$17,465.00	$0.00	0.00000	32.17
49.5 - 50.5	$17,465.00	$0.00	0.00000	32.17
50.5 - 51.5	$17,465.00	$0.00	0.00000	32.17
51.5 - 52.5	$17,465.00	$0.00	0.00000	32.17
52.5 - 53.5	$17,465.00	$0.00	0.00000	32.17
53.5 - 54.5	$17,465.00	$0.00	0.00000	32.17

Illinois-American Water Company-Water

All Divisions

304.20 PUMPING STRUCTURES & IMPROVE.

Original And Smooth Survivor Curves



5-4

IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
304.20 PUMPING STRUCTURES & IMPROVE.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1886 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$18,170,409.40	$6,974.97	0.00038	100.00
0.5 - 1.5	$21,140,957.44	$5,911.28	0.00028	99.96
1.5 - 2.5	$20,103,907.11	$6,105.07	0.00030	99.93
2.5 - 3.5	$19,823,225.62	$4,752.75	0.00024	99.90
3.5 - 4.5	$19,783,350.42	$7,730.00	0.00039	99.88
4.5 - 5.5	$19,434,907.93	$30,851.24	0.00159	99.84
5.5 - 6.5	$19,176,224.13	$4,378.51	0.00023	99.68
6.5 - 7.5	$18,935,075.05	$351,916.96	0.01859	99.66
7.5 - 8.5	$11,608,272.64	$31,421.31	0.00271	97.81
8.5 - 9.5	$10,043,594.06	$19,900.18	0.00198	97.54
9.5 - 10.5	$5,823,574.45	$5,924.72	0.00102	97.35
10.5 - 11.5	$3,132,204.08	$3,664.28	0.00117	97.25
11.5 - 12.5	$3,477,272.77	$42,077.00	0.01210	97.14
12.5 - 13.5	$4,539,340.49	$4,677.50	0.00103	95.96
13.5 - 14.5	$5,039,692.41	$17,648.25	0.00350	95.86
14.5 - 15.5	$4,833,607.30	$23,102.93	0.00478	95.53
15.5 - 16.5	$4,051,491.13	$20,892.64	0.00516	95.07
16.5 - 17.5	$3,393,932.99	$128,411.97	0.03784	94.58
17.5 - 18.5	$1,955,822.15	$21,572.27	0.01103	91.00
18.5 - 19.5	$929,255.75	$17,762.83	0.01912	90.00
19.5 - 20.5	$1,157,625.85	$18,797.67	0.01624	88.28
20.5 - 21.5	$1,288,677.65	$5,948.74	0.00462	86.84
21.5 - 22.5	$1,684,513.80	$3,007.18	0.00179	86.44
22.5 - 23.5	$2,060,446.36	$650.53	0.00032	86.29
23.5 - 24.5	$2,029,860.42	$43,536.76	0.02145	86.26
24.5 - 25.5	$1,886,314.37	$30,561.07	0.01620	84.41
25.5 - 26.5	$1,675,207.04	$7,988.44	0.00477	83.04
26.5 - 27.5	$1,367,053.02	$47,086.38	0.03444	82.65
27.5 - 28.5	$1,174,639.93	$9,029.37	0.00769	79.80
28.5 - 29.5	$1,170,549.13	$6,329.67	0.00541	79.19
29.5 - 30.5	$1,279,422.81	$4,051.75	0.00317	78.76
30.5 - 31.5	$1,561,090.07	$3,202.32	0.00205	78.51
31.5 - 32.5	$1,558,075.29	$15,303.92	0.00982	78.35
32.5 - 33.5	$1,802,694.39	$7,963.32	0.00442	77.58
33.5 - 34.5	$1,724,832.47	$59,623.98	0.03457	77.24
34.5 - 35.5	$1,616,617.35	$6,142.67	0.00380	74.57
35.5 - 36.5	$1,417,848.08	$4,690.90	0.00331	74.28

Illinois-American Water Company-Water
All Divisions
304.20 PUMPING STRUCTURES & IMPROVE.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1886 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$1,163,122.50	$8,587.71	0.00738	74.04
37.5 - 38.5	$1,186,747.08	$30,858.94	0.02600	73.49
38.5 - 39.5	$1,126,156.68	$105,115.22	0.09334	71.58
39.5 - 40.5	$813,320.44	$17,449.08	0.02145	64.90
40.5 - 41.5	$788,874.67	$11,672.88	0.01480	63.51
41.5 - 42.5	$647,819.36	$4,212.66	0.00650	62.57
42.5 - 43.5	$646,904.42	$7,023.76	0.01086	62.16
43.5 - 44.5	$626,371.90	$6,983.58	0.01115	61.48
44.5 - 45.5	$640,086.69	$113,043.40	0.17661	60.80
45.5 - 46.5	$524,009.06	$3,244.24	0.00619	50.06
46.5 - 47.5	$644,824.38	$11,917.92	0.01848	49.75
47.5 - 48.5	$635,483.37	$82,792.18	0.13028	48.83
48.5 - 49.5	$575,094.61	$1,661.88	0.00289	42.47
49.5 - 50.5	$457,744.41	$3,966.84	0.00867	42.35
50.5 - 51.5	$426,040.87	$11,320.89	0.02657	41.98
51.5 - 52.5	$310,335.60	$600.00	0.00193	40.86
52.5 - 53.5	$323,370.93	$494.17	0.00153	40.79
53.5 - 54.5	$291,343.86	$2,286.29	0.00785	40.72
54.5 - 55.5	$250,082.01	$2,458.74	0.00983	40.40
55.5 - 56.5	$261,693.14	$2,069.74	0.00791	40.01
56.5 - 57.5	$266,403.56	$806.67	0.00303	39.69
57.5 - 58.5	$256,473.89	$1,040.87	0.00406	39.57
58.5 - 59.5	$163,624.51	$2,365.32	0.01446	39.41
59.5 - 60.5	$164,074.67	$37,843.31	0.23065	38.84
60.5 - 61.5	$81,660.65	$1,939.15	0.02375	29.88
61.5 - 62.5	$79,422.76	$160.28	0.00202	29.17
62.5 - 63.5	$62,979.75	$3,026.31	0.04805	29.11
63.5 - 64.5	$53,659.58	$568.45	0.01059	27.71
64.5 - 65.5	$53,408.71	$4,339.05	0.08124	27.42
65.5 - 66.5	$126,293.98	$3,901.08	0.03089	25.19
66.5 - 67.5	$126,924.64	$0.00	0.00000	24.41
67.5 - 68.5	$129,987.00	$1,290.76	0.00993	24.41
68.5 - 69.5	$131,650.34	$229.56	0.00174	24.17
69.5 - 70.5	$187,050.97	$265.87	0.00142	24.13
70.5 - 71.5	$108,348.69	$127.01	0.00117	24.10
71.5 - 72.5	$89,818.86	$1,769.82	0.01970	24.07
72.5 - 73.5	$103,070.53	$320.10	0.00311	23.59

Illinois-American Water Company-Water
All Divisions
304.20 PUMPING STRUCTURES & IMPROVE.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1886 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$101,916.20	$0.00	0.00000	23.52
74.5 - 75.5	$112,031.69	$1,218.89	0.01088	23.52
75.5 - 76.5	$113,875.12	$0.00	0.00000	23.26
76.5 - 77.5	$143,135.81	$0.00	0.00000	23.26
77.5 - 78.5	$120,245.38	$126.10	0.00105	23.26
78.5 - 79.5	$187,289.05	$40,493.12	0.21621	23.24
79.5 - 80.5	$138,560.85	$49.70	0.00036	18.22
80.5 - 81.5	$135,203.70	$0.00	0.00000	18.21
81.5 - 82.5	$105,456.90	$0.00	0.00000	18.21
82.5 - 83.5	$100,168.72	$678.92	0.00678	18.21
83.5 - 84.5	$19,406.63	$75.00	0.00386	18.09
84.5 - 85.5	$15,074.82	$95.62	0.00634	18.02
85.5 - 86.5	$23,214.20	$0.00	0.00000	17.90
86.5 - 87.5	$30,265.75	$1,497.51	0.04948	17.90
87.5 - 88.5	$28,768.24	$3,931.46	0.13666	17.02
88.5 - 89.5	$24,836.78	$1,000.00	0.04026	14.69
89.5 - 90.5	$31,645.78	$0.00	0.00000	14.10
90.5 - 91.5	$25,634.51	$0.00	0.00000	14.10
91.5 - 92.5	$18,495.27	$0.00	0.00000	14.10
92.5 - 93.5	$57,230.27	$0.00	0.00000	14.10
93.5 - 94.5	$57,230.27	$0.00	0.00000	14.10
94.5 - 95.5	$50,898.32	$0.00	0.00000	14.10
95.5 - 96.5	$48,672.49	$0.00	0.00000	14.10
96.5 - 97.5	$50,532.49	$0.00	0.00000	14.10
97.5 - 98.5	$12,645.04	$0.00	0.00000	14.10
98.5 - 99.5	$40,398.04	$7,201.61	0.17827	14.10
99.5 - 100.5	$31,716.54	$0.00	0.00000	11.59
100.5 - 101.5	$39,400.54	$137.99	0.00350	11.59
101.5 - 102.5	$69,259.63	$0.00	0.00000	11.54
102.5 - 103.5	$77,852.58	$0.00	0.00000	11.54
103.5 - 104.5	$50,094.99	$0.00	0.00000	11.54
104.5 - 105.5	$50,094.99	$0.00	0.00000	11.54
105.5 - 106.5	$115,110.27	$832.20	0.00723	11.54
106.5 - 107.5	$82,413.09	$0.00	0.00000	11.46
107.5 - 108.5	$72,966.09	$13,602.99	0.18643	11.46
108.5 - 109.5	$59,363.10	$0.00	0.00000	9.32
109.5 - 110.5	$59,363.10	$0.00	0.00000	9.32

Illinois-American Water Company-Water
All Divisions
304.20 PUMPING STRUCTURES & IMPROVE.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1886 TO 2010

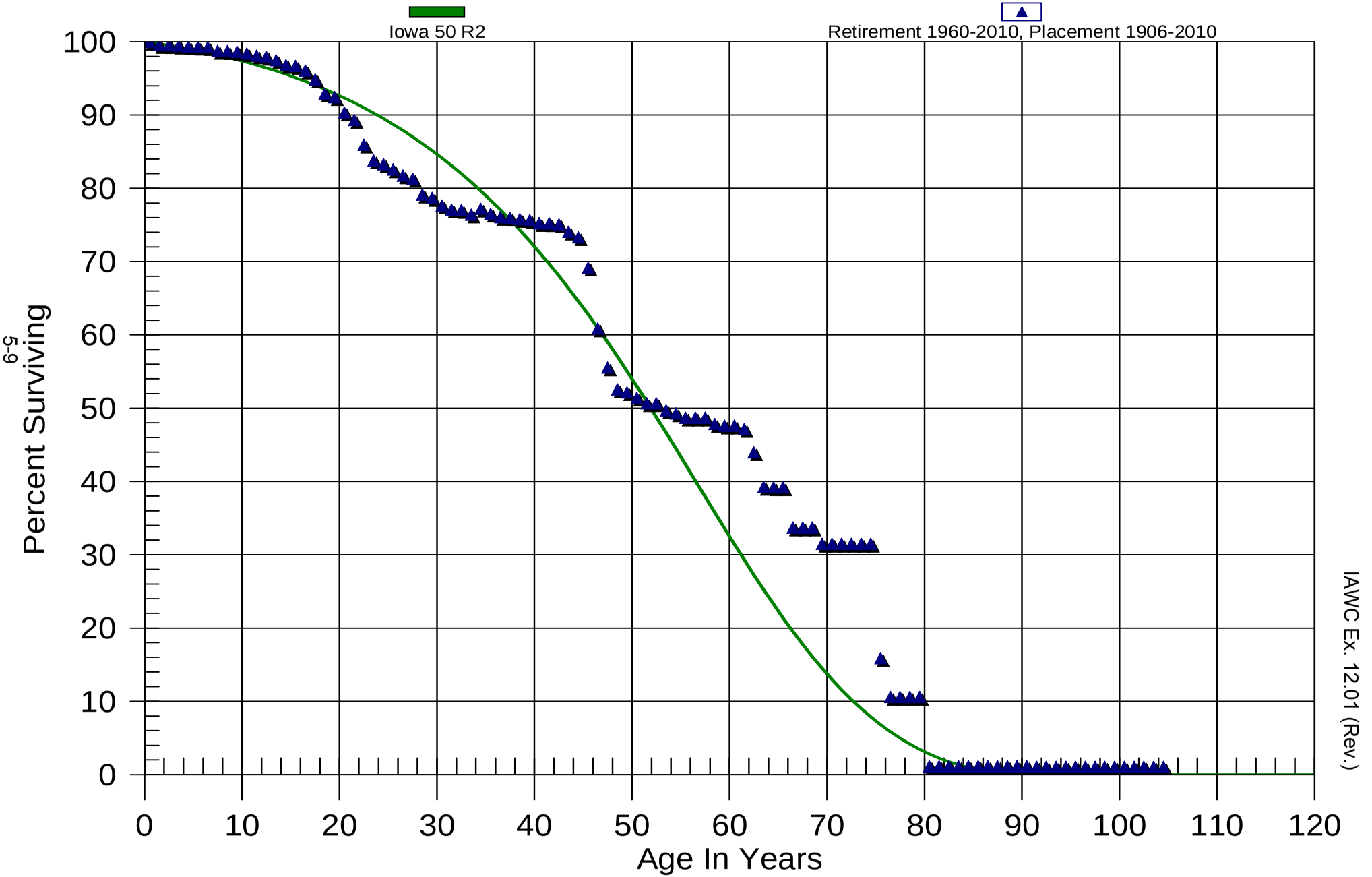
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
110.5 - 111.5	$59,363.10	$0.00	0.00000	9.32
111.5 - 112.5	$59,363.10	$0.00	0.00000	9.32
112.5 - 113.5	$59,363.10	$0.00	0.00000	9.32
113.5 - 114.5	$59,363.10	$0.00	0.00000	9.32
114.5 - 115.5	$59,363.10	$0.00	0.00000	9.32
115.5 - 116.5	$59,363.10	$0.00	0.00000	9.32
116.5 - 117.5	$59,363.10	$0.00	0.00000	9.32
117.5 - 118.5	$59,363.10	$0.00	0.00000	9.32
118.5 - 119.5	$59,363.10	$0.00	0.00000	9.32
119.5 - 120.5	$59,363.10	$0.00	0.00000	9.32
120.5 - 121.5	$0.00	$0.00	0.00000	9.32
121.5 - 122.5	$0.00	$0.00	0.00000	9.32
122.5 - 123.5	$0.00	$0.00	0.00000	9.32
123.5 - 124.5	$0.00	$0.00	0.00000	9.32

Illinois-American Water Company-Water

All Divisions

304.30 WT STRUCTURES & IMPROVEMENTS

Original And Smooth Survivor Curves



6-9

IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
304.30 WT STRUCTURES & IMPROVEMENTS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1906 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$93,824,336.93	$7,687.01	0.00008	100.00
0.5 - 1.5	$81,711,355.56	$369,508.76	0.00452	99.99
1.5 - 2.5	$79,655,261.44	$4,228.00	0.00005	99.54
2.5 - 3.5	$52,446,656.59	$30,772.64	0.00059	99.53
3.5 - 4.5	$50,828,786.80	$64,954.16	0.00128	99.48
4.5 - 5.5	$49,838,881.55	$9,721.76	0.00020	99.35
5.5 - 6.5	$49,613,777.12	$36,921.12	0.00074	99.33
6.5 - 7.5	$46,005,260.50	$238,031.74	0.00517	99.26
7.5 - 8.5	$37,012,770.60	$5,601.51	0.00015	98.74
8.5 - 9.5	$29,805,777.45	$28,662.35	0.00096	98.73
9.5 - 10.5	$34,402,349.36	$82,146.17	0.00239	98.63
10.5 - 11.5	$21,643,876.16	$65,396.07	0.00302	98.40
11.5 - 12.5	$22,361,005.97	$37,085.01	0.00166	98.10
12.5 - 13.5	$22,887,270.09	$104,049.88	0.00455	97.94
13.5 - 14.5	$14,214,560.83	$97,544.61	0.00686	97.49
14.5 - 15.5	$7,744,413.16	$9,436.53	0.00122	96.82
15.5 - 16.5	$7,762,790.99	$51,097.00	0.00658	96.70
16.5 - 17.5	$5,761,628.29	$73,022.97	0.01267	96.07
17.5 - 18.5	$5,283,624.20	$106,614.29	0.02018	94.85
18.5 - 19.5	$2,936,131.53	$16,325.85	0.00556	92.94
19.5 - 20.5	$2,132,072.49	$47,966.18	0.02250	92.42
20.5 - 21.5	$1,825,686.26	$20,518.56	0.01124	90.34
21.5 - 22.5	$1,833,828.79	$69,309.10	0.03779	89.33
22.5 - 23.5	$2,022,800.70	$50,139.39	0.02479	85.95
23.5 - 24.5	$1,513,251.42	$9,263.48	0.00612	83.82
24.5 - 25.5	$3,249,577.99	$29,067.09	0.00894	83.31
25.5 - 26.5	$3,211,902.91	$31,579.85	0.00983	82.56
26.5 - 27.5	$3,199,343.55	$17,814.94	0.00557	81.75
27.5 - 28.5	$2,855,749.82	$75,612.18	0.02648	81.29
28.5 - 29.5	$2,742,850.48	$16,165.74	0.00589	79.14
29.5 - 30.5	$1,407,131.25	$18,242.36	0.01296	78.67
30.5 - 31.5	$2,225,475.64	$15,862.29	0.00713	77.65
31.5 - 32.5	$2,136,518.31	$1,844.72	0.00086	77.10
32.5 - 33.5	$2,154,368.37	$17,220.00	0.00799	77.03
33.5 - 34.5	$2,163,277.62	($22,102.83)	-0.01022	76.42
34.5 - 35.5	$1,738,616.09	$15,301.25	0.00880	77.20
35.5 - 36.5	$1,312,076.85	$7,820.64	0.00596	76.52

Illinois-American Water Company-Water
All Divisions
304.30 WT STRUCTURES & IMPROVEMENTS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1906 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$1,329,054.74	$1,623.25	0.00122	76.06
37.5 - 38.5	$1,297,055.19	$2,909.00	0.00224	75.97
38.5 - 39.5	$1,532,195.96	$3,127.72	0.00204	75.80
39.5 - 40.5	$1,357,891.49	$7,241.84	0.00533	75.65
40.5 - 41.5	$1,032,590.40	$285.61	0.00028	75.24
41.5 - 42.5	$1,004,011.66	$1,882.43	0.00187	75.22
42.5 - 43.5	$987,622.65	$13,208.81	0.01337	75.08
43.5 - 44.5	$658,250.53	$6,606.20	0.01004	74.08
44.5 - 45.5	$593,144.98	$33,573.35	0.05660	73.33
45.5 - 46.5	$358,283.10	$43,099.65	0.12029	69.18
46.5 - 47.5	$336,996.60	$29,440.42	0.08736	60.86
47.5 - 48.5	$302,226.36	$16,280.23	0.05387	55.54
48.5 - 49.5	$445,138.11	$3,241.17	0.00728	52.55
49.5 - 50.5	$326,629.66	$4,676.88	0.01432	52.17
50.5 - 51.5	$321,801.50	$4,831.20	0.01501	51.42
51.5 - 52.5	$300,226.39	$0.00	0.00000	50.65
52.5 - 53.5	$288,870.60	$5,491.70	0.01901	50.65
53.5 - 54.5	$102,572.95	$831.16	0.00810	49.69
54.5 - 55.5	$46,994.23	$550.20	0.01171	49.28
55.5 - 56.5	$103,042.28	$8.89	0.00009	48.71
56.5 - 57.5	$97,269.08	$0.00	0.00000	48.70
57.5 - 58.5	$116,809.59	$2,079.63	0.01780	48.70
58.5 - 59.5	$109,088.27	$519.66	0.00476	47.84
59.5 - 60.5	$106,068.70	$0.00	0.00000	47.61
60.5 - 61.5	$49,049.50	$479.01	0.00977	47.61
61.5 - 62.5	$48,570.49	$3,260.71	0.06713	47.14
62.5 - 63.5	$29,619.40	$3,190.72	0.10772	43.98
63.5 - 64.5	$30,722.45	$37.95	0.00124	39.24
64.5 - 65.5	$30,684.50	$0.00	0.00000	39.19
65.5 - 66.5	$30,684.50	$4,285.16	0.13965	39.19
66.5 - 67.5	$26,399.34	$0.00	0.00000	33.72
67.5 - 68.5	$25,804.53	$0.00	0.00000	33.72
68.5 - 69.5	$21,510.76	$1,422.57	0.06613	33.72
69.5 - 70.5	$20,088.19	$0.00	0.00000	31.49
70.5 - 71.5	$20,088.19	$0.00	0.00000	31.49
71.5 - 72.5	$20,088.19	$0.00	0.00000	31.49
72.5 - 73.5	$20,465.94	$0.00	0.00000	31.49

