

Illinois American Water Company
South Beloit Service District
Calculation of Variable Purchased Water Price
April 2012

FORMULA FACTORS

1. Purchased water charge in effect, per CCF, effective January 6, 2011:	\$	1.13
2. Total Unit rate for purchased water cost, including cost for lost and unaccounted, per CCF, per Exhibit B	\$	0.9700
3. Estimated metered usage plus unaccounted-for water usage during the base period, in CCFs, per Exhibit C1 (April through December)		273,002
4. Estimated metered usage during the base period, in CCFs, per Exhibit C1 (April through December)		228,639
5. Balance of unrecovered or (over recovered) Variable Supply Charge Costs, per Exhibit D	\$	4,942

CALCULATION OF VARIABLE COMPONENT
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In accordance with Ill. Adm. Code 655:

Purchased Water Charge In Effect (\$M/ccf)	Estimated Purchased Water Cost and/or Alternate Delivery Variable Costs	+	* Pending * Commission-ordered adjustment component for variable charge	+	Utility-determined adjustment component for variable charge	=	Recomputed Purchased Variable Water Charge (\$M/ccf)
			Metered Usage in CCF During Prior 12 Months				
\$ 1.13	\$264,812	+	\$0	+	\$ 4,942	=	\$ 1.18

228,639

Note: Purchased Water Rate Will Not Be Revised April 1, 2012

Illinois American Water Company
South Beloit Service District
Calculation of Fixed Purchased Water Price
April 2012

FORMULA FACTORS

1. Purchased water charge in effect, per month, per EBU, effective January 6, 2011	\$	0.96
2. Fixed cost for purchased water cost and/or alternate delivery (wheeling) costs in the base period (annualized April through December) per Exhibit B, Page 2 of 3	\$	29,700
3. Equivalent Billing Units (EBU) per Exhibit B, page 3 of 3 (April through December)		31,199
4. Balance of unrecovered or (over recovered) Fixed Supply Charge costs (January through December)	\$	(82)

CALCULATION OF VARIABLE COMPONENT
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In accordance with Ill. Adm. Code 655:

Fixed Water Charge In Effect (\$/month/EBU)	Estimated Purchased Water Cost and/or Alternate Delivery Fixed Costs	+	Commission-ordered adjustment component for fixed charge	+	Utility-determined adjustment component for fixed charge	=	Recomputed Fixed Water Charge (\$/month/EBU)
			Equivalent Billing Units				
\$ 0.96	\$ 29,700.00	+	\$ -	+	\$ (82)	=	\$ 0.95
			31,199				

Note: Purchased Water Rate Will Not Be Revised April 1, 2012

Illinois American Water Company
South Beloit Service District
Variable Purchased Water Costs
April 2012

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

The Purchased Water charge is set at \$0.97 and adjusted for Lost and unaccounted for water with a 21% adder.

See Attached Monthly billings for water service from the City of Beloit, Exhibit C.

Illinois American Water Company
South Beloit Service District
Variable Purchased Water Costs
April 2012

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

The Purchased Water charge is set at \$0.97 and adjusted for Lost and unaccounted for water with a 21% adder.

See Attached Monthly billings for water service from the City of Beloit, Exhibit C.

Illinois American Water Company
South Beloit Service District
Fixed Purchased Water Costs
April 2012

Fixed Cost Rate - per month:

Fixed Monthly Charge

January	\$	3,300.00
February		3,300.00
March		3,300.00
April		3,300.00
May		3,300.00
June		3,300.00
July		3,300.00
August		3,300.00
September		3,300.00
October		3,300.00
November		3,300.00
December		3,300.00

Total \$ 39,600.00

Annualized base period (April through December) \$ 29,700.00

See Attached Monthly billings for water service from the City of Beloit, Exhibit D.

