

**Illinois-American Water Company  
 Adjustment to Rate Case Expense  
 For the Test Year Ending September 30, 2013**

| Line No. | Description   | Amount               | Adjustment Allocation to Rate Zones (D) |               |               |            |          |
|----------|---|----------------------|---|---------------|---------------|------------|----------|
|          |   |                      | Zone 1                                  | Chicago Water | Chicago Sewer | Pekin      | Lincoln  |
| (a)      | (b)   | (c)                  | (d)                                     | (e)           | (f)           | (g)        | (h)      |
| 1        | Amount per Staff  | \$ 2,672,696 (A)     |   |               |               |            |          |
| 2        | Amount per Company  | <u>2,746,421 (B)</u> |   |               |               |            |          |
| 3        | Staff Proposed Reduction of Total Rate Case Expenses<br>(Line 1 - Line 2) | (73,725)             |   |               |               |            |          |
| 4        | Amortization Period (Years)   | <u>2.5 (C)</u>       |   |               |               |            |          |
| 5        | Staff Proposed Adjustment<br>(Line 3 / Line 4)                            | <u>\$ (29,490)</u>   | \$ (22,604)                             | \$ (2,778)    | \$ (1,973)    | \$ (1,516) | \$ (619) |

Sources:

- (A) Staff Ex. 3.0, Sch. 3.1, Page 2 of 2, Column (g), Line 12)
- (B) IAWC Schedule C-10 (Staff Ex. 3.0, Sch. 3.1, Page 2 of 2, Column (c), Line 12)
- (C) IAWC Schedule C-10
- (D) The allocation percentages are based on the Current Rate Case Expense Amortization (Line 18) of the IAWC response to Part 285 Deficiency 12.

**NOTE: Only Page 2 is Confidential**

**Illinois-American Water Company  
 Adjustment to Rate Case Expense  
 For the Test Year Ending September 30, 2013**

| Line No. | Description   | IAWC Estimate       | 1/31/2012 Actual    | Remaining Estimate (c) - (d) | Remaining Estimate Adjustment | Allowed Amount (d)+(e)+(f) |
|----------|---|---------------------|---------------------|------------------------------|-------------------------------|----------------------------|
| (a)      | (b)   | (c)                 | (d)                 | (e)                          | (f)                           | (g)                        |
| 1        | Legal Fees and Expenses                                     | (A)                 |                     |                              |                               |                            |
| 2        | Revenue Requirement   | (B)                 |                     |                              |                               |                            |
| 3        | CPA Review  | (C)                 |                     |                              |                               |                            |
| 4        | Other   | (D)                 |                     |                              |                               |                            |
| 5        | Consultants   | (E)                 |                     |                              |                               |                            |
| 6        | SFIO Consulting   | (F)                 |                     |                              |                               |                            |
| 7        | Lead Lag Study  | (G)                 |                     |                              |                               |                            |
| 8        | Rate of Return  | (H)                 |                     |                              |                               |                            |
| 9        | Cost of Service Study                                       | (I)                 |                     |                              |                               |                            |
| 10       | Demand Study  | (J)                 |                     |                              |                               |                            |
| 11       | Depreciation Study  | (K)                 |                     |                              |                               |                            |
| 12       | Total Rate Case Expenses<br>(Sum of Line 1 through Line 11) | <u>\$ 2,746,421</u> | <u>\$ 1,381,029</u> | <u>\$ 1,365,392</u>          | <u>\$ (73,725)</u>            | <u>\$ 2,672,696</u>        |

Sources:

- (A) IAWC response to JMO 7.01 Attachment Confidential
- (B) IAWC response to JMO 6.02 Attachment Confidential
- (C) IAWC response to JMO 6.03 Attachment Confidential
- (D) IAWC response to JMO 6.04 Attachment Confidential
- (E) IAWC response to JMO 6.05 Attachment 1 Confidential
- (F) IAWC response to JMO 6.05 Attachment 2 Confidential

- (G) IAWC response to JMO 6.06 Attachment Confidential
- (H) IAWC response to JMO 6.07 Attachment Confidential
- (I) IAWC response to JMO 6.08 Attachment Confidential
- (J) IAWC response to JMO 6.09 Attachment Confidential
- (K) IAWC response to JMO 6.10 Attachment Confidential