Illinois-American Water Company-Water
All Divisions
304.30 WT STRUCTURES & IMPROVEMENTS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1906 TO 2010

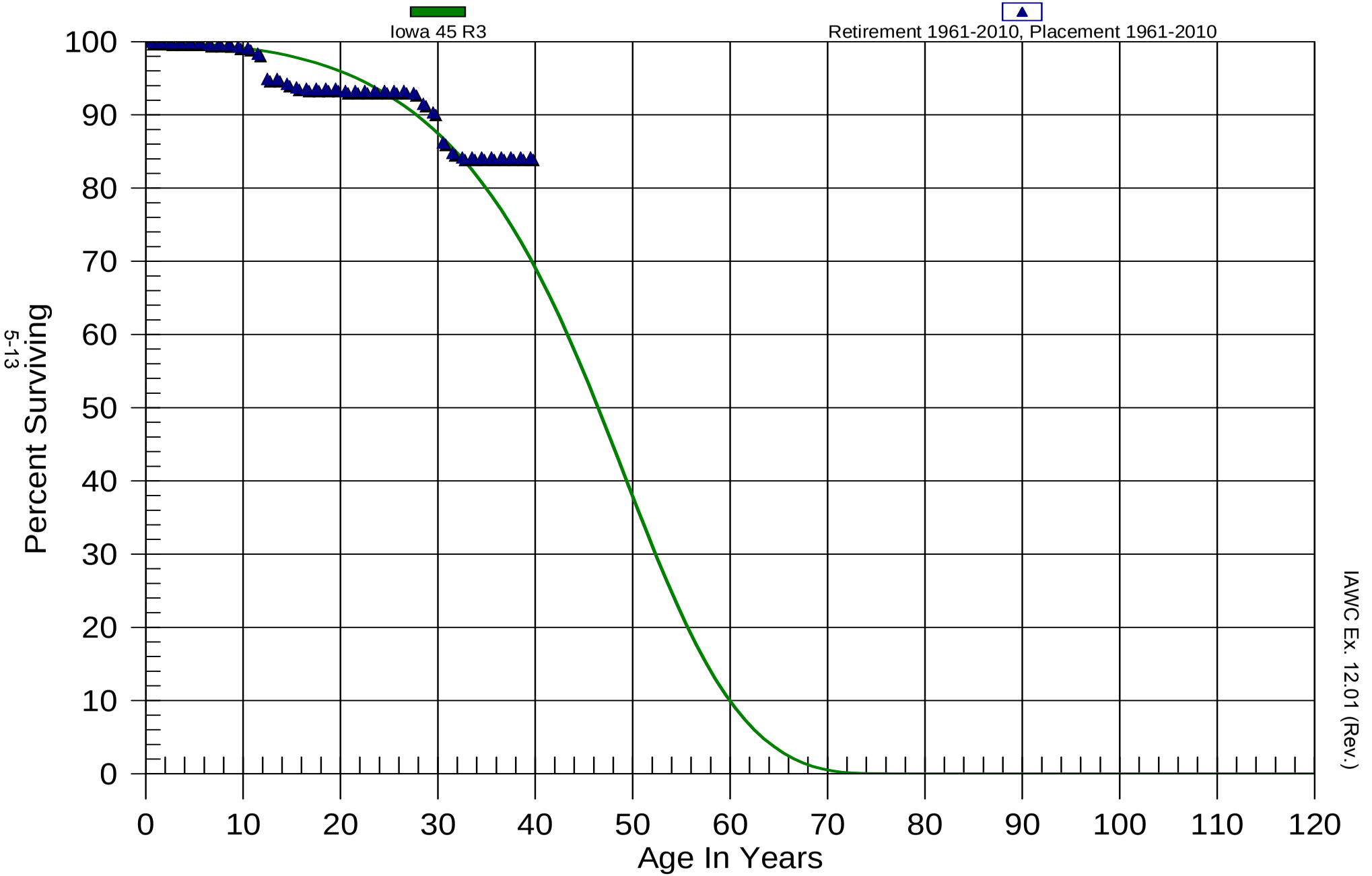
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$7,309.63	$0.00	0.00000	31.49
74.5 - 75.5	$7,309.63	$3,619.48	0.49517	31.49
75.5 - 76.5	$3,690.15	$1,228.81	0.33300	15.90
76.5 - 77.5	$2,461.34	$0.00	0.00000	10.60
77.5 - 78.5	$2,083.59	$0.00	0.00000	10.60
78.5 - 79.5	$2,083.59	$0.00	0.00000	10.60
79.5 - 80.5	$2,083.59	$1,861.53	0.89342	10.60
80.5 - 81.5	$222.06	$0.00	0.00000	1.13
81.5 - 82.5	$222.06	$0.00	0.00000	1.13
82.5 - 83.5	$222.06	$0.00	0.00000	1.13
83.5 - 84.5	$222.06	$0.00	0.00000	1.13
84.5 - 85.5	$222.06	$0.00	0.00000	1.13
85.5 - 86.5	$222.06	$0.00	0.00000	1.13
86.5 - 87.5	$222.06	$0.00	0.00000	1.13
87.5 - 88.5	$8,737.06	$0.00	0.00000	1.13
88.5 - 89.5	$8,737.06	$0.00	0.00000	1.13
89.5 - 90.5	$8,737.06	$0.00	0.00000	1.13
90.5 - 91.5	$8,737.06	$505.43	0.05785	1.13
91.5 - 92.5	$8,231.63	$0.00	0.00000	1.06
92.5 - 93.5	$0.00	$0.00	0.00000	1.06
93.5 - 94.5	$0.00	$0.00	0.00000	1.06
94.5 - 95.5	$0.00	$0.00	0.00000	1.06
95.5 - 96.5	$0.00	$0.00	0.00000	1.06
96.5 - 97.5	$0.00	$0.00	0.00000	1.06
97.5 - 98.5	$0.00	$0.00	0.00000	1.06
98.5 - 99.5	$0.00	$0.00	0.00000	1.06
99.5 - 100.5	$0.00	$0.00	0.00000	1.06
100.5 - 101.5	$0.00	$0.00	0.00000	1.06
101.5 - 102.5	$0.00	$0.00	0.00000	1.06
102.5 - 103.5	$0.00	$0.00	0.00000	1.06
103.5 - 104.5	$0.00	$0.00	0.00000	1.06

Illinois-American Water Company-Water

All Divisions

304.40 T & D STRUCTURES & IMPROVEMENTS

Original And Smooth Survivor Curves



5-13

IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
304.40 T & D STRUCTURES & IMPROVEMENTS
Observed Life Table
Retirement Expr. 1961 TO 2010
Placement Years 1961 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$3,670,498.65	$0.00	0.00000	100.00
0.5 - 1.5	$3,419,865.89	$328.03	0.00010	100.00
1.5 - 2.5	$3,111,154.40	$2,532.00	0.00081	99.99
2.5 - 3.5	$1,854,106.90	$0.00	0.00000	99.91
3.5 - 4.5	$1,799,901.13	$0.00	0.00000	99.91
4.5 - 5.5	$1,795,616.11	$0.00	0.00000	99.91
5.5 - 6.5	$1,501,392.51	$3,085.13	0.00205	99.91
6.5 - 7.5	$1,479,535.65	$0.00	0.00000	99.70
7.5 - 8.5	$1,374,550.51	$614.05	0.00045	99.70
8.5 - 9.5	$1,278,615.53	$4,129.53	0.00323	99.66
9.5 - 10.5	$1,233,964.38	$2,353.54	0.00191	99.34
10.5 - 11.5	$1,231,610.84	$9,798.68	0.00796	99.15
11.5 - 12.5	$1,182,578.95	$41,393.57	0.03500	98.36
12.5 - 13.5	$1,133,360.65	$0.00	0.00000	94.92
13.5 - 14.5	$1,136,082.36	$7,997.67	0.00704	94.92
14.5 - 15.5	$1,117,877.64	$5,825.00	0.00521	94.25
15.5 - 16.5	$1,058,816.87	$1,859.85	0.00176	93.76
16.5 - 17.5	$1,029,381.73	$0.00	0.00000	93.59
17.5 - 18.5	$954,956.20	$0.00	0.00000	93.59
18.5 - 19.5	$906,230.44	$0.00	0.00000	93.59
19.5 - 20.5	$556,319.42	$1,942.73	0.00349	93.59
20.5 - 21.5	$529,326.91	$0.00	0.00000	93.27
21.5 - 22.5	$175,115.47	$0.00	0.00000	93.27
22.5 - 23.5	$182,774.47	$0.00	0.00000	93.27
23.5 - 24.5	$182,774.47	$0.00	0.00000	93.27
24.5 - 25.5	$182,426.47	$0.00	0.00000	93.27
25.5 - 26.5	$164,027.17	$0.00	0.00000	93.27
26.5 - 27.5	$163,099.61	$512.88	0.00314	93.27
27.5 - 28.5	$156,587.03	$2,454.34	0.01567	92.97
28.5 - 29.5	$119,509.95	$1,560.71	0.01306	91.51
29.5 - 30.5	$117,949.24	$5,315.59	0.04507	90.32
30.5 - 31.5	$112,206.65	$1,881.46	0.01677	86.25
31.5 - 32.5	$102,883.07	$750.03	0.00729	84.80
32.5 - 33.5	$110,338.86	$0.00	0.00000	84.18
33.5 - 34.5	$99,318.70	$0.00	0.00000	84.18
34.5 - 35.5	$100,047.70	$0.00	0.00000	84.18
35.5 - 36.5	$100,047.70	$0.00	0.00000	84.18

Illinois-American Water Company-Water
All Divisions
304.40 T & D STRUCTURES & IMPROVEMENTS
Observed Life Table
Retirement Expr. 1961 TO 2010
Placement Years 1961 TO 2010

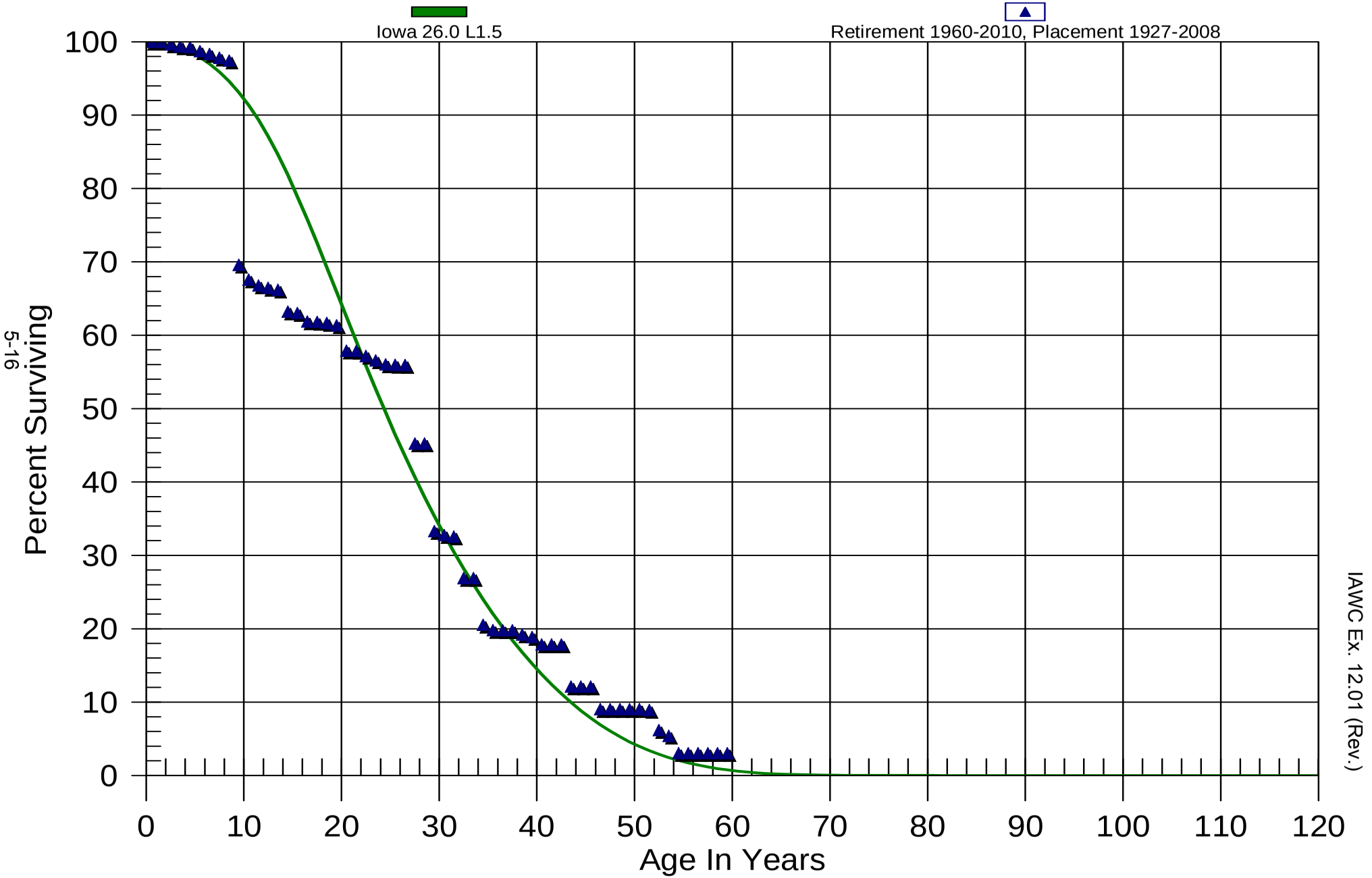
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$102,598.70	$1.75	0.00002	84.18
37.5 - 38.5	$102,523.38	$0.00	0.00000	84.18
38.5 - 39.5	$102,004.41	$0.00	0.00000	84.18
39.5 - 40.5	$101,727.86	$0.00	0.00000	84.18
40.5 - 41.5	$101,244.81	$0.00	0.00000	84.18
41.5 - 42.5	$77,093.79	$477.44	0.00619	84.18
42.5 - 43.5	$76,616.35	$0.00	0.00000	83.66
43.5 - 44.5	$75,887.35	$0.00	0.00000	83.66
44.5 - 45.5	$75,610.70	$0.00	0.00000	83.66
45.5 - 46.5	$73,059.70	$0.00	0.00000	83.66
46.5 - 47.5	$73,059.70	$0.00	0.00000	83.66
47.5 - 48.5	$73,059.70	$0.00	0.00000	83.66
48.5 - 49.5	$42,518.59	$0.00	0.00000	83.66

Illinois-American Water Company-Water

All Divisions

304.60 OFFICE STRUCTURES

Original And Smooth Survivor Curves



5-16

IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
304.60 OFFICE STRUCTURES
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1927 TO 2008

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$6,185,620.64	$0.00	0.00000	100.00
0.5 - 1.5	$6,186,682.91	$650.00	0.00011	100.00
1.5 - 2.5	$6,352,077.33	$21,975.32	0.00346	99.99
2.5 - 3.5	$6,174,095.37	$16,931.76	0.00274	99.64
3.5 - 4.5	$6,065,566.75	$5,591.17	0.00092	99.37
4.5 - 5.5	$5,057,754.73	$28,230.92	0.00558	99.28
5.5 - 6.5	$5,037,637.74	$19,108.02	0.00379	98.72
6.5 - 7.5	$4,969,912.15	$27,117.87	0.00546	98.35
7.5 - 8.5	$4,919,598.14	$18,182.89	0.00370	97.81
8.5 - 9.5	$2,976,500.88	$850,942.01	0.28589	97.45
9.5 - 10.5	$2,125,849.48	$60,939.81	0.02867	69.59
10.5 - 11.5	$2,058,754.54	$24,959.51	0.01212	67.60
11.5 - 12.5	$2,019,458.47	$9,438.27	0.00467	66.78
12.5 - 13.5	$2,012,824.17	$7,722.50	0.00384	66.47
13.5 - 14.5	$1,944,235.77	$87,773.18	0.04515	66.21
14.5 - 15.5	$1,864,043.79	$5,813.81	0.00312	63.22
15.5 - 16.5	$1,859,003.88	$33,572.32	0.01806	63.02
16.5 - 17.5	$4,261,550.00	$4,600.67	0.00108	61.89
17.5 - 18.5	$4,263,612.32	$10,428.33	0.00245	61.82
18.5 - 19.5	$4,254,479.07	$21,233.22	0.00499	61.67
19.5 - 20.5	$4,224,847.43	$238,665.43	0.05649	61.36
20.5 - 21.5	$3,989,218.59	$1,972.96	0.00049	57.89
21.5 - 22.5	$1,031,043.65	$12,147.10	0.01178	57.87
22.5 - 23.5	$1,011,618.69	$10,561.58	0.01044	57.18
23.5 - 24.5	$1,002,104.02	$9,726.90	0.00971	56.59
24.5 - 25.5	$988,563.31	$1,082.59	0.00110	56.04
25.5 - 26.5	$988,809.79	$710.00	0.00072	55.98
26.5 - 27.5	$988,171.39	$188,678.51	0.19094	55.94
27.5 - 28.5	$799,783.68	$0.00	0.00000	45.26
28.5 - 29.5	$798,653.68	$211,006.74	0.26420	45.26
29.5 - 30.5	$26,549.53	$419.50	0.01580	33.30
30.5 - 31.5	$21,295.38	$145.64	0.00684	32.77
31.5 - 32.5	$16,402.88	$2,847.71	0.17361	32.55
32.5 - 33.5	$36,035.03	$0.00	0.00000	26.90
33.5 - 34.5	$38,836.20	$9,186.52	0.23655	26.90
34.5 - 35.5	$211,165.63	$7,298.65	0.03456	20.54
35.5 - 36.5	$203,130.76	$478.00	0.00235	19.83

Illinois-American Water Company-Water
All Divisions
304.60 OFFICE STRUCTURES
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1927 TO 2008

