

**WHN CONSULTING**

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19 Morning Arbor Place  
The Woodlands, TX 77381

August 8, 2006

Ms. Sharla Dillon, Docket Clerk  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37219

**Re: Petition of Aqua Utilities Company for Approval of Adjustment of its Rates  
and Charges and Revised Tariff (Docket 06-00187)**

Dear Ms. Dillon:

On behalf of Aqua Utilities Company, enclosed you will find an original and four (4) hard copies along with a CD in PDF format of the **Company's Workpapers** in the above-referenced Petition.

If you questions regarding this electronic filing, please contact me at 713-298-1760.

Sincerely,



William H. Novak

Enclosures

**Aqua Utilities Company**  
**Attrition Period Plant in Service**

**RB-10.00**

December 2005

**Total  
Plant**  
**\$955,949.92 A/**

	<b>Growth From Contributions</b>	<b>Growth From Equity Investment</b>	<b>Total Growth</b>	
January, 2006	\$1,125.00 B/	\$0.00 C/	\$1,125.00	\$957,074.92
February	1,125.00	0.00	1,125.00	958,199.92
March	1,125.00	0.00	1,125.00	959,324.92
April	1,125.00	0.00	1,125.00	960,449.92
May	1,125.00	0.00	1,125.00	961,574.92
June	1,125.00	0.00	1,125.00	962,699.92
July	1,125.00	0.00	1,125.00	963,824.92
August	1,125.00	0.00	1,125.00	964,949.92
September	1,125.00	0.00	1,125.00	966,074.92
October	1,125.00	0.00	1,125.00	967,199.92
November	1,125.00	0.00	1,125.00	968,324.92
December	1,125.00	0.00	1,125.00	969,449.92
January, 2007	1,125.00	0.00	1,125.00	970,574.92
February	1,125.00	0.00	1,125.00	971,699.92
March	1,125.00	0.00	1,125.00	972,824.92
April	1,125.00	0.00	1,125.00	973,949.92
May	1,125.00	0.00	1,125.00	975,074.92
June (Attrition Year Midpoint)	1,125.00	0.00	1,125.00	<b>976,199.92</b>
July	1,125.00	0.00	1,125.00	977,324.92
August	1,125.00	0.00	1,125.00	978,449.92
September	1,125.00	0.00	1,125.00	979,574.92
October	1,125.00	0.00	1,125.00	980,699.92
November	1,125.00	0.00	1,125.00	981,824.92
December	1,125.00	0.00	1,125.00	982,949.92

**A/** Company Rate Base Workpaper RB-10.01.

**B/** Company Expense Workpaper RB-18.00.



**Aqua Utilities Company**  
**Historical Perod Plant in Service**

**RB-10.01**

	<b>Account 1101</b>		<b>Account 2101</b>		<b>Account 101</b>
	<b>Water</b>	<b>A/</b>	<b>Wastewater</b>	<b>A/</b>	<b>Total</b>
December, 2004	211,097.50		284,325.18		495,422.68
January, 2005	211,597.50		284,825.18		496,422.68
February	211,597.50		284,825.18		496,422.68
March	213,597.50		286,825.18		500,422.68
April	213,597.50		286,825.18		500,422.68
May	214,847.50		287,825.18		502,672.68
June	215,597.50		292,075.18		507,672.68
July	215,847.50		292,325.18		508,172.68
August	215,847.50		297,075.18		512,922.68
September	221,847.50		303,075.18		524,922.68
October	234,485.00		343,729.88		578,214.88
November	269,406.68		350,642.88		620,049.56
December	440,273.63		515,676.29		955,949.92

**A/** Company Rate Base Workpapers RB-10.10 to RB-10.14.

**NOTE:** Company made several entries on its books in December 2005 to recognize utility plant from prior years that was originally recorded on an affiliate's books in error.

01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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LB-10.10

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		101 Utility Plant in Service	495,422.68			
		1101 Utility Plant in Service - Water	211,097.50			
01/21/05	2227 V	STOREY UTILITY CONTRACTORS, INC. (LOGIC LAND CO., GREG WILSON)		250.00		
01/28/05	2232	STOREY UTILITY CONTRACTORS, (TROY MOORE)		250.00		
		January		500.00	211,597.50	
03/11/05	2260	STOREY UTILITY CONTRACTORS, INC. (SIX WATER/SWR. TAP FEES, MORRISON, HINSON, & FOUR TAPS ON NEWPORT LAND - BUCK BOND)		1,500.00		
03/28/05	2271	STOREY UTILITY CONTRACTORS, INC. (WATER / SEWER TAP - RICHARD STONE)		250.00		
03/31/05	2273	STOREY UTILITY CONTRACTORS, INC. (WATER / SEWER TAP ON LARRY ROBERTSON)		250.00		
		March		2,000.00	213,597.50	
05/10/05	2294	STOREY UTILITY CONTRACTORS, INC. (IRG. ONLY METER, LOGIC LAND CO., A/C #1658)		250.00		
05/10/05	2295	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. TAP ON LOGIC LAND CO., A/C #1668)		250.00		
05/10/05	2296	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. TAP ON WILLS CONST., A/C #1678)		250.00		
05/10/05	2297	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. ON POINT HARBOR BUILDERS, A/C #1688)		250.00		
05/31/05	2309	STOREY UTILITY CONTRACTORS, WTR./SWR. , A/C #1698, LOGIC LAND CO.		250.00		
		May		1,250.00	214,847.50	
06/24/05	2319 V	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. TAP, PHILLIP JACKSON, A/C #1708)		250.00		
06/24/05	2319 V	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. TAP, PHILLIP JACKSON, A/C #1718)		250.00		
06/30/05	GJE6	IRG. ONLY METER ON A/C #1438, WALTER WAGES, T/F FROM CONST. WORK IN PROCESS		250.00		
		June		750.00	215,597.50	
07/15/05	2330	STOREY UTILITY CONTRACTORS, INC. (WTR. / SWR. TAP ON TONY SMITH, A/C #1728)		250.00		
		July		250.00	215,847.50	
09/15/05	2363	STOREY UTILITY CONTRACTORS, INC. (WTR/SWR. TAP, RICHARD STONE, A/C #1738)		250.00		
09/15/05	2363	STOREY UTILITY CONTRACTORS, INC. (WTR/SWR. TAP, GREG WILSON, A/C				