**Illinois-American Water Company  
 Adjustment to Social and Service Club Membership Dues  
 For the Test Year Ending September 30, 2013**

| Line No. | Description  | Company Amount      | Adjustment Allocation to Rate Zones (B) |                    |                   |                   |                   |
|----------|--|---------------------|---|--------------------|-------------------|-------------------|-------------------|
|          |  |                     | Zone 1                                  | Chicago Water      | Chicago Sewer     | Pekin             | Lincoln           |
| (a)      | (b)  | (c)                 | (d)                                     | (e)                | (f)               | (g)               | (h)               |
| 1        | Amount Allowed per Staff , Page 2 of 3               | \$ 9,789            |   |                    |                   |                   |                   |
| 2        | Amount Allowed per Staff , Page 3 of 3               | <u>3,899</u>        |   |                    |                   |                   |                   |
| 3        | Total Amount per Staff<br>(Line 1 + Line 2)          | 13,688              |   |                    |                   |                   |                   |
| 4        | Amount per Company                                   | <u>141,973</u> (A)  |   |                    |                   |                   |                   |
| 5        | Total Staff Proposed Adjustment<br>(Line 3 - Line 4) | <u>\$ (128,285)</u> | <u>\$ (98,330)</u>                      | <u>\$ (12,084)</u> | <u>\$ (8,582)</u> | <u>\$ (6,594)</u> | <u>\$ (2,694)</u> |

Sources:

(A) IAWC Schedule C-6, Line 37

Notes:

(B) The allocation percentages were based on 2010 13 month average customer counts. See IAWC response to Staff DR JMO 3.02 11IL C-7 Charitable Contrib Attachment, Tab "Link in alloc"

**Illinois-American Water Company  
 Adjustment to Social and Service Club Membership Dues  
 For the Test Year Ending September 30, 2013**

| Line No. | Description (A)   | Test Year 2013 Amount (A) |                  | Rationale for Disallowance                   |
|----------|---|---------------------------|------------------|--|
|          |   | Allowed                   | Disallowed       |  |
| (a)      | (b)   | (c)                       | (d)              | (e)  |
| 1        | Illinois CMA Regional Development Institute                             |                           | \$ 1,030         | A cost that should be borne by shareholders. |
| 2        | Chamber of Commerce - Belleville  |                           | 8,028            | A cost that should be borne by shareholders. |
| 3        | Chamber of Commerce - Chicago   |                           | 2,805            | A cost that should be borne by shareholders. |
| 4        | Chamber of Commerce - Madison   |                           | 1,458            | A cost that should be borne by shareholders. |
| 5        | Chamber of Commerce - Lincoln   |                           | 1,636            | A cost that should be borne by shareholders. |
| 6        | Chamber of Commerce - Peoria  |                           | 5,390            | A cost that should be borne by shareholders. |
| 7        | Scott Midamerica Leadership Council                                     |                           | 1,030            | A cost that should be borne by shareholders. |
| 8        | IL Business Roundtable  |                           | 5,152            | A cost that should be borne by shareholders. |
| 9        | Ill Manufacturers - State Corp.   |                           | 15,085           | A cost that should be borne by shareholders. |
| 10       | SW Ill Employers - State Corp.  |                           | 3,877            | A cost that should be borne by shareholders. |
| 11       | SW Ill Employers - State Corp.  |                           | 2,040            | A cost that should be borne by shareholders. |
| 12       | Illinois Association of Wastewater - State Corp.                        |                           | 1,488            | A cost that should be borne by shareholders. |
| 13       | Chamber of Commerce - State   |                           | 3,915            | A cost that should be borne by shareholders. |
| 14       | Leadership Council - State Corp   |                           | 1,862            | A cost that should be borne by shareholders. |
| 15       | Underground Contractors - Chicago                                       | \$ 2,138                  |                  |  |
| 16       | Metro Water Infrastructure Partnership                                  | 7,651                     |                  |  |
| 17       | Winning Women - State   |                           | 7,727            | A cost that should be borne by shareholders. |
|          | Total 2013 Disallowed Amount<br>(Sum of Lines 1 through 17, Column (d)) |                           | <u>\$ 62,523</u> |  |
|          | Total 2013 Allowed Amount<br>(Sum of Lines 1 through 17, Column (c))    | <u>\$ 9,789</u>           |                  |  |