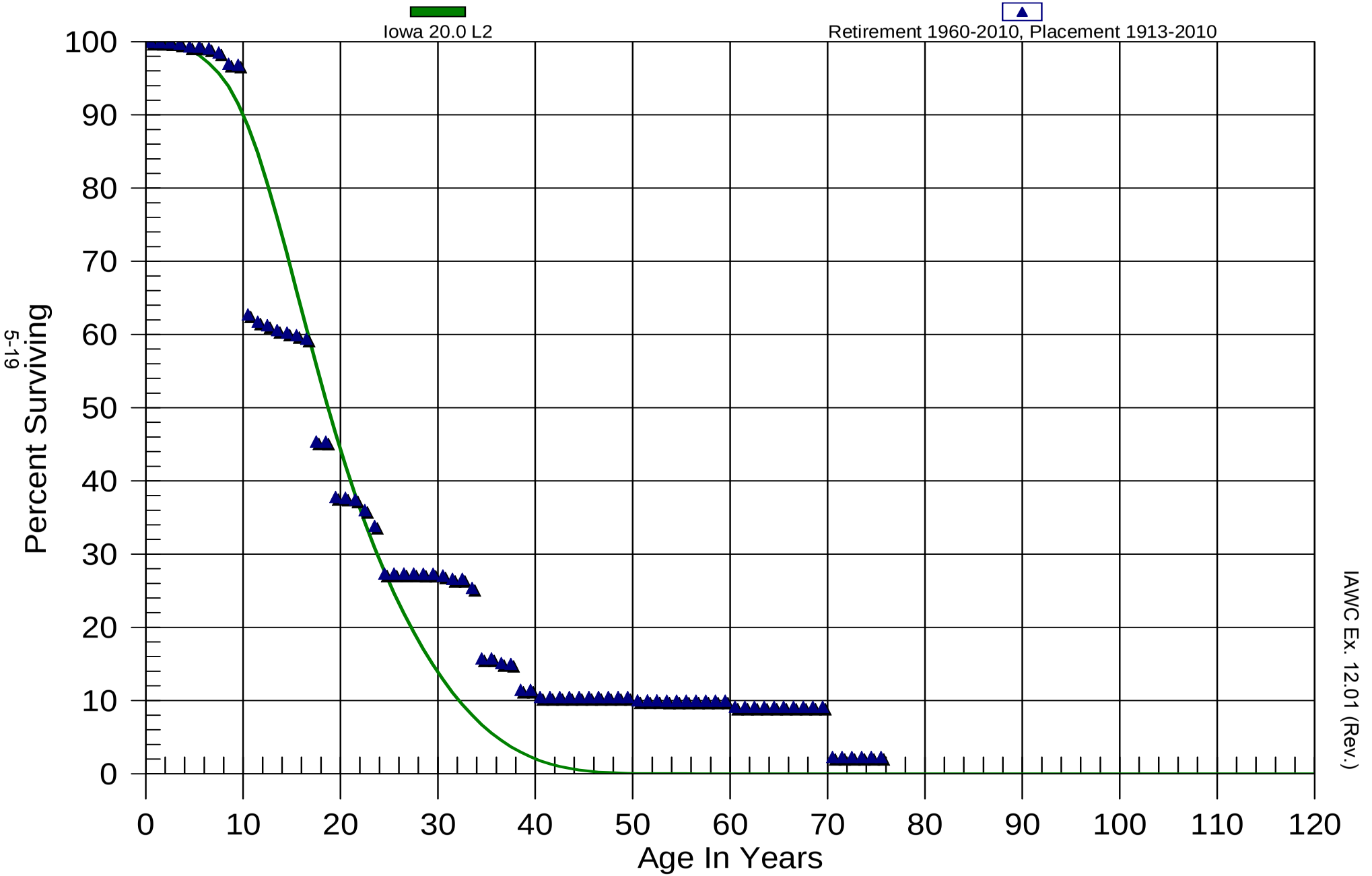
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$201,750.52	$0.00	0.00000	19.78
37.5 - 38.5	$200,677.17	$5,597.24	0.02789	19.78
38.5 - 39.5	$192,278.76	$3,650.26	0.01898	19.23
39.5 - 40.5	$10,762.81	$566.01	0.05259	18.86
40.5 - 41.5	$10,196.80	$0.00	0.00000	17.87
41.5 - 42.5	$10,196.80	$0.00	0.00000	17.87
42.5 - 43.5	$10,196.80	$3,283.04	0.32197	17.87
43.5 - 44.5	$6,913.76	$0.00	0.00000	12.12
44.5 - 45.5	$6,545.57	$0.00	0.00000	12.12
45.5 - 46.5	$6,545.57	$1,664.94	0.25436	12.12
46.5 - 47.5	$4,880.63	$0.00	0.00000	9.03
47.5 - 48.5	$4,880.63	$0.00	0.00000	9.03
48.5 - 49.5	$4,880.63	$0.00	0.00000	9.03
49.5 - 50.5	$4,880.63	$0.00	0.00000	9.03
50.5 - 51.5	$4,880.63	$57.90	0.01186	9.03
51.5 - 52.5	$4,822.73	$1,480.69	0.30702	8.93
52.5 - 53.5	$3,342.04	$427.35	0.12787	6.19
53.5 - 54.5	$2,914.69	$1,265.21	0.43408	5.40
54.5 - 55.5	$1,649.48	$0.00	0.00000	3.05
55.5 - 56.5	$1,649.48	$0.00	0.00000	3.05
56.5 - 57.5	$1,649.48	$0.00	0.00000	3.05
57.5 - 58.5	$1,649.48	$0.00	0.00000	3.05
58.5 - 59.5	$1,649.48	$0.00	0.00000	3.05

Illinois-American Water Company-Water

All Divisions

304.70 STORES, SHOP & GARAGE STRUCT.

Original And Smooth Survivor Curves



Illinois-American Water Company-Water
All Divisions
304.70 STORES, SHOP & GARAGE STRUCT.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1913 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$4,029,824.54	$0.00	0.00000	100.00
0.5 - 1.5	$3,966,557.47	$1,858.00	0.00047	100.00
1.5 - 2.5	$3,393,344.40	$1,883.22	0.00055	99.95
2.5 - 3.5	$3,327,803.14	$5,032.97	0.00151	99.90
3.5 - 4.5	$3,316,712.15	$13,408.34	0.00404	99.75
4.5 - 5.5	$3,226,481.74	$1,038.29	0.00032	99.34
5.5 - 6.5	$3,169,732.24	$7,388.74	0.00233	99.31
6.5 - 7.5	$3,158,708.06	$18,034.82	0.00571	99.08
7.5 - 8.5	$3,154,886.92	$49,295.40	0.01563	98.51
8.5 - 9.5	$1,087,721.70	$1,347.38	0.00124	96.97
9.5 - 10.5	$738,333.35	$260,036.54	0.35219	96.85
10.5 - 11.5	$449,743.44	$7,108.32	0.01581	62.74
11.5 - 12.5	$491,032.12	$3,864.10	0.00787	61.75
12.5 - 13.5	$454,132.12	$4,938.00	0.01087	61.27
13.5 - 14.5	$888,004.48	$4,916.25	0.00554	60.60
14.5 - 15.5	$866,019.23	$5,035.70	0.00581	60.26
15.5 - 16.5	$858,935.26	$7,152.59	0.00833	59.91
16.5 - 17.5	$861,665.38	$203,585.58	0.23627	59.41
17.5 - 18.5	$661,835.80	$341.95	0.00052	45.38
18.5 - 19.5	$223,490.22	$37,208.06	0.16649	45.35
19.5 - 20.5	$123,643.92	$361.00	0.00292	37.80
20.5 - 21.5	$120,307.46	$785.55	0.00653	37.69
21.5 - 22.5	$50,685.85	$1,942.80	0.03833	37.45
22.5 - 23.5	$45,632.50	$2,739.00	0.06002	36.01
23.5 - 24.5	$30,740.67	$5,907.77	0.19218	33.85
24.5 - 25.5	$1,430,111.26	$843.48	0.00059	27.34
25.5 - 26.5	$1,428,590.78	$0.00	0.00000	27.33
26.5 - 27.5	$1,432,712.78	$0.00	0.00000	27.33
27.5 - 28.5	$1,432,846.78	$322.17	0.00022	27.33
28.5 - 29.5	$1,430,585.71	$840.00	0.00059	27.32
29.5 - 30.5	$19,442.18	$153.75	0.00791	27.31
30.5 - 31.5	$16,957.41	$300.00	0.01769	27.09
31.5 - 32.5	$13,486.37	$0.00	0.00000	26.61
32.5 - 33.5	$13,944.03	$646.00	0.04633	26.61
33.5 - 34.5	$13,561.03	$5,140.45	0.37906	25.38
34.5 - 35.5	$8,720.49	$0.00	0.00000	15.76
35.5 - 36.5	$9,589.52	$386.20	0.04027	15.76

Illinois-American Water Company-Water
All Divisions
304.70 STORES, SHOP & GARAGE STRUCT.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1913 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$8,621.36	$62.40	0.00724	15.12
37.5 - 38.5	$6,616.96	$1,564.50	0.23644	15.01
38.5 - 39.5	$6,198.76	$0.00	0.00000	11.46
39.5 - 40.5	$6,843.98	$584.00	0.08533	11.46
40.5 - 41.5	$5,199.05	$0.00	0.00000	10.49
41.5 - 42.5	$5,313.80	$0.00	0.00000	10.49
42.5 - 43.5	$5,313.80	$0.00	0.00000	10.49
43.5 - 44.5	$40,547.67	$0.00	0.00000	10.49
44.5 - 45.5	$48,628.82	$0.00	0.00000	10.49
45.5 - 46.5	$48,628.82	$0.00	0.00000	10.49
46.5 - 47.5	$50,837.39	$0.00	0.00000	10.49
47.5 - 48.5	$58,704.39	$0.00	0.00000	10.49
48.5 - 49.5	$63,188.65	$0.00	0.00000	10.49
49.5 - 50.5	$55,713.89	$2,551.20	0.04579	10.49
50.5 - 51.5	$53,597.69	$0.00	0.00000	10.01
51.5 - 52.5	$53,338.78	$0.00	0.00000	10.01
52.5 - 53.5	$54,911.18	$85.48	0.00156	10.01
53.5 - 54.5	$11,773.39	$0.00	0.00000	9.99
54.5 - 55.5	$11,773.39	$0.00	0.00000	9.99
55.5 - 56.5	$12,099.04	$0.00	0.00000	9.99
56.5 - 57.5	$12,099.04	$0.00	0.00000	9.99
57.5 - 58.5	$3,708.60	$0.00	0.00000	9.99
58.5 - 59.5	$3,708.60	$0.00	0.00000	9.99
59.5 - 60.5	$4,286.33	$365.00	0.08515	9.99
60.5 - 61.5	$3,159.56	$0.00	0.00000	9.14
61.5 - 62.5	$3,159.56	$0.00	0.00000	9.14
62.5 - 63.5	$3,159.56	$0.00	0.00000	9.14
63.5 - 64.5	$3,159.56	$0.00	0.00000	9.14
64.5 - 65.5	$2,581.83	$0.00	0.00000	9.14
65.5 - 66.5	$2,581.83	$0.00	0.00000	9.14
66.5 - 67.5	$2,581.83	$0.00	0.00000	9.14
67.5 - 68.5	$2,581.83	$0.00	0.00000	9.14
68.5 - 69.5	$2,581.83	$0.00	0.00000	9.14
69.5 - 70.5	$2,705.79	$2,026.57	0.74898	9.14
70.5 - 71.5	$5,220.88	$0.00	0.00000	2.29
71.5 - 72.5	$5,220.88	$0.00	0.00000	2.29
72.5 - 73.5	$4,665.65	$0.00	0.00000	2.29

Illinois-American Water Company-Water
All Divisions
304.70 STORES, SHOP & GARAGE STRUCT.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1913 TO 2010

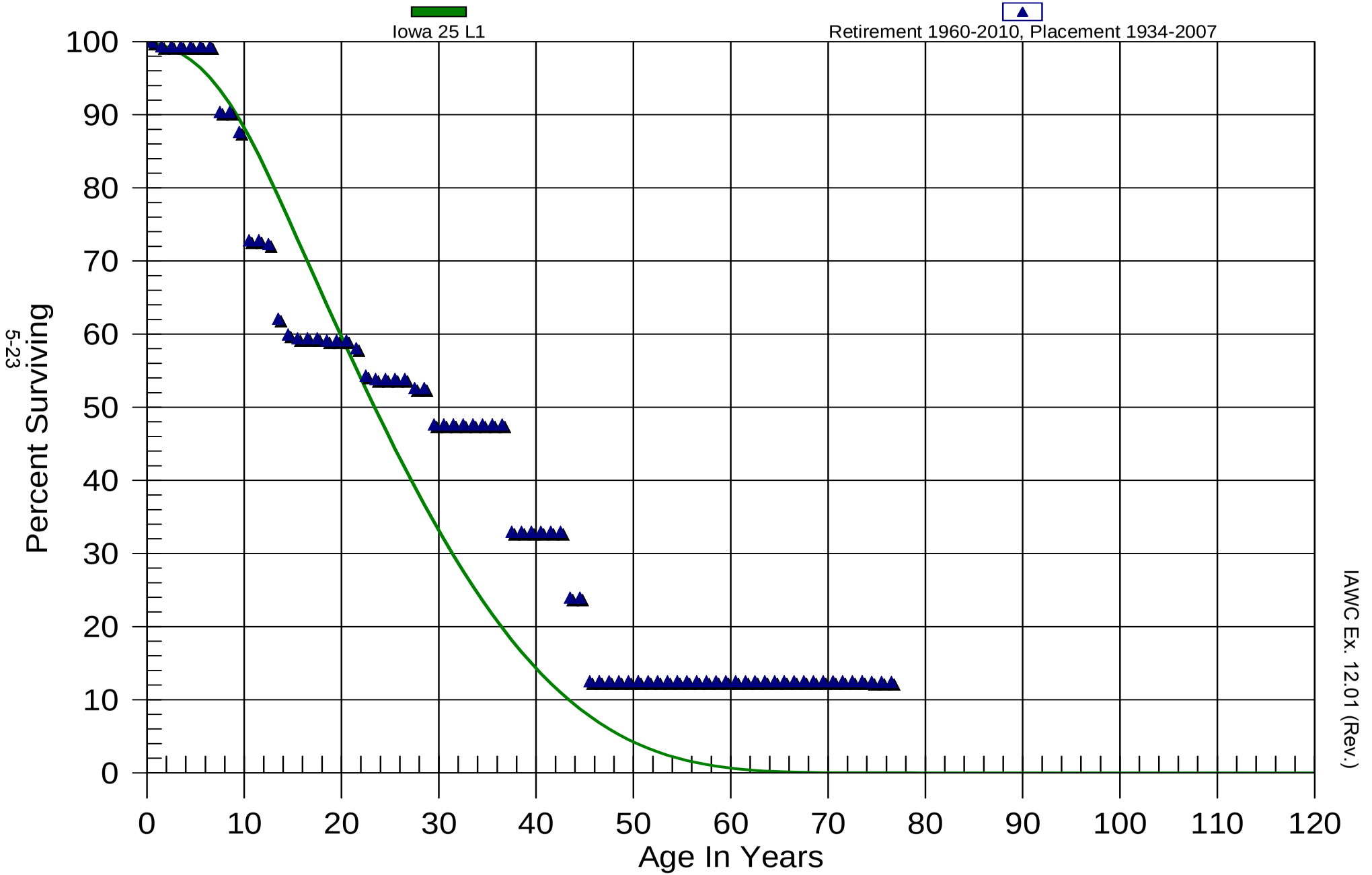
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$4,665.65	$0.00	0.00000	2.29
74.5 - 75.5	$4,541.69	$0.00	0.00000	2.29

Illinois-American Water Company-Water

All Divisions

304.80 MISC. STRUCUTRES & IMPROVE.

Original And Smooth Survivor Curves



5-23

IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
304.80 MISC. STRUCUTRES & IMPROVE.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1934 TO 2007

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$643,530.00	$0.00	0.00000	100.00
0.5 - 1.5	$643,530.00	$3,938.46	0.00612	100.00
1.5 - 2.5	$614,268.54	$0.00	0.00000	99.39
2.5 - 3.5	$616,233.90	$0.00	0.00000	99.39
3.5 - 4.5	$594,330.94	$243.65	0.00041	99.39
4.5 - 5.5	$509,110.73	$0.00	0.00000	99.35
5.5 - 6.5	$490,130.08	$0.00	0.00000	99.35
6.5 - 7.5	$493,538.11	$44,561.00	0.09029	99.35
7.5 - 8.5	$453,574.69	$0.00	0.00000	90.38
8.5 - 9.5	$129,749.43	$3,934.01	0.03032	90.38
9.5 - 10.5	$121,833.28	$20,564.00	0.16879	87.64
10.5 - 11.5	$103,257.28	$0.00	0.00000	72.84
11.5 - 12.5	$104,968.98	$776.88	0.00740	72.84
12.5 - 13.5	$106,934.53	$15,083.93	0.14106	72.31
13.5 - 14.5	$73,550.38	$2,560.00	0.03481	62.11
14.5 - 15.5	$72,550.38	$616.67	0.00850	59.94
15.5 - 16.5	$95,115.71	$0.00	0.00000	59.44
16.5 - 17.5	$114,010.93	$0.00	0.00000	59.44
17.5 - 18.5	$102,067.71	$498.49	0.00488	59.44
18.5 - 19.5	$123,894.22	$0.00	0.00000	59.15
19.5 - 20.5	$152,583.22	$0.00	0.00000	59.15
20.5 - 21.5	$124,902.44	$2,285.00	0.01829	59.15
21.5 - 22.5	$77,450.42	$5,000.00	0.06456	58.06
22.5 - 23.5	$80,345.83	$689.00	0.00858	54.31
23.5 - 24.5	$57,330.91	$0.00	0.00000	53.85
24.5 - 25.5	$25,860.14	$0.00	0.00000	53.85
25.5 - 26.5	$26,183.47	$0.00	0.00000	53.85
26.5 - 27.5	$27,337.47	$620.81	0.02271	53.85
27.5 - 28.5	$17,245.64	$0.00	0.00000	52.63
28.5 - 29.5	$122,690.52	$11,627.40	0.09477	52.63
29.5 - 30.5	$111,063.12	$0.00	0.00000	47.64
30.5 - 31.5	$111,063.12	$0.00	0.00000	47.64
31.5 - 32.5	$109,908.77	$0.00	0.00000	47.64
32.5 - 33.5	$109,420.76	$0.00	0.00000	47.64
33.5 - 34.5	$3,975.59	$0.00	0.00000	47.64
34.5 - 35.5	$3,975.59	$0.00	0.00000	47.64
35.5 - 36.5	$3,975.59	$0.00	0.00000	47.64

Illinois-American Water Company-Water
All Divisions
304.80 MISC. STRUCUTRES & IMPROVE.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1934 TO 2007

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$3,975.59	$1,223.88	0.30785	47.64
37.5 - 38.5	$3,377.71	$0.00	0.00000	32.97
38.5 - 39.5	$3,377.71	$0.00	0.00000	32.97
39.5 - 40.5	$3,377.71	$0.00	0.00000	32.97
40.5 - 41.5	$3,377.71	$0.00	0.00000	32.97
41.5 - 42.5	$5,057.71	$0.00	0.00000	32.97
42.5 - 43.5	$4,431.34	$1,210.40	0.27315	32.97
43.5 - 44.5	$3,220.94	$0.00	0.00000	23.97
44.5 - 45.5	$3,220.94	$1,536.89	0.47716	23.97
45.5 - 46.5	$1,684.05	$0.00	0.00000	12.53
46.5 - 47.5	$3.78	$0.00	0.00000	12.53
47.5 - 48.5	$3.78	$0.00	0.00000	12.53
48.5 - 49.5	$3.78	$0.00	0.00000	12.53
49.5 - 50.5	$3.78	$0.00	0.00000	12.53
50.5 - 51.5	$3.78	$0.00	0.00000	12.53
51.5 - 52.5	$233.78	$0.00	0.00000	12.53
52.5 - 53.5	$233.78	$0.00	0.00000	12.53
53.5 - 54.5	$233.78	$0.00	0.00000	12.53
54.5 - 55.5	$233.78	$0.00	0.00000	12.53
55.5 - 56.5	$750.78	$0.00	0.00000	12.53
56.5 - 57.5	$520.19	$0.00	0.00000	12.53
57.5 - 58.5	$520.19	$0.00	0.00000	12.53
58.5 - 59.5	$520.19	$0.00	0.00000	12.53
59.5 - 60.5	$520.19	$0.00	0.00000	12.53
60.5 - 61.5	$2.33	$0.00	0.00000	12.53
61.5 - 62.5	$2.33	$0.00	0.00000	12.53
62.5 - 63.5	$2.33	$0.00	0.00000	12.53
63.5 - 64.5	$2.33	$0.00	0.00000	12.53
64.5 - 65.5	$2.33	$0.00	0.00000	12.53
65.5 - 66.5	$2.33	$0.00	0.00000	12.53
66.5 - 67.5	$2.33	$0.00	0.00000	12.53
67.5 - 68.5	$2.33	$0.00	0.00000	12.53
68.5 - 69.5	$2.33	$0.00	0.00000	12.53
69.5 - 70.5	$2.33	$0.00	0.00000	12.53
70.5 - 71.5	$2.33	$0.00	0.00000	12.53
71.5 - 72.5	$1,223.33	$0.00	0.00000	12.53
72.5 - 73.5	$1,223.33	$0.00	0.00000	12.53

Illinois-American Water Company-Water
All Divisions
304.80 MISC. STRUCUTRES & IMPROVE.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1934 TO 2007