01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		<b>1101 Utility Plant in Service - Water (cont.)</b>				
		#1748)		250.00		
09/19/05	2365	STOREY UTILITY CONTRACTORS, INC. (NORTHSHORE, PHASE III - PRESERVE)		5,250.00		
09/30/05	2371 V	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. TAP, OLDE TYME BUILDERS, A/C #1758)		250.00		
		September		6,000.00	221,847.50	
10/14/05	2380	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR TAP, CALLENS CONST., A/C #1768)		250.00		
10/17/05	2383	STOREY UTILITY CONTRACTORS, INC. (NORTHSHORE, PHASE III - PRESERVE)		5,312.50		
10/28/05	2392	STOREY UTILITY CONTRACTORS, INC. (NORTHSHORE, PHASE III - PRESERVE)		7,075.00		
		October		12,637.50	234,485.00	
11/11/05	2400	STOREY UTILITY CONTRACTORS, INC. (WTR./ SWR TAP, LOGIC LAND CO., A/C #1778)		250.00		
11/14/05	2402	STOREY UTILITY CONTRACTORS, INC. (NORTHSHORE, PHASE III - PRESERVE)		3,050.00		
11/23/05	2410	G & C SUPPLYCO., INC. (NORTHSHORE, PHASE III - PRESERVE)		10,729.08		
11/28/05	2411	SOUTHERN PIPE & SUPPLY, INC. (NORTHSHORE, PHASE III - PRESERVE)		20,892.60		
		November		34,921.68	269,406.68	
12/01/05	2417	STOREY UTILITY CONTRACTORS, INC. (IGR. ONLY TAP, A/C #1788, ROD RICHARDSON)		250.00		
12/22/05	2426	STOREY UTILITY CONTRACTORS, INC. (IRG. ONLY METER, A/C #1798, BEN MADDUX)		250.00		
12/22/05	2428	G & C SUPPLY, INC. (NORTHSHORE, PHASE III - PRESERVE)		3,302.11		
12/31/05	YJE1	TO TRANSFER AMOUNTS FOR PRESERVE DEVELOPMENT PAID BY AQUA IN 2005		(55,611.29)		
12/31/05	YJE19	ADDED TO PLANT DUE TO BEING ADDED TO CIAC IN PRIOR YEARS BUT NOT ADDED TO PLANT		8,500.00		
12/31/05	YJE4	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 1997		103,822.84		
12/31/05	YJE5	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 1999		51,418.56		
12/31/05	YJE6	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2000		20,510.33		
12/31/05	YJE7	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2001		9,281.00		
12/31/05	YJE8	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2002		4,600.00		



01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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RB-10.12

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
12/31/05	YJE9	1101 Utility Plant in Service - Water (cont.) TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2004		24,543.40		
			December	170,866.95	440,273.63	
				<u>229,176.13</u>		<u>440,273.63</u>
01/21/05	2227 V	2101 Utility Plant in Service - Wastewater STOREY UTILITY CONTRACTORS, INC. (LOGIC LAND CO., GREG WILSON)	284,325.18	250.00		
01/28/05	2232	STOREY UTILITY CONTRACTORS, (TROY MOORE)		250.00		
			January	<u>500.00</u>	284,825.18	
03/11/05	2260	STOREY UTILITY CONTRACTORS, INC. (SIX WATER/SWR. TAP FEES, MORRISON, HINSON, & FOUR TAPS ON NEWPORT LAND - BUCK BOND)		1,500.00		
03/28/05	2271	STOREY UTILITY CONTRACTORS, INC. (WATER / SEWER TAP - RICHARD STONE)		250.00		
03/31/05	2273	STOREY UTILITY CONTRACTORS, INC. (WATER / SEWER TAP ON LARRY ROBERTSON)		250.00		
			March	<u>2,000.00</u>	286,825.18	
05/10/05	2295	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. TAP ON LOGIC LAND CO., A/C #1668)		250.00		
05/10/05	2296	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. TAP ON WILLS CONST., A/C #1678)		250.00		
05/10/05	2297	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. ON POINT HARBOR BUILDERS, A/C #1688)		250.00		
05/31/05	2309	STOREY UTILITY CONTRACTORS, WTR./SWR. , A/C #1698, LOGIC LAND CO.		250.00		
			May	<u>1,000.00</u>	287,825.18	
06/20/05	2315	STOREY UTILITY CONTRACTORS, INC. (REPLACEMENT OF TWO PUMPS @ HERON WALK LIFT STATION)		3,750.00		
06/24/05	2319 V	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. TAP, PHILLIP JACKSON, A/C #1708)		250.00		
06/24/05	2319 V	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. TAP, PHILLIP JACKSON, A/C #1718)		250.00		
			June	<u>4,250.00</u>	292,075.18	
07/15/05	2330	STOREY UTILITY CONTRACTORS, INC. (WTR. / SWR. TAP ON TONY SMITH, A/C #1728)		250.00		
			July	<u>250.00</u>	292,325.18	
08/26/05	2349	STOREY UTILITY CONTRACTORS,				

01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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RB-10.13

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		2101 Utility Plant in Service - Wastewater (cont				
		INC. (REPLACEMENT OF PUMPS & CONTROLS @ LIFT STATION NEXT TO LOT #51)		4,750.00		
			August	4,750.00	297,075.18	
09/15/05	2363	STOREYUTILITY CONTRACTORS, INC. (WTR/SWR. TAP, RICHARD STONE, A/C #1738)		250.00		
09/15/05	2363	STOREYUTILITY CONTRACTORS, INC. (WTR/SWR. TAP, GREG WILSON, A/C #1748)		250.00		
09/19/05	2365	STOREY UTILITY CONTRACTORS, INC. (NORTHSHORE, PHASE III - PRESERVE)		5,250.00		
09/30/05	2371 V	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR. TAP, OLDE TYME BUILDERS, A/C #1758)		250.00		
			September	6,000.00	303,075.18	
10/14/05	2380	STOREY UTILITY CONTRACTORS, INC. (WTR./SWR TAP, CALLENS CONST., A/C #1768)		250.00		
10/17/05	2383	STOREY UTILITY CONTRACTORS, INC. (NORTHSHORE, PHASE III - PRESERVE)		5,312.50		
10/20/05	2387	J. R. STEWART (NORTHSHORE, PHASE III - PRESERVE - GRINDER PUMPS)		8,649.50		
10/20/05	2388	J. R. STEWART (NORTHSHORE, PHASE III - PRESERVE - 10% DEPOSIT ON GRINDER PUMPS)		19,367.70		
10/28/05	2392	STOREY UTILITY CONTRACTORS, INC. (NORTHSHORE, PHASE III - PRESERVE)		7,075.00		
			October	40,654.70	343,729.88	
11/11/05	2400	STOREY UTILITY CONTRACTORS, INC. (WTR./ SWR TAP, LOGIC LAND CO., A/C #1778)		250.00		
11/14/05	2402	STOREY UTILITY CONTRACTORS, INC. (NORTHSHORE, PHASE III - PRESERVE)		3,050.00		
11/23/05	2409	SOUTHERN PIPE & SUPPLY CO., INC. (NORTHSHORE, PHASE III, - PRESERVE)		3,613.00		
			November	6,913.00	350,642.88	
12/22/05	2428	G & C SUPPLY, INC. (NORTHSHORE, PHASE III - PRESERVE)		3,302.10		
12/22/05	2429	SOUTHERN PIPE & SUPPLY, INC. (NORTHSHORE PHASE III, PRESERVE)		116.90		
12/23/05	2430	J. R. STEWART, INC. ( SEWER PUMPS - NORTHSHORE, PHASE III - PRESERVE)		43,631.83		
12/31/05	YJE1	TO TRANSFER AMOUNTS FOR PRESERVE DEVELOPMENT PAID BY AQUA IN 2005		(99,368.53)		
12/31/05	YJE19	ADDED TO PLANT DUE TO BEING ADDED TO CIAC IN PRIOR YEARS BUT NOT ADDED TO PLANT		3,175.00		



