

DIRECT TESTIMONY

of

BURMA C. JONES

Accountant
Accounting Department
Financial Analysis Division
Illinois Commerce Commission

Aqua Illinois, Inc.

Proposed General Increase in Water Rates
For the Kankakee Division

Docket No. 14-0419

September 4, 2014

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1 **Witness Identification**

2 **Q. Please state your name and business address.**

3 A. My name is Burma C. Jones. My business address is 527 East Capitol
4 Avenue, Springfield, Illinois 62701.

5

6 **Q. By whom are you employed and in what capacity?**

7 A. I am currently employed as an Accountant in the Accounting Department
8 of the Financial Analysis Division of the Illinois Commerce Commission
9 (“Commission”).

10

11 **Q. Please describe your professional background and affiliations.**

12 A. I am a licensed Certified Public Accountant with a Bachelor of Arts in
13 Accountancy from Sangamon State University, which is now known as the
14 University of Illinois at Springfield. I joined the Staff of the Commission
15 (“Staff”) in October 1999. My prior accounting experience includes five
16 years as the Assistant Controller for a mid-size retail business and two
17 and one-half years on the accounting staff of the Illinois Office of the
18 Comptroller.

19

20 **Q. Have you previously testified before any regulatory bodies?**

21 A. Yes, I have testified on several occasions before the Commission.

22

23 **Q. What is the purpose of your testimony in this proceeding?**

24 A. I have reviewed and analyzed the filing and underlying data of Aqua
25 Illinois, Inc. ("Aqua" or "Company"). The purpose of my testimony is to
26 present the Commission Staff's proposed Operating Statements and Rate
27 Base for Aqua's Kankakee Water Division and to propose adjustments to
28 the Company's rate base and operating statement concerning cash
29 working capital, corporate office plant in service, industry association
30 dues, charitable contributions, and advertising expense.

31

32 **Schedule Identification**

33 **Q. Are you sponsoring any schedules as part of ICC Staff Exhibit 1.00?**

34 A. Yes, I prepared the following schedules for the Company, which show
35 data as of, or for the test year ending on, December 31, 2015:

36 **REVENUE REQUIREMENT SCHEDULES**

37 Schedule 1.01 - Statement of Operating Income with Adjustments

38 Schedule 1.02 - Adjustments to Operating Income

39 Schedule 1.03 - Rate Base

40 Schedule 1.04 - Adjustments to Rate Base

41 Schedule 1.05 - Revenue Effect of Adjustments

42 Schedule 1.06 - Interest Synchronization Adjustment

43 Schedule 1.07 – Gross Revenue Conversion Factor

44

45 ADJUSTMENT SCHEDULES

46 Schedule 1.08 – Cash Working Capital Adjustment

47 Schedule 1.09 – Industry Association Dues Adjustment

48 Schedule 1.10 – Charitable Contributions Adjustment

49 Schedule 1.11 – Advertising Expense Adjustment

50 Schedule 1.12 -- Corporate Office Plant in Service Adjustment

51

52 Attachment Identification

53 **Q. Are you including any attachments as part of ICC Staff Exhibit 1.00?**

54 B. Yes, I am including the following attachments:

55 Attachment 1.01 – Company response to Staff DR BCJ-4.04

56 Attachment 1.02 – Company response to Staff DR BCJ-4.06

57

58 Revenue Requirement Schedules

59 **Q. Please describe Schedule 1.01, Statement of Operating Income with**
60 **Adjustments.**

61 A. Schedule 1.01 derives the required revenue at Staff's proposed Rate of
62 Return. Column (b) presents the Company's pro forma operating
63 statement at present rates for the test year as reflected on its Schedule C-

64 1. Column (c) reflects the total of all of Staff's proposed adjustments
65 shown on Schedule 1.02. Column (d) reflects the Company's operating
66 statement at present rates per Staff. Column (e) presents the Company's
67 proposed increase to revenue. Column (f) adjusts revenue to reflect
68 Staff's Gross Revenue Conversion Factor. Column (g) is Staff's proposed
69 operating statement inclusive of the Company's proposed revenue
70 change. Column (h) is the necessary change to the Company's proposed
71 revenues, adjusted for Staff's Gross Revenue Conversion Factor, to arrive
72 at Staff's computed revenue requirement as reflected in Column (i). Net
73 operating income in column (i), line 23, is the product of rate base, line 24,
74 and rate of return, line 25. Line 27 is the difference between current
75 revenues and required revenues as determined by Staff. Line 28 is
76 Staff's calculated percentage change in revenues.

77

78 **Q. Please describe Schedule 1.02, Adjustments to Operating Income.**

79 A. Schedule 1.02 identifies Staff's proposed adjustments to Operating
80 Income. The source of each adjustment is shown in the heading of each
81 column. The final column of Schedule 1.02 is carried forward to Schedule
82 1.01, column (c).

83

84 **Q. Please describe Schedule 1.03, Rate Base.**

85 A. Schedule 1.03 compiles Staff's proposed Rate Base. Column (b) reflects
86 the Company's proposed Rate Base. Column (c) summarizes Staff's
87 adjustments to Rate Base. Column (d) is the net of Columns (b) and (c)
88 and reflects Staff's proposed Rate Base.

89

90 **Q. Please describe Schedule 1.04, Adjustments to Rate Base.**

91 A. Schedule 1.04 identifies Staff's proposed adjustments to Rate Base. The
92 source of each adjustment is shown in the heading of each column. The
93 final column of Schedule 1.04 is carried forward to Schedule 1.03,
94 Column (c).

95

96 **Q. Please describe Schedule 1.05, Revenue Effect of Adjustments.**

97 A. Schedule 1.05 identifies the approximate effect of each Staff adjustment
98 on the Company's proposed revenue requirement. Schedule 1.05 is not
99 the development of Staff's revenue requirement. Rather, it is an analysis
100 that is intended to assist the Commission in identifying the relative
101 monetary significance of each Staff adjustment.

102

103 **Interest Synchronization Adjustment**

104 **Q. Please explain Schedule 1.06, Interest Synchronization Adjustment.**

105 A. Schedule 1.06 computes the interest component of the Revenue
106 Requirement. The interest expense (component) is computed by
107 multiplying the Rate Base by Weighted Cost of Debt. The calculated
108 Interest Expense is then compared against the Interest Expense used by
109 the Company in its computation of test year Income Tax Expense. The
110 tax effect of the difference in Interest Expense is the adjustment for
111 Interest Synchronization. The effect of this adjustment is to ensure that
112 the Revenue Requirement reflects the tax savings generated by the
113 interest component of the revenue requirement.

