

**Illinois American Water Company
Purchased Sewage Treatment Surcharge Reconciliation
Summary
For the Year Ended December 31, 2011**

Line No.	Description (A)	As Filed Per Company (B)	Prior Orders O Component (C)	Adjustments (D)	Adjusted Per Company (E)
<u>Balances to be Collected / (Refunded) from Prior Years</u>					
1	Unamortized Balance as of 12/31/2010 per 2010 Reconciliation	\$ 74,992	\$ -	\$ -	\$ 74,992
2	R Component as of 12/31/2010 per 2010 Reconciliation	48,693	-	-	48,693
3	O Component to be Collected / (Refunded) in future years	(26,014)	-	-	(26,014)
4	Cumulative (Over)/Under Recovery from Prior Years (Line 1 + Line 2)	<u>\$ 97,671</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97,671</u>
<u>Current Year (Over)/Under Recovery</u>					
5	2011 Costs	\$ 869,116	\$ -	\$ -	\$ 869,116
6	2011 Revenues	(858,332)	-	-	(858,332)
7	Other Adjustments	-	-	-	-
8	Interest	-	-	-	-
9	Prior Orders O Component	-	5,882	-	5,882
10	Current Year (Over)/Under Recovery (Sum of Lines 4 thru 8)	<u>\$ 10,784</u>	<u>\$ 5,882</u>	<u>\$ -</u>	<u>\$ 16,666</u>
11	Current Year (Over)/Under Recovery (Sum of Lines 4 thru 8)	<u>\$ 108,456</u>	<u>\$ 5,882</u>	<u>\$ -</u>	<u>\$ 114,338</u>
<u>Disposition of Prior Years R and O Components</u>					
12	Unamortized Balance as of 12/31/2011	\$ 22,535	\$ -	\$ -	\$ 22,535
13	R Component to be Collected / (Refunded) in 2012	111,935	-	-	111,935
14	O Component to be Collected / (Refunded) in future years	(26,014)	5,882	-	(20,132)
15	2011 O Component to be Collected / (Refunded) (Line 11-12-13-14)	-	-	-	-
16	Cumulative (Over)/Under Recovery at 12/31/2011 (Line 11+12+13)	<u>\$ 108,456</u>	<u>\$ 5,882</u>	<u>\$ -</u>	<u>\$ 114,338</u>

O Component to be Collected / (Refunded) in future years:

Country Club	\$ (8,102)
Valley View	(10,312)
Rollins	-
Romeoville	(1,718)
	<u>\$ (20,132)</u>

**Illinois American Water Company
Purchased Sewage Treatment Surcharge Reconciliation
Country Club
For the Year Ended December 31, 2011**

Line No.	Description (A)	As Filed Per Company (B)	Prior Orders O Component (C)	Adjustments (D)	Adjusted Per Company (E)
<u>Balances to be Collected / (Refunded) from Prior Years</u>					
1	Unamortized Balance as of 12/31/2010 per 2010 Reconciliation	\$ 74,992	\$ -	\$ -	\$ 74,992
2	R Component as of 12/31/2010 per 2010 Reconciliation	51,750	-	-	51,750
3	O Component to be Collected / (Refunded) in future years	(15,096)	-	-	\$ (15,096)
4	Cumulative (Over)/Under Recovery from Prior Years (Line 1 + Line 2)	<u>\$ 111,646</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,646</u>
<u>Current Year (Over)/Under Recovery</u>					
5	2011 Costs	\$ 236,457	\$ -	\$ -	\$ 236,457
6	2011 Revenues	(262,532)	-	-	(262,532)
7	Other Adjustments	-	-	-	-
8	Interest	-	-	-	-
9	Prior Orders O Component	-	6,994	-	6,994
10	Current Year (Over)/Under Recovery (Sum of Lines 4 thru 8)	<u>\$ (26,075)</u>	<u>\$ 6,994</u>	<u>\$ -</u>	<u>\$ (19,081)</u>
11	Current Year (Over)/Under Recovery (Sum of Lines 4 thru 8)	<u>\$ 85,572</u>	<u>\$ 6,994</u>	<u>\$ -</u>	<u>\$ 92,566</u>
<u>Disposition of Prior Years R and O Components</u>					
12	Unamortized Balance as of 12/31/2011	\$ 22,535	\$ -	\$ -	\$ 22,535
13	R Component to be Collected / (Refunded) in 2012	78,133	-	-	78,133
14	O Component to be Collected / (Refunded) in future years	(15,096)	6,994	-	(8,102)
15	2011 O Component to be Collected / (Refunded) (Line 11-12-13-14)	-	-	-	-
16	Cumulative (Over)/Under Recovery at 12/31/2011 (Line 11+12+13)	<u>\$ 85,572</u>	<u>\$ 6,994</u>	<u>\$ -</u>	<u>\$ 92,566</u>