01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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*RB-10.14*

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>2101 Utility Plant in Service - Wastewater (cont)</b>						
12/31/05	YJE4	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 1997		103,822.83		
12/31/05	YJE5	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 1999		51,418.56		
12/31/05	YJE6	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2000		20,510.32		
12/31/05	YJE7	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2001		9,281.00		
12/31/05	YJE8	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2002		4,600.00		
12/31/05	YJE9	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2004		24,543.40		
			December	165,033.41	515,676.29	
				<u>231,351.11</u>		<u>515,676.29</u>
		Combined Total		<u>460,527.24</u>		<u>955,949.92</u>
<b>218 Proprietary Capital</b>			0.00			
12/31/05	YJE11	TO RECLASS NOTE PAYABLE - MONTANA INTO EQUITY		(161,819.22)		
12/31/05	YJE19	ADDED TO PLANT DUE TO BEING ADDED TO CIAC IN PRIOR YEARS BUT NOT ADDED TO PLANT		(8,500.00)		
12/31/05	YJE19	ADDED TO PLANT DUE TO BEING ADDED TO CIAC IN PRIOR YEARS BUT NOT ADDED TO PLANT		(3,175.00)		
12/31/05	YJE2	TO ADJUST NOTE PAYABLE / EQUITY FOR AMTS. PD. BY AQUA FOR PRESERVE DURING '05 (ONE HALF WATER & ONE HALF SEWER)		(154,979.82)		
12/31/05	YJE3	TO RECORD AMOUNTS PAID FOR PRESERVE DEVELOPMENT BY MONTANA THROUGH 9/12/05 (WATER)		(512,388.19)		
12/31/05	YJE3	TO RECORD AMOUNTS PAID FOR PRESERVE DEVELOPMENT BY MONTANA THROUGH 9/12/05 (WASTEWATER)		(512,388.18)		
12/31/05	YJE4	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 1997 (WATER)		(103,822.84)		
12/31/05	YJE4	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 1997 (WASTEWATER)		(103,822.83)		
12/31/05	YJE5	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 1999 (WATER)		(51,418.56)		
12/31/05	YJE5	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 1999 (WASTEWATER)		(51,418.56)		
12/31/05	YJE6	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2000 (WATER)		(20,510.33)		
12/31/05	YJE6	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2000 (WASTEWATER)		(20,510.32)		
12/31/05	YJE7	TO RECORD AMOUNTS PAID BY				

**Aqua Utilities Company**  
**Attrition Period Construction Work in Progress**

**RB-11.00**

	<b>Account 1105</b>	<b>Account 2105</b>	<b>Account 105</b>
	<b>Water</b> A/	<b>Wastewater</b> A/	<b>Total</b>
December, 2004	0.00	0.00	0.00
January, 2005	0.00	0.00	0.00
February	0.00	0.00	0.00
March	0.00	0.00	0.00
April	0.00	0.00	0.00
May	0.00	0.00	0.00
June	0.00	0.00	0.00
July	0.00	0.00	0.00
August	0.00	0.00	0.00
September	0.00	0.00	0.00
October	0.00	0.00	0.00
November	0.00	0.00	0.00
December	567,949.48	611,756.71	1,179,706.19

**Growth:**

Entire amount will eventually convert to plant as a contribution.

	<b>Growth</b> B/	<b>Total</b>
January, 2006	64,605.17	1,244,311.36
February	64,605.17	1,308,916.52
March	64,605.17	1,373,521.69
April	64,605.17	1,438,126.86
May	64,605.17	1,502,732.02
June	64,605.17	1,567,337.19
July	64,605.17	1,631,942.36
August	64,605.17	1,696,547.52
September	64,605.17	1,761,152.69
October	64,605.17	1,825,757.86
November	64,605.17	1,890,363.02
December	64,605.17	1,954,968.19
January, 2007	83,333.33	2,038,301.52
February	83,333.33	2,121,634.86
March	83,333.33	2,204,968.19
April	83,333.33	2,288,301.52
May	83,333.33	2,371,634.86
June (Attrition Year Midpoint)	83,333.33	<b>2,454,968.19</b>
July	83,333.33	2,538,301.52
August	83,333.33	2,621,634.86
September	83,333.33	2,704,968.19
October	83,333.33	2,788,301.52
November	83,333.33	2,871,634.86
December	83,333.33	2,954,968.19

A/ Company Rate Base Workpaper RB-11.01.

B/ Company Rate Base Workpaper RB-11.20.



RB-11.01

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**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		<b>2101 Utility Plant in Service - Wastewater (cont</b>				
12/31/05	GJE16	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANTA IN 2000		20,510.32		
12/31/05	GJE17	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANTA IN 2001		9,281.00		
12/31/05	GJE18	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2002		4,600.00		
12/31/05	GJE19	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2004		24,543.40		
			December	161,858.41	512,501.29	
				<u>228,176.11</u>		512,501.29
		Combined Total		<u>448,852.24</u>		<u>944,274.92</u>
		<b>105 Construction Work in Process</b>	250.00			
06/30/05	GJE6	IRG. ONLY METER ON A/C #1438, WALTER WAGES, T/F FROM CONST. WORK IN PROCESS		(250.00)		
			June	(250.00)	0.00	
				<u>(250.00)</u>		<u>0.00</u>
		<b>105</b>	250.00			
		<b>1105 Construction work in progress - water</b>	0.00			
12/31/05	GJE11	TO TRANSFER AMOUNTS FOR PRESERVE DEVELOPMENT PAID BY AQUA IN 2005		55,611.29		
12/31/05	GJE13	TO RECORD AMOUNTS PAID FOR PRESERVE DEVELOPMENT BY MONTANA THROUGH 9/12/05		512,338.19		
			December	567,949.48	567,949.48	
				<u>567,949.48</u>		<u>567,949.48</u>
		<b>2105 Construction work in progress - wastewater:</b>	0.00			
12/31/05	GJE11	TO TRANSFER AMOUNTS FOR PRESERVE DEVELOPMENT PAID BY AQUA IN 2005		99,368.53		
12/31/05	GJE13	TO RECORD AMOUNTS PAID FOR PRESERVE DEVELOPMENT BY MONTANA THROUGH 9/12/05		512,388.18		
			December	611,756.71	611,756.71	
				<u>611,756.71</u>		<u>611,756.71</u>
		Combined Total		<u>1,179,706.19</u>		<u>1,179,956.19</u>
		<b>108 Accumulated Depreciation</b>	(177,915.86)			
		<b>1108 Accumulated Depreciation - Water</b>	(76,425.25)			
01/31/05	GJE5	JANUARY DEPRECIATION		(440.08)		
01/31/05	GJE5	JANUARY DEPRECIATION		(9.66)		
			January	(449.74)	(76,874.99)	
2/8/05	GJE6	FEBRUARY DEPRECIATION		(440.07)		