114

115 **Gross Revenue Conversion Factor**

116 **Q. Please describe Schedule 1.07, Gross Revenue Conversion Factor.**

117 A. Schedule 1.07 presents Staff's proposed Gross Revenue Conversion
118 Factor ("GRCF"). It is based upon the applicable federal tax rate, the
119 state income tax rate effective January 1, 2015, and the uncollectible rate.
120 The GRCF is applied to the operating income deficiency to determine the
121 total amount of revenue required for the income deficiency and the
122 associated increase in income tax expense and uncollectible expense.
123 The GRCF is used in the calculation of the Revenue Requirement in
124 Columns (f) through (i) of Schedule 1.01.

125

126 **Cash Working Capital**

127 **Q. Please describe Schedule 1.08, Cash Working Capital Adjustment.**

128 A. Schedule 1.08 presents my adjustment to calculate the Cash Working
129 Capital component of rate base after giving effect to Staff's adjustments to
130 the 2015 test year revenue requirement. My adjustment utilizes the same
131 methodology as reflected in the Company's Schedules B-2.3 and B-8. It
132 merely reflects the derivative impact of Staff's other adjustments on the
133 cash working capital calculation.

134

135 **Industry Association Dues**

136 **Q. Please describe Schedule 1.09, Industry Association Dues**
137 **Adjustment.**

138 A. Schedule 1.09 presents my proposed adjustment to remove industry
139 association dues attributable to lobbying activities.

140

141 **Q. Please explain why you propose to remove industry association**
142 **dues attributable to lobbying activities.**

143 A. Section 9-224 of the Public Utilities Act ("Act")¹ states that the
144 Commission shall not consider as an expense of any public utility
145 company, for the purpose of determining any rate or charge, any amount

¹ 220 ILCS 5/9-224.

146 expended for political activity or lobbying as defined in the “Lobbyist
147 Registration Act.” Documents provided by Aqua for its membership dues
148 in the National Association of Water Companies (“NAWC”) indicate that
149 11% of the dues were for lobbying activities. The document provided by
150 Aqua for its membership dues to the American Water Works Association
151 (“AWWA”) does not indicate that a portion of the dues is related to
152 lobbying activities, but the AWWA website indicates that AWWA engages
153 in lobbying activities through its Government Affairs office.

154

155 **Q. Please explain how you calculated the amount of your proposed**
156 **adjustment related to lobbying activities.**

157 A. I applied the 11% lobbying activities percentage factor identified on the
158 NAWC documents to the NAWC and AWWA membership dues amounts
159 for the Kankakee Division. There is a cost associated with AWWA’s
160 lobbying activities, although neither the AWWA document nor the AWWA
161 website indicates what that cost is. Therefore, I concluded that it is
162 reasonable to use the same percentage factor as NAWC as a proxy to
163 calculate the amount of AWWA dues related to lobbying activities. This
164 approach is consistent with that accepted in the Kankakee Water
165 Division’s last two cases, Docket No. 06-0285 and Docket No. 10-0194.

166

167 **Charitable Contributions**

168 **Q. Please describe Schedule 1.10, Charitable Contributions Adjustment.**

169 A. Schedule 1.10 presents my proposed adjustment to remove contributions
170 to Willowbrook Estates, the Bourbonnais Friendship Festival, and the Two
171 Rivers Festival from Aqua recoverable test year expenses because they
172 are costs that should be the responsibility of shareholders, not ratepayers.

173

174 **Q. Please explain why the contributions to these three organizations**
175 **should be the responsibility of shareholders.**

176 A. Section 9-227 of the Act² allows a utility to recover donations made for the
177 public welfare or for charitable, scientific, religious or educational
178 purposes. The contributions I propose to disallow were made to
179 community and economic development organizations and are of a
180 promotional or goodwill nature. For example, the Bourbonnais Friendship
181 Festival is a community festival in Bourbonnais, Illinois, featuring a
182 parade, live music, carnival rides, a beer garden, and similar festival
183 amusements. The Two Rivers Festival is a similar festival in Aroma Park,
184 Illinois. While each festival is doubtless a source of pleasure for
185 participants, neither festival is properly characterized as charitable,
186 scientific, religious or educational in nature. Such contributions may

² 220 ILCS 5/9-227.

187 demonstrate good corporate citizenship, but such contributions are not
188 necessary in providing utility service. Ratepayers should not be burdened
189 with the expense, which should be removed from the Company's revenue
190 requirement.

191

192 **Q. Has the Commission previously excluded contributions to**
193 **community and economic organizations from operating expenses?**

194 A. Yes. The Commission disallowed contributions to community and
195 economic organizations in the Kankakee Water Division's two most recent
196 rate orders, Docket No. 06-0285 and Docket No. 10-0194.

197

198 **Advertising**

199 **Q. Please describe Schedule 1.11, Advertising Expense Adjustment.**

200 A. Schedule 1.11 reflects my proposed adjustment to disallow advertising
201 expenses that are promotional or goodwill in nature. Section 9-225(2) of
202 the Act expressly states that advertising costs of a goodwill or institutional
203 nature shall not be considered for the purpose of determining rates:

204 In any general rate increase requested by any gas or electric
205 utility company under the provisions of this Act, the Commission
206 shall not consider, for the purpose of determining any rate,
207 charge or classification of costs, any direct or indirect
208 expenditures for promotional, political, institutional or goodwill
209 advertising, unless the Commission finds the advertising to be in

210 the best interest of the Consumer or authorized as provided
211 pursuant to subsection 3 of this Section.³

212 Section 9-225(1)(d) of the Act defines goodwill or institutional advertising
213 as:

214 ...any advertising either on a local or national basis designed
215 primarily to bring the utility's name before the general public in
216 such a way as to improve the image of the utility or to promote
217 controversial issues for the utility or the industry.⁴

218 The advertising expenses I propose to disallow are the result of Aqua's
219 support of local endeavors that enhance the Company's image as a good
220 corporate citizen of the community (e.g., sponsor golf outings, festivals,
221 youth sports). The disallowed advertising generally promotes the
222 Company's image by displaying the Company's name without including
223 any information identified in Section 9-225(3) of the Act⁵ that would allow
224 the associated expenses to be recoverable operating expenses.

225

226 **Q. Please explain how you calculated the amount of your proposed**
227 **adjustment to advertising expense.**

228 A. I reviewed documentation in support of all advertising expense recorded
229 for the Kankakee Water Division for the calendar years 2012 and 2013. I

³ 220 ILCS 5/9-225(2).