Illinois American Water Company
South Beloit Service District
Calculation of Equivalent Billing Units
April 2012

CALCULATION OF EQUIVALENT BILLING UNITS

<u>Meter Size</u>	<u>Number In Service</u>	<u>Equivalent Factor</u>	<u>Equivalent Units</u>
5/8" Disk	2,689	1.0	2,689.0
3/4" Disk	40	1.5	60.0
1" Disk	53	2.5	132.5
1 1/2" Disk	23	5.0	115.0
2" Disk	35	8.0	280.0
3" Disk		15.0	0.0
4" Disk		25.0	0.0
6" Disk		50.0	0.0
8" Disk		80.0	0.0
10" Disk		115.0	0.0
12" Disk		168.0	0.0
3" Turbine	4	17.5	70.0
4" Turbine	4	30.0	120.0
6" Turbine		62.5	0.0
8" Turbine		90.0	0.0
10" Turbine		145.0	0.0
Total Equivalent Billing Units:			<u>3,466.5</u>
Annualized base period (April through December):			<u>31,198.5</u>

Source: ECIS billing download 12/31/11 actuals

Illinois American Water Company
South Beloit Service District
Calculation of Equivalent Billing Units
For the Year 2011

Description	Customer Connections	Metered Usage (CCF)	Metered Usage Plus Unaccounted-for Water Usage (CCF)	Unaccounted for water in excess of tariff amount (CCF)	Supplier Rate	Metered Usage	Metered Usage + UFW	UFW %	UFW in Excess of Tariff
For the monthly billing period ending in the month of:									
invoice date									
02/09/11	2,631	23,282	27,491	(320.15)	\$ 0.97	23,292	27,491	15.27%	\$ (311)
03/10/11	2,621	20,895	25,185	235.39	0.97	20,895	25,185	17.03%	228
04/04/11	2,620	22,329	26,336	(325.64)	0.97	22,329	26,336	15.21%	(316)
05/03/11	2,480	21,246	24,307	(1,061.62)	0.97	21,246	24,307	12.59%	(1,030)
06/06/11	2,638	21,131	25,017	(214.41)	0.97	21,131	25,017	15.53%	(208)
07/13/11	2,662	27,487	32,304	(516.62)	0.97	27,487	32,304	14.91%	(501)
08/01/11	2,685	31,487	37,258	(338.88)	0.97	31,487	37,258	15.49%	(329)
09/13/11	2,685	29,127	34,417	(361.71)	0.97	29,127	34,417	15.37%	(351)
10/03/11	2,674	25,917	30,608	(337.45)	0.97	25,917	30,608	15.33%	(327)
11/09/11	2,663	22,582	26,868	(95.31)	0.97	22,582	26,868	15.95%	(92)
12/05/11	2,645	19,891	23,477	(273.10)	0.97	19,891	23,477	15.28%	(265)
01/11/12	2,653	21,547	26,361	632.93	0.97	21,547	26,361	18.26%	614
Total for the 12 most recent months	31,637	286,931	339,627	(2,977)		265,384	313,266	15.20%	\$ (2,887)
						21,547	25431.923	15.28%	

Data is the total customer class metered use in gallons + .748 to convert to CCF.
Data source for customer connections and metered usage: Billing Report
Data source for metered usage: S Beloit Invoices

ILLINOIS-AMERICAN WATER COMPANY
SOUTH BELOIT SERVICE DISTRICT
Historical Water Usage
For the Calendar Years 2008 through 2011

Month	Average	2011	2010	2009	2008	Average Usage Plus NRW	2011 Usage Plus NRW	2010 Usage Plus NRW	2009 Usage Plus NRW	2008 Usage Plus NRW
January	24,218	23,292	21,129	24,683	27,771	28,768	27,491	24,210	29,866	33,506
February	22,714	20,895	20,508	24,877	24,577	27,408	25,185	24,563	30,101	29,784
March	23,424	22,329	22,920	21,703	26,746	28,133	26,336	27,754	26,053	32,390
April	22,189	21,246	21,489	23,364	22,658	26,516	24,307	26,009	28,271	27,477
May	21,496	21,131	22,196	21,657	20,999	25,689	25,017	26,267	26,088	25,384
June	28,028	27,487	30,412	27,671	26,541	33,450	32,304	35,899	33,482	32,115
July	29,741	31,487	30,988	30,826	25,662	35,519	37,258	36,603	37,165	31,051
August	29,710	29,127	32,213	27,184	30,317	35,489	34,417	37,983	32,873	36,683
September	27,999	25,917	30,090	25,253	30,736	33,427	30,608	35,554	30,375	37,170
October	24,139	22,582	26,047	24,554	23,371	28,919	26,868	30,816	29,711	28,278
November	22,414	19,891	22,181	21,792	25,790	26,812	23,477	26,193	26,370	31,206
December	22,924	21,547	24,280	22,901	22,968	27,600	26,361	28,650	27,599	27,791
Total	298,996	286,931	304,453	296,466	308,136	357,729	339,627	360,503	357,952	372,835
Nine Months April through December	228,639	220,415	239,896	225,204	229,043	273,419	260,616	283,975	271,932	277,155
Total	298,996					16.42%				
Nine-Months April through December						16.38%				