Sources:

(A) IAWC Schedule C-6, Lines 1-35

**Illinois-American Water Company  
 Adjustment to Social and Service Club Membership Dues  
 For the Test Year Ending September 30, 2013**

| Line No. | Description (A)  | Historical Year 2011 Amount (A) |                | Rationale for Disallowance                   |
|----------|--|---------------------------------|----------------|--|
|          |  | Allowed (c)                     | Disallowed (d) |  |
| (a)      | (b)  | (c)                             | (d)            | (e)  |
| 1        | Amer Soc Civil Engineers   |                                 | \$ 240         | A cost that should be borne by shareholders. |
| 2        | American Waterworks  |                                 | 439            | A cost that should be borne by shareholders. |
| 3        | AP Conservation Foundation   |                                 | 50             | A cost that should be borne by shareholders. |
| 4        | Asis Intl HQ   |                                 | 150            | A cost that should be borne by shareholders. |
| 5        | Bolingbrook Area Chamber of Co   |                                 | 622            | A cost that should be borne by shareholders. |
| 6        | Class D License  |                                 | 10             | A cost that should be borne by shareholders. |
| 7        | Business & Industry Federation   |                                 | 150            | A cost that should be borne by shareholders. |
| 8        | C U Sunrise Rotary Club  |                                 | 975            | A cost that should be borne by shareholders. |
| 9        | Capitol Fax  |                                 | 350            | A cost that should be borne by shareholders. |
| 10       | Champaign County Chamber of Co   |                                 | 775            | A cost that should be borne by shareholders. |
| 11       | City Club of Chicago   |                                 | 250            | A cost that should be borne by shareholders. |
| 12       | East Side Associated Industrie   |                                 | 600            | A cost that should be borne by shareholders. |
| 13       | Greater Livingston Cnty Ecnm D   |                                 | 1,000          | A cost that should be borne by shareholders. |
| 14       | Homer Township Chamber of Comm   |                                 | 250            | A cost that should be borne by shareholders. |
| 15       | IL Soc of Prof Eng   |                                 | 121            | A cost that should be borne by shareholders. |
| 16       | Illinois Environmental Prot Ag   | \$ 400                          |                |  |
| 17       | Illinois Section AWWA  | 60                              |                |  |
| 18       | Institute for Regulatory Polic   |                                 | 7,500          | A cost that should be borne by shareholders. |
| 19       | J J Keller & Associates Inc  | 685                             |                |  |
| 20       | Kiwanis Club of Streator   |                                 | 479            | A cost that should be borne by shareholders. |
| 21       | Melissa Data.com   |                                 | 38             | A cost that should be borne by shareholders. |
| 22       | Nassco Inc   | 250                             |                |  |
| 23       | News Power Online.com  |                                 | 120            | A cost that should be borne by shareholders. |
| 24       | NFPA Natl Fire Protect   | 150                             |                |  |
| 25       | National Notary Assoc  |                                 | 129            | A cost that should be borne by shareholders. |
| 26       | Notary public Association  |                                 | 54             | A cost that should be borne by shareholders. |