Sources:

- Column (B): IAWC Exhibit 1.13
- Column (C): IAWC Exhibit 1.14SR, page 2
- Column (D):
- Column (E): Col. (B) + (C) + (D)

**Illinois American Water Company
Purchased Sewage Treatment Surcharge Reconciliation
Country Club
Company Adjustment - Prior Years O Component and Interest Calculation**

Line No.	Description (A)	2006 (B)	2007 (C)	2008 (D)	2009 (E)	2010 (F)	2011 (G)
<u>Docket No. 06-0196</u>							
1	O Component per Order	\$ (959)					
2	Interest Rate	4.50%	5.00%	3.50%	1.00%	0.50%	0.50%
3	% of Year	100%	100%	100%	100%	100%	100%
4	Interest on O Component (Line 1 x Line 2 x Line 3)	(43)	(48)	(34)	(10)	(5)	(5)
<u>Docket No. 07-0195 Factor O</u>							
5	O Component per Order		\$ (16)				
6	Interest Rate		5%	3.5%	1.00%	0.50%	0.50%
7	% of Year		100%	25%	0%	0%	0%
8	Interest on O Component (Line 5 x Line 6 x Line 7)		(1)	-	-	-	-
<u>Docket No. 08-0218 Factor O</u>							
9	O Component per Order			\$ 7,677			
10	Interest Rate			3.50%	1.00%	0.50%	0.50%
11	% of Year			100%	100%	100%	100%
12	Interest on O Component (Line 9 x Line 10 x Line 11)			269	77	38	38
<u>Docket No. 09-0151 Factor O</u>							
13	O Component per Order				(14,800)		
14	Interest Rate				1.00%	0.50%	0.50%
15	% of Year				100%	100%	100%
16	Interest on O Component (Line 13 x Line 14 x Line 15)				(148)	(74)	(74)
17	Amount (Collected) / Refunded in Reconciliation	-	-	16	-	-	-
18	Ending Balance - O Component + Interest (2006 = Line 1 + Line 4 + Line 5 + Line 8 + Line 9 + Line 12 + Line 13 + Line 16 + Line 17) (2007 and beyond = prior year Line 18 + Line 4 + Line 5 + Line 8 + Line 9 + Line 12 + Line 13 + Line 16 + Line 17)	<u>\$ (1,002)</u>	<u>\$ (1,067)</u>	<u>\$ 6,861</u>	<u>\$ (8,020)</u>	<u>\$ (8,061)</u>	<u>(8,102)</u>
19	Company Cumulative O Component at 12/31/2011 (IAWC Exhibit 1.14SR, page 1)						<u>(15,096)</u>
20	Company Adjustment (Line 18 - Line 19)						<u>\$ 6,994</u>

**Illinois American Water Company
Purchased Sewage Treatment Surcharge Reconciliation
Valley View
For the Year Ended December 31, 2011**

Line No.	Description (A)	As Filed Per Company (B)	Prior Orders O Component (C)	Adjustments (D)	Adjusted Per Company (E)
<u>Balances to be Collected / (Refunded) from Prior Years</u>					
1	Unamortized Balance as of 12/31/2010 per 2010 Reconciliation	\$ -	\$ -	\$ -	\$ -
2	R Component as of 12/31/2010 per 2010 Reconciliation	(11,992)	-	-	(11,992)
3	O Component to be Collected / (Refunded) in future years	(9,409)	-	-	(9,409)
4	Cumulative (Over)/Under Recovery from Prior Years (Line 1 + Line 2)	<u>\$ (21,401)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (21,401)</u>
<u>Current Year (Over)/Under Recovery</u>					
5	2011 Costs	\$ 571,693	\$ -	\$ -	\$ 571,693
6	2011 Revenues	(535,439)	-	-	(535,439)
7	Other Adjustments	-	-	-	-
8	Interest	-	-	-	-
9	Prior Orders O Component	-	(903)	-	(903)
10	Current Year (Over)/Under Recovery (Sum of Lines 4 thru 8)	<u>\$ 36,254</u>	<u>\$ (903)</u>	<u>\$ -</u>	<u>\$ 35,351</u>
11	Current Year (Over)/Under Recovery (Sum of Lines 4 thru 8)	<u>\$ 14,853</u>	<u>\$ (903)</u>	<u>\$ -</u>	<u>\$ 13,950</u>
<u>Disposition of Prior Years R and O Components</u>					
12	Unamortized Balance as of 12/31/2011	\$ -	\$ -	\$ -	\$ -
13	R Component to be Collected / (Refunded) in 2012	24,262	-	-	24,262
14	O Component to be Collected / (Refunded) in future years	(9,409)	(903)	-	(10,312)
15	2011 O Component to be Collected / (Refunded) (Line 11-12-13-14)	-	-	-	-
16	Cumulative (Over)/Under Recovery at 12/31/2011 (Line 11+12+13)	<u>\$ 14,853</u>	<u>\$ (903)</u>	<u>\$ -</u>	<u>\$ 13,950</u>