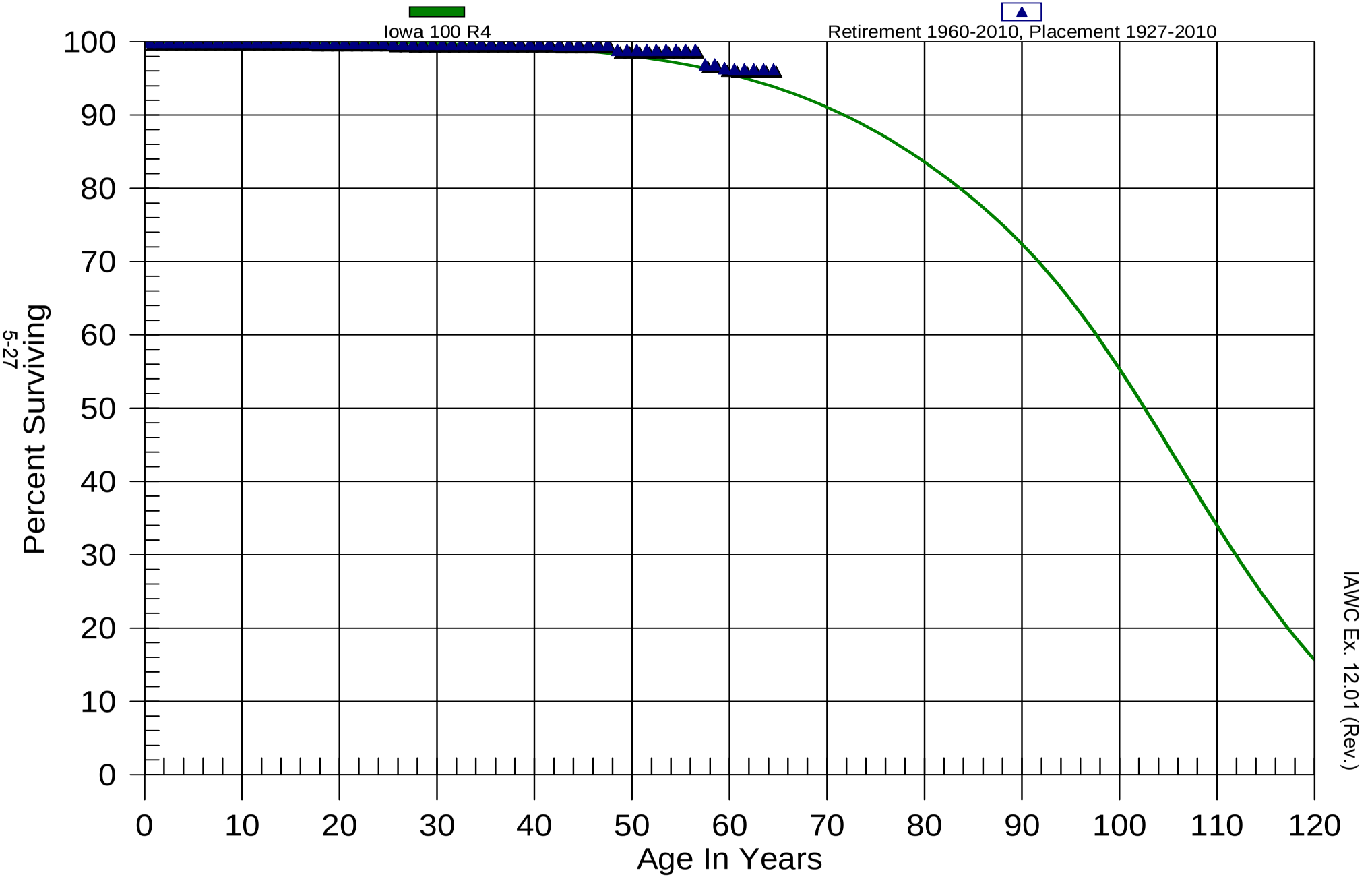
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$1,223.33	$9.33	0.00763	12.53
74.5 - 75.5	$1,214.00	$0.00	0.00000	12.44
75.5 - 76.5	$1,214.00	$0.00	0.00000	12.44

Illinois-American Water Company-Water

All Divisions

305.00 COLL. & IMPOUND. RESERVOIRS

Original And Smooth Survivor Curves



5-27

IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
305.00 COLL. & IMPOUND. RESERVOIRS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1927 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$2,444,745.65	$0.00	0.00000	100.00
0.5 - 1.5	$2,316,235.74	$0.00	0.00000	100.00
1.5 - 2.5	$2,168,204.43	$0.00	0.00000	100.00
2.5 - 3.5	$2,089,348.62	$0.00	0.00000	100.00
3.5 - 4.5	$2,049,116.83	$0.00	0.00000	100.00
4.5 - 5.5	$2,049,116.83	$0.00	0.00000	100.00
5.5 - 6.5	$2,049,553.55	$0.00	0.00000	100.00
6.5 - 7.5	$2,049,950.15	$0.00	0.00000	100.00
7.5 - 8.5	$1,784,527.17	$0.00	0.00000	100.00
8.5 - 9.5	$1,495,551.76	$0.00	0.00000	100.00
9.5 - 10.5	$1,434,292.36	$0.00	0.00000	100.00
10.5 - 11.5	$1,364,947.54	$0.00	0.00000	100.00
11.5 - 12.5	$1,364,947.54	$0.00	0.00000	100.00
12.5 - 13.5	$1,354,972.91	$0.00	0.00000	100.00
13.5 - 14.5	$1,354,972.91	$0.00	0.00000	100.00
14.5 - 15.5	$1,385,167.26	$0.00	0.00000	100.00
15.5 - 16.5	$1,408,324.75	$0.00	0.00000	100.00
16.5 - 17.5	$1,354,629.06	$1,709.85	0.00126	100.00
17.5 - 18.5	$1,277,571.49	$0.00	0.00000	99.87
18.5 - 19.5	$566,024.43	$0.00	0.00000	99.87
19.5 - 20.5	$437,871.16	$0.00	0.00000	99.87
20.5 - 21.5	$409,847.73	$0.00	0.00000	99.87
21.5 - 22.5	$406,124.95	$0.00	0.00000	99.87
22.5 - 23.5	$398,049.83	$0.00	0.00000	99.87
23.5 - 24.5	$367,855.48	$0.00	0.00000	99.87
24.5 - 25.5	$601,732.41	$634.63	0.00105	99.87
25.5 - 26.5	$592,141.78	$0.00	0.00000	99.77
26.5 - 27.5	$592,141.78	$204.77	0.00035	99.77
27.5 - 28.5	$591,937.01	$0.00	0.00000	99.73
28.5 - 29.5	$591,937.01	$0.00	0.00000	99.73
29.5 - 30.5	$591,937.01	$0.00	0.00000	99.73
30.5 - 31.5	$591,937.01	$0.00	0.00000	99.73
31.5 - 32.5	$591,937.01	$0.00	0.00000	99.73
32.5 - 33.5	$372,213.36	$0.00	0.00000	99.73
33.5 - 34.5	$372,213.36	$0.00	0.00000	99.73
34.5 - 35.5	$372,213.36	$0.00	0.00000	99.73
35.5 - 36.5	$372,213.36	$0.00	0.00000	99.73

Illinois-American Water Company-Water
All Divisions
305.00 COLL. & IMPOUND. RESERVOIRS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1927 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$371,032.35	$0.00	0.00000	99.73
37.5 - 38.5	$367,906.91	$0.00	0.00000	99.73
38.5 - 39.5	$367,906.91	$0.00	0.00000	99.73
39.5 - 40.5	$367,906.91	$0.00	0.00000	99.73
40.5 - 41.5	$362,507.63	$0.00	0.00000	99.73
41.5 - 42.5	$362,507.63	$436.72	0.00120	99.73
42.5 - 43.5	$362,070.91	$0.00	0.00000	99.61
43.5 - 44.5	$344,733.68	$0.00	0.00000	99.61
44.5 - 45.5	$288,102.98	$0.00	0.00000	99.61
45.5 - 46.5	$288,102.98	$0.00	0.00000	99.61
46.5 - 47.5	$276,465.14	$0.00	0.00000	99.61
47.5 - 48.5	$275,150.84	$1,983.11	0.00721	99.61
48.5 - 49.5	$251,353.53	$0.00	0.00000	98.90
49.5 - 50.5	$251,353.53	$0.00	0.00000	98.90
50.5 - 51.5	$251,353.53	$0.00	0.00000	98.90
51.5 - 52.5	$251,353.53	$0.00	0.00000	98.90
52.5 - 53.5	$251,353.53	$0.00	0.00000	98.90
53.5 - 54.5	$251,353.53	$0.00	0.00000	98.90
54.5 - 55.5	$251,353.53	$0.00	0.00000	98.90
55.5 - 56.5	$251,353.53	$0.00	0.00000	98.90
56.5 - 57.5	$251,353.53	$5,067.22	0.02016	98.90
57.5 - 58.5	$244,848.79	$0.00	0.00000	96.90
58.5 - 59.5	$244,848.79	$1,280.25	0.00523	96.90
59.5 - 60.5	$243,568.54	$396.04	0.00163	96.40
60.5 - 61.5	$243,172.50	$0.00	0.00000	96.24
61.5 - 62.5	$239,713.12	$0.00	0.00000	96.24
62.5 - 63.5	$239,713.12	$0.00	0.00000	96.24
63.5 - 64.5	$239,713.12	$0.00	0.00000	96.24
64.5 - 65.5	$239,713.12	$0.00	0.00000	96.24
65.5 - 66.5	$239,713.12	$0.00	0.00000	96.24
66.5 - 67.5	$239,713.12	$0.00	0.00000	96.24
67.5 - 68.5	$239,713.12	$0.00	0.00000	96.24
68.5 - 69.5	$239,713.12	$0.00	0.00000	96.24
69.5 - 70.5	$231,713.12	$0.00	0.00000	96.24
70.5 - 71.5	$231,384.16	$0.00	0.00000	96.24
71.5 - 72.5	$231,240.65	$0.00	0.00000	96.24
72.5 - 73.5	$231,240.65	$0.00	0.00000	96.24

Illinois-American Water Company-Water
All Divisions
305.00 COLL. & IMPOUND. RESERVOIRS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1927 TO 2010

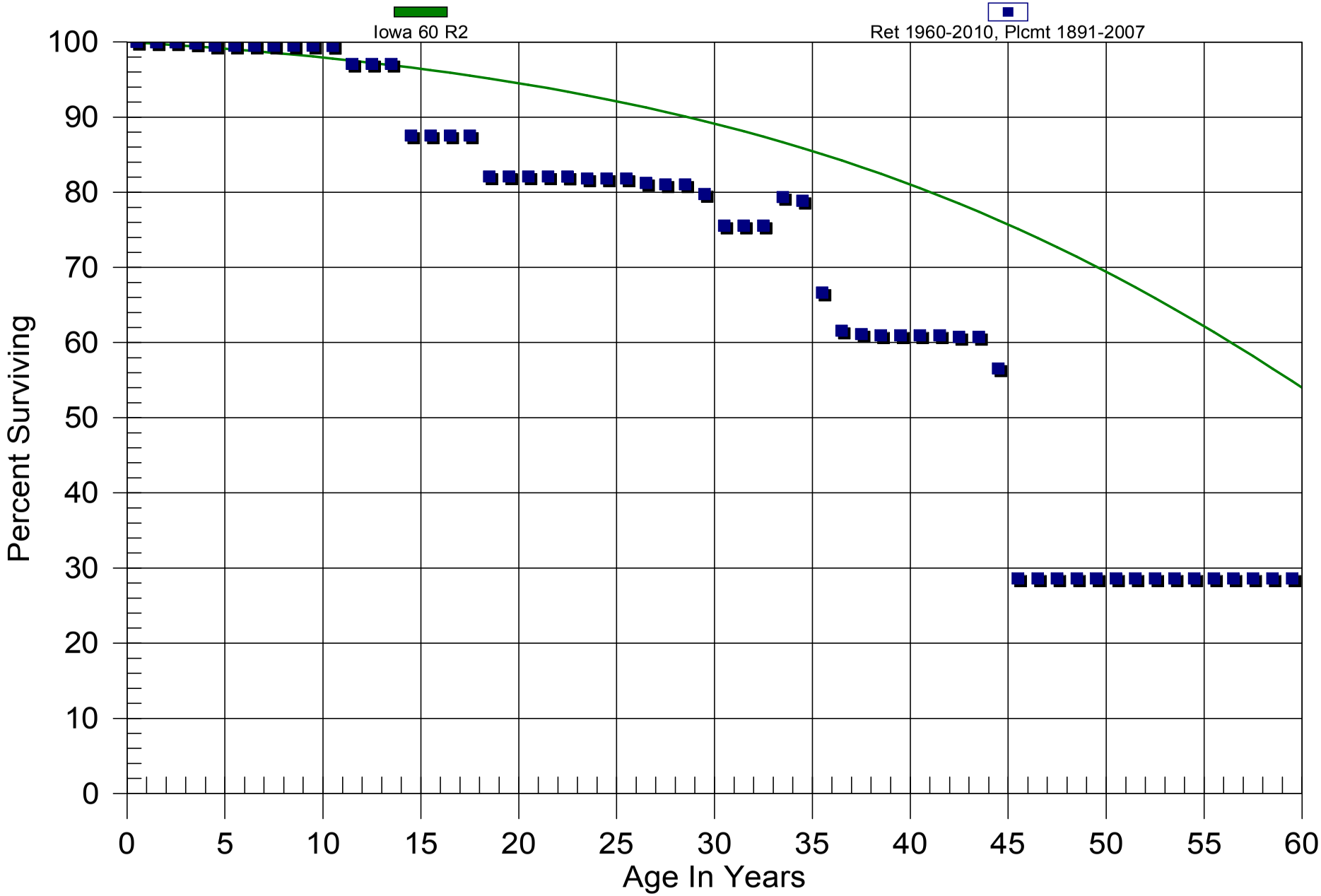
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$231,240.65	$0.00	0.00000	96.24
74.5 - 75.5	$231,240.65	$0.00	0.00000	96.24
75.5 - 76.5	$2,826.98	$0.00	0.00000	96.24
76.5 - 77.5	$2,826.98	$0.00	0.00000	96.24
77.5 - 78.5	$2,826.98	$0.00	0.00000	96.24
78.5 - 79.5	$2,826.98	$0.00	0.00000	96.24
79.5 - 80.5	$2,826.98	$0.00	0.00000	96.24
80.5 - 81.5	$2,826.98	$0.00	0.00000	96.24
81.5 - 82.5	$2,826.98	$0.00	0.00000	96.24
82.5 - 83.5	$2,826.98	$0.00	0.00000	96.24

Illinois-American Water Company-Water

All Divisions

306.00 LAKES, RIVER & OTHER INTAKES

Original And Smooth Survivor Curves



IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
306.00 LAKES, RIVER & OTHER INTAKES
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1891 TO 2007

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$2,694,738.73	$0.00	0.00000	100.00
0.5 - 1.5	$2,931,748.57	$1,835.00	0.00063	100.00
1.5 - 2.5	$2,931,094.14	$0.00	0.00000	99.94
2.5 - 3.5	$2,931,417.70	$4,020.00	0.00137	99.94
3.5 - 4.5	$3,006,994.57	$9,211.00	0.00306	99.80
4.5 - 5.5	$2,972,101.22	$0.00	0.00000	99.49
5.5 - 6.5	$2,998,826.02	$0.00	0.00000	99.49
6.5 - 7.5	$2,998,826.02	$0.00	0.00000	99.49
7.5 - 8.5	$2,899,032.22	$0.00	0.00000	99.49
8.5 - 9.5	$922,381.22	$0.00	0.00000	99.49
9.5 - 10.5	$922,555.49	$323.56	0.00035	99.49
10.5 - 11.5	$604,712.01	$14,563.60	0.02408	99.46
11.5 - 12.5	$670,061.35	$0.00	0.00000	97.06
12.5 - 13.5	$670,061.35	$0.00	0.00000	97.06
13.5 - 14.5	$704,321.98	$69,111.83	0.09813	97.06
14.5 - 15.5	$849,660.15	$0.00	0.00000	87.54
15.5 - 16.5	$849,745.19	$0.00	0.00000	87.54
16.5 - 17.5	$1,033,257.66	$174.27	0.00017	87.54
17.5 - 18.5	$1,033,487.39	$64,244.15	0.06216	87.53
18.5 - 19.5	$789,228.95	$0.00	0.00000	82.08
19.5 - 20.5	$430,276.58	$0.00	0.00000	82.08
20.5 - 21.5	$430,276.58	$0.00	0.00000	82.08
21.5 - 22.5	$395,788.44	$125.50	0.00032	82.08
22.5 - 23.5	$395,258.05	$1,158.04	0.00293	82.06
23.5 - 24.5	$561,030.05	$0.00	0.00000	81.82
24.5 - 25.5	$629,968.05	$0.00	0.00000	81.82
25.5 - 26.5	$629,968.05	$4,567.38	0.00725	81.82
26.5 - 27.5	$395,329.50	$875.00	0.00221	81.22
27.5 - 28.5	$394,454.50	$0.00	0.00000	81.04
28.5 - 29.5	$223,837.08	$3,536.33	0.01580	81.04
29.5 - 30.5	$151,361.26	$8,009.00	0.05291	79.76
30.5 - 31.5	$143,352.26	$0.00	0.00000	75.54
31.5 - 32.5	$143,934.06	$0.00	0.00000	75.54
32.5 - 33.5	($272,040.07)	$13,686.50	-0.05031	75.54
33.5 - 34.5	$173,792.31	$1,072.67	0.00617	79.34
34.5 - 35.5	$172,719.64	$26,724.80	0.15473	78.85
35.5 - 36.5	$145,994.84	$11,133.67	0.07626	66.65

Illinois-American Water Company-Water
All Divisions
306.00 LAKES, RIVER & OTHER INTAKES
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1891 TO 2007

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$141,031.17	$1,049.39	0.00744	61.57
37.5 - 38.5	$139,377.49	$382.23	0.00274	61.11
38.5 - 39.5	$138,995.26	$0.00	0.00000	60.94
39.5 - 40.5	$136,415.26	$0.00	0.00000	60.94
40.5 - 41.5	$105,637.24	$0.00	0.00000	60.94
41.5 - 42.5	$133,305.27	$436.96	0.00328	60.94
42.5 - 43.5	$135,950.61	$0.00	0.00000	60.75
43.5 - 44.5	$93,920.60	$6,511.94	0.06933	60.75
44.5 - 45.5	$142,609.61	$70,408.06	0.49371	56.53
45.5 - 46.5	($47,381.45)	$0.00	0.00000	28.62
46.5 - 47.5	$257,332.37	$0.00	0.00000	28.62
47.5 - 48.5	$189,496.87	$0.00	0.00000	28.62
48.5 - 49.5	$255,144.02	$0.00	0.00000	28.62
49.5 - 50.5	$255,006.57	$0.00	0.00000	28.62
50.5 - 51.5	$251,003.08	$0.00	0.00000	28.62
51.5 - 52.5	$71,577.43	$0.00	0.00000	28.62
52.5 - 53.5	$70,396.86	$0.00	0.00000	28.62
53.5 - 54.5	$70,396.86	$0.00	0.00000	28.62
54.5 - 55.5	$70,396.86	$0.00	0.00000	28.62
55.5 - 56.5	$70,396.86	$0.00	0.00000	28.62
56.5 - 57.5	$70,396.86	$0.00	0.00000	28.62
57.5 - 58.5	$70,396.86	$0.00	0.00000	28.62
58.5 - 59.5	$47,722.86	$0.00	0.00000	28.62
59.5 - 60.5	$47,722.86	$0.00	0.00000	28.62
60.5 - 61.5	$47,722.86	$0.00	0.00000	28.62
61.5 - 62.5	$47,722.86	$0.00	0.00000	28.62
62.5 - 63.5	$47,722.86	$41,891.45	0.87781	28.62
63.5 - 64.5	$5,831.41	$0.00	0.00000	3.50
64.5 - 65.5	$5,831.41	$0.00	0.00000	3.50
65.5 - 66.5	$5,831.41	$0.00	0.00000	3.50
66.5 - 67.5	$5,831.41	$0.00	0.00000	3.50
67.5 - 68.5	$5,831.41	$0.00	0.00000	3.50
68.5 - 69.5	$28,507.04	$9,422.56	0.33053	3.50
69.5 - 70.5	$19,084.48	$0.00	0.00000	2.34
70.5 - 71.5	$19,084.48	$2,113.76	0.11076	2.34
71.5 - 72.5	$16,970.72	$0.00	0.00000	2.08
72.5 - 73.5	$16,970.72	$0.00	0.00000	2.08

Illinois-American Water Company-Water
All Divisions
306.00 LAKES, RIVER & OTHER INTAKES
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1891 TO 2007