| 27       | Orlando Park Area Chamber of Comm  |                                 | 1,000          | A cost that should be borne by shareholders. |
| 28       | Peoria Area Convention& Visito   |                                 | 450            | A cost that should be borne by shareholders. |
| 29       | Pontiac Chamber of Commerce  |                                 | 1,144          | A cost that should be borne by shareholders. |
| 30       | Pontiac Rotary Club  |                                 | 460            | A cost that should be borne by shareholders. |
| 31       | Public Relations Association P   |                                 | 49             | A cost that should be borne by shareholders. |
| 32       | RCGA   |                                 | 855            | A cost that should be borne by shareholders. |
| 33       | RiverBend Growth Association   |                                 | 1,178          | A cost that should be borne by shareholders. |
| 34       | Rotary Club of Bolingbrook   |                                 | 830            | A cost that should be borne by shareholders. |
| 35       | Rotary Club of Peoria  |                                 | 288            | A cost that should be borne by shareholders. |
| 36       | Rotary Club of Streator  |                                 | 275            | A cost that should be borne by shareholders. |
| 37       | Rotary Club of Woodridge   |                                 | 300            | A cost that should be borne by shareholders. |
| 38       | Sales Tax Entries  |                                 | 83             | A cost that should be borne by shareholders. |
| 39       | Southern Illinois Mayors Assoc   |                                 | 250            | A cost that should be borne by shareholders. |
| 40       | Streator Area Chamber of Comm  |                                 | 850            | A cost that should be borne by shareholders. |
| 41       | United Way of Champaign  |                                 | 60             | A cost that should be borne by shareholders. |
| 42       | Water Environment Federtn  | 479                             |                |  |
| 43       | Waterenviro  | 158                             |                |  |
| 44       | WBGZ Radio   |                                 | 1,188          | A cost that should be borne by shareholders. |
| 45       | Will County Governmental Leagu   |                                 | 350            | A cost that should be borne by shareholders. |
| 46       | Woodridge Area Chamber of Comm   |                                 | 510            | A cost that should be borne by shareholders. |
| 47       | Budget 3 Months Jul-Sep 2011   |                                 | 12,378         | A cost that should be borne by shareholders. |
| 48       | Total Disallowed Amount<br>(Sum of Lines 1 through 47, Column (d))                     |                                 | 36,800         |  |
| 49       | Total Allowed Amount<br>(Sum of Lines 1 through 47, Column (c))                        | \$ 2,182                        | 2,182          |  |
| 50       | Total 2011 "Various" Social and Service Club<br>Membership Dues<br>(Line 48 + Line 49) |                                 | 38,982         |  |
| 51       | Disallowed Percentage for 2013<br>(Line 48 / Line 50, Column (d))                      |                                 | 94%            |  |
| 52       | Total 2013 "Various" Social and Service Club<br>Membership Dues (B)                    |                                 | 69,661         |  |
| 53       | Disallowed "Various" Amount for 2013<br>(Line 51 x Line 52, Column (d))                |                                 | \$ 65,762      |  |
| 54       | Allowed "Various" Amount for 2013<br>(Line 52 - Line 53, Column (d))                   |                                 | \$ 3,899       |  |