**Aqua Utilities Company**  
**Additions to Construction Work in Progress**

**RB-11.20**

	<u><b>Annual Amount</b></u>	<u><b>Monthly Amount</b></u>
2006 Total Additions	<u><u>\$775,262 A/</u></u>	<u><u>\$64,605.17 B/</u></u>
2007 Total Additions	<u><u>\$1,000,000 A/</u></u>	<u><u>\$83,333.33 B/</u></u>

**A/** Company Rate Base Workpaper RB-11.21.

**B/** Assumes Plant Investment occurs evenly throughout the year.

RB-11.21  
RB-10.21

**AQUA UTILITIES COMPNAY, INC.**  
**408 MAIN STREET**  
**SAVANNAH, TN 38372**  
**PHONE (731) 925-6547**  
**FAX (731) 925-9524**

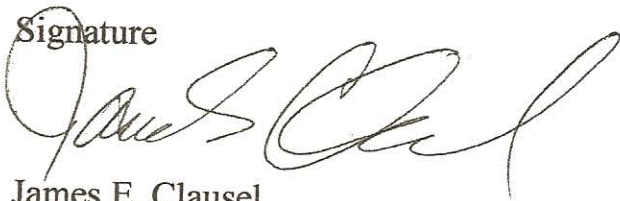
June 9, 2006

Mr. Hal Novak  
WHN Consulting  
19 Morning Arbor Place  
The Woodlands, TX 77381

Re: Preserve Development

Through the year 2005, approximately \$1,179,756.00 was spent on the Preserve Development. Thus far in 2006, \$275,262.00 has been spent on the Preserve development and I estimate that an additional amount of approximately \$500,000.00 will be spent on the Preserve Development during the remainder of 2006. Therefore, I expect the total amount spent on the Preserve during 2006 to be 775,262.00. I also expect an additional amount of approximately \$1,000,000.00 to be spent on the Preserve Development during 2007. The Preserve development will contain approximately 400 – 500 lots for houses available for sale with an additional 150 condominiums also available for sale. I anticipate construction on the first houses to begin within 30 days from this date.

Signature



James E. Clausel



**Aqua Utilities Company**  
**Attrition Period Accumulated Depreciation**

**RB-15.00**

	<b>Account 1108</b>	<b>Account 2108</b>	<b>Account 108</b>
	<b>Water</b> A/	<b>Wastewater</b> A/	<b>Total</b>
December, 2004	76,425.25	101,490.61	177,915.86
January, 2005	76,874.99	102,264.63	179,139.62
February	77,324.71	103,038.66	180,363.37
March	77,778.60	103,816.85	181,595.45
April	78,232.49	104,595.03	182,827.52
May	78,688.98	105,375.30	184,064.28
June	79,147.36	106,183.67	185,331.03
July	79,606.02	106,992.36	186,598.38
August	80,064.59	107,832.65	187,897.24
September	80,524.80	108,674.52	189,199.32
October	80,985.47	109,516.89	190,502.36
November	81,446.63	110,359.77	191,806.40
December	118,470.15	147,164.91	265,635.06

	<b>Plant</b>	<b>Average</b>	<b>Composite</b>	<b>Depreciation</b>	<b>Accumulated</b>
	<b>In Service</b> B/	<b>Plant</b>	<b>Depr. Rate</b> C/	<b>Expense</b>	<b>Depreciation</b>
December, 2005	955,949.92	-			265,635.06
January, 2006	957,074.92	956,512.42	0.24%	2,310.69	267,945.75
February	958,199.92	957,637.42	0.24%	2,313.41	270,259.16
March	959,324.92	958,762.42	0.24%	2,316.13	272,575.29
April	960,449.92	959,887.42	0.24%	2,318.85	274,894.14
May	961,574.92	961,012.42	0.24%	2,321.56	277,215.70
June	962,699.92	962,137.42	0.24%	2,324.28	279,539.98
July	963,824.92	963,262.42	0.24%	2,327.00	281,866.98
August	964,949.92	964,387.42	0.24%	2,329.72	284,196.70
September	966,074.92	965,512.42	0.24%	2,332.44	286,529.14
October	967,199.92	966,637.42	0.24%	2,335.15	288,864.29
November	968,324.92	967,762.42	0.24%	2,337.87	291,202.16
December	969,449.92	968,887.42	0.24%	2,340.59	293,542.75
January, 2007	970,574.92	970,012.42	0.24%	2,343.31	295,886.06
February	971,699.92	971,137.42	0.24%	2,346.02	298,232.08
March	972,824.92	972,262.42	0.24%	2,348.74	300,580.82
April	973,949.92	973,387.42	0.24%	2,351.46	302,932.28
May	975,074.92	974,512.42	0.24%	2,354.18	305,286.46
June (Midpoint)	976,199.92	975,637.42	0.24%	2,356.89	<b>307,643.35</b>
July	977,324.92	976,762.42	0.24%	2,359.61	310,002.96
August	978,449.92	977,887.42	0.24%	2,362.33	312,365.29
September	979,574.92	979,012.42	0.24%	2,365.05	314,730.34
October	980,699.92	980,137.42	0.24%	2,367.77	317,098.11
November	981,824.92	981,262.42	0.24%	2,370.48	319,468.59
December	982,949.92	982,387.42	0.24%	2,373.20	321,841.79

**Depreciation Expense for the 12 Months Ended December 31, 2007**  
**Less Amortization of Contributions in Aid of Construction**  
**Net Depreciation Expense**

28,201.20  
11,204.79 D/  
**16,996.41**

- A/ Company Rate Base Workpapers RB-15.10 to RB-15.12.  
B/ Company Rate Base Workpaper RB-10.00.  
C/ Company Rate Base Workpaper RB-15.01.  
D/ Company Rate Base Workpaper RB-18.00.

**Aqua Utilities Company**  
**Attrition Period Accumulated Depreciation**

**RB-15.01**

	<b>Water</b>	<b>Wastewater</b>	<b>Total</b>
Utility Plant in Service at December 31, 2004	211,098 A/	284,325 A/	495,423
Utility Plant in Service at December 31, 2005	440,274 A/	515,676 A/	955,950
<b>Average</b>	<b>325,686</b>	<b>400,001</b>	<b>725,686</b>
Book Depreciation Expense for 2005	<b>15,237 B/</b>	<b>13,660 B/</b>	<b>28,896</b>
<b>Annual Composite Depreciation Rate</b>	<b>4.68%</b>	<b>3.41%</b>	<b>3.98%</b>
<b>Monthly Composite Depreciation Rate</b>	<b>0.39%</b>	<b>0.28%</b>	<b>0.33%</b>
Utility Plant in Service at December 31, 2003	206,598 C/	272,832 C/	479,430
Utility Plant in Service at December 31, 2004	211,098 C/	284,325 C/	495,423
<b>Average</b>	<b>208,848</b>	<b>278,579</b>	<b>487,427</b>
Book Depreciation Expense for 2004	<b>5,335 C/</b>	<b>8,795 C/</b>	<b>14,130</b>
<b>Annual Composite Depreciation Rate</b>	<b>2.55%</b>	<b>3.16%</b>	<b>2.90%</b>
<b>Monthly Composite Depreciation Rate</b>	<b>0.21%</b>	<b>0.26%</b>	<b>0.24%</b>

A/ Company Rate Base Workpaper RB-10.01.