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$16,970.72	$0.00	0.00000	2.08
74.5 - 75.5	$16,970.72	$1,716.89	0.10117	2.08
75.5 - 76.5	$15,253.83	$0.00	0.00000	1.87
76.5 - 77.5	$15,253.83	$0.00	0.00000	1.87
77.5 - 78.5	$15,253.83	$0.00	0.00000	1.87
78.5 - 79.5	$15,253.83	$0.00	0.00000	1.87
79.5 - 80.5	$432,873.83	$0.00	0.00000	1.87
80.5 - 81.5	$432,873.83	$0.00	0.00000	1.87
81.5 - 82.5	$432,873.83	$0.00	0.00000	1.87
82.5 - 83.5	$432,292.03	$0.00	0.00000	1.87
83.5 - 84.5	$431,695.55	$0.00	0.00000	1.87
84.5 - 85.5	$14,068.12	$0.00	0.00000	1.87
85.5 - 86.5	$14,068.12	$0.00	0.00000	1.87
86.5 - 87.5	$17,117.12	$0.00	0.00000	1.87
87.5 - 88.5	$50,948.12	$0.00	0.00000	1.87
88.5 - 89.5	$50,948.12	$0.00	0.00000	1.87
89.5 - 90.5	$50,948.12	$0.00	0.00000	1.87
90.5 - 91.5	$97,056.12	$1,694.49	0.01746	1.87
91.5 - 92.5	$92,308.65	$0.00	0.00000	1.84
92.5 - 93.5	$183,750.99	$0.00	0.00000	1.84
93.5 - 94.5	$183,750.99	$3.73	0.00002	1.84
94.5 - 95.5	$235,343.72	$0.00	0.00000	1.84
95.5 - 96.5	$189,236.12	$0.00	0.00000	1.84
96.5 - 97.5	$189,236.12	$0.00	0.00000	1.84
97.5 - 98.5	$65,648.78	$0.00	0.00000	1.84
98.5 - 99.5	$65,648.78	$0.00	0.00000	1.84
99.5 - 100.5	$1.63	$0.00	0.00000	1.84
100.5 - 101.5	$1.63	$0.00	0.00000	1.84
101.5 - 102.5	$1.63	$0.00	0.00000	1.84
102.5 - 103.5	$1.63	$0.00	0.00000	1.84
103.5 - 104.5	$1.63	$0.00	0.00000	1.84
104.5 - 105.5	$1.63	$0.00	0.00000	1.84
105.5 - 106.5	$22,675.63	$0.00	0.00000	1.84
106.5 - 107.5	$22,675.63	$0.00	0.00000	1.84
107.5 - 108.5	$22,675.63	$0.00	0.00000	1.84
108.5 - 109.5	$22,675.63	$0.00	0.00000	1.84
109.5 - 110.5	$22,675.63	$0.00	0.00000	1.84

Illinois-American Water Company-Water
All Divisions
306.00 LAKES, RIVER & OTHER INTAKES
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1891 TO 2007

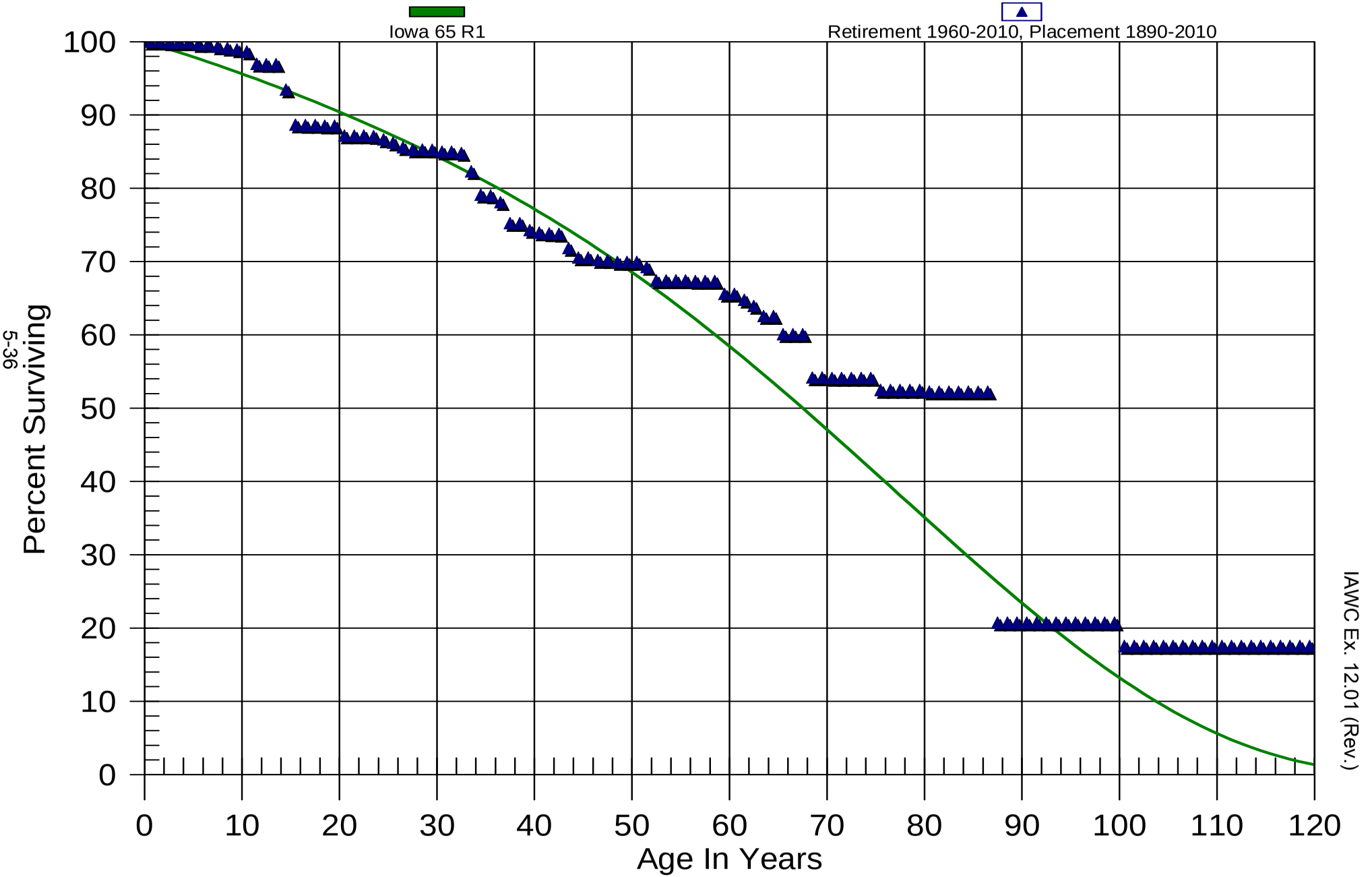
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
110.5 - 111.5	$22,675.63	$0.00	0.00000	1.84
111.5 - 112.5	$22,675.63	$0.00	0.00000	1.84
112.5 - 113.5	$22,675.63	$0.00	0.00000	1.84
113.5 - 114.5	$22,675.63	$0.00	0.00000	1.84
114.5 - 115.5	$22,675.63	$0.00	0.00000	1.84
115.5 - 116.5	$22,675.63	$0.00	0.00000	1.84
116.5 - 117.5	$22,675.63	$0.00	0.00000	1.84
117.5 - 118.5	$22,675.63	$0.00	0.00000	1.84
118.5 - 119.5	$22,675.63	$0.00	0.00000	1.84

Illinois-American Water Company-Water

All Divisions

307.00 WELL & SPRINGS

Original And Smooth Survivor Curves



5-36

IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
307.00 WELL & SPRINGS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1890 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$10,252,526.50	$0.00	0.00000	100.00
0.5 - 1.5	$9,670,527.27	$1,832.81	0.00019	100.00
1.5 - 2.5	$5,458,001.02	$3,899.42	0.00071	99.98
2.5 - 3.5	$3,825,866.43	$690.41	0.00018	99.91
3.5 - 4.5	$3,865,084.56	$0.00	0.00000	99.89
4.5 - 5.5	$3,285,133.53	$7,118.75	0.00217	99.89
5.5 - 6.5	$3,138,980.94	$226.46	0.00007	99.68
6.5 - 7.5	$2,813,690.06	$8,710.52	0.00310	99.67
7.5 - 8.5	$2,875,007.07	$5,700.00	0.00198	99.36
8.5 - 9.5	$2,528,457.84	$5,354.65	0.00212	99.16
9.5 - 10.5	$2,202,150.88	$6,228.85	0.00283	98.95
10.5 - 11.5	$2,104,192.62	$35,768.00	0.01700	98.67
11.5 - 12.5	$2,075,267.66	$1,243.69	0.00060	97.00
12.5 - 13.5	$2,016,212.17	$0.00	0.00000	96.94
13.5 - 14.5	$2,014,772.92	$71,897.66	0.03569	96.94
14.5 - 15.5	$1,815,998.09	$93,169.71	0.05130	93.48
15.5 - 16.5	$1,703,300.96	$1,140.00	0.00067	88.68
16.5 - 17.5	$1,487,551.71	$0.00	0.00000	88.62
17.5 - 18.5	$1,488,787.13	$1,385.69	0.00093	88.62
18.5 - 19.5	$1,483,675.61	$130.19	0.00009	88.54
19.5 - 20.5	$1,506,686.27	$23,112.78	0.01534	88.53
20.5 - 21.5	$1,725,859.92	$0.00	0.00000	87.17
21.5 - 22.5	$1,703,768.84	$0.00	0.00000	87.17
22.5 - 23.5	$1,927,551.12	$1,214.25	0.00063	87.17
23.5 - 24.5	$1,724,069.71	$8,703.06	0.00505	87.12
24.5 - 25.5	$1,744,980.38	$8,669.00	0.00497	86.68
25.5 - 26.5	$1,728,601.92	$13,168.36	0.00762	86.25
26.5 - 27.5	$1,707,422.71	$6,109.00	0.00358	85.59
27.5 - 28.5	$1,691,546.86	$0.00	0.00000	85.29
28.5 - 29.5	$1,683,290.82	$336.81	0.00020	85.29
29.5 - 30.5	$1,509,954.07	$4,861.67	0.00322	85.27
30.5 - 31.5	$1,250,462.99	$74.49	0.00006	84.99
31.5 - 32.5	$1,115,832.43	$2,065.71	0.00185	84.99
32.5 - 33.5	$1,069,599.38	$31,837.33	0.02977	84.83
33.5 - 34.5	$1,029,957.65	$40,019.85	0.03886	82.31
34.5 - 35.5	$992,853.80	$1,326.00	0.00134	79.11
35.5 - 36.5	$973,815.44	$11,004.94	0.01130	79.00

Illinois-American Water Company-Water
All Divisions
307.00 WELL & SPRINGS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1890 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$892,065.46	$32,579.87	0.03652	78.11
37.5 - 38.5	$837,986.73	$0.00	0.00000	75.26
38.5 - 39.5	$747,258.31	$9,415.51	0.01260	75.26
39.5 - 40.5	$685,483.39	$3,221.82	0.00470	74.31
40.5 - 41.5	$677,778.90	$1,047.31	0.00155	73.96
41.5 - 42.5	$762,055.30	$679.11	0.00089	73.85
42.5 - 43.5	$808,604.82	$21,025.93	0.02600	73.78
43.5 - 44.5	$731,895.29	$13,444.37	0.01837	71.86
44.5 - 45.5	$722,319.01	$0.00	0.00000	70.54
45.5 - 46.5	$682,012.53	$3,343.33	0.00490	70.54
46.5 - 47.5	$615,625.63	$45.51	0.00007	70.20
47.5 - 48.5	$610,066.33	$2,084.80	0.00342	70.19
48.5 - 49.5	$538,452.16	$0.00	0.00000	69.95
49.5 - 50.5	$501,718.96	$0.00	0.00000	69.95
50.5 - 51.5	$393,478.95	$3,982.76	0.01012	69.95
51.5 - 52.5	$370,876.23	$9,604.95	0.02590	69.24
52.5 - 53.5	$337,086.05	$0.00	0.00000	67.45
53.5 - 54.5	$328,689.13	$0.00	0.00000	67.45
54.5 - 55.5	$249,232.26	$0.00	0.00000	67.45
55.5 - 56.5	$259,100.72	$318.08	0.00123	67.45
56.5 - 57.5	$265,358.22	$0.00	0.00000	67.37
57.5 - 58.5	$269,555.41	$9.95	0.00004	67.37
58.5 - 59.5	$227,277.96	$6,010.81	0.02645	67.36
59.5 - 60.5	$226,713.94	$0.00	0.00000	65.58
60.5 - 61.5	$213,215.48	$2,608.18	0.01223	65.58
61.5 - 62.5	$207,148.45	$2,659.39	0.01284	64.78
62.5 - 63.5	$191,268.17	$4,131.16	0.02160	63.95
63.5 - 64.5	$189,950.83	$0.00	0.00000	62.57
64.5 - 65.5	$181,020.51	$7,169.06	0.03960	62.57
65.5 - 66.5	$178,075.39	$0.00	0.00000	60.09
66.5 - 67.5	$174,025.66	$0.00	0.00000	60.09
67.5 - 68.5	$174,025.66	$17,131.09	0.09844	60.09
68.5 - 69.5	$143,624.08	$0.00	0.00000	54.17
69.5 - 70.5	$172,534.47	$172.23	0.00100	54.17
70.5 - 71.5	$159,971.54	$0.00	0.00000	54.12
71.5 - 72.5	$156,831.14	$0.00	0.00000	54.12
72.5 - 73.5	$156,204.98	$0.00	0.00000	54.12

Illinois-American Water Company-Water
All Divisions
307.00 WELL & SPRINGS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1890 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$142,929.65	$0.00	0.00000	54.12
74.5 - 75.5	$147,280.86	$4,433.00	0.03010	54.12
75.5 - 76.5	$142,847.86	$0.00	0.00000	52.49
76.5 - 77.5	$142,847.86	$0.00	0.00000	52.49
77.5 - 78.5	$142,847.86	$0.00	0.00000	52.49
78.5 - 79.5	$137,045.65	$0.00	0.00000	52.49
79.5 - 80.5	$136,644.44	$652.27	0.00477	52.49
80.5 - 81.5	$97,123.33	$0.00	0.00000	52.24
81.5 - 82.5	$45,064.11	$0.00	0.00000	52.24
82.5 - 83.5	$39,954.03	$0.00	0.00000	52.24
83.5 - 84.5	$9,836.53	$0.00	0.00000	52.24
84.5 - 85.5	$6,845.54	$0.00	0.00000	52.24
85.5 - 86.5	$6,845.54	$0.00	0.00000	52.24
86.5 - 87.5	$6,845.54	$4,128.68	0.60312	52.24
87.5 - 88.5	$2,716.86	$0.00	0.00000	20.73
88.5 - 89.5	$2,716.86	$0.00	0.00000	20.73
89.5 - 90.5	$1,757.85	$0.00	0.00000	20.73
90.5 - 91.5	$1,757.85	$0.00	0.00000	20.73
91.5 - 92.5	$1,757.85	$0.00	0.00000	20.73
92.5 - 93.5	$1,757.85	$0.00	0.00000	20.73
93.5 - 94.5	$1,757.85	$0.00	0.00000	20.73
94.5 - 95.5	$6,753.32	$0.00	0.00000	20.73
95.5 - 96.5	$6,753.32	$0.00	0.00000	20.73
96.5 - 97.5	$6,753.32	$0.00	0.00000	20.73
97.5 - 98.5	$16,410.05	$0.00	0.00000	20.73
98.5 - 99.5	$16,410.05	$0.00	0.00000	20.73
99.5 - 100.5	$11,414.58	$1,757.85	0.15400	20.73
100.5 - 101.5	$9,656.73	$0.00	0.00000	17.54
101.5 - 102.5	$9,656.73	$0.00	0.00000	17.54
102.5 - 103.5	$0.00	$0.00	0.00000	17.54
103.5 - 104.5	$0.00	$0.00	0.00000	17.54
104.5 - 105.5	$0.00	$0.00	0.00000	17.54
105.5 - 106.5	$42,513.58	$0.00	0.00000	17.54
106.5 - 107.5	$42,513.58	$0.00	0.00000	17.54
107.5 - 108.5	$42,513.58	$0.00	0.00000	17.54
108.5 - 109.5	$42,513.58	$0.00	0.00000	17.54
109.5 - 110.5	$42,513.58	$0.00	0.00000	17.54

Illinois-American Water Company-Water
All Divisions
307.00 WELL & SPRINGS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1890 TO 2010

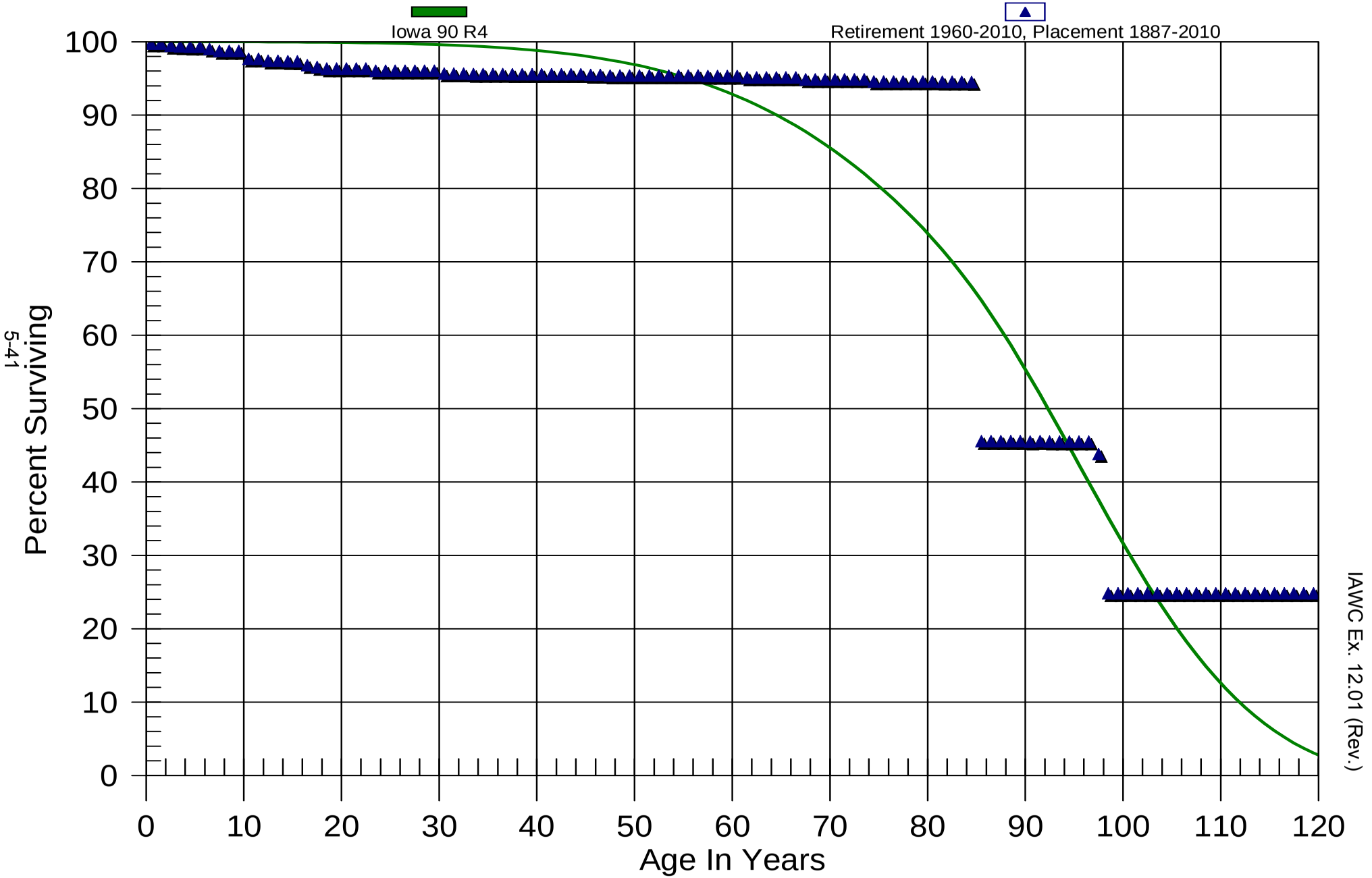
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
110.5 - 111.5	$42,513.58	$0.00	0.00000	17.54
111.5 - 112.5	$42,513.58	$0.00	0.00000	17.54
112.5 - 113.5	$42,513.58	$0.00	0.00000	17.54
113.5 - 114.5	$42,513.58	$0.00	0.00000	17.54
114.5 - 115.5	$42,513.58	$0.00	0.00000	17.54
115.5 - 116.5	$42,513.58	$0.00	0.00000	17.54
116.5 - 117.5	$42,513.58	$0.00	0.00000	17.54
117.5 - 118.5	$42,513.58	$0.00	0.00000	17.54
118.5 - 119.5	$42,513.58	$0.00	0.00000	17.54
119.5 - 120.5	$42,513.58	$0.00	0.00000	17.54

