

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

ILLINOIS-AMERICAN WATER COMPANY f/k/a	)	
CITIZENS UTILITIES COMPANY OF ILLINOIS	)	
CITIZENS WATER RESOURCES	)	
	)	Docket No. 01-0645
Petition for Certificates of Public Convenience	)	
and Necessity to provide water and/or sanitary	)	
sewer service to parcels in DuPage and	)	
Will Counties, Illinois, pursuant to Section	)	
8-406 of the Public Utilities Act.	)	

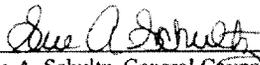
**STIPULATION**

Illinois-American Water Company ("IAWC") and the Staff of the Illinois Commerce Commission ("Staff") hereby stipulate in the above-referenced proceeding as follows:

1. Notwithstanding the terms of the five water and sewer service and/or construction agreements ("Agreements") signed by IAWC and property developers in connection with the above-referenced matter, IAWC shall be required, with respect to the sewer main extensions at issue in this proceeding (the "Extensions"), to: (a) provide a credit as described in Paragraph A-3 of Attachment "A" hereto to the developers under each agreement in the amount of one and one-half (1 1/2) times IAWC's estimate of annual sewer revenue from Original Prospective Customers (as defined in Paragraph A-3 of Attachment A); and (b) during the first 10 years following completion of the Extensions, collect from owners of property that the Extensions abut who request sewer service the amount determined in accordance with the provisions of Paragraph A-4 of Attachment A, which amount shall be refunded to the original applicant (up to the contributed portion of the original cost of the sewer main). No other provision related to "refunds" should apply in connection with the Extensions. IAWC and Staff agree that this result is supported by the evidentiary record.

2. IAWC and Staff agree that the Order entered by the Commission in this proceeding should be substantially in the form of the Agreed Draft Order attached hereto as Attachment C.

Respectfully submitted,  
ILLINOIS-AMERICAN WATER COMPANY

By:   
Sue A. Schultz, General Counsel and Secretary

Staff of the ILLINOIS COMMERCE COMMISSION

By: 

Dated: December 18, 2002

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