Sources:

(A) IAWC response to Staff DR JMO 2.01 Attachment

(B) IAWC Schedule C-6, Line 36

**Illinois-American Water Company  
 Adjustment to Lobbying Expense  
 For the Test Year Ending September 30, 2013**

| Line No. | Description                                    | Amount             | Adjustment Allocation to Rate Zones (A) |               |               |          |          |  |
|----------|--|--------------------|---|---------------|---------------|----------|----------|--|
|          |  |                    | Zone 1                                  | Chicago Water | Chicago Sewer | Pekin    | Lincoln  |  |
| (a)      | (b)  | (c)                | (d)                                     | (e)           | (f)           | (g)      | (h)      |  |
| 1        | Amount per Staff                               | \$ -               | (A)                                     |               |               |          |          |  |
| 2        | Amount per Company                             | 15,021             | (A)                                     |               |               |          |          |  |
| 3        | Staff Proposed Adjustment<br>(Line 1 - Line 2) | <u>\$ (15,021)</u> | \$ (11,614)                             | \$ (2,400)    | \$ (195)      | \$ (520) | \$ (292) |  |

Sources:

(A) IAWC response to Staff DR JMO 3.06 Revised

**Illinois-American Water Company  
 Adjustment to Charitable Contributions  
 For the Test Year Ending September 30, 2013**

| Line No. | Description                                    | Amount              | Adjustment Allocation to Rate Zones |                    |                   |                   |                   |
|----------|--|---------------------|-------------------------------------|--------------------|-------------------|-------------------|-------------------|
|          |  |                     | Zone 1                              | Chicago Water      | Chicago Sewer     | Pekin             | Lincoln           |
| (a)      | (b)  | (c)                 | (d)                                 | (e)                | (f)               | (g)               | (h)               |
| 1        | Amount per Staff , Page 2 of 2                 | \$ 429,263          |                                     |                    |                   |                   |                   |
| 2        | Reduction per Company (Corporate)              | (A) (110,426)       | (84,642)                            | (10,402)           | (7,387)           | (5,676)           | (2,319)           |
| 3        | Amount per Company                             | (B) <u>463,124</u>  |                                     |                    |                   |                   |                   |
| 4        | Staff Proposed Adjustment<br>(Line 1 - Line 2) | (C) <u>(33,861)</u> | <u>(28,336)</u>                     | <u>(2,229)</u>     | <u>(1,583)</u>    | <u>(1,216)</u>    | <u>(497)</u>      |
| 5        | Total Proposed Adjustment<br>(Line 2 + Line 4) | <u>\$ (144,287)</u> | <u>\$ (112,978)</u>                 | <u>\$ (12,631)</u> | <u>\$ (8,970)</u> | <u>\$ (6,892)</u> | <u>\$ (2,816)</u> |

Sources:

- (A) IAWC response to Staff DR JMO 3.02 Revised Forecast Amounts Attachment
- (B) IAWC Schedule C-7, Page 1 of 7, Line 14
- (C) Staff Ex. 3.0, Sch. 3.4, Page 2 of 2, Line 5

**Illinois-American Water Company  
 Adjustment to Charitable Contributions  
 For the Test Year Ending September 30, 2013**

| Line No. | Description   | Amount     |                    | Rationale for Adjustment          | Adjustment Allocation to Rate Zones |                    |                   |                   |                 |
|----------|---|------------|--------------------|-----------------------------------|-------------------------------------|--------------------|-------------------|-------------------|-----------------|
|          |   | Adjustment | Allowed            |                                   | Zone 1                              | Chicago Water      | Chicago Sewer     | Pekin             | Lincoln         |
| (a)      | (b)   | (c)        | (d)                | (e)                               | (f)                                 | (g)                | (h)               | (i)               | (j)             |
| 1        | Total Test Year Charitable Contributions                      | (A)        | \$ 463,124         |                                   |                                     |                    |                   |                   |                 |
| 2        | Champaign County Economic (Zone 1)                            | (C)        | (10,201)           | Economic Development Organization | (E)                                 | (10,201)           |                   |                   |                 |
| 3        | Illinois High School Association (Corporate)                  | (C)        | (16,160)           | Corporate Sponsorship             | (D)                                 | (12,387)           | (1,522)           | (1,081)           | (339)           |
| 4        | Winning Women (Corporate)                                     | (C)        | <u>(7,500)</u>     | Corporate Sponsorship             | (D)                                 | <u>(5,749)</u>     | <u>(707)</u>      | <u>(502)</u>      | <u>(158)</u>    |
| 5        | Total Adjustments<br>(Sum of Column (c), Lines 2 through 4)   |            | <u>\$ (33,861)</u> |                                   |                                     | <u>\$ (28,336)</u> | <u>\$ (2,229)</u> | <u>\$ (1,583)</u> | <u>\$ (497)</u> |
| 6        | Staff Test Year Charitable Contributions<br>(Line 1 + Line 5) |            | <u>\$ 429,263</u>  |                                   |                                     |                    |                   |                   |                 |

Sources:

- (A) IAWC Schedule C-7, Page 1 of 7, Line 14
- (B) IAWC response to Staff DR JMO 3.02 Revised Forecast Amounts Attachment
- (C) IAWC response to Staff DR JMO 3.02 11IL C-7 Charitable Contrib Attachment

Notes:

- (D) The Corporate allocation percentages were based on 2010 13 month average customer counts. See IAWC response to Staff DR JMO 3.02 11IL C-7 Charitable Contrib Attachment, Tab "Link in alloc"
- (E) 100% allocated to Zone 1 per IAWC Schedule C-7, page 2 of 7.