Illinois-American Water Company-Water

All Divisions

309.00 SUPPY MAINS

Original And Smooth Survivor Curves



5-41

IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
309.00 SUPPY MAINS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1887 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$10,408,778.32	$25,207.95	0.00242	100.00
0.5 - 1.5	$10,237,783.31	$0.00	0.00000	99.76
1.5 - 2.5	$10,350,949.02	$33,866.72	0.00327	99.76
2.5 - 3.5	$6,970,726.24	$3,088.80	0.00044	99.43
3.5 - 4.5	$6,917,021.41	$3,512.88	0.00051	99.39
4.5 - 5.5	$6,900,429.08	$454.00	0.00007	99.34
5.5 - 6.5	$6,311,158.73	$19,050.05	0.00302	99.33
6.5 - 7.5	$6,796,512.86	$19,050.04	0.00280	99.03
7.5 - 8.5	$6,946,022.68	$0.00	0.00000	98.75
8.5 - 9.5	$3,503,239.54	$0.00	0.00000	98.75
9.5 - 10.5	$3,409,958.98	$37,274.40	0.01093	98.75
10.5 - 11.5	$3,016,074.22	$0.00	0.00000	97.67
11.5 - 12.5	$3,058,790.82	$7,635.01	0.00250	97.67
12.5 - 13.5	$2,929,471.74	$0.00	0.00000	97.43
13.5 - 14.5	$2,265,273.43	$1,452.17	0.00064	97.43
14.5 - 15.5	$2,085,591.94	$416.10	0.00020	97.37
15.5 - 16.5	$2,080,943.72	$11,215.41	0.00539	97.35
16.5 - 17.5	$1,871,603.67	$5,424.42	0.00290	96.82
17.5 - 18.5	$1,845,425.86	$3,529.54	0.00191	96.54
18.5 - 19.5	$1,851,098.05	$0.00	0.00000	96.36
19.5 - 20.5	$1,111,042.21	$0.00	0.00000	96.36
20.5 - 21.5	$1,080,134.55	$0.00	0.00000	96.36
21.5 - 22.5	$1,692,500.59	$0.00	0.00000	96.36
22.5 - 23.5	$1,470,292.22	$4,284.91	0.00291	96.36
23.5 - 24.5	$1,943,172.31	$0.00	0.00000	96.08
24.5 - 25.5	$2,097,698.68	$0.00	0.00000	96.08
25.5 - 26.5	$2,096,757.48	$0.00	0.00000	96.08
26.5 - 27.5	$1,479,848.39	$0.00	0.00000	96.08
27.5 - 28.5	$1,505,106.52	$82.20	0.00005	96.08
28.5 - 29.5	$1,027,286.97	$0.00	0.00000	96.07
29.5 - 30.5	$893,116.13	$3,738.67	0.00419	96.07
30.5 - 31.5	$707,130.33	$0.00	0.00000	95.67
31.5 - 32.5	$460,295.18	$0.00	0.00000	95.67
32.5 - 33.5	$474,242.95	$315.26	0.00066	95.67
33.5 - 34.5	$871,599.60	$0.00	0.00000	95.61
34.5 - 35.5	$862,776.60	$0.00	0.00000	95.61
35.5 - 36.5	$679,187.97	$0.00	0.00000	95.61

Illinois-American Water Company-Water
All Divisions
309.00 SUPPY MAINS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1887 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$681,831.50	$285.12	0.00042	95.61
37.5 - 38.5	$713,151.47	$0.00	0.00000	95.57
38.5 - 39.5	$712,209.38	$0.00	0.00000	95.57
39.5 - 40.5	$596,753.73	$0.00	0.00000	95.57
40.5 - 41.5	$590,437.73	$0.00	0.00000	95.57
41.5 - 42.5	$596,104.31	$0.00	0.00000	95.57
42.5 - 43.5	$544,290.36	$0.00	0.00000	95.57
43.5 - 44.5	$544,290.36	$0.00	0.00000	95.57
44.5 - 45.5	$658,850.36	$499.66	0.00076	95.57
45.5 - 46.5	$647,668.09	$0.00	0.00000	95.49
46.5 - 47.5	$583,874.69	$541.80	0.00093	95.49
47.5 - 48.5	$575,247.89	$0.00	0.00000	95.40
48.5 - 49.5	$546,514.42	$0.00	0.00000	95.40
49.5 - 50.5	$396,601.56	$0.00	0.00000	95.40
50.5 - 51.5	$396,601.56	$0.00	0.00000	95.40
51.5 - 52.5	$396,601.56	$0.00	0.00000	95.40
52.5 - 53.5	$993,376.00	$0.00	0.00000	95.40
53.5 - 54.5	$990,275.91	$0.00	0.00000	95.40
54.5 - 55.5	$983,795.06	$0.00	0.00000	95.40
55.5 - 56.5	$1,054,956.23	$0.00	0.00000	95.40
56.5 - 57.5	$1,083,711.58	$686.95	0.00063	95.40
57.5 - 58.5	$484,187.33	$0.00	0.00000	95.34
58.5 - 59.5	$465,017.47	$0.00	0.00000	95.34
59.5 - 60.5	$417,172.06	$0.00	0.00000	95.34
60.5 - 61.5	$337,973.55	$664.79	0.00197	95.34
61.5 - 62.5	$49,696.82	$0.00	0.00000	95.16
62.5 - 63.5	$49,696.82	$0.00	0.00000	95.16
63.5 - 64.5	$34,996.06	$0.00	0.00000	95.16
64.5 - 65.5	$44,196.06	$0.00	0.00000	95.16
65.5 - 66.5	$44,196.06	$0.00	0.00000	95.16
66.5 - 67.5	$44,196.06	$122.64	0.00277	95.16
67.5 - 68.5	$44,073.42	$3.41	0.00008	94.89
68.5 - 69.5	$43,368.27	$0.00	0.00000	94.89
69.5 - 70.5	$34,166.54	$0.00	0.00000	94.89
70.5 - 71.5	$36,052.54	$0.00	0.00000	94.89
71.5 - 72.5	$34,556.34	$0.00	0.00000	94.89
72.5 - 73.5	$40,079.42	$0.00	0.00000	94.89

Illinois-American Water Company-Water
All Divisions
309.00 SUPPY MAINS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1887 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$40,079.42	$125.36	0.00313	94.89
74.5 - 75.5	$39,954.06	$0.00	0.00000	94.59
75.5 - 76.5	$38,193.05	$0.00	0.00000	94.59
76.5 - 77.5	$38,193.05	$0.00	0.00000	94.59
77.5 - 78.5	$218,000.05	$0.00	0.00000	94.59
78.5 - 79.5	$623,166.57	$0.00	0.00000	94.59
79.5 - 80.5	$1,019,892.57	$0.00	0.00000	94.59
80.5 - 81.5	$1,001,234.39	$484.83	0.00048	94.59
81.5 - 82.5	$1,000,749.56	$151.97	0.00015	94.54
82.5 - 83.5	$821,891.80	$33.84	0.00004	94.53
83.5 - 84.5	$413,647.78	$35.06	0.00008	94.52
84.5 - 85.5	$16,887.64	$8,746.92	0.51795	94.52
85.5 - 86.5	$8,140.72	$0.00	0.00000	45.56
86.5 - 87.5	$8,140.72	$0.00	0.00000	45.56
87.5 - 88.5	$11,842.42	$0.00	0.00000	45.56
88.5 - 89.5	$11,842.42	$0.00	0.00000	45.56
89.5 - 90.5	$11,842.42	$17.49	0.00148	45.56
90.5 - 91.5	$11,824.93	($17.49)	-0.00148	45.49
91.5 - 92.5	$11,842.42	$17.49	0.00148	45.56
92.5 - 93.5	$7,534.41	$0.00	0.00000	45.49
93.5 - 94.5	$7,534.41	$0.00	0.00000	45.49
94.5 - 95.5	$15,619.41	$0.00	0.00000	45.49
95.5 - 96.5	$15,619.41	$0.00	0.00000	45.49
96.5 - 97.5	$15,619.41	$585.00	0.03745	45.49
97.5 - 98.5	$13,024.48	$5,640.08	0.43304	43.79
98.5 - 99.5	$7,384.40	$0.00	0.00000	24.83
99.5 - 100.5	$0.00	$0.00	0.00000	24.83
100.5 - 101.5	$0.00	$0.00	0.00000	24.83
101.5 - 102.5	$0.00	$0.00	0.00000	24.83
102.5 - 103.5	$0.00	$0.00	0.00000	24.83
103.5 - 104.5	$0.00	$0.00	0.00000	24.83
104.5 - 105.5	$0.00	$0.00	0.00000	24.83
105.5 - 106.5	$0.00	$0.00	0.00000	24.83
106.5 - 107.5	$0.00	$0.00	0.00000	24.83
107.5 - 108.5	$0.00	$0.00	0.00000	24.83
108.5 - 109.5	$0.00	$0.00	0.00000	24.83
109.5 - 110.5	$0.00	$0.00	0.00000	24.83

Illinois-American Water Company-Water
All Divisions
309.00 SUPPY MAINS
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1887 TO 2010

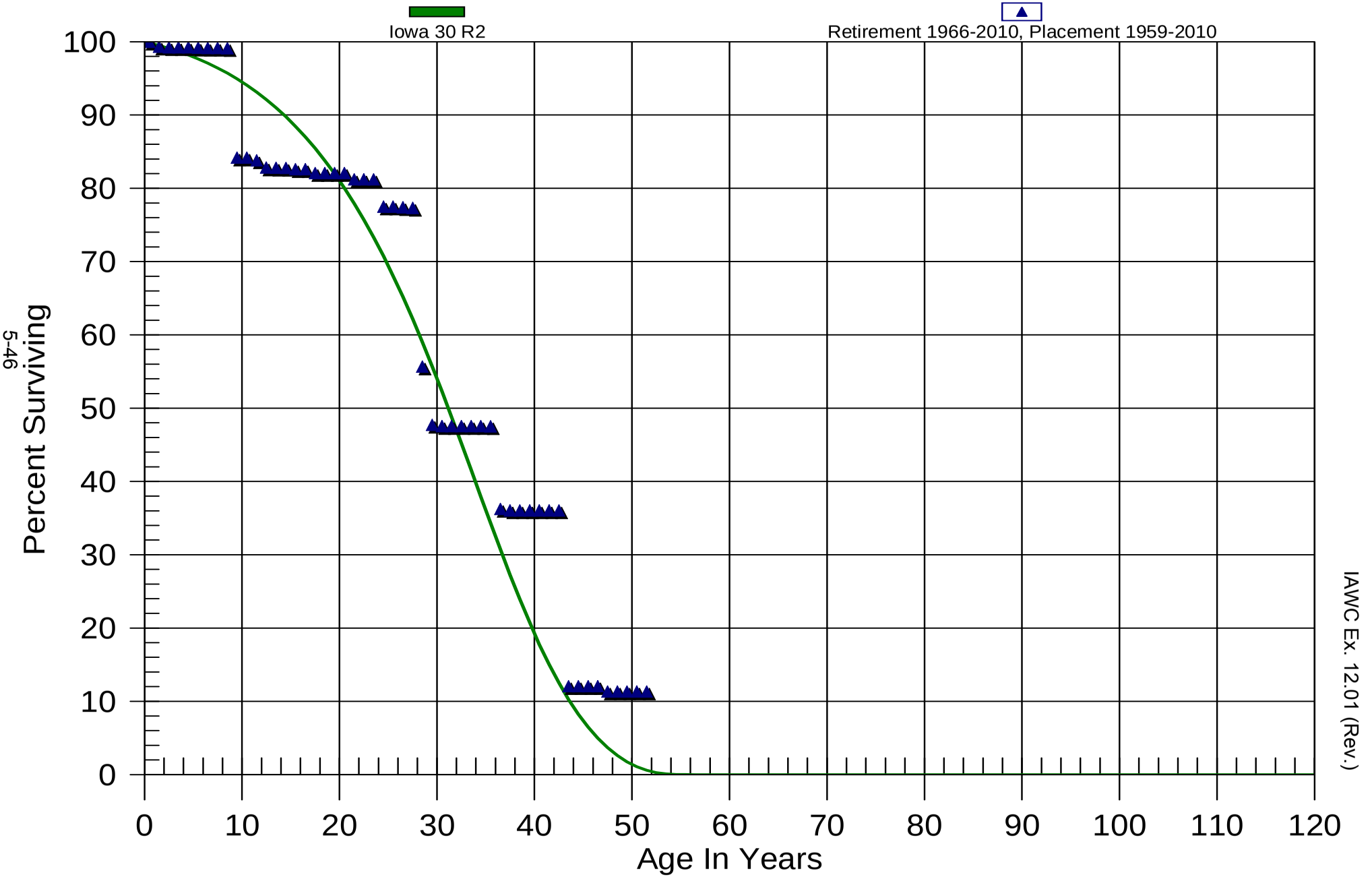
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
110.5 - 111.5	$0.00	$0.00	0.00000	24.83
111.5 - 112.5	$0.00	$0.00	0.00000	24.83
112.5 - 113.5	$0.00	$0.00	0.00000	24.83
113.5 - 114.5	$0.00	$0.00	0.00000	24.83
114.5 - 115.5	$0.00	$0.00	0.00000	24.83
115.5 - 116.5	$0.00	$0.00	0.00000	24.83
116.5 - 117.5	$0.00	$0.00	0.00000	24.83
117.5 - 118.5	$0.00	$0.00	0.00000	24.83
118.5 - 119.5	$0.00	$0.00	0.00000	24.83
119.5 - 120.5	$0.00	$0.00	0.00000	24.83
120.5 - 121.5	$0.00	$0.00	0.00000	24.83
121.5 - 122.5	$0.00	$0.00	0.00000	24.83
122.5 - 123.5	$0.00	$0.00	0.00000	24.83

Illinois-American Water Company-Water

All Divisions

310.00 POWER GENERATION EQUIPMENT

Original And Smooth Survivor Curves



5-46

IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
310.00 POWER GENERATION EQUIPMENT
Observed Life Table
Retirement Expr. 1966 TO 2010
Placement Years 1959 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$6,047,172.60	$0.00	0.00000	100.00
0.5 - 1.5	$5,838,235.75	$39,291.17	0.00673	100.00
1.5 - 2.5	$5,439,382.39	$4,273.00	0.00079	99.33
2.5 - 3.5	$4,299,418.92	$0.00	0.00000	99.25
3.5 - 4.5	$4,032,652.74	$911.96	0.00023	99.25
4.5 - 5.5	$3,545,948.30	$2,186.42	0.00062	99.23
5.5 - 6.5	$3,517,374.06	$314.80	0.00009	99.17
6.5 - 7.5	$2,396,560.71	$408.51	0.00017	99.16
7.5 - 8.5	$1,500,023.18	$272.10	0.00018	99.14
8.5 - 9.5	$494,713.91	$74,574.57	0.15074	99.12
9.5 - 10.5	$419,154.57	$0.00	0.00000	84.18
10.5 - 11.5	$334,213.09	$1,466.00	0.00439	84.18
11.5 - 12.5	$346,982.40	$4,000.00	0.01153	83.81
12.5 - 13.5	$570,904.15	$310.52	0.00054	82.84
13.5 - 14.5	$637,124.52	$255.00	0.00040	82.80
14.5 - 15.5	$610,829.87	$1,201.48	0.00197	82.77
15.5 - 16.5	$593,470.46	$0.00	0.00000	82.60
16.5 - 17.5	$553,843.29	$3,500.00	0.00632	82.60
17.5 - 18.5	$386,148.16	$0.00	0.00000	82.08
18.5 - 19.5	$223,099.74	$0.00	0.00000	82.08
19.5 - 20.5	$224,040.74	$0.00	0.00000	82.08
20.5 - 21.5	$221,734.45	$2,362.34	0.01065	82.08
21.5 - 22.5	$282,871.99	$0.00	0.00000	81.21
22.5 - 23.5	$285,444.99	$0.00	0.00000	81.21
23.5 - 24.5	$285,104.55	$13,000.00	0.04560	81.21
24.5 - 25.5	$250,979.80	$0.00	0.00000	77.50
25.5 - 26.5	$250,979.80	$317.77	0.00127	77.50
26.5 - 27.5	$134,232.53	$145.80	0.00109	77.41
27.5 - 28.5	$133,669.73	$37,399.57	0.27979	77.32
28.5 - 29.5	$96,502.44	$13,779.72	0.14279	55.69
29.5 - 30.5	$409,591.17	$1,577.99	0.00385	47.74
30.5 - 31.5	$483,396.05	$0.00	0.00000	47.55
31.5 - 32.5	$480,377.05	$0.00	0.00000	47.55
32.5 - 33.5	$480,377.05	$0.00	0.00000	47.55
33.5 - 34.5	$474,342.77	$0.00	0.00000	47.55
34.5 - 35.5	$196,352.53	$78.11	0.00040	47.55
35.5 - 36.5	$120,891.55	$28,721.50	0.23758	47.53

Illinois-American Water Company-Water
All Divisions
310.00 POWER GENERATION EQUIPMENT
Observed Life Table
Retirement Expr. 1966 TO 2010
Placement Years 1959 TO 2010

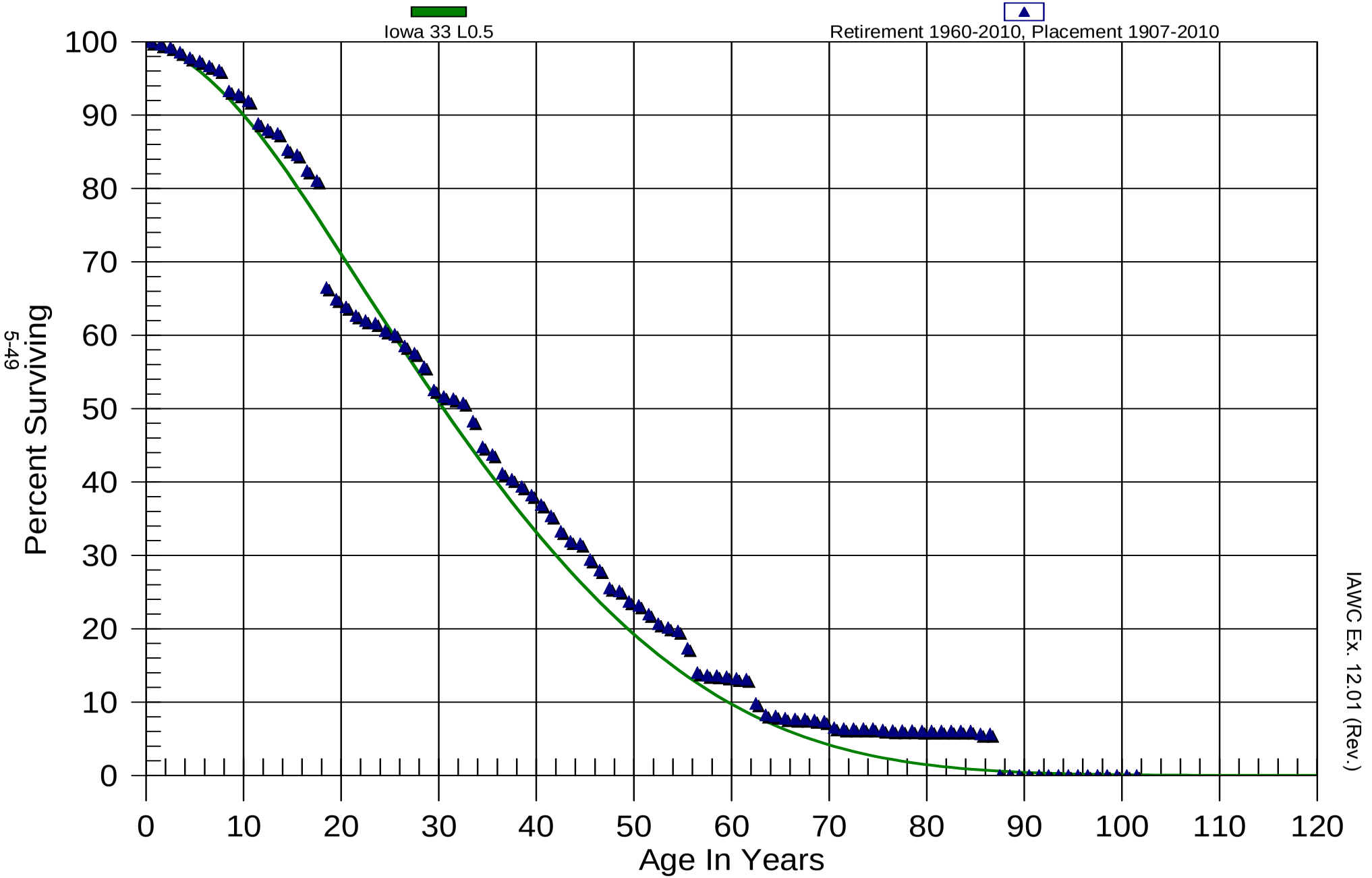
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$92,170.05	$485.00	0.00526	36.24
37.5 - 38.5	$91,447.11	$0.00	0.00000	36.05
38.5 - 39.5	$91,447.11	$0.00	0.00000	36.05
39.5 - 40.5	$42,568.90	$0.00	0.00000	36.05
40.5 - 41.5	$42,568.90	$0.00	0.00000	36.05
41.5 - 42.5	$42,568.90	$0.00	0.00000	36.05
42.5 - 43.5	$2,812.00	$1,872.00	0.66572	36.05
43.5 - 44.5	$940.00	$0.00	0.00000	12.05
44.5 - 45.5	$940.00	$0.00	0.00000	12.05
45.5 - 46.5	$940.00	$0.00	0.00000	12.05
46.5 - 47.5	$15,910.00	$940.00	0.05908	12.05
47.5 - 48.5	$14,970.00	$0.00	0.00000	11.34
48.5 - 49.5	$14,970.00	$0.00	0.00000	11.34
49.5 - 50.5	$14,970.00	$0.00	0.00000	11.34
50.5 - 51.5	$14,970.00	$0.00	0.00000	11.34

Illinois-American Water Company-Water

All Divisions

311.20 ELECTRIC PUMPING EQ.

Original And Smooth Survivor Curves



5-49

IAWC Ex. 12.01 (Rev.)