B/ Company Rate Base Workpaper RB-15.02.

C/ TRA 2004 Annual Report

**NOTE:** In December 2005, the Company transferred a large amount of plant into Aqua that had been mistakenly placed on the books of its parent company. However, the composite depreciation rate for 2004 needs to be used for rate case depreciation expense since the December 2005 plant adjustment distorts the actual depreciation rates used for 2005.

**Aqua Utilities Company**  
**Historical Depreciation Expense**

**RB-15.02**

	<b>Account 403</b>	<b>Account 601</b>	
	<b>Water</b> A/	<b>Wastewater</b> B/	<b>Total</b>
January, 2005	449.74	774.02	1,223.76
February	449.72	774.03	1,223.75
March	453.89	778.19	1,232.08
April	453.89	778.18	1,232.07
May	456.49	780.27	1,236.76
June	458.38	808.37	1,266.75
July	458.66	808.69	1,267.35
August	458.57	840.29	1,298.86
September	460.21	841.87	1,302.08
October	460.67	842.37	1,303.04
November	461.16	842.88	1,304.04
December	10,215.15	4,790.61	15,005.76
<b>Total</b>	<b><u>15,236.53</u></b>	<b><u>13,659.77</u></b>	<b><u>28,896.30</u></b>

**A/** Company Rate Base Workpapers RB-15.20 to RB-15.21.

**B/** Company Rate Base Workpapers RB-15.22 to RB-15.23.

**NOTE:** Company made several entries on its books in December 2005 to recognize utility plant from prior years that was originally recorded on an affiliate's books in error. The December depreciation represents the depreciation on the adjusted balance in December 2005.



01/01/05 - 12/31/05

# AQUA UTILITIES COMPANY, INC. General Ledger

 RB-15.10  
 AQUA  
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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>2101 Utility Plant in Service - Wastewater (cont)</b>						
12/31/05	YJE7	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2001		9,281.00		
12/31/05	YJE8	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2002		4,600.00		
12/31/05	YJE9	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2004		24,543.40		
			December	161,858.41	512,501.29	
				<u>228,176.11</u>		512,501.29
		Combined Total		<u>448,852.24</u>		<u>944,274.92</u>
<b>105 Construction Work in Process</b>						
06/30/05	GJE6	IRG. ONLY METER ON A/C #1438, WALTER WAGES, T/F FROM CONST. WORK IN PROCESS	250.00			
			June	(250.00)	0.00	
				<u>(250.00)</u>		0.00
<b>105 Construction work in progress - water</b>						
12/31/05	YJE1	TO TRANSFER AMOUNTS FOR PRESERVE DEVELOPMENT PAID BY AQUA IN 2005	250.00			
31/05	YJE3	TO RECORD AMOUNTS PAID FOR PRESERVE DEVELOPMENT BY MONTANA THROUGH 9/12/05	0.00	55,611.29		
			December	512,388.19		
				<u>567,999.48</u>	567,999.48	
				<u>567,999.48</u>		<u>567,999.48</u>
<b>2105 Construction work in progress - wastewater</b>						
12/31/05	YJE1	TO TRANSFER AMOUNTS FOR PRESERVE DEVELOPMENT PAID BY AQUA IN 2005	0.00			
12/31/05	YJE3	TO RECORD AMOUNTS PAID FOR PRESERVE DEVELOPMENT BY MONTANA THROUGH 9/12/05		99,368.53		
			December	512,388.18		
				<u>611,756.71</u>	611,756.71	
				<u>611,756.71</u>		611,756.71
		Combined Total		<u>1,179,756.19</u>		<u>1,180,006.19</u>
<b>108 Accumulated Depreciation</b>						
<b>1108 Accumulated Depreciation - Water</b>						
01/31/05	GJE5	JANUARY DEPRECIATION	(177,915.86)			
01/31/05	GJE5	JANUARY DEPRECIATION	(76,425.25)			
			January	(440.08)		
				<u>(9.66)</u>		
				<u>(449.74)</u>	(76,874.99)	
02/28/05	GJE6	FEBRUARY DEPRECIATION		(440.07)		
02/28/05	GJE6	FEBRUARY DEPRECIATION		(9.65)		
			February	<u>(449.72)</u>	(77,324.71)	
03/31/05	GJE5	MARCH DEPRECIATION		(444.24)		



01/01/05 - 12/31/05

RB-15.11

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

AQUA  
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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>1108 Accumulated Depreciation - Water (cont.)</b>						
03/31/05	GJE5	MARCH DEPRECIATION		(9.65)		
			March	(453.89)	(77,778.60)	
04/30/05	GJE5	APRIL DEPRECIATION		(444.24)		
04/30/05	GJE5	APRIL DEPRECIATION		(9.65)		
			April	(453.89)	(78,232.49)	
05/31/05	GJE6	MAY DEPRECIATION		(9.66)		
05/31/05	GJE6	MAY DEPRECIATION		(446.83)		
			May	(456.49)	(78,688.98)	
06/30/05	GJE6	DEPRECIATION		(448.73)		
06/30/05	GJE6	DEPRECIATION		(9.65)		
			June	(458.38)	(79,147.36)	
07/31/05	GJE6	DEPRECIATION		(449.00)		
07/31/05	GJE6	DEPRECIATION		(9.66)		
			July	(458.66)	(79,606.02)	
08/31/05	GJE6	DEPRECIATION		(448.91)		
08/31/05	GJE6	DEPRECIATION		(9.66)		
			August	(458.57)	(80,064.59)	
09/30/05	GJE5	DEPRECIATION		(450.56)		
09/30/05	GJE5	DEPRECIATION		(9.65)		
			September	(460.21)	(80,524.80)	
10/31/05	GJE5	DEPRECIATION		(451.01)		
10/31/05	GJE5	DEPRECIATION		(9.66)		
			October	(460.67)	(80,985.47)	
11/30/05	GJE6	DEPRECIATION		(451.51)		
11/30/05	GJE6	DEPRECIATION		(9.65)		
			November	(461.16)	(81,446.63)	
12/31/05	GJE8	DEPRECIATION		(452.56)		
12/31/05	GJE8	DEPRECIATION		(9.66)		
12/31/05	YJE10	TO RECORD THE DEPRECIATION ON AMTS. PD. BY MONTANA FOR AQUA PLANT FOR YRS. '97 - '04 PLACED INTO EQUITY		(35,605.05)		
12/31/05	YJE16	DEPRECIATION FOR PRIOR YEARS ON ITEMS (TAPS) ADDED IN ORDER TO CAUSE DEPR. SCHD. CIAC TO EQUAL B.SHEET CIAC		(956.25)		
			December	(37,023.52)	(118,470.15)	
				(42,044.90)		(118,470.15)
<b>2108 Accumulated Depreciation - Wastewater</b>						
01/31/05	GJE5	JANUARY DEPRECIATION	(101,490.61)	(764.37)		
01/31/05	GJE5	JANUARY DEPRECIATION		(9.65)		
			January	(774.02)	(102,264.63)	
02/28/05	GJE6	FEBRUARY DEPRECIATION		(9.65)		
3/05	GJE6	FEBRUARY DEPRECIATION		(764.38)		
			February	(774.03)	(103,038.66)	