**Illinois-American Water Company  
Adjustment to Advertising Expense  
For the Test Year Ending September 30, 2013**

| <u>Line<br/>No.</u> | <u>Description</u>                             | <u>Amount</u>      |     |
|---------------------|--|--------------------|-----|
| (a)                 | (b)  | (c)                |     |
| 1                   | Amount per Staff                               | \$ 120,745         | (A) |
| 2                   | Amount per Company:                            | <u>145,653</u>     | (B) |
| 3                   | Staff Proposed Adjustment<br>(Line 1 - Line 2) | <u>\$ (24,908)</u> |     |

Sources:

(A) Staff Ex. 3.0, Sch. 3.5, Page 2 of 6, Column (c), Line 12

(B) Staff Ex. 3.0, Sch. 3.5, Page 2 of 6, Column (c), Line 10

**Illinois-American Water Company  
 Adjustment to Advertising Expense  
 For the Test Year Ending September 30, 2013**

| Line No. | Description   | Adjustment Allocation to Rate Zones |           |               |               |          |          |
|----------|---|-------------------------------------|-----------|---------------|---------------|----------|----------|
|          |   | Totals                              | Zone 1    | Chicago Water | Chicago Sewer | Pekin    | Lincoln  |
| (a)      | (b)   | (c)                                 | (d)       | (e)           | (f)           | (g)      | (h)      |
| 1        | 2013 Test Year Expense - Individual Rate Areas                            | (A) \$ 39,147                       | \$ 32,411 | \$ 4,285      | \$ -          | \$ 382   | \$ 2,069 |
| 2        | Disallowed Percentage   | (B)                                 | -50%      | -48%          | 0%            | 0%       | -29%     |
| 3        | Disallowed Test Year Expense - Individual Rate Areas<br>(Line 1 x Line 2) | (18,707)                            | (16,080)  | (2,037)       | -             | -        | (590)    |
| 4        | 2013 Test Year Expense - Corporate  | (A) 159,518                         | 122,273   | 15,027        | 10,671        | 8,194    | 3,353    |
| 5        | Reduction per Company (Corporate)   | (C) (53,012)                        | (40,634)  | (4,994)       | (3,547)       | (2,725)  | (1,113)  |
| 6        | Revised 2013 Test Year Expense - Corporate<br>(Line 4 + Line 5)           | 106,506                             | 81,639    | 10,033        | 7,124         | 5,469    | 2,240    |
| 7        | Disallowed Percentage   | (D) -6%                             | -6%       | -6%           | -6%           | -6%      | -6%      |
| 8        | Disallowed Test Year Expense - Corporate<br>(Line 6 x Line 7)             | (6,201)                             | (4,753)   | (584)         | (415)         | (318)    | (130)    |
| 9        | Company Total 2013 Test Year Expense<br>(Line 1 + Line 4)                 | (E) 198,665                         | 154,684   | 19,312        | 10,671        | 8,576    | 5,422    |
| 10       | Revised Company Total 2013 Test Year Expense<br>(Line 1 + Line 6)         | 145,653                             | 114,050   | 14,318        | 7,124         | 5,851    | 4,309    |
| 11       | Total Disallowed Test Year Expense<br>(Line 3 + Line 8)                   | (24,908)                            | (20,833)  | (2,621)       | (415)         | (318)    | (721)    |
| 12       | Staff Total 2013 Test Year Expense<br>(Line 10 + Line 11)                 | \$ 120,745                          | \$ 93,217 | \$ 11,697     | \$ 6,710      | \$ 5,533 | \$ 3,588 |

Sources:

- (A) IAWC response to Staff DR DGK 1.02 C-8 Advertising Workpaper
- (B) Staff Ex. 3.0, Sch. 3.5, Pages 4 through 6 of 6
- (C) IAWC response to Staff DR JMO 3.02 Revised Forecast Amounts Attachment
- (D) Staff Ex. 3.0, Sch. 3.5, Page 3 of 6
- (E) IAWC Schedule C-8