⁴ 220 ILCS 5/9-225(1)(d).

⁵ 220 ILCS 5/9-225(3). Allowable advertising for inclusion in operating expenses is, generally, that which relates to conservation, is required by law, relates to service interruptions or employment, promotes energy efficiency, explains rates or notifies customers of hearings, identified business offices and their hours of operation, or encourages off-peak use.

230 calculated a two-year non-recoverable advertising expense percentage
231 based on the total advertising expenses I determined were non-
232 recoverable in 2012 and 2013 compared to the total advertising expenses
233 for those years. I calculated the amount of non-recoverable advertising
234 expense for the test year by applying the non-recoverable expense
235 percentage to the 2015 projected advertising expense. This methodology
236 utilizes recent historical information and results in a reasonably accurate
237 projection of non-recoverable advertising expense included in the 2015
238 test year.

239

240 **Corporate Office Plant In Service**

241 **Q. Please describe Schedule 1.12, Corporate Office Plant in Service**
242 **Adjustment.**

243 A. Schedule 1.12 presents my proposed adjustment to remove corporate
244 office plant in service retirements and to remove a line item included in the
245 2015 budget for the corporate office.

246

247 **Q. Please explain how you determined the amount of your proposed**
248 **adjustment for corporate plant retirements.**

249 A. According to the Company, the corporate plant balances for 2014 and
250 2015 on Schedule B-5, page 3, do not reflect the estimated retirements

251 for those years. The amount of my proposed adjustment for the corporate
252 plant retirements is the amount identified by the Company.⁶

253

254 **Q. Please explain your proposed adjustment to remove a line item**
255 **included in the 2015 budget for corporate plant.**

256 A. With one exception, each work order included in the corporate plant
257 budget for 2014 and 2015 has a description that indicates the purpose of
258 the planned expenditure. The exception is work order 24090036541,
259 described as “Unidentified IS Projects-Future Years,” which appears to be
260 nothing more than a placeholder for contingent projects.⁷ It is the amount
261 associated with this work order that I propose to disallow because the
262 rates paid by Aqua’s customers should not include costs for unknown
263 capital items.

264

265 **Q. Has the Commission previously excluded budget items associated**
266 **with contingencies?**

267 A. Yes. The Commission evaluated budget items entitled “omissions and
268 contingencies” included in budgets for capital projects in the rate
269 proceeding of Illinois American Water Company in Docket No. 95-0076.
270 The Order found that “Ratepayers should not be responsible for unknown

⁶ Attachment 1.01: Aqua response to Staff DR BCJ-4.04.

271 costs that cannot be identified.”⁸ Although Aqua does not refer to the
272 unidentified projects at issue here as contingencies, in effect, that is what
273 the unidentified projects are.

274

275 **Original Cost Determination**

276 **Q. What is the relevance of an original cost determination?**

277 A. Requirements for preservation of records are associated with an original
278 cost determination. Requirements for the preservation of specific records
279 are set forth in 83 Ill. Admin. Code Part 615, The Preservation of Records
280 of Water Utilities, Appendix A. For example, the records that support
281 journal vouchers and journal entries charging plant accounts are to be
282 maintained “7 years prior to date as of which original cost of plant has
283 been unconditionally determined or approved by this Commission” in an
284 original cost determination proceeding or a rate case.⁹

285

286 **Q. What do you recommend regarding an original cost determination?**

287 A. I recommend that the Commission conclude and make a finding in the
288 Order in this proceeding that the Company’s 12/31/2013 plant balances
289 reflected in Company Schedule B-5, Page 1 of 3, Column (C), are

(..continued)

⁷ Attachment 1.02: Aqua response to Staff DR BCJ-4.06.

⁸ Illinois American Water Company, ICC Docket No. 95-0076, 15 (December 20, 1995).

⁹ 83 Ill. Adm. Code Part 615. Appendix A, Schedule of Records and Periods of Retention, Item 12(b)(1).

290 approved for purposes of an original cost determination, subject to any
291 adjustments ordered by the Commission in this proceeding.

292

293 **Conclusion**

294 **Q. Does this question end your prepared direct testimony?**

295 **A. Yes.**

Aqua Illinois, Inc. - Kankakee Water Division
Statement of Operating Income with Adjustments
 For the Test Year Ending December 31, 2015

Line No.	Description	Interest Synchronization (Staff Ex. 1.00, Sch. 1.06)	Industry Association Dues (Staff Ex. 1.00, Sch. 1.09)	Charitable Contributions (Staff Ex. 1.00, Sch. 1.10)	Advertising Expense (Staff Ex. 1.00, Sch. 1.11)	Depreciation Expense (Staff Ex. 1.00, Sch. 1.12)	Salaries & Wages (Staff Ex. 2.00, Sch. 2.02)	Incentive Compensation (Staff Ex. 2.00, Sch. 2.03)	Subtotal Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Tariffed Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Other Revenues	-	-	-	-	-	-	-	-
3	Total Operating Revenue	-	-	-	-	-	-	-	-
4	Uncollectible Accounts	-	-	-	-	-	-	-	-
5	Salaries & Wages	-	-	-	-	-	(60,397)	(76,884)	(137,281)
6	Employee Benefits	-	-	-	-	-	-	-	-
7	Purchased Power & Fuel	-	-	-	-	-	-	-	-
8	Chemicals	-	-	-	-	-	-	-	-
9	Materials & Supplies	-	-	-	-	-	-	-	-
10	Contractual Services	-	-	-	-	-	-	-	-
11	Transportation Expense	-	-	-	-	-	-	-	-
12	Insurance Expense	-	-	-	-	-	-	-	-
13	Regulatory Expense Amortization	-	-	-	-	-	-	-	-
14	Miscellaneous Expenses	-	(2,332)	(3,090)	(11,241)	-	-	-	(16,663)
15	Depreciation & Amortization	-	-	-	-	(6,486)	-	-	(6,486)
16	Taxes other than Income	-	-	-	-	-	-	-	-
17	Total Operating Expense	-	(2,332)	(3,090)	(11,241)	(6,486)	(60,397)	(76,884)	(160,430)
18	Before Income Taxes	-	(2,332)	(3,090)	(11,241)	(6,486)	(60,397)	(76,884)	(160,430)
19	State Income Tax	(2,597)	181	239	871	503	4,681	5,959	9,837
20	Federal Income Tax	(10,818)	753	998	3,629	2,094	19,501	24,824	40,981
21	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
22	Total Operating Expenses	(13,415)	(1,398)	(1,853)	(6,741)	(3,889)	(36,215)	(46,101)	(109,612)
23	NET OPERATING INCOME	\$ 13,415	\$ 1,398	\$ 1,853	\$ 6,741	\$ 3,889	\$ 36,215	\$ 46,101	\$ 109,612