Sources:

Column (B): IAWC Exhibit 1.13

Column (C): IAWC Exhibit 1.15SR, page 2

Column (D):

Column (E): Col. (B) + (C) + (D)

**Illinois American Water Company
Purchased Sewage Treatment Surcharge Reconciliation
Valley View
Company Adjustment - Prior Years O Component and Interest Calculation**

Line No.	Description (A)	2005 (B)	2006 (C)	2007 (D)	2008 (E)	2009 (F)	2010 (G)	2011 (H)
<u>Docket No. 05-0176 Factor O</u>								
1	O Component per Order	\$ (9,135)						
2	Interest Rate	2.5%	4.5%	5%	3.5%	1%	0.50%	0.50%
3	% of Year	100%	25%	75%	100%	100%	100%	100%
4	Interest on O Component (Line 1 x Line 2 x Line 3)	(228)	(103)	(343)	(320)	(91)	(46)	(46)
5	Amount (Collected) / Refunded in Reconciliation	-	-	-	-	-	-	-
6	Ending Balance - O Component + Interest (2005 = Line 1 + Line 4 + Line 5) (2006 and beyond = prior year Line 6 + Line 4 + Line 5)	<u>\$ (9,363)</u>	<u>\$ (9,466)</u>	<u>\$ (9,809)</u>	<u>\$ (10,129)</u>	<u>\$ (10,220)</u>	<u>\$ (10,266)</u>	<u>\$ (10,312)</u>
7	Company Cumulative O Component at 12/31/2011 (IAWC Exhibit 1.15SR, page 1)							<u>(9,409)</u>
8	Company Adjustment (Line 6 - Line 7)							<u>\$ (903)</u>

**Illinois American Water Company
Purchased Sewage Treatment Surcharge Reconciliation
Rollins
For the Year Ended December 31, 2011**

Line No.	Description (A)	As Filed Per Company (B)	Prior Orders O Component (C)	Adjustments (D)	Adjusted Per Company (E)
<u>Balances to be Collected / (Refunded) from Prior Years</u>					
1	Unamortized Balance as of 12/31/2010 per 2010 Reconciliation	\$ -	\$ -	\$ -	\$ -
2	R Component as of 12/31/2010 per 2010 Reconciliation	3,624	-	-	3,624
3	O Component to be Collected / (Refunded) in future years	-	-	-	-
4	Cumulative (Over)/Under Recovery from Prior Years (Line 1 + Line 2)	<u>\$ 3,624</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,624</u>
<u>Current Year (Over)/Under Recovery</u>					
5	2011 Costs	\$ 23,387	\$ -	\$ -	\$ 23,387
6	2011 Revenues	(20,825)	-	-	(20,825)
7	Other Adjustments	-	-	-	-
8	Interest	-	-	-	-
9	Prior Orders O Component	-	-	-	-
10	Current Year (Over)/Under Recovery (Sum of Lines 4 thru 8)	<u>\$ 2,562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,562</u>
11	Current Year (Over)/Under Recovery (Sum of Lines 4 thru 8)	<u><u>\$ 6,187</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,187</u></u>
<u>Disposition of Prior Years R and O Components</u>					
12	Unamortized Balance as of 12/31/2011	\$ -	\$ -	\$ -	\$ -
13	R Component to be Collected / (Refunded) in 2012	6,187	-	-	6,187
14	O Component to be Collected / (Refunded) in future years	-	-	-	-
15	2011 O Component to be Collected / (Refunded) (Line 11-12-13-14)	-	-	-	-
16	Cumulative (Over)/Under Recovery at 12/31/2011 (Line 11+12+13)	<u><u>\$ 6,187</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,187</u></u>

Sources:

- Column (B): IAWC Exhibit 1.13
- Column (C):
- Column (D):
- Column (E): Col. (B) + (C) + (D)

**Illinois American Water Company
Purchased Sewage Treatment Surcharge Reconciliation
Romeoville
For the Year Ended December 31, 2011**