**Illinois-American Water Company  
 Adjustment to Advertising Expense  
 For the Test Year Ending September 30, 2013**

| Line No. | Description   | Corporate Amount (A) | Rationale for Disallowance  |
|----------|---|----------------------|---|
| (a)      | (b)   | (c)                  | (d)   |
| 1        | Community Link (Item 037)   | \$ 445               | (B) Bolingbrook Area Chamber of Commerce 2011 Classic Viewbook - Goodwill or Promotional, No information for ratepayers |
| 2        | Community Link (Item 010)   | 445                  | (C) No script available   |
| 3        | Burdess & Associates-REMIT (Item 046)                             | 150                  | (B) Lincoln HS - Goodwill or Promotional, No information for ratepayers   |
| 4        | Pekin Area Chamber of Commerce (Item 035)                         | 280                  | (C) No script available   |
| 5        | Belleville News Democrat Inc (Item 085)                           | 18                   | (B) BND Chamber - Goodwill or Promotional, No information for ratepayers  |
| 6        | Amateur Sports Pro (Item 036)                                     | 249                  | (C) No script available   |
| 7        | Courier (Item 095)  | 150                  | (B) Lincoln Hospital - Goodwill or Promotional, No information for ratepayers   |
| 8        | Pekin Area Chamber of Commerce (Item 093)                         | 250                  | (C) No script available   |
| 9        | Beloit Daily News (Item 098)                                      | 33                   | (C) No script available   |
| 10       | Burdess & Associates-REMIT (Item 115)                             | 239                  | (B) Pekin High Fall Sports - Goodwill or Promotional, No information for ratepayers                                     |
| 11       |   |                      |   |
| 12       | Telegraph -Alton-REMIT (Item 118)                                 | <u>650</u>           | (B) Alton Anniv - Goodwill or Promotional, No information for ratepayers  |
| 13       | Total Disallowed Corporate Expense<br>(Sum of Lines 1 through 12) | \$ 2,909             |   |
| 14       | Total 2011 Corporate Expense                                      | <u>\$ 49,967</u>     | (A)   |
| 15       | Disallowed Percentage for 2013 Test Year<br>(Line 13 / Line 14)   | <u><u>6%</u></u>     |   |

Sources:

(A) IAWC Schedule WPC-8a

(B) IAWC Schedule WPC-8b

(C) IAWC response to Staff DR JMO 6.01 Advertising Programs

**Illinois-American Water Company  
 Adjustment to Advertising Expense  
 For the Test Year Ending September 30, 2013**

| Line No. | Description   | Zone 1 Amount (A) | Rationale for Disallowance (B)  |
|----------|---|-------------------|---|
| (a)      | (b)   | (c)               | (d)   |
| 1        | DAILY LEADER (Item 196)   | \$ 25             | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 2        | DAILY LEADER (Item 198)   | 25                | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 3        | COMCAST SPOTLIGHT CHIC (Item 200)                               | 500               | Pontiac Area TV - Goodwill or Promotional, No information for ratepayers      |
| 4        | DAILY LEADER (Item 201)   | 164               | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 5        | DAILY LEADER (Item 202)   | 54                | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 6        | DAILY LEADER (Item 204)   | 25                | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 7        | DAILY LEADER (Item 205)   | 25                | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 8        | DAILY LEADER (Item 206)   | 25                | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 9        | DAILY LEADER (Item 207)   | 65                | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 10       | DAILY LEADER (Item 208)   | 25                | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 11       | DAILY LEADER (Item 209)   | 60                | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 12       | ROYAL PUBLISHING INC (Item 194)                                 | 140               | Sterling HS - Goodwill or Promotional, No information for ratepayers          |
| 13       | DAILY LEADER (Items 210)  | 60                | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 14       | DAILY LEADER (Items 210)  | 54                | Pontiac - Goodwill or Promotional, No information for ratepayers              |
| 15       | Newman Central Catholic HS (Item 191)                           | 50                | Goodwill or Promotional, No information for ratepayers                        |
| 16       | Prairie Ensemble (Item 122)                                     | 500               | Goodwill or Promotional, No information for ratepayers                        |
| 17       | Clear Channel Airports (Item 129)                               | 480               | Goodwill or Promotional, No information for ratepayers                        |
| 18       | Prairie Ensemble (Item 143)                                     | 500               | Goodwill or Promotional, No information for ratepayers                        |
| 19       | Harvest Invitational Golf Tournament (Item 190)                 | 50                | Sponsorship - Goodwill or Promotional, No information for ratepayers          |
| 20       | Sauk Valley Newspapers (Item 193)                               | 250               | Goodwill or Promotional, No information for ratepayers                        |
| 21       | Community Link-REMIT (Item 220)                                 | 350               | Membership Directory - Goodwill or Promotional, No information for ratepayers |
| 22       | Clear Channel Airports (Item 138)                               | 480               | Goodwill or Promotional, No information for ratepayers                        |
| 23       | Clear Channel Airports (Item 142)                               | 480               | Goodwill or Promotional, No information for ratepayers                        |
| 24       | Burdess & Associates-REMIT (Item 144)                           | 6,683             | Plastic Tumblers - Goodwill or Promotional, No information for ratepayers     |
| 25       | Clear Channel Airports (Item 146)                               | 480               | Goodwill or Promotional, No information for ratepayers                        |
| 26       | Total Zone 1 Disallowed Expense<br>(Sum of Lines 1 through 25)  | \$ 11,550         |   |
| 27       | Total 2011 Zone 1 Expense                                       | \$ 23,280 (A)     |   |
| 28       | Disallowed Percentage for 2013 Test Year<br>(Line 26 / Line 27) | 50%               |   |