01/01/05 - 12/31/05

RB-15.12

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>2108 Accumulated Depreciation - Wastewater (</b>						
03/31/05	GJE5	MARCH DEPRECIATION		(9.66)		
03/31/05	GJE5	MARCH DEPRECIATION		(768.53)		
		March		(778.19)	(103,816.85)	
04/30/05	GJE5	APRIL DEPRECIATION		(768.53)		
04/30/05	GJE5	APRIL DEPRECIATION		(9.65)		
		April		(778.18)	(104,595.03)	
05/31/05	GJE6	MAY DEPRECIATION		(9.65)		
05/31/05	GJE6	MAY DEPRECIATION		(770.62)		
		May		(780.27)	(105,375.30)	
06/30/05	GJE6	DEPRECIATION		(798.72)		
06/30/05	GJE6	DEPRECIATION		(9.65)		
		June		(808.37)	(106,183.67)	
07/31/05	GJE6	DEPRECIATION		(799.04)		
07/31/05	GJE6	DEPRECIATION		(9.65)		
		July		(808.69)	(106,992.36)	
08/31/05	GJE6	DEPRECIATION		(830.64)		
08/31/05	GJE6	DEPRECIATION		(9.65)		
		August		(840.29)	(107,832.65)	
09/30/05	GJE5	DEPRECIATION		(832.22)		
09/30/05	GJE5	DEPRECIATION		(9.65)		
		September		(841.87)	(108,674.52)	
10/31/05	GJE5	DEPRECIATION		(832.72)		
10/31/05	GJE5	DEPRECIATION		(9.65)		
		October		(842.37)	(109,516.89)	
11/30/05	GJE6	DEPRECIATION		(833.23)		
11/30/05	GJE6	DEPRECIATION		(9.65)		
		November		(842.88)	(110,359.77)	
12/31/05	GJE8	DEPRECIATION		(833.23)		
12/31/05	GJE8	DEPRECIATION		(9.65)		
12/31/05	YJE10	TO RECORD THE DEPRECIATION ON AMTS. PD BY MONTANA FOR AQUA PLANT FOR YRS. '97 - '04 PLACED INTO EQUITY		(35,605.05)		
12/31/05	YJE16	DEPRECIATION FOR PRIOR YEARS ON ITEMS (TAPS) ADDED IN ORDER TO CAUSE DEPR. SCHD. CIAC TO EQUAL B.SHEET CIAC		(357.21)		
		December		(36,805.14)	(147,164.91)	
Combined Total				(45,674.30)		(147,164.91)
				(87,719.20)		(265,635.06)
<b>131 Cash</b>						
01/31/05	DISB	Cash Disbursements	(4,697.82)	(6,724.18)		
01/31/05	GJE2	JANUARY DEPOSITS		10,159.71		
01/31/05	GJE4	BANK SERVICE CHARGE		(7.50)		
01/31/05	GJE6	NSF FUNDS CHARGE		(40.00)		



01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

RB-15.20

AQUA

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>2400 Wastewater Revenue (cont.)</b>						
			April	(1,450.05)	(4,136.74)	
05/31/05	GJE1	MAY BILLING		(1,844.43)		
05/31/05	GJE8	REFUND, A/C #1418, EUGENE MCDOWELL, SHOULD NOT HAVE REC.V SWR. CHG.		3.00		
05/31/05	GJE9	REFUND, A/C #0039, TERRY BRIMHALL		186.40		
			May	(1,655.03)	(5,791.77)	
06/30/05	GJE1	JUNE BILLING		(2,421.00)		
06/30/05	GJE3	REFUND TO MILES HILLIARD, A/C #1298		38.77		
			June	(2,382.23)	(8,174.00)	
07/31/05	GJE1	JULY BILLING		(2,759.37)		
07/31/05	GJE4	ADJUSTMENT MADE TO CUSTOMERS FAIREY, BONO & REID DUE TO METERS BEING MIS-READ		14.01		
			July	(2,745.36)	(10,919.36)	
08/31/05	GJE1	AUGUST BILLING		(3,067.95)		
08/31/05	GJE3	REFUND GIVEN TO #1448 & 1658 - LOGIC LAND COMPANY		298.98		
			August	(2,768.97)	(13,688.33)	
09/30/05	GJE1	SEPTEMBER BILLING		(1,414.32)		
			September	(1,414.32)	(15,102.65)	
10/31/05	GJE1	OCTOBER BILLING		(1,604.19)		
			October	(1,604.19)	(16,706.84)	
11/30/05	GJE1	NOVEMBER BILLING		(1,382.61)		
			November	(1,382.61)	(18,089.45)	
12/31/05	GJE1	DECEMBER BILLING		(967.56)		
12/31/05	GJE5	TO ADJUST A/R TO ACTUAL		32.98		
			December	(934.58)	(19,024.03)	
				(19,024.03)		(19,024.03)
		Combined Total		(55,849.88)		(55,849.88)
<b>403 Depreciation - Water</b>						
			0.00			
01/31/05	GJE5	JANUARY DEPRECIATION		440.08		
01/31/05	GJE5	JANUARY DEPRECIATION		9.66		
			January	449.74	449.74	
02/28/05	GJE6	FEBRUARY DEPRECIATION		440.07		
02/28/05	GJE6	FEBRUARY DEPRECIATION		9.65		
			February	449.72	899.46	
03/31/05	GJE5	MARCH DEPRECIATION		444.24		
03/31/05	GJE5	MARCH DEPRECIATION		9.65		
			March	453.89	1,353.35	
04/30/05	GJE5	APRIL DEPRECIATION		444.24		
04/30/05	GJE5	APRIL DEPRECIATION		9.65		