Aqua Illinois, Inc. - Kankakee Water Division
Statement of Operating Income with Adjustments
 For the Test Year Ending December 31, 2015

Line No.	Description	Subtotal Op. Stmt Adj. (Staff Ex. 1.00, Sch. 1.02, p. 1)	Rate Case Expense (Staff Ex. 2.00, Sch. 2.04)	Contractual Services (Staff Ex. 2.00, Sch. 2.05)	Income Taxes (Staff Ex. 2.00, Sch. 2.06)	Parent Co. Service Charges (Staff Ex. 2.00, Sch. 2.07)	Other Revenues (Staff Ex. 5.00, Sch. 5.01)	(Source)	Total Operating Statement Adjustments
	(a)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
1	Tariffed Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Other Revenues	-	-	-	-	-	75,425	-	75,425
3	Total Operating Revenue	-	-	-	-	-	75,425	-	75,425
4	Uncollectible Accounts	-	-	-	-	-	536	-	536
5	Salaries & Wages	(137,281)	-	-	-	-	-	-	(137,281)
6	Employee Benefits	-	-	-	-	-	-	-	-
7	Purchased Power & Fuel	-	-	-	-	-	-	-	-
8	Chemicals	-	-	-	-	-	-	-	-
9	Materials & Supplies	-	-	-	-	-	-	-	-
10	Contractual Services	-	-	(62,598)	-	(412,304)	-	-	(474,902)
11	Transportation Expense	-	-	-	-	-	-	-	-
12	Insurance Expense	-	-	-	-	-	-	-	-
13	Regulatory Expense Amortization	-	(22,576)	-	-	-	-	-	(22,576)
14	Miscellaneous Expenses	(16,663)	-	-	-	-	-	-	(16,663)
15	Depreciation & Amortization	(6,486)	-	-	-	-	-	-	(6,486)
16	Taxes other than Income	-	-	-	-	-	-	-	-
17	Total Operating Expense	-	-	-	-	-	-	-	-
18	Before Income Taxes	(160,430)	(22,576)	(62,598)	-	(412,304)	536	-	(657,372)
19	State Income Tax	9,837	1,750	4,851	(95,605)	31,954	5,804	-	(41,409)
20	Federal Income Tax	40,981	7,289	20,211	33,476	133,123	24,180	-	259,260
21	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
22	Total Operating Expenses	(109,612)	(13,537)	(37,536)	(62,129)	(247,227)	30,520	-	(439,521)
23	NET OPERATING INCOME	\$ 109,612	\$ 13,537	\$ 37,536	\$ 62,129	\$ 247,227	\$ 44,905	\$ -	\$ 514,946

Aqua Illinois, Inc. - Kankakee Water Division
Rate Base
 For the Test Year Ending December 31, 2015

Line No.	Description	Company Pro Forma Rate Base (Co. Sch. B-1)	Staff Adjustments (St. Ex. 1.00 Sch 1.04)	Staff Pro Forma Rate Base (Col. b+c)
	(a)	(b)	(c)	(d)
1	Gross Utility Plant in Service	\$ 165,187,697	\$ (258,854)	\$ 164,928,843
2	Less: Accumulated Depreciation	(46,025,390)	135,744	(45,889,646)
3		-	-	-
4	Net Utility Plant in Service	119,162,307	(123,110)	119,039,197
5	Additions to Rate Base			
6	Deferred Charges	406,370	-	406,370
7	Materials & Supplies	614,149	-	614,149
8	Cash Working Capital	1,101,243	(78,606)	1,022,637
9	Amortization of CIAC	6,204,583	-	6,204,583
10		-	-	-
11		-	-	-
12		-	-	-
13				
14				
15				
16	Deductions From Rate Base			
17	FAS 87 Pension	(1,013,898)	-	(1,013,898)
18	FAS 106 OPEB	(138,760)	-	(138,760)
19	Customer Advances	(223,035)	-	(223,035)
20	Contributions in Aid of Construction	(25,188,416)	-	(25,188,416)
21	Deferred Income Taxes Total	(13,860,461)	19,728	(13,840,733)
22		-	-	-
23	Rate Base	<u>\$ 87,064,082</u>	<u>\$ (181,988)</u>	<u>\$ 86,882,094</u>

Aqua Illinois, Inc. - Kankakee Water Division
 Adjustments to Rate Base
 For the Test Year Ending December 31, 2015

Line No.	Description	Cash Working Capital (Staff Ex. 1.00, Sch. 1.08)	Corp. Office Plant in Service (Staff Ex. 1.00, Sch. 1.12)	ADIT (Staff Ex. 2.00, Sch. 2.01)	(Source)	(Source)	(Source)	(Source)	Total Rate Base Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gross Utility Plant in Service	\$ -	\$ (258,854)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (258,854)
2	Less: Accumulated Depreciation	-	135,744	-	-	-	-	-	135,744
3		-	-	-	-	-	-	-	-
4	Net Utility Plant in Service	-	(123,110)	-	-	-	-	-	(123,110)
5	Additions to Rate Base								-
6	Deferred Charges	-	-	-	-	-	-	-	-
7	Materials & Supplies	-	-	-	-	-	-	-	-
8	Cash Working Capital	(78,606)	-	-	-	-	-	-	(78,606)
9	Amortization of CIAC	-	-	-	-	-	-	-	-
10		-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-
16	Deductions From Rate Base	-	-	-	-	-	-	-	-
17	FAS 87 Pension	-	-	-	-	-	-	-	-
18	FAS 106 OPEB	-	-	-	-	-	-	-	-
19	Customer Advances	-	-	-	-	-	-	-	-
20	Contributions in Aid of Construction	-	-	-	-	-	-	-	-
21	Deferred Income Taxes Total	-	21,169	(1,441)	-	-	-	-	19,728
22		-	-	-	-	-	-	-	-
23	Rate Base	\$ (78,606)	\$ (101,941)	\$ (1,441)	\$ -	\$ -	\$ -	\$ -	\$ (181,988)

Aqua Illinois, Inc. - Kankakee Water Division
Revenue Effect of Staff's Adjustments
 For the Test Year Ending December 31, 2015