Illinois-American Water Company-Water
All Divisions
311.20 ELECTRIC PUMPING EQ.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1907 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$38,585,690.56	$5,565.96	0.00014	100.00
0.5 - 1.5	$38,931,342.81	$133,206.47	0.00342	99.99
1.5 - 2.5	$39,101,804.44	$160,496.67	0.00410	99.64
2.5 - 3.5	$39,000,511.96	$261,166.48	0.00670	99.23
3.5 - 4.5	$38,410,401.64	$288,816.24	0.00752	98.57
4.5 - 5.5	$36,584,229.24	$170,710.51	0.00467	97.83
5.5 - 6.5	$34,960,219.47	$237,657.66	0.00680	97.37
6.5 - 7.5	$33,640,465.77	$203,983.20	0.00606	96.71
7.5 - 8.5	$23,093,290.73	$680,059.58	0.02945	96.12
8.5 - 9.5	$20,177,347.99	$106,271.39	0.00527	93.29
9.5 - 10.5	$18,419,611.94	$168,255.32	0.00913	92.80
10.5 - 11.5	$12,994,062.51	$438,450.91	0.03374	91.95
11.5 - 12.5	$12,701,180.82	$116,866.22	0.00920	88.85
12.5 - 13.5	$13,798,263.75	$84,532.87	0.00613	88.03
13.5 - 14.5	$11,413,751.70	$287,060.42	0.02515	87.49
14.5 - 15.5	$10,243,130.27	$85,930.99	0.00839	85.29
15.5 - 16.5	$9,707,823.94	$245,800.71	0.02532	84.58
16.5 - 17.5	$7,989,679.86	$133,325.27	0.01669	82.44
17.5 - 18.5	$6,253,204.94	$1,123,101.81	0.17960	81.06
18.5 - 19.5	$4,461,568.15	$108,212.22	0.02425	66.50
19.5 - 20.5	$3,934,072.21	$62,146.96	0.01580	64.89
20.5 - 21.5	$3,721,168.52	$69,220.33	0.01860	63.86
21.5 - 22.5	$5,443,685.66	$58,832.80	0.01081	62.68
22.5 - 23.5	$5,396,141.35	$31,435.26	0.00583	62.00
23.5 - 24.5	$5,175,971.91	$86,131.57	0.01664	61.64
24.5 - 25.5	$4,689,727.61	$37,811.64	0.00806	60.61
25.5 - 26.5	$4,544,286.33	$120,465.85	0.02651	60.12
26.5 - 27.5	$2,542,959.77	$42,840.98	0.01685	58.53
27.5 - 28.5	$2,245,690.98	$71,714.99	0.03193	57.54
28.5 - 29.5	$2,227,688.51	$126,937.61	0.05698	55.71
29.5 - 30.5	$2,473,347.77	$41,883.18	0.01693	52.53
30.5 - 31.5	$3,016,117.24	$17,249.48	0.00572	51.64
31.5 - 32.5	$3,333,329.10	$37,675.12	0.01130	51.35
32.5 - 33.5	$3,309,889.04	$163,255.25	0.04932	50.77
33.5 - 34.5	$2,976,942.80	$214,599.93	0.07209	48.26
34.5 - 35.5	$2,322,637.28	$54,209.54	0.02334	44.78
35.5 - 36.5	$1,568,152.13	$92,159.04	0.05877	43.74

Illinois-American Water Company-Water
All Divisions
311.20 ELECTRIC PUMPING EQ.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1907 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$1,083,120.66	$20,648.46	0.01906	41.17
37.5 - 38.5	$1,030,101.21	$25,163.26	0.02443	40.38
38.5 - 39.5	$1,065,963.74	$31,998.07	0.03002	39.40
39.5 - 40.5	$984,591.34	$33,471.21	0.03400	38.21
40.5 - 41.5	$1,077,868.17	$44,739.37	0.04151	36.91
41.5 - 42.5	$1,027,879.48	$60,743.50	0.05910	35.38
42.5 - 43.5	$1,006,381.23	$41,567.75	0.04130	33.29
43.5 - 44.5	$889,546.10	$9,732.28	0.01094	31.92
44.5 - 45.5	$918,217.47	$62,137.21	0.06767	31.57
45.5 - 46.5	$822,382.88	$40,994.93	0.04985	29.43
46.5 - 47.5	$909,098.10	$78,683.14	0.08655	27.96
47.5 - 48.5	$907,531.73	$14,209.66	0.01566	25.54
48.5 - 49.5	$849,242.91	$48,498.97	0.05711	25.14
49.5 - 50.5	$691,860.01	$16,067.44	0.02322	23.71
50.5 - 51.5	$665,788.18	$33,617.36	0.05049	23.16
51.5 - 52.5	$522,000.33	$30,862.62	0.05912	21.99
52.5 - 53.5	$367,763.25	$9,480.75	0.02578	20.69
53.5 - 54.5	$340,736.48	$7,708.02	0.02262	20.15
54.5 - 55.5	$306,210.39	$36,689.31	0.11982	19.70
55.5 - 56.5	$216,979.63	$41,507.78	0.19130	17.34
56.5 - 57.5	$177,591.65	$4,278.17	0.02409	14.02
57.5 - 58.5	$181,714.98	$900.37	0.00495	13.68
58.5 - 59.5	$184,910.96	$1,990.19	0.01076	13.62
59.5 - 60.5	$182,553.89	$3,092.50	0.01694	13.47
60.5 - 61.5	$46,411.10	$373.70	0.00805	13.24
61.5 - 62.5	$41,352.70	$10,431.76	0.25226	13.13
62.5 - 63.5	$20,514.73	$3,252.41	0.15854	9.82
63.5 - 64.5	$13,003.72	$239.24	0.01840	8.26
64.5 - 65.5	$58,879.54	$2,378.58	0.04040	8.11
65.5 - 66.5	$57,563.96	$507.46	0.00882	7.78
66.5 - 67.5	$56,538.44	$2.56	0.00005	7.72
67.5 - 68.5	$58,727.11	$1,055.48	0.01797	7.72
68.5 - 69.5	$58,613.57	$1,505.51	0.02569	7.58
69.5 - 70.5	$19,125.47	$2,196.15	0.11483	7.38
70.5 - 71.5	$13,635.03	$340.38	0.02496	6.53
71.5 - 72.5	$10,534.56	$0.00	0.00000	6.37
72.5 - 73.5	$61,151.50	$0.00	0.00000	6.37

Illinois-American Water Company-Water
All Divisions
311.20 ELECTRIC PUMPING EQ.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1907 TO 2010

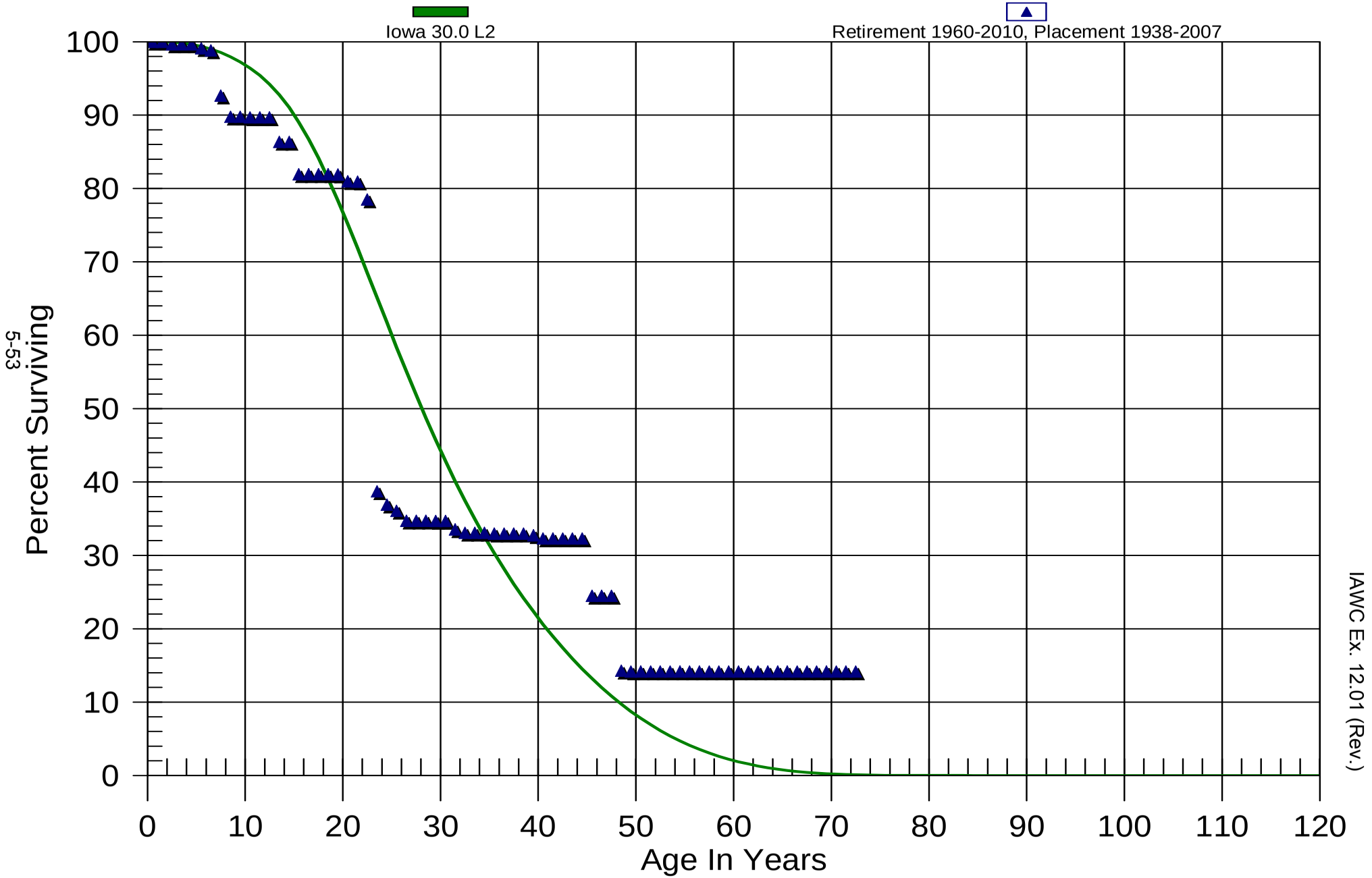
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
73.5 - 74.5	$59,534.29	$0.00	0.00000	6.37
74.5 - 75.5	$69,883.82	$1,888.19	0.02702	6.37
75.5 - 76.5	$65,922.73	$658.68	0.00999	6.20
76.5 - 77.5	$65,264.05	$0.00	0.00000	6.14
77.5 - 78.5	$12,505.67	$0.00	0.00000	6.14
78.5 - 79.5	$12,505.67	$127.91	0.01023	6.14
79.5 - 80.5	$2,154.22	$0.00	0.00000	6.07
80.5 - 81.5	$2,154.22	$0.00	0.00000	6.07
81.5 - 82.5	$2,233.04	$0.00	0.00000	6.07
82.5 - 83.5	$2,233.04	$0.00	0.00000	6.07
83.5 - 84.5	$2,118.70	$0.00	0.00000	6.07
84.5 - 85.5	$1,856.80	$128.05	0.06896	6.07
85.5 - 86.5	$1,728.75	$0.00	0.00000	5.66
86.5 - 87.5	$737.15	$734.69	0.99666	5.66
87.5 - 88.5	$2.46	$0.00	0.00000	0.02
88.5 - 89.5	$2.46	$0.00	0.00000	0.02
89.5 - 90.5	$2.46	$0.00	0.00000	0.02
90.5 - 91.5	$2.46	$0.00	0.00000	0.02
91.5 - 92.5	$2.46	$0.00	0.00000	0.02
92.5 - 93.5	$2.46	$0.00	0.00000	0.02
93.5 - 94.5	$2.46	$0.00	0.00000	0.02
94.5 - 95.5	$3,702.46	$0.00	0.00000	0.02
95.5 - 96.5	$3,702.46	$0.00	0.00000	0.02
96.5 - 97.5	$3,702.46	$198.98	0.05374	0.02
97.5 - 98.5	$3,503.48	$0.00	0.00000	0.02
98.5 - 99.5	$4,114.48	$0.00	0.00000	0.02
99.5 - 100.5	$611.08	$0.00	0.00000	0.02
100.5 - 101.5	$611.08	$0.00	0.00000	0.02

Illinois-American Water Company-Water

All Divisions

311.30 DIESEL PUMPING EQ.

Original And Smooth Survivor Curves



Illinois-American Water Company-Water
All Divisions
311.30 DIESEL PUMPING EQ.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1938 TO 2007

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$2,142,835.73	$0.00	0.00000	100.00
0.5 - 1.5	$2,142,499.73	$171.51	0.00008	100.00
1.5 - 2.5	$2,144,587.59	$7,553.84	0.00352	99.99
2.5 - 3.5	$2,129,823.85	$0.00	0.00000	99.64
3.5 - 4.5	$2,123,773.23	$0.00	0.00000	99.64
4.5 - 5.5	$2,123,773.23	$11,000.00	0.00518	99.64
5.5 - 6.5	$1,944,411.08	$5,500.00	0.00283	99.12
6.5 - 7.5	$1,904,278.08	$119,038.76	0.06251	98.84
7.5 - 8.5	$1,244,476.32	$38,741.12	0.03113	92.66
8.5 - 9.5	$1,191,850.40	$0.00	0.00000	89.78
9.5 - 10.5	$1,263,340.32	$1,048.17	0.00083	89.78
10.5 - 11.5	$1,133,754.15	$0.00	0.00000	89.71
11.5 - 12.5	$1,031,746.61	$0.00	0.00000	89.71
12.5 - 13.5	$824,868.43	$30,958.47	0.03753	89.71
13.5 - 14.5	$797,175.68	$0.00	0.00000	86.34
14.5 - 15.5	$630,603.40	$32,023.37	0.05078	86.34
15.5 - 16.5	$517,060.90	$0.00	0.00000	81.95
16.5 - 17.5	$517,060.90	$0.00	0.00000	81.95
17.5 - 18.5	$474,435.42	$111.00	0.00023	81.95
18.5 - 19.5	$506,538.42	$123.16	0.00024	81.93
19.5 - 20.5	$334,637.24	$3,814.61	0.01140	81.92
20.5 - 21.5	$283,193.87	$169.40	0.00060	80.98
21.5 - 22.5	$313,259.85	$9,393.69	0.02999	80.93
22.5 - 23.5	$303,866.16	$154,000.00	0.50680	78.51
23.5 - 24.5	$117,652.16	$5,500.00	0.04675	38.72
24.5 - 25.5	$130,669.16	$2,903.30	0.02222	36.91
25.5 - 26.5	$127,765.86	$4,884.05	0.03823	36.09
26.5 - 27.5	$122,881.81	$0.00	0.00000	34.71
27.5 - 28.5	$122,881.81	$0.00	0.00000	34.71
28.5 - 29.5	$301,797.30	$111.92	0.00037	34.71
29.5 - 30.5	$510,113.47	$0.00	0.00000	34.70
30.5 - 31.5	$510,113.47	$17,135.82	0.03359	34.70
31.5 - 32.5	$492,977.65	$6,513.04	0.01321	33.53
32.5 - 33.5	$472,804.61	$0.00	0.00000	33.09
33.5 - 34.5	$293,887.14	$0.00	0.00000	33.09
34.5 - 35.5	$60,196.51	$244.47	0.00406	33.09
35.5 - 36.5	$55,082.04	$0.00	0.00000	32.95

Illinois-American Water Company-Water
All Divisions
311.30 DIESEL PUMPING EQ.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1938 TO 2007