Sources:

(A) IAWC Schedule WPC-8a

(B) IAWC Schedule WPC-8c

**Illinois-American Water Company  
 Adjustment to Advertising Expense  
 For the Test Year Ending September 30, 2013**

| Line<br>No. | Description  | Chicago<br>Water<br>Amount (A) | Rationale for Disallowance (B)                         |
|-------------|--|--------------------------------|--|
| (a)         | (b)  | (c)                            | (d)  |
| 1           | Identity Links Inc (tem 236)   | \$ 557                         | Goodwill or Promotional, No information for ratepayers |
| 2           | Allegra Print & Imaging (Item 237)                                   | 604                            | Goodwill or Promotional, No information for ratepayers |
| 3           | Grpahic Advertising Inc (Item 238)                                   | <u>570</u>                     | Promotional  |
| 4           | Total Chicago Water Disallowed Expense<br>(Sum of Lines 1 through 3) | \$ 1,731                       |  |
| 5           | Total 2011 Chicago Water Expense                                     | <u>\$ 3,642</u> (A)            |  |
| 6           | Disallowed Percentage for 2013 Test Year<br>(Line 4 / Line 5)        | <u><u>48%</u></u>              |  |

Sources:

(A) IAWC Schedule WPC-8a

(B) IAWC Schedule WPC-8d

**Illinois-American Water Company  
 Adjustment to Advertising Expense  
 For the Test Year Ending September 30, 2013**

| Line<br>No. | Description  | Lincoln<br>Amount (A) | Rationale for Disallowance (B)                         |
|-------------|--|-----------------------|--|
| (a)         | (b)  | (c)                   | (d)  |
| 1           | LINCOLN DAILY NEWS.COM, I (Item 285)                           | \$ 100                | Goodwill or Promotional, No information for ratepayers |
| 2           | CITV LogOn Prod LLC  | 156                   | Goodwill or Promotional, No information for ratepayers |
| 3           | CITV LogOn Prod LLC  | 156                   | Goodwill or Promotional, No information for ratepayers |
| 4           | CITV LogOn Prod LLC  | 156                   | Goodwill or Promotional, No information for ratepayers |
| 5           | CITV LogOn Prod LLC  | <u>156</u>            | Goodwill or Promotional, No information for ratepayers |
| 6           | Total Lincoln Disallowed Expense<br>(Sum of Lines 1 through 5) | 725                   |  |
| 7           | Total 2011 Lincoln Expense<br>(Sum of Lines 1 through 6)       | <u>\$ 2,541 (A)</u>   |  |
| 8           | Disallowed Percentage for 2013 Test Year<br>(Line 6 / Line 7)  | <u><u>29%</u></u>     |  |

Sources:

(A) IAWC Schedule WPC-8a

(B) IAWC Schedule WPC-8e