Line No.	Description (a)	Aqua's Proposal (b)	Staff Adjustments (c)	Per Staff (d)
1	Present Revenues	\$ 21,830,065 ⁽¹⁾	\$ 75,425 ⁽²⁾	\$ 21,905,490 ⁽³⁾
2	Proposed Increase	<u>2,425,989 ⁽⁴⁾</u>	<u>(1,705,877) ⁽⁵⁾</u>	<u>720,112 ⁽⁶⁾</u>
3	Proposed Revenues	<u>\$ 24,256,054</u>	<u>\$ (1,630,452)</u>	<u>\$ 22,625,602</u>
4	% Increase	11.11%	-7.83%	3.29%
5	Effect of Each Staff Adjustment:			
6	Rate of Return (Applied to Company Rate Base)		(817,440)	
7	Parent Co. Service Charges		(415,254)	
8	Income Taxes		(104,355)	
9	Incentive Compension		(77,433)	
10	Other Revenues		(75,425)	
11	Contractual Services		(63,047)	
12	Salaries & Wages		(60,828)	
13	Interest Synchronization		(26,034)	
14	Rate Case Expense		(22,737)	
15	Advertising Expense		(11,322)	
16	Corporate Office Plant in Service		(11,208)	
17	Cash Working Capital		(8,642)	
18	Depreciation Expense		(6,532)	
19	Charitable Contributions		(3,112)	
20	Industry Association Dues		(2,348)	
21	ADIT		(158)	
22				
23				
24				
25				
26				
27				
28	Rounding		<u>(1)</u>	
29	Total Revenue Effect of Staff Adjustments		<u>\$ (1,705,876)</u>	

Sources:

- (1) ICC Staff Exhibit 1.00, Schedule 1.01, column (b), line 3
- (2) ICC Staff Exhibit 1.00, Schedule 1.01, column (c), line 3
- (3) ICC Staff Exhibit 1.00, Schedule 1.01, column (d), line 3
- (4) ICC Staff Exhibit 1.00, Schedule 1.01, column (e), line 3
- (5) ICC Staff Exhibit 1.00, Schedule 1.01, columns (f) + (h), line 3
- (6) ICC Staff Exhibit 1.00, Schedule 1.01, column (i), line 26

Aqua Illinois, Inc. - Kankakee Water Division
Interest Synchronization Adjustment
 For the Test Year Ending December 31, 2015

Line No.	Description (a)	Amount (b)
1	Rate Base	\$ 86,882,094 (1)
2	Weighted Cost of Debt	2.86% (2)
3	Synchronized Interest Per Staff	2,485,697
4	Company Interest Expense	<u>2,452,192 (3)</u>
5	Increase (Decrease) in Interest Expense	<u>33,505</u>
6	Increase (Decrease) in State Income Tax Expense	
7	at 7.750%	<u>\$ (2,597)</u>
8	Increase (Decrease) in Federal Income Tax Expense	
9	at 35.000%	<u>\$ (10,818)</u>

(1) Source: ICC Staff Ex. 1.00, Schedule 1.03, Column d.

(2) Source: ICC Staff Exhibit 3.00, Schedule 3.01.

(3) Source: Company Schedule C-5.4, line 17.

Aqua Illinois, Inc. - Kankakee Water Division
 Gross Revenue Conversion Factor
 For the Test Year Ending December 31, 2015

Line No.	Description	Rate	Per Staff With Bad Debts	Per Staff Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.000000	
2	Uncollectibles	0.7106%	<u>0.007106</u>	
3	State Taxable Income		0.992894	1.000000
4	State Income Tax*	7.7500%	<u>0.076949</u>	<u>0.077500</u>
5	Federal Taxable Income		0.915945	0.922500
6	Federal Income Tax	35.0000%	<u>0.320581</u>	<u>0.322875</u>
7	Operating Income		<u>0.595364</u>	<u>0.599625</u>
8	Gross Revenue Conversion Factor Per Staff		<u>1.679645</u>	<u>1.667709</u>

* Reflects Illinois income tax rate of 5.25% + Illinois property replacement tax rate of 2.5% for a total rate of 7.75% effective 1/1/15. (Due to expiration of the temporary state income tax rate increase.)

Aqua Illinois, Inc. - Kankakee Water Division
Cash Working Capital Adjustment
 For the Test Year Ending December 31, 2015

Line No. <u>(a)</u>	<u>Description</u> (b)	<u>Amount</u> (c)
1	Total Operating Expenses Before Income Taxes	\$ 13,234,985 (1)
2	Less:	
3	Uncollectible Accounts Expense	160,784 (1)
4	Annual Amortization of Rate Case Expense	94,607 (1)
5	Depreciation and Amortization Expense	4,478,299 (1)
6	Real Estate Tax Expense	<u>320,198 (2)</u>
7	Total Cash Operating Expenses	<u>8,181,097</u>
8	Cash Working Capital Per Staff	1,022,637 (3)
9	Cash Working Capital Per Company	<u>1,101,243 (2)</u>
10	Staff Proposed Adjustment	<u><u>\$ (78,606)</u></u>

(1) Source: ICC Staff Exhibit 1.00, Schedule 1.01 Column (i).

(2) Source: Company Schedule B-8.

(3) Source: 45/360 x Line 7

Aqua Illinois, Inc. - Kankakee Water Division
 Industry Association Dues Adjustment
 For the Test Year Ending December 31, 2015

Line No.	Description (a)	Amount (b)	Source (c)
1	National Association of Water Companies	\$ 32,790.3	Aqua response to DR BAP-9.01, Supp. Attach. 01
2	American Water Works Association	13,736	Aqua response to DR BAP-9.01, Supp. Attach. 01
3	Total Company NAWC & AWWA Association Dues	<u>46,526</u>	Line 1 + line 2
4	Allocation Factor for Kankakee	45.56%	Aqua Schedule WP-A5, p. 2
5	Industry Association Dues Allocated to Kankakee	\$ 21,197	Line 3 x line 4
6	Percent of Dues for Lobbying Activities	11%	Aqua response to DR BCJ-6.02, Supp. Attach. 01
7	Staff Adjustment to Reduce Misc. General Expense	<u><u>\$ (2,332)</u></u>	Line 5 x line 6

Aqua Illinois, Inc. - Kankakee Water Division
 Charitable Contributions Adjustment
 For the Test Year Ending December 31, 2015

Line No.	Description (a)	Amount (b)	Source (c)
1	Charitable Contributions per Staff	\$ 20,353	Line 9
2	Charitable Contributions per Company	<u>23,443</u>	Aqua Schedule C-7
3	Staff Adjustment to Reduce Charitable Contributions	<u><u>\$ (3,090)</u></u>	Line 1 - Line 2
4	Charitable Contributions per Company	\$ 23,443	Aqua Sch. C-7
5	Less:		
6	Willowbrook Estates	1,030	Aqua Schedule C-7
7	Bourbonnais Friendship Festival	1,030	Aqua Schedule C-7
8	Two Rivers Festival	<u>1,030</u>	Aqua Schedule C-7
9	Charitable Contributions per Staff	<u><u>\$ 20,353</u></u>	Line 4 - lines 6, 7, 8