Line No.	Description (A)	As Filed Per Company (B)	Prior Orders O Component (C)	Adjustments (D)	Adjusted Per Company (E)
<u>Balances to be Collected / (Refunded) from Prior Years</u>					
1	Unamortized Balance as of 12/31/2010 per 2010 Reconciliation	\$ -	\$ -	\$ -	\$ -
2	R Component as of 12/31/2010 per 2010 Reconciliation	5,311	-	-	5,311
3	O Component to be Collected / (Refunded) in future years	(1,509)	-	-	(1,509)
4	Cumulative (Over)/Under Recovery from Prior Years (Line 1 + Line 2)	<u>\$ 3,802</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,802</u>
<u>Current Year (Over)/Under Recovery</u>					
5	2011 Costs	\$ 37,579	\$ -	\$ -	\$ 37,579
6	2011 Revenues	(39,536)	-	-	(39,536)
7	Other Adjustments	-	-	-	-
8	Interest	-	-	-	-
9	Prior Orders O Component	-	(209)	-	(209)
10	Current Year (Over)/Under Recovery (Sum of Lines 4 thru 8)	<u>\$ (1,957)</u>	<u>\$ (209)</u>	<u>\$ -</u>	<u>\$ (2,166)</u>
11	Current Year (Over)/Under Recovery (Sum of Lines 4 thru 8)	<u>\$ 1,844</u>	<u>\$ (209)</u>	<u>\$ -</u>	<u>\$ 1,635</u>
<u>Disposition of Prior Years R and O Components</u>					
12	Unamortized Balance as of 12/31/2011	\$ -	\$ -	\$ -	\$ -
13	R Component to be Collected / (Refunded) in 2012	3,353	-	-	3,353
14	O Component to be Collected / (Refunded) in future years	(1,509)	(209)	-	(1,718)
15	2011 O Component to be Collected / (Refunded) (Line 11-12-13-14)	-	-	-	-
16	Cumulative (Over)/Under Recovery at 12/31/2011 (Line 11+12+13)	<u>\$ 1,844</u>	<u>\$ (209)</u>	<u>\$ -</u>	<u>\$ 1,635</u>

Sources:

- Column (B): IAWC Exhibit 1.13
- Column (C): IAWC Exhibit 1.17SR, page 2
- Column (D):
- Column (E): Col. (B) + (C) + (D)

**Illinois American Water Company
Purchased Sewage Treatment Surcharge Reconciliation
Romeoville
Company Adjustment - Prior Years O Component and Interest Calculation**

Line No.	Description (A)	2004 (B)	2005 (C)	2006 (D)	2007 (E)	2008 (F)	2009 (G)	2010 (H)	2011 (I)
<u>Docket No. 04-0258</u>									
1	O Component per Order	\$ (1,676)							
2	Interest Rate	1.5%	2.5%	4.5%	5%	3.5%	1%	0.50%	0.50%
3	% of Year	100%	25%	75%	100%	100%	100%	100%	100%
4	Interest on O Component (2004 = Line 1 x Line 2 x Line 3)	(25)	(10)	(57)	(84)	(59)	(17)	(8)	(8)
<u>Docket No. 05-0176</u>									
5	O Component per Order		\$ (13)						
6	Interest Rate		2.5%	4.5%	5%	3.5%	1%	0.50%	0.50%
7	% of Year		100%	25%	75%	100%	100%	100%	100%
8	Interest on O Component (2005 = Line 7 x Line 8 x Line 9)		-	-	-	-	-	-	-
<u>Docket No. 06-0196</u>									
9	O Component per Order			\$ 45					
10	Interest Rate			4.5%	5%	3.5%	1%	0.50%	0.50%
11	% of Year			100%	100%	100%	100%	100%	100%
12	Interest on O Component (2006 = Line 13 x Line 14 x Line 15)			2	2	2	-	-	-
<u>Docket No. 07-0195</u>									
13	O Component per Order				\$ 1,836				
14	Interest Rate				5%	3.5%	1%	0.50%	0.50%
15	% of Year				100%	25%			
16	Interest on O Component (2006 = Line 13 x Line 14 x Line 15)				92	16			
<u>Docket No. 08-0218 Factor O</u>									
17	O Component per Order					\$ 7,582			
18	Interest Rate					3.50%	1%	0.50%	0.50%
19	% of Year					100%	100%	25%	
20	Interest on O Component (2008 = Line 19 x Line 20 x Line 21)					265	76	9	
<u>Docket No. 10-0203 Factor O</u>									
21	O Component per Order							\$ 133	
22	Amount Refunded in Reconciliation	-	1,676	(1,663)	(13)	(1,889)	-	(7,932)	-
23	Ending Balance - O Component + Interest (2004 = Line 1 + Line 4 + Line 5 + Line 8 + Line 9 + Line 12 + Line 13 + Line 16 + Line 17 + Line 20 + Line 21 + Line 22) (2005 and beyond = prior year Line 23 + Line 4 + Line 5 + Line 8 + Line 9 + Line 12 + Line 13 + Line 16 + Line 17 + Line 20 + Line 21 + Line 22)	\$ (1,701)	\$ (48)	\$ (1,721)	\$ 112	\$ 6,029	\$ 6,088	\$ (1,710)	(1,718)
24	Company Cumulative O Component at 12/31/2011 (IAWC Exhibit 1.17SR, page 1)								(1,509)
25	Company Adjustment (Line 25 - Line 26)								\$ (209)