Source: Current year and prior year Exhibit C

Illinois American Water Company
 South Beloit Service District
 Summary of Water Purchases and Cost Recovery
 For the Year 2011

Water Supply Revenues	(A) Cost Recovery via Variable Water Supply Charge	(B) Cost Recovery via Fixed Water Supply Charge	(C) Total Cost Recovery via Purchased Water Surcharge
Month			
January	\$ 24,310	\$ 2,864	\$ 27,173
February	23,601	3,254	26,855
March	25,231	3,266	28,497
April	24,008	3,064	27,072
May	23,878	3,440	27,318
June	31,060	3,272	34,332
July	35,580	3,324	38,905
August	32,914	3,326	36,240
September	29,286	3,323	32,609
October	25,518	3,290	28,807
November	22,475	3,231	25,706
December	24,348	3,299	27,647
Total	\$ 322,208	\$ 38,953	\$ 361,162

Data source: Billing Report and Purchased Water Invoices

Illinois American Water Company
South Beloit Service District
Summary of Water Purchases and Cost Recovery
For the Year 2011

VARIABLE COSTS	(A)	(B)	(A - B)	Cumulative
Month	Actual Variable Cost of Water Purchased	Cost Recovery via Variable Water Supply Charge	Monthly Unrecovered (Over recovered) Supply Charge	Unrecovered (Over recovered) Supply Charge Variable Costs
Balance forwarded from prior year:				
2010 R-Factor				\$ (2,288)
				-
Total balance forwarded:				<u>(2,288)</u>
January	\$ 26,666	\$ 24,310	\$ 2,356	68
February	24,429	23,601	829	897
March	25,546	25,231	315	1,211
April	23,578	24,008	(430)	781
May	24,266	23,878	388	1,169
June	31,335	31,060	274	1,443
July	36,140	35,580	560	2,003
August	33,384	32,914	471	2,474
September	29,690	29,286	404	2,877
October	26,062	25,518	545	3,422
November	22,773	22,475	298	3,720
December	25,570	24,348	1,222	4,942
Company facilities			-	4,942
Total	<u>\$ 329,438</u>	<u>\$ 322,208</u>	<u>\$ 7,230</u>	<u>4,942</u>
Unaccounted for water in excess of tariff				-
Unrecovered (Over recovered) variable supply charges.				<u>\$ 4,942</u>

Data source: Billing Report and Purchased Water Invoices

Illinois American Water Company
South Beloit Service District
Summary of Water Purchases and Cost Recovery
For the Year 2011

FIXED COSTS	(A) Actual Fixed Cost of Water Purchased	(B) Cost Recovery via Fixed Water Supply Charge	(A - B) Monthly Unrecovered (Over recovered) Supply Charge	Cumulative Unrecovered (Over recovered) Supply Charge Fixed Costs
Month				
Balance forwarded from prior year:				
2010 R-Factor				\$ (729)
Total balance forwarded:				<u>(729)</u>
January	\$ 3,300	\$ 2,864	\$ 436	(293)
February	3,300	3,254	46	(247)
March	3,300	3,266	34	(213)
April	3,300	3,064	236	23
May	3,300	3,440	(140)	(117)
June	3,300	3,272	28	(89)
July	3,300	3,324	(24)	(114)
August	3,300	3,326	(26)	(140)
September	3,300	3,323	(23)	(162)
October	3,300	3,290	10	(152)
November	3,300	3,231	69	(83)
December	3,300	3,299	1	(82)
Company facilities			-	(82)
Total	<u>\$ 39,600</u>	<u>\$ 38,953</u>	<u>\$ 647</u>	<u>(82)</u>
Unrecovered (Over recovered) fixed supply charges.				<u>\$ (82)</u>

Data source: Billing Report and Purchased Water Invoices