Aqua Illinois, Inc. - Kankakee Water Division
 Advertising Expense Adjustment
 For the Test Year Ending December 31, 2015

Line No.	Description (a)	Amount (b)	Source (c)
1	2012 Non-recoverable Advertising Expense per Staff	\$ 8,830	Staff Schedule 1.11, p. 2
2	2013 Non-recoverable Advertising Expense per Staff	<u>14,674</u>	Staff Schedule 1.11, p. 3
3	Total 2012 - 2013 Non-recoverable Advertising Expense per Staff	<u>\$ 23,504</u>	Line 1 + line 2
4	2012 Total Advertising Expense	\$ 26,640	Aqua response to Staff DR BCJ-3.03
5	2013 Total Advertising Expense	<u>20,310</u>	Aqua response to Staff DR BCJ-3.03
6	Total 2012 - 2013 Advertising Expense	<u>\$ 46,950</u>	Line 4 + line 5
7	2012 - 2013 Non-recoverable Advertising Expense Percentage	50%	Line 3 ÷ line 6
8	2015 Projected Advertising Expense	\$ 22,454	Aqua Schedule C-8
9	2015 Non-recoverable Advertising Expense per Staff	<u>\$ (11,241)</u>	Line 7 x line 8

Aqua Illinois, Inc. - Kankakee Water Division
Advertising Expense Adjustment
 For the Test Year Ending December 31, 2015

Line No.	AU (a)	Account (b)	SY (c)	Date (d)	Description (e)	(f)	Amount (g)	(h)
1	100	660800	AP	6/30/2012	1684B&B PUBLISHING	Graduation ad	\$	55
2	100	660800	AP	7/31/2012	41345WATSEKA LITTLE LEAGUE	Program ad		90
3	100	660800	GL	10/31/2012	Reclassify contributions:			
4					BBCH Football Booster Club	Booster Club sign at BB High School	200	
5					Aroma Park Little League	Sign on outfield fence	125	
6					Manteno Youth Baseball Softball League	Sponsor team & sign on outfield fence	1,250	
7					Bishop McNamara High School - auction	Ad in annual fundraising auction	450	
8					Rotary Club of Kewanee	Tickets/ad wine & beer tasting & auction	250	
9					American Cancer Society	Golf outing - sign & program ad	250	
10					City of Kankakee	Regatta sponsorship - logo ad	400	
11					City of Kankakee	Sponsor MusicFest	1,000	
12					Kankakee County Sheriffs Police	Calendar program ad	210	
13					Manteno Oktoberfest	Sponsor Oktoberfest - logo & banner	500	
14					Victim Assistance Program	Golf outing - fees, dinner, banner	325	
15					Kankakee Co. Branch NAACP	Sponsor Freedom Fund Banquet	3,000	
16					Maternity BVM	Dinner/auction program book ad	250	8,210
						Kankakee HS-Holiday tournament program		
17	100	660800	GL	11/30/2012	Reclassify A/P	book sponsor		275
18	100	660800	AP	12/31/2012	30417KCTC FOUNDATION	Program ad		200
19					2012 Non-recoverable Advertising Expense per Staff		\$	<u>8,830</u>

Source: Aqua responses to Staff DR BCJ-3.03 and BCJ-9.01.

Aqua Illinois, Inc. - Kankakee Water Division
Advertising Expense Adjustment
 For the Test Year Ending December 31, 2015

Line No.	AU	Account	SY	Date	Description	Amount
	(a)	(b)	(c)	(d)	(e)	(f)
						(g)
1	100	660800	AP	3/31/2013	1896BISHOP MCNAMARA HIGH	Auction ad \$ 125
2	100	660800	AP	3/31/2013	36101BBCHS FOOTBALL BOOSTE	Booster Club sign 200
3	100	660800	GL	4/30/2013	Reclass Contributns to Adv	Sponsor: Little League 125
4	100	660800	GL	4/30/2013	Reclass Contributns to Adv	Sponsor: Presence Our Lady of Victory golf outing 750
5	100	660800	AP	5/31/2013	553AT&T	Late payment charge 15
6	100	660800	AP	5/31/2013	29556MANTENO CHAMBER OF CO	Sponsor: golf outing 100
7	100	660800	AP	5/31/2013	505ROTARY CLUB OF GLOUCE	Wine tasting & auction 250
8	100	660800	AP	5/31/2013	40244KANKAKEE COUNTY FIRE	Sponsor: golf outing 1,000
9	100	660800	GL	5/31/2013	Reclassify Advertising Costs	Sponsor: golf, soccer, festivals 2,340
10	100	660800	CB	6/28/2013	KC OUTING	Sponsor: golf outing 100
11	100	660800	CB	6/28/2013	KCC Foundation	Sponsor: golf outing 100
12	100	660800	AP	7/31/2013	34071PROVENA OUR LADY OF V	Sponsor: Black tie gala 1,250
13	100	660800	AP	7/31/2013	30463BRADLEY BOURBONNAIS R	Sponsor: golf outing 100
14	100	660800	AP	8/31/2013	21007KANKAKEE COUNTY SHERI	Calendar ad 215
15	100	660800	AP	8/31/2013	10786MATERNITY B.V.M. SCHO	Dinner auction ad 250
16	100	660800	CB	8/31/2013	PAUSE-PATRIOTISM	Sponsor: golf outing 100
17	100	660800	GL	8/31/2013	Recls Advertising Exp's	Sponsor: The 67 Group golf outing 1,000
18	100	660800	AP	9/30/2013	620UNITED WAY (CWC)	Sponsor: golf outing 125
19	100	660800	AP	9/30/2013	20204VILLAGE OF GRANT PARK	Oktoberfest 500
20	100	660800	AP	9/30/2013	6859NAACP	Sponsor: Freedom Fund banquet 3,000
21	100	660800	GL	9/30/2013	Reclassify Advertising	Sponsor: Christmas Day, Inc. golf outing 100
22	100	660800	GL	9/30/2013	Reclassify Advertising	Sponsor: Kankakee River regatta 450
23	100	660800	AP	10/31/2013	10567VILLAGE OF BRADLEY	Sponsor: Christmas parade 250
24	100	660800	AP	10/31/2013	35564JAMES P. BILOTTA	Sponsor: Kankakee Bldg Trades golf outing 125
25	100	660800	AP	10/31/2013	18563KANKAKEE SCHOOL DISTR	Ad in holiday tournament program book 275
26	100	660800	GL	10/31/2013	Reclassify Zonta of K3 to Adv	Sponsor: River Valley Shilly Shally 250
27	100	660800	AP	11/30/2013	36011PRECISION PRINT COMMU	Bottle water holder with Aqua logo 63
28	100	660800	AP	11/30/2013	36011PRECISION PRINT COMMU	Bottle water holder with Aqua logo 1,016
29	100	660800	GL	12/31/2013	K3 Valley Symphony	Concert program ad 500
30					2013 Non-recoverable Advertising Expense per Staff	\$ 14,674

Source: Aqua response to Staff DR BCJ-3.03.