01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

RB-15.21

 AQUA  
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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>403 Depreciation - Water (cont.)</b>						
			April	453.89	1,807.24	
05/31/05	GJE6	MAY DEPRECIATION		9.66		
05/31/05	GJE6	MAY DEPRECIATION		446.83		
			May	456.49	2,263.73	
06/30/05	GJE6	DEPRECIATION		448.73		
06/30/05	GJE6	DEPRECIATION		9.65		
			June	458.38	2,722.11	
07/31/05	GJE6	DEPRECIATION		449.00		
07/31/05	GJE6	DEPRECIATION		9.66		
			July	458.66	3,180.77	
08/31/05	GJE6	DEPRECIATION		448.91		
08/31/05	GJE6	DEPRECIATION		9.66		
			August	458.57	3,639.34	
09/30/05	GJE5	DEPRECIATION		450.56		
09/30/05	GJE5	DEPRECIATION		9.65		
			September	460.21	4,099.55	
10/31/05	GJE5	DEPRECIATION		451.01		
10/31/05	GJE5	DEPRECIATION		9.66		
			October	460.67	4,560.22	
11/30/05	GJE6	DEPRECIATION		451.51		
11/30/05	GJE6	DEPRECIATION		9.65		
			November	461.16	5,021.38	
12/31/05	GJE8	DEPRECIATION		452.56		
12/31/05	GJE8	DEPRECIATION		9.66		
12/31/05	YJE10	TO RECORD THE DEPRECIATION ON AMOUNTS PD BY MONTANA FOR AQUA PLANT FOR YEARS '97 - '04 PLACED INTO EQUITY		35,605.05		
12/31/05	YJE16	DEPRECIATION FOR PRIOR YEARS ON ITEMS (TAPS) ADDED IN ORDER TO CAUSE DEPR. SCHD. CIAC TO EQUAL B.SHEET CIAC		956.25		
12/31/05	YJE17	TO RECORD THE AMORTIZATION FOR PRIOR YEARS ITEMS (TAPS) ADDED TO CAUSE DEPR. SCHD. CIAC TO EQUAL B.SHEET CIAC		(956.25)		
12/31/05	YJE18	TO RECORD AMORTIZATION OF CIAC THROUGH 2005		(25,852.12)		
			December	10,215.15	15,236.53	
				<u>15,236.53</u>		<u>15,236.53</u>
<b>408 Taxes other than income</b>			0.00			
02/25/05	2249	TN DEPT. OF REVENUE (TN F & E TAX RETURN)		100.00		
02/25/05	2250	JUDY GANT, SAVANNAH CITY RECORDER (CITY PROPERTY TAX)		259.00		
02/28/05	2251	LINDA MCCASLAND, HARDIN CO. TRUSTEE (COUNTY PROPERTY TAX)		646.00		



01/01/05 - 12/31/05

RB-15.22

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		<b>536 Other wastewater revenue</b>	0.00			
01/31/05	GJE3	LATE CHARGES		(17.76)		
			January	(17.76)	(17.76)	
02/28/05	GJE3	LATE CHARGES		(24.48)		
02/28/05	GJE7	REFUND OF LATE CHARGE ON MICHAEL MORRISON, A/C #1548		6.54		
			February	(17.94)	(35.70)	
03/31/05	GJE3	LATE CHARGES		(12.96)		
			March	(12.96)	(48.66)	
04/30/05	GJE3	LATE CHARGES		(9.36)		
			April	(9.36)	(58.02)	
05/31/05	GJE3	LATE CHARGES		(22.25)		
			May	(22.25)	(80.27)	
06/30/05	GJE5	LATE CHARGES		(13.85)		
			June	(13.85)	(94.12)	
07/31/05	GJE5	LATE CHARGES		(12.32)		
			July	(12.32)	(106.44)	
08/31/05	GJE5	LATE CHARGES		(19.60)		
			August	(19.60)	(126.04)	
30/05	GJE4	LATE CHARGES		(32.22)		
			September	(32.22)	(158.26)	
10/31/05	GJE4	LATE CHARGES		(23.56)		
			October	(23.56)	(181.82)	
11/30/05	GJE5	LATE CHARGES		(24.05)		
			November	(24.05)	(205.87)	
12/31/05	GJE4	LATE CHARGES		(26.98)		
			December	(26.98)	(232.85)	
				<u>(232.85)</u>		<u>(232.85)</u>
		<b>601 Depreciation - Wastewater</b>	0.00			
01/31/05	GJE5	JANUARY DEPRECIATION		764.37		
01/31/05	GJE5	JANUARY DEPRECIATION		9.65		
			January	774.02	774.02	
02/28/05	GJE6	FEBRUARY DEPRECIATION		9.65		
02/28/05	GJE6	FEBRUARY DEPRECIATION		764.38		
			February	774.03	1,548.05	
03/31/05	GJE5	MARCH DEPRECIATION		768.53		
03/31/05	GJE5	MARCH DEPRECIATION		9.66		
			March	778.19	2,326.24	
04/30/05	GJE5	APRIL DEPRECIATION		768.53		
04/30/05	GJE5	APRIL DEPRECIATION		9.65		
			April	778.18	3,104.42	

01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>601 Depreciation - Wastewater (cont.)</b>						
05/31/05	GJE6	MAY DEPRECIATION		9.65		
05/31/05	GJE6	MAY DEPRECIATION		770.62		
			May	780.27	3,884.69	
06/30/05	GJE6	DEPRECIATION		798.72		
06/30/05	GJE6	DEPRECIATION		9.65		
			June	808.37	4,693.06	
07/31/05	GJE6	DEPRECIATION		799.04		
07/31/05	GJE6	DEPRECIATION		9.65		
			July	808.69	5,501.75	
08/31/05	GJE6	DEPRECIATION		830.64		
08/31/05	GJE6	DEPRECIATION		9.65		
			August	840.29	6,342.04	
09/30/05	GJE5	DEPRECIATION		832.22		
09/30/05	GJE5	DEPRECIATION		9.65		
			September	841.87	7,183.91	
10/31/05	GJE5	DEPRECIATION		832.72		
10/31/05	GJE5	DEPRECIATION		9.65		
			October	842.37	8,026.28	
11/30/05	GJE6	DEPRECIATION		833.23		
/30/05	GJE6	DEPRECIATION		9.65		
			November	842.88	8,869.16	
12/31/05	GJE8	DEPRECIATION		833.23		
12/31/05	GJE8	DEPRECIATION		9.65		
12/31/05	YJE10	TO RECORD THE DEPRECIATION ON AMTS. PD. BY MONTANA FOR AQUA PLANT FOR YRS. '97 - '04 PLACED INTO EQUITY		35,605.05		
12/31/05	YJE16	DEPRECIATION FOR PRIOR YEARS ON ITEMS (TAPS) ADDED IN ORDER TO CAUSE DEPR. SCHD. CIAC TO EQUAL B.SHEET CIAC		357.21		
12/31/05	YJE17	TO RECORD THE AMORTIZATION FOR PRIOR YEARS ITEMS (TAPS) ADDED TO CAUSE DEPR. SCHD. CIAC TO EQUAL B.SHEET CIAC		(357.21)		
12/31/05	YJE18	TO RECORD AMORTIZATION OF CIAC THROUGH 2005		(31,657.32)		
			December	4,790.61	13,659.77	
				<u>13,659.77</u>		<u>13,659.77</u>
<b>610 Purchased Water</b>						
				0.00		
01/31/05	2238 V	SAVANNAH UTIL. DEPT.		1,154.79		
			January	1,154.79	1,154.79	
02/28/05	2258 V	SAVANNAH UTIL. DEPT.		1,289.03		
			February	1,289.03	2,443.82	
03/31/05	2276 V	SAVANNAH UTIL. DEPT.		1,289.03		
			March	1,289.03	3,732.85	



## RB-18.00

**Growth:**

27 B/	
\$500 C/	
<u>\$13,500</u>	
<u>\$1,125</u>	

Attrition Period Amortization

B/ Company Revenue Worksheet R-1.02.

E/ Amortization of CIAOC is credited to depreciation expense and Company Rate Base Worksheet RB-18.20.