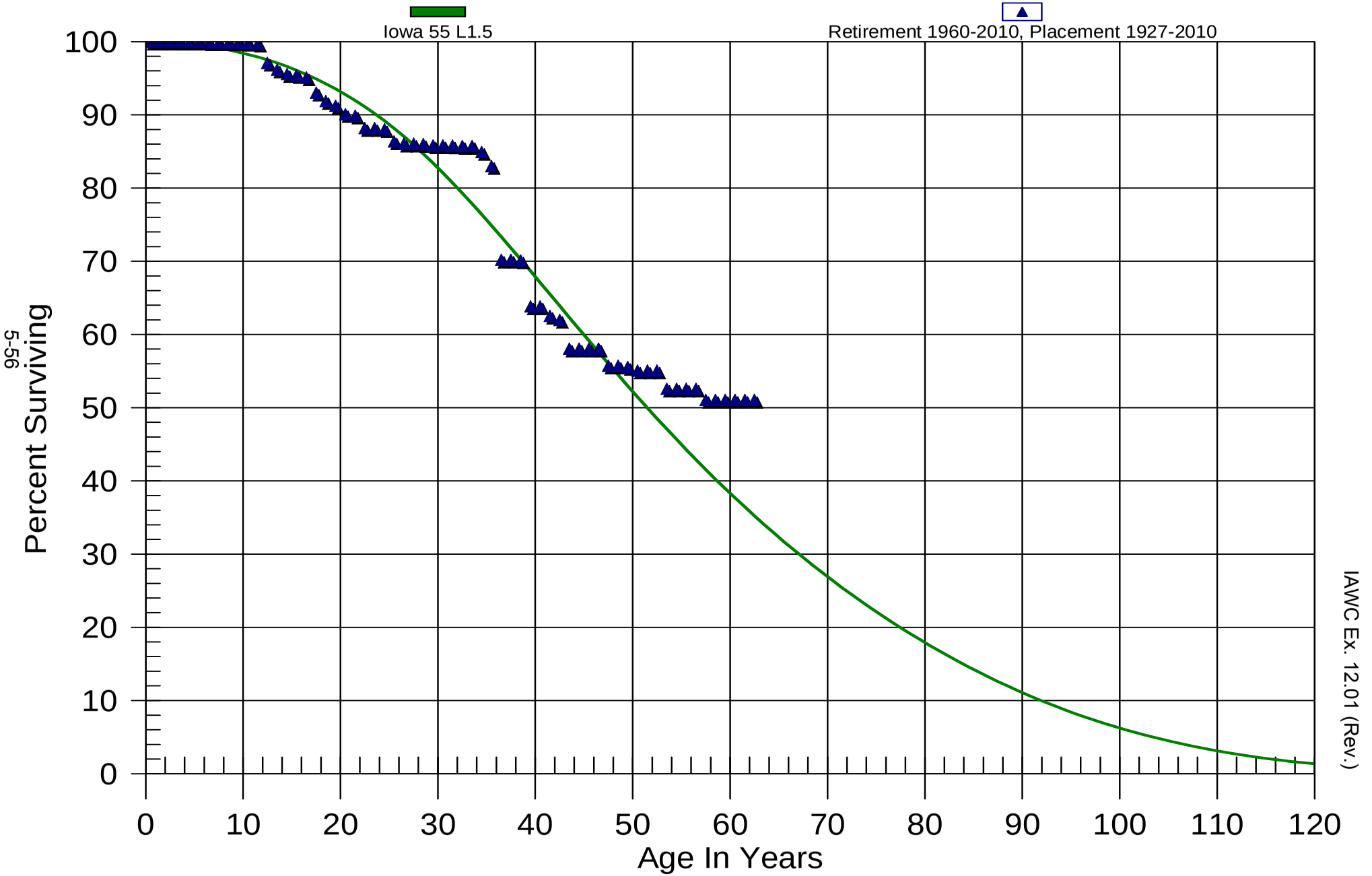
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$55,082.04	$0.00	0.00000	32.95
37.5 - 38.5	$55,082.04	$0.00	0.00000	32.95
38.5 - 39.5	$55,082.04	$349.30	0.00634	32.95
39.5 - 40.5	$54,732.74	$729.08	0.01332	32.74
40.5 - 41.5	$54,003.66	$0.00	0.00000	32.31
41.5 - 42.5	$53,976.34	$0.00	0.00000	32.31
42.5 - 43.5	$42,752.19	$0.00	0.00000	32.31
43.5 - 44.5	$42,752.19	$0.00	0.00000	32.31
44.5 - 45.5	$28,205.72	$6,838.72	0.24246	32.31
45.5 - 46.5	$21,367.00	$0.00	0.00000	24.47
46.5 - 47.5	$21,367.00	$0.00	0.00000	24.47
47.5 - 48.5	$21,703.00	$9,032.64	0.41619	24.47
48.5 - 49.5	$12,670.36	$100.00	0.00789	14.29
49.5 - 50.5	$8,386.36	$0.00	0.00000	14.18
50.5 - 51.5	$8,386.36	$0.00	0.00000	14.18
51.5 - 52.5	$8,386.36	$0.00	0.00000	14.18
52.5 - 53.5	$8,050.36	$0.00	0.00000	14.18
53.5 - 54.5	$8,050.36	$0.00	0.00000	14.18
54.5 - 55.5	$4.54	$0.00	0.00000	14.18
55.5 - 56.5	$1,732.54	$0.00	0.00000	14.18
56.5 - 57.5	$1,750.54	$0.00	0.00000	14.18
57.5 - 58.5	$2,735.54	$0.00	0.00000	14.18
58.5 - 59.5	$2,735.54	$0.00	0.00000	14.18
59.5 - 60.5	$2,735.54	$0.00	0.00000	14.18
60.5 - 61.5	$1,006.38	$0.00	0.00000	14.18
61.5 - 62.5	$988.38	$0.00	0.00000	14.18
62.5 - 63.5	$3.38	$0.00	0.00000	14.18
63.5 - 64.5	$3.38	$0.00	0.00000	14.18
64.5 - 65.5	$3.38	$0.00	0.00000	14.18
65.5 - 66.5	$3.38	$0.00	0.00000	14.18
66.5 - 67.5	$3.38	$0.00	0.00000	14.18
67.5 - 68.5	$30,235.38	$0.00	0.00000	14.18
68.5 - 69.5	$30,235.38	$0.00	0.00000	14.18
69.5 - 70.5	$30,235.38	$0.00	0.00000	14.18
70.5 - 71.5	$30,235.38	$0.00	0.00000	14.18
71.5 - 72.5	$30,235.38	$0.00	0.00000	14.18

Illinois-American Water Company-Water

All Divisions

311.50 OTHER PUMPING EQ.

Original And Smooth Survivor Curves



Illinois-American Water Company-Water
All Divisions
311.50 OTHER PUMPING EQ.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1927 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$6,555,193.32	$0.00	0.00000	100.00
0.5 - 1.5	$5,697,606.79	$0.00	0.00000	100.00
1.5 - 2.5	$4,160,325.57	$0.00	0.00000	100.00
2.5 - 3.5	$2,914,223.96	$0.00	0.00000	100.00
3.5 - 4.5	$2,008,098.73	$0.00	0.00000	100.00
4.5 - 5.5	$2,065,290.26	$0.00	0.00000	100.00
5.5 - 6.5	$2,371,716.41	$2,733.77	0.00115	100.00
6.5 - 7.5	$2,610,666.29	$0.00	0.00000	99.88
7.5 - 8.5	$2,560,490.89	$0.00	0.00000	99.88
8.5 - 9.5	$2,763,973.67	$152.22	0.00006	99.88
9.5 - 10.5	$2,969,584.50	$1,323.91	0.00045	99.88
10.5 - 11.5	$3,041,247.51	$3,234.88	0.00106	99.83
11.5 - 12.5	$2,915,271.87	$76,946.08	0.02639	99.73
12.5 - 13.5	$3,026,370.61	$28,913.18	0.00955	97.10
13.5 - 14.5	$3,206,826.71	$19,696.23	0.00614	96.17
14.5 - 15.5	$2,876,349.55	$4,745.86	0.00165	95.58
15.5 - 16.5	$1,711,405.99	$5,400.00	0.00316	95.42
16.5 - 17.5	$1,761,356.09	$38,508.35	0.02186	95.12
17.5 - 18.5	$1,581,784.65	$19,684.37	0.01244	93.04
18.5 - 19.5	$1,457,222.48	$10,130.17	0.00695	91.88
19.5 - 20.5	$1,541,356.07	$19,363.29	0.01256	91.24
20.5 - 21.5	$1,455,825.73	$3,388.00	0.00233	90.10
21.5 - 22.5	$1,415,807.91	$26,846.30	0.01896	89.89
22.5 - 23.5	$1,240,832.28	$0.00	0.00000	88.18
23.5 - 24.5	$1,248,040.45	$2,330.20	0.00187	88.18
24.5 - 25.5	$1,156,319.25	$21,399.00	0.01851	88.02
25.5 - 26.5	$1,088,037.25	$4,062.25	0.00373	86.39
26.5 - 27.5	$843,102.50	$0.00	0.00000	86.07
27.5 - 28.5	$866,588.55	$736.00	0.00085	86.07
28.5 - 29.5	$721,786.05	$1,479.47	0.00205	85.99
29.5 - 30.5	$679,544.02	$0.00	0.00000	85.82
30.5 - 31.5	$588,565.30	$173.73	0.00030	85.82
31.5 - 32.5	$577,996.58	$279.00	0.00048	85.79
32.5 - 33.5	$482,457.14	$0.00	0.00000	85.75
33.5 - 34.5	$444,505.14	$4,216.24	0.00949	85.75
34.5 - 35.5	$445,177.70	$10,070.00	0.02262	84.94
35.5 - 36.5	$399,052.70	$61,509.43	0.15414	83.02

Illinois-American Water Company-Water
All Divisions
311.50 OTHER PUMPING EQ.
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1927 TO 2010

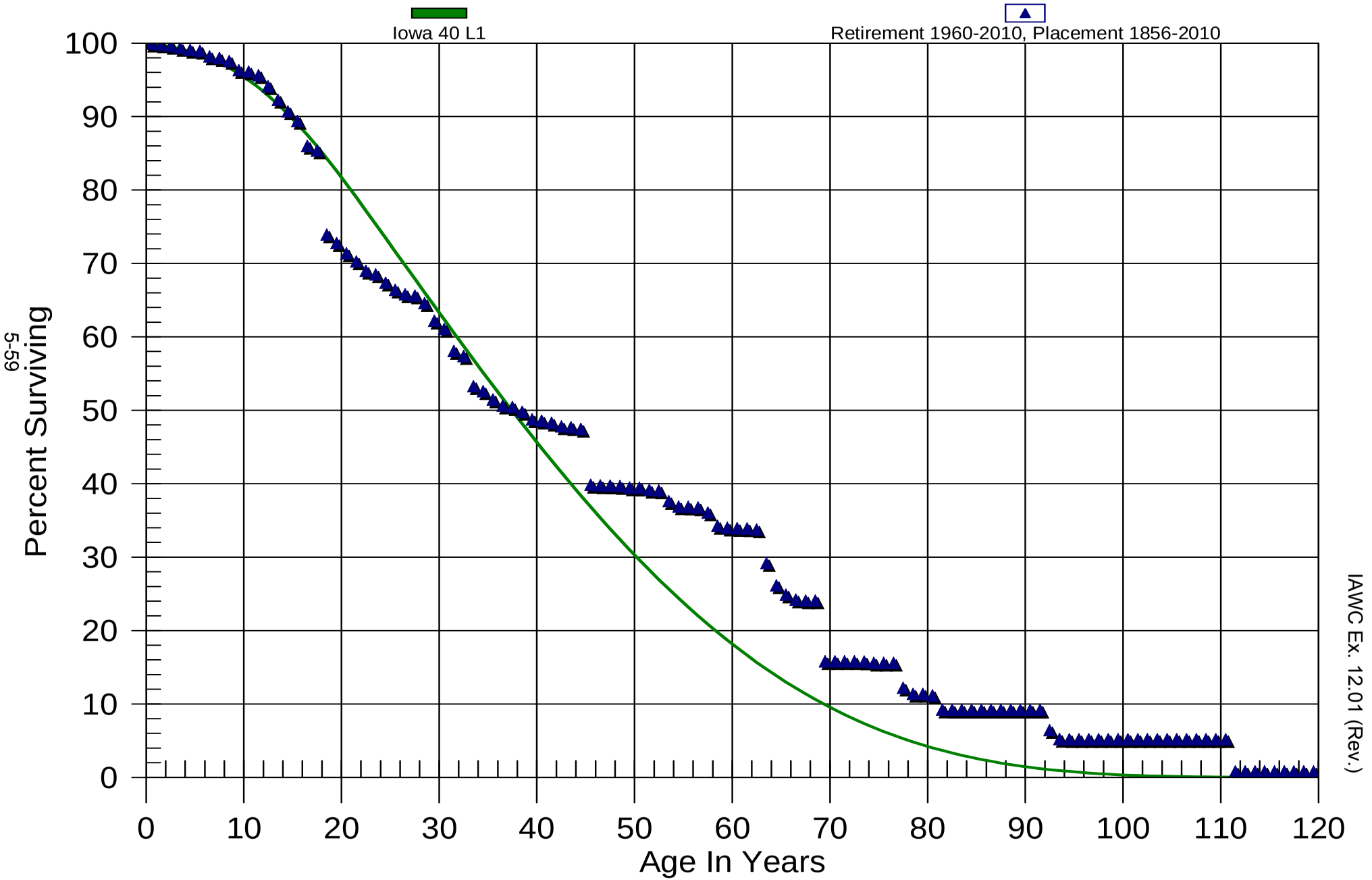
Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$278,294.52	$97.00	0.00035	70.22
37.5 - 38.5	$257,982.82	$251.10	0.00097	70.20
38.5 - 39.5	$282,263.47	$25,346.34	0.08980	70.13
39.5 - 40.5	$183,701.13	$0.00	0.00000	63.83
40.5 - 41.5	$170,473.13	$3,470.00	0.02036	63.83
41.5 - 42.5	$126,121.33	$1,064.77	0.00844	62.53
42.5 - 43.5	$114,978.56	$7,280.80	0.06332	62.00
43.5 - 44.5	$86,310.76	$0.00	0.00000	58.08
44.5 - 45.5	$91,889.76	$0.00	0.00000	58.08
45.5 - 46.5	$89,928.76	$0.00	0.00000	58.08
46.5 - 47.5	$96,525.96	$3,877.62	0.04017	58.08
47.5 - 48.5	$64,141.62	$0.00	0.00000	55.74
48.5 - 49.5	$63,739.62	$195.90	0.00307	55.74
49.5 - 50.5	$62,265.41	$550.00	0.00883	55.57
50.5 - 51.5	$56,405.41	$0.00	0.00000	55.08
51.5 - 52.5	$49,490.11	$0.00	0.00000	55.08
52.5 - 53.5	$49,490.11	$2,229.00	0.04504	55.08
53.5 - 54.5	$44,175.11	$0.00	0.00000	52.60
54.5 - 55.5	$41,856.92	$0.00	0.00000	52.60
55.5 - 56.5	$19,097.66	$0.00	0.00000	52.60
56.5 - 57.5	$19,051.64	$557.51	0.02926	52.60
57.5 - 58.5	$18,494.13	$0.00	0.00000	51.06
58.5 - 59.5	$18,494.13	$0.00	0.00000	51.06
59.5 - 60.5	$18,494.13	$0.00	0.00000	51.06
60.5 - 61.5	$6,380.32	$0.00	0.00000	51.06
61.5 - 62.5	$6,380.32	$0.00	0.00000	51.06

Illinois-American Water Company-Water

All Divisions

320.10 TREATMENT PLANT EQUIPMENT

Original And Smooth Survivor Curves



Illinois-American Water Company-Water
All Divisions
320.10 TREATMENT PLANT EQUIPMENT
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1856 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
0.0 - 0.5	$97,839,038.56	$65,559.13	0.00067	100.00
0.5 - 1.5	$95,348,191.33	$113,093.37	0.00119	99.93
1.5 - 2.5	$93,275,896.41	$150,091.50	0.00161	99.81
2.5 - 3.5	$84,185,490.00	$246,617.41	0.00293	99.65
3.5 - 4.5	$82,833,496.68	$214,684.45	0.00259	99.36
4.5 - 5.5	$80,155,826.59	$133,049.24	0.00166	99.10
5.5 - 6.5	$79,415,861.26	$596,951.52	0.00752	98.94
6.5 - 7.5	$74,052,803.20	$178,535.55	0.00241	98.20
7.5 - 8.5	$42,028,830.23	$166,365.69	0.00396	97.96
8.5 - 9.5	$45,988,391.65	$588,056.52	0.01279	97.57
9.5 - 10.5	$46,397,203.17	$93,889.00	0.00202	96.32
10.5 - 11.5	$33,395,181.26	$175,795.19	0.00526	96.13
11.5 - 12.5	$33,425,221.93	$525,370.55	0.01572	95.62
12.5 - 13.5	$33,049,562.01	$642,004.97	0.01943	94.12
13.5 - 14.5	$25,866,398.54	$445,933.78	0.01724	92.29
14.5 - 15.5	$22,576,009.56	$321,471.26	0.01424	90.70
15.5 - 16.5	$20,633,280.12	$788,996.73	0.03824	89.41
16.5 - 17.5	$18,231,952.26	$133,397.87	0.00732	85.99
17.5 - 18.5	$17,780,809.49	$2,380,468.47	0.13388	85.36
18.5 - 19.5	$13,862,250.29	$216,824.01	0.01564	73.93
19.5 - 20.5	$8,281,232.69	$160,538.82	0.01939	72.78
20.5 - 21.5	$8,261,645.53	$126,283.42	0.01529	71.37
21.5 - 22.5	$10,455,685.43	$189,743.20	0.01815	70.27
22.5 - 23.5	$10,280,939.79	$75,052.79	0.00730	69.00
23.5 - 24.5	$10,242,975.71	$165,973.24	0.01620	68.50
24.5 - 25.5	$11,897,842.29	$174,080.95	0.01463	67.39
25.5 - 26.5	$11,135,219.46	$100,365.53	0.00901	66.40
26.5 - 27.5	$8,732,760.53	$23,918.25	0.00274	65.80
27.5 - 28.5	$8,698,073.86	$135,451.78	0.01557	65.62
28.5 - 29.5	$8,390,846.33	$312,766.13	0.03727	64.60
29.5 - 30.5	$5,236,903.03	$94,439.39	0.01803	62.19
30.5 - 31.5	$7,281,172.87	$358,691.51	0.04926	61.07
31.5 - 32.5	$6,980,312.10	$81,727.87	0.01171	58.06
32.5 - 33.5	$7,072,433.09	$506,127.06	0.07156	57.38
33.5 - 34.5	$6,419,884.37	$82,176.02	0.01280	53.28
34.5 - 35.5	$6,582,596.67	$138,958.80	0.02111	52.59
35.5 - 36.5	$5,688,135.37	$94,978.49	0.01670	51.48

Illinois-American Water Company-Water
All Divisions
320.10 TREATMENT PLANT EQUIPMENT
Observed Life Table
Retirement Expr. 1960 TO 2010
Placement Years 1856 TO 2010

Age Interval	*$ Surviving At Beginning of Age Interval*	*$ Retired During The Age Interval*	*Retirement Ratio*	*% Surviving At Beginning of Age Interval*
36.5 - 37.5	$5,541,713.97	$21,725.98	0.00392	50.62
37.5 - 38.5	$5,372,033.76	$68,021.32	0.01266	50.43
38.5 - 39.5	$5,928,793.13	$122,199.69	0.02061	49.79
39.5 - 40.5	$4,263,851.77	$15,937.99	0.00374	48.76
40.5 - 41.5	$3,037,669.90	$17,146.71	0.00564	48.58
41.5 - 42.5	$2,949,461.11	$30,921.46	0.01048	48.30
42.5 - 43.5	$2,917,460.04	$5,958.41	0.00204	47.80
43.5 - 44.5	$2,190,635.66	$10,901.43	0.00498	47.70
44.5 - 45.5	$2,676,186.61	$429,639.20	0.16054	47.46
45.5 - 46.5	$1,982,426.53	$3,982.73	0.00201	39.84
46.5 - 47.5	$2,561,810.42	$2,340.63	0.00091	39.76
47.5 - 48.5	$2,668,252.98	$2,733.64	0.00102	39.73
48.5 - 49.5	$2,675,089.86	$14,508.31	0.00542	39.69
49.5 - 50.5	$1,934,211.39	$778.82	0.00040	39.47
50.5 - 51.5	$1,844,506.78	$14,131.41	0.00766	39.45
51.5 - 52.5	$1,278,449.62	$2,205.78	0.00173	39.15
52.5 - 53.5	$1,150,647.56	$42,716.87	0.03712	39.08
53.5 - 54.5	$1,053,797.32	$20,634.80	0.01958	37.63
54.5 - 55.5	$390,460.44	$473.29	0.00121	36.90
55.5 - 56.5	$355,410.68	$829.21	0.00233	36.85
56.5 - 57.5	$296,656.07	$5,568.72	0.01877	36.77
57.5 - 58.5	$239,297.11	$12,101.34	0.05057	36.08
58.5 - 59.5	$221,970.86	$1,683.85	0.00759	34.25
59.5 - 60.5	$219,715.30	$333.33	0.00152	33.99
60.5 - 61.5	$216,912.47	$151.40	0.00070	33.94
61.5 - 62.5	$209,576.21	$817.37	0.00390	33.92
62.5 - 63.5	$206,591.21	$28,168.93	0.13635	33.78
63.5 - 64.5	$241,161.44	$25,028.89	0.10378	29.18
64.5 - 65.5	$216,765.05	$10,430.00	0.04812	26.15
65.5 - 66.5	$206,388.53	$5,565.17	0.02696	24.89
66.5 - 67.5	$200,952.26	$1,118.09	0.00556	24.22
67.5 - 68.5	$199,834.17	$0.00	0.00000	24.09
68.5 - 69.5	$137,022.39	$47,099.19	0.34373	24.09
69.5 - 70.5	$83,410.51	$0.00	0.00000	15.81
70.5 - 71.5	$83,410.51	$0.00	0.00000	15.81
71.5 - 72.5	$82,183.71	$0.00	0.00000	15.81
72.5 - 73.5	$83,514.81	$118.25	0.00142	15.81