Aqua Illinois, Inc. - Kankakee Water Division
 Corporate Office Plant in Service Adjustment
 For the Test Year Ending December 31, 2015

Line No.	Description (a)	Amount (b)	Source (c)
1	<u>Utility Plant</u>		
2	Corporate Office Retirements and Unidentified IS Projects-Future Years in Rate Base per Staff	\$ -	
3	Corporate Office Retirements and Unidentified IS Projects-Future Years in Rate Base per Company	258,854	Staff Schedule 1.12, p. 3
4	Staff Adjustment to Reduce Utility Plant	<u>\$ (258,854)</u>	Line 1 - line 2
5	<u>Reserve for Accumulated Depreciation</u>		
6	Accumulated Depreciation on Corporate Office Retirements per Staff	\$ -	
7	Accumulated Depreciation on Corporate Office Retirements per Company	(135,744)	Aqua response to Staff DR BCJ-4.04
8	Staff Adjustment to Reduce Reserve for Accumulated Depreciaton	<u>\$ 135,744</u>	Line 6 - line 7
9	<u>Accumulated Deferred Income Tax ("ADIT")</u>		
10	ADIT on Corporate Office Retirements and Unidentified IS Projects-Future Years per Staff	\$ -	
11	ADIT on Corporate Office Retirements and Unidentified IS Projects-Future Years per Company	(21,169)	Staff Schedule 1.12, p. 2
12	Staff Adjustment to Reduce ADIT	<u>\$ 21,169</u>	Line 10 - line 11
13	<u>Depreciation Expense</u>		
14	Test Year Depreciation Expense on Corporate Office Retirements and Unidentified IS Projects-Future Years per Staff	\$ -	
15	Test Year Depreciation Expense on Corporate Office Retirements and Unidentified IS Projects-Future Years per Company	6,486	Staff Schedule 1.12, p. 3
16	Staff Adjustment to Reduce Test Year Depreciation Expense	<u>\$ (6,486)</u>	Line 14 - line 15

Aqua Illinois, Inc. - Kankakee Water Division
 Corporate Office Plant in Service Adjustment
 For the Test Year Ending December 31, 2015

Line No.	Description (a)	Amount (b)	Source (c)
1	<u>Corporate Office (at Kankakee Division)</u>		
2	Projected gross utility plant in service at 12/31/15	\$ 163,717,574	Aqua Schedule B-1
3	Allocation of Corporate gross utility plant	5,765,804	Aqua Schedule B-1
4	Total gross utility plant in service	<u>\$ 169,483,378</u>	Line 1 + line 2
5	Retirements and unidentified IS projects in gross utility plant in service at 12/31/15	<u>\$ 258,854</u>	Staff Schedule 1.12, p. 3
6	% of retirements and unidentified IS projects in gross utility plant in service at 12/31/15	<u>0.15%</u>	Line 5 ÷ line 4
7	Projected total deferred income taxes at 12/31/15	<u>\$ 13,860,461</u>	Aqua Schedule B-2
8	Total deferred income taxes related to retired utility plant and unidentified IS projects in gross utility plant in service at 12/31/15	<u><u>\$ 21,169</u></u>	Line 6 x line 7

Aqua Illinois, Inc. - Kankakee Water Division
 Corporate Office Plant in Service Adjustment
 For the Test Year Ending December 31, 2015

Line No.	Description (a)	Amount (b)	Source (c)
1	Corporate Office (at Kankakee)		
2	Projected Retirements	\$ 135,744	Aqua response to Staff DR BCJ-4.04
3	Unidentified IS Projects-Future Years	<u>123,110</u>	Aqua response to Staff DR BCJ-4.06
4	Total Projected Retirements and Unidentified IS Projects-Future Years	\$ 258,854	Line 2 + line 3
5	% Allocated to Kankakee	<u>45.56%</u>	Aqua Schedule WP-A5
6	Kankakee Allocation	<u>\$ 117,934</u>	Line 5 x line 6
7	Average Test Year	\$ 58,967	Line 6 ÷ 2
8	Test Year Depreciation Rate	<u>11%</u>	See footnote
9	Test Year Depreciation Expense	<u>\$ 6,486</u>	Line 7 x line 8

Footnote:

Per Aqua Schedule C-12:

\$634,319 = Projected test year corporate depreciation expense

\$5,765,804 = Projected average corporate plant at 12/31/15

$\$634,319 \div \$5,765,804 = 11\%$

ILLINOIS COMMERCE COMMISSION
STAFF DATA REQUEST

Utility Company: AQUA ILLINOIS, INC.

Docket No. 14-0419

Date Submitted: 7/21/14

Submitted By: Paul J. Hanley, Controller of Aqua Illinois, Inc.
(815) 614-2033 ext. 59033

BCJ-4.04 Referring to Aqua work paper WP-A5, p. 3 of 3, line 1 column (D) reflects a Corporate plant amount of \$12,997,377. Please provide a detailed explanation of why this amount differs from the Corporate plant amount of \$13,133,121 on Schedule B-5, p. 3 of 3, line 14 column (D).

RESPONSE:

Our projections for the Corporate plant balances for 2014 and 2015 contain an estimate for retirements. For each year, we originally had an estimate for retirements of \$67,872 for a two-year total of \$135,744. This is the difference from Schedule WP-A5, page 3 and Schedule B-5, page 3. Schedule B-5, page 3 should represent the lower amount of \$12,997,377.

Witness: Paul J. Hanley

ILLINOIS COMMERCE COMMISSION
STAFF DATA REQUEST

Utility Company: AQUA ILLINOIS, INC.