E/ Amortization of CIAOC is credited to depreciation expense per Company Rate Base Worksheet RB-18.20.



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**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>232 Note Payable - Montana (cont.)</b>						
12/31/05	GJE2	DECEMBER DEPOSITS		(1,900.00)		
12/31/05	GJE2	DECEMBER DEPOSITS		(1,600.00)		
12/31/05	GJE2	DECEMBER DEPOSITS		(13,000.00)		
12/31/05	GJE2	DECEMBER DEPOSITS		(48,631.83)		
12/31/05	YJE11	TO RECLASS NOTE PAYABLE - MONTANA INTO EQUITY		161,819.22		
12/31/05	YJE2	TO ADJUST NOTE PAYABLE / EQUITY FOR AMTS. PD. BY AQUA FOR PRESERVE DURING '05				
				154,979.82		
			December	230,667.21	0.00	
				<u>101,200.01</u>		<u>0.00</u>
<b>233 Note Payable - SRG</b>			0.00			
09/30/05	GJE2	SEPTEMBER DEPOSITS		(100.00)		
			September	(100.00)	(100.00)	
				<u>(100.00)</u>		<u>(100.00)</u>
<b>271 C.I.A.C. - Water &amp; Wastewater</b>			(354,519.00)			
<b>1271 C.I.A.C. - Water</b>			(163,675.00)			
01/31/05	GJE2	JANUARY DEPOSITS, A/C #1558, LOGIC LAND CO.		(250.00)		
01/31/05	GJE2	JANUARY DEPOSITS, A/C #1568, TROY MOORE		(250.00)		
			January	(500.00)	(164,175.00)	
03/31/05	GJE2	MARCH DEPOSITS (MIKE MORRISON, DALE HINSON, NEWPORT LAND CO., - FOUR TAPS-, RICHARD STONE, LARRY ROBERTSON)		(2,000.00)		
			March	(2,000.00)	(166,175.00)	
05/31/05	GJE2	MAY DEPOSITS (LOGIC LAND CO., IRG. ONLY METER, A/C #1658)		(250.00)		
05/31/05	GJE2	MAY DEPOSITS (LOGIC LAND COMPANY, REGULAR WTR. TAP., A/C #1668)		(250.00)		
05/31/05	GJE2	MAY DEPOSITS (REG. WTR. TAP., PT. HARBOR BUILDERS, A/C #1688)		(250.00)		
05/31/05	GJE2	MAY DEPOSITS (REG. WTR. TAP, WILLS CONST, A/C #1678)		(250.00)		
05/31/05	GJE2	MAY DEPOSITS (REG. WTR. TAP., LOGIC LAND CO., A/C #1698)		(250.00)		
			May	(1,250.00)	(167,425.00)	
06/30/05	GJE2	JUNE DEPOSITS - WATER TAP, PHILLIP JACKSON, A/C #1708		(250.00)		
06/30/05	GJE2	JUNE DEPOSITS - WATER TAP, PHILLIP JACKSON, A/C #1718		(250.00)		
			June	(500.00)	(167,925.00)	
07/31/05	GJE2	JULY DEPOSITS - WATER TAP, TONY SMITH, A/C #1728		(250.00)		
			July	(250.00)	(168,175.00)	

01/01/05 - 12/31/05

RB-18.11

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>1271 C.I.A.C. - Water (cont.)</b>						
09/30/05	GJE2	SEPTEMBER DEPOSITS - WATER TAP, A/C #1738, RICHARD STONE		(250.00)		
09/30/05	GJE2	SEPTEMBER DEPOSITS - WATER TAP, A/C #1748, GREG WILSON		(250.00)		
09/30/05	GJE2	SEPTEMBER DEPOSITS - WATER TAP, A/C #1758, OLDE TYME BUILDERS		(250.00)		
			September	(750.00)	(168,925.00)	
10/31/05	GJE2	OCTOBER DEPOSITS - WATER / SEWER TAP, A/C #1768, CALLENS CONST.		(250.00)		
			October	(250.00)	(169,175.00)	
11/30/05	GJE2	NOVEMBER DEPOSITS - WATER / SEWER TAP, A/C #1778, LOGIC LAND COMPANY		(250.00)		
11/30/05	GJE2	NOVEMBER DEPOSITS - IRG. ONLY TAP, A/C #1788, LOGIC LAND COMPANY		(250.00)		
			November	(500.00)	(169,675.00)	
12/31/05	GJE2	DECEMBER DEPOSITS - IRG. ONLY TAP, A/C #1798, GREG MADDUX		(250.00)		
			December	(250.00)	(169,925.00)	
				<u>(6,250.00)</u>		<u>(169,925.00)</u>
<b>2271 C.I.A.C. - Wastewater</b>			(190,844.00)			
01/31/05	GJE2	JANUARY DEPOSITS, A/C #1558, LOGIC LAND CO.		(250.00)		
01/31/05	GJE2	JANUARY DEPOSITS, A/C #1568, TROY MOORE		(250.00)		
			January	(500.00)	(191,344.00)	
03/31/05	GJE2	MARCH DEPOSITS (MIKE MORRISON, DALE HINSON, NEWPORT LAND CO., - FOUR TAPS-, RICHARD STONE, LARRY ROBERTSON)		(2,000.00)		
			March	(2,000.00)	(193,344.00)	
05/31/05	GJE2	MAY DEPOSITS (LOGIC LAND COMPANY, REG. SWR. TAP., A/C #1668)		(250.00)		
05/31/05	GJE2	MAY DEPOSITS (REG. SWR. TAP., POINT HARBOR BUILDERS, A/C #1688)		(250.00)		
05/31/05	GJE2	MAY DEPOSITS (REG. SWR. TAP. WILLS CONST, A/C #1678)		(250.00)		
05/31/05	GJE2	MAY DEPOSITS (REG. SWR. TAP, LOGIC LAND CO., A/C #1698)		(250.00)		
			May	(1,000.00)	(194,344.00)	
06/30/05	GJE2	JUNE DEPOSITS - SEWER TAP, PHILLIP JACKSON, A/C #1708		(250.00)		
06/30/05	GJE2	JUNE DEPOSITS - SEWER TAP, PHILLIP JACKSON, A/C #1718		(250.00)		
			June	(500.00)	(194,844.00)	



01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

AQUA

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>2271 C.I.A.C. - Wastewater (cont.)</b>						
07/31/05	GJE2	JULY DEPOSITS - SEWER TAP, TONY SMITH, A/C #1728		(250.00)		
			July	(250.00)	(195,094.00)	
09/30/05	GJE2	SEPTEMBER DEPOSITS - SEWER TAP, A/C #1738, RICHARD STONE		(250.00)		
09/30/05	GJE2	SEPTEMBER DEPOSITS - SEWER TAP, A/C #1748, GREG WILSON		(250.00)		
09/30/05	GJE2	SEPTEMBER DEPOSITS - SEWER TAP, A/C #1758, OLDE TYME BUILDERS		(250.00)		
			September	(750.00)	(195,844.00)	
10/31/05	GJE2	OCTOBER DEPOSITS - WATER / SEWER TAP, A/C #1768, CALLENS CONST.