Docket No. 14-0419

Date Submitted: 7/21/14

Submitted By: Paul J. Hanley, Controller of Aqua Illinois, Inc.
(815) 614-2033 ext. 59033

BCJ-4.06 Referring to Aqua Schedule B-5, p. 3 of 3, please provide a detailed explanation for the 61% increase in mainframe software from 12/31/2013 to 12/31/2015 (($\$6,954,965 - \$4,318,193$)/ $\$4,318,193$) and all documents(Board minutes, contracts, etc.) that support your explanation.

RESPONSE:

At the time the Kankakee rate model was built, the complete detail of the Illinois Corporate capital projects was not firm. Therefore, the model was built where most of the capital additions for Illinois Corporate were classified as mainframe software.

The difference of $\$2,636,772$ noted above has been broken out into the appropriate capital projects for the years 2013, 2014 and 2015. This detail is provided in the attached schedule BCJ 4.06 Attachment 01.

Witness: Paul J. Hanley

**AQUA ILLINOIS, INC.
KANKAKEE WATER DIVISION
SUPPORT FOR BCJ 4.06**

Docket No. 14-0419 ICC
Staff Exhibit 1.00
Attachment 1.02
Page 2 of 3

BCJ 4.06 Attachment 01

WO	WO_description	2013 Open CWIP & CCNC	2014 Budget	2015 Budget
24090005164	Engineering Software		10,000	10,000
24090096842	FS 2014 MC Project		19,230	19,230
24090096861	FS 2014 Training Project		25,640	25,640
24090096862	FS CSI - Continued Rollout		16,025	16,025
24090096863	FS Distribution-Continued Rollout		12,820	12,820
24090096864	FS Reporting Initiative		16,025	16,025
24090096865	FS Misc 2014		10,577	10,577
24090001666	FIS PowerPlant Upgrade		15,380	-
24090006605	Corp IT Process Improvement		2,560	-
24090011146	CIS Banner Enhancements - 2014		55,600	-
24090012086	FIS Business Support - 2014		25,640	-
24090012096	FIS Hyperion Upgrade		8,330	-
24090012366	INF Mobile Device Management (MDM)		9,360	-
24090012388	INF Windows 7 Upgrade		32,050	-
24090012526	Corp QlikView Phase 0		12,820	-
24090012831	SEC Security tools and pen tests		12,820	-
24090012890	FOP Backflow Implementation 2014		1,930	-
24090012898	FOP Field Operations Support 2014		6,430	-
24090012908	FOP New Field Tech 2014		1,610	-
24090012917	FOP Service Link Mods 2014		2,570	-
24090012927	INF SQL Monitoring Tool		1,600	-
24090013046	INF Data Center Infrastructure		12,820	-
24090013286	Corp IT Organization Model		9,620	-
24090013310	FIS Tax Repair Phase 0		13,460	-
24090013391	INF Comm and Avaya Infrastructure		12,820	-
24090013400	FIS HR/PR Redevelopment - Phase 0		6,410	-
24090013419	FIS Procurement Optimization		31,830	-
24090013704	FOP WESB Changes-Fixes		3,220	-
24090013822	CIS Acquisitions-Support		20,400	20,400
24090013852	CIS Banner 3.1 Reporting		19,290	-
24090036541	Unidentified IS Projects-Future Yrs		-	123,110
24090057746	Corp CIO Projects		12,840	15,400
24090073365	Corp MS EA Software		17,270	32,270
24090073385	Corp InfoStream Updates		9,620	2,880
24090083045	Corp IT Project Mgt Office		13,780	-
24090091829	AquaSpread - CIS		51,520	269,180
24090091840	AquaSpread - FIS		36,630	230,090
24090091850	AquaSpread - IS		46,590	140,610
24090094036	Replace IT Network Items		11,000	-
24090094050	Replace IT Network Server		10,792	-
24090094293	ACO PCs - 2014		1,710	-
24090013834	Banner 3.1 Systems Enhancements	15,160		
24090014074	FOP Application Support	1,644		
24090014267	IT Enterprise Backup - Avamar	32,181		
24090014268	IT Enterprise Testing Architecture	23,472		
24090014269	IT Field Service Technology Archite	6,618		
24090014275	IT ITSM Service Management	32,465		
24090014279	Tele - Call Center and Comm support	16,675		
24090014285	SEC - Network Penetration Tests	5,581		
24090033705	FIS Procurement Improvement	14,226		
24090050154	FIS W2 Benefits Reporting	630		

AQUA 001906

**AQUA ILLINOIS, INC.
KANKAKEE WATER DIVISION
SUPPORT FOR BCJ 4.06**

BCJ 4.06 Attachment 01

WO	WO_description	2013 Open CWIP & CCNC	2014 Budget	2015 Budget
24090065746	IT Enterprise Storage 2012	10,127		
24090067744	FIS P-Card Project	7,706		
24090070239	SEC Security Architecture Redesign	10,529		
24090001666	FIS PowerPlant Upgrade	7,090		
24090006605	Corp IT Process Improvement	5,514		
24090007166	ACO - Data Comm 2013	713		
24090013852	Banner 3.1 Reporting	13,544		
24090014254	FOP Service Link Support	15,549		
24090014264	IT Comm Architecture Enhanceme	23,107		
24090014277	IT Windows 7/VDI - Business Ca	22,133		
24090014486	FIS Business Needs Support	123,394		
24090018244	Banner 4.2 Planning	133		
24090049765	FIS Lawson-Banner Interface	77,308		
24090071518	FIS Tax Provision Software	76,588		
24090071942	FS 2013 MC Project	38,596		
24090072181	FS Tablet Rollout	8,424		
24090072183	FS CSI - Rollout Phase 1	12,264		
24090072184	FS CSI - Rollout Phase 2	8,932		
24090072185	FS CSI - Final Setup Pre Rollo	31,972		
24090073365	Corp MS EA Software	32,019		
24090073385	Corp InfoStream Updates	6,159		
24090073604	FOP FCS Meter Reading System	26,491		
24090073685	CIS Banner Enhancements	62,912		
24090073978	FIS PowerPlant Tax Repair	1,908		
24090073979	FIS Supply Chain Management	142,391		
24090074245	IT ITSM Event Notification/Cha	16,466		
24090082103	IT Core Brocade SAN Switch	8,357		
24090082114	IT SAN Storage Consolidation	35,397		
24090082124	IT Tablet BYOD - Architecture	11,243		
24090082145	SEC Security Redesign Project	34,617		
24090083045	Corp IT Project Mgt Office	21,912		
24090088624	CIS SOX Banner Scripting	4,986		
24090088635	FIS SOX PowerPlant Scripting	4,743		
		1,051,877	640,639	944,257
			\$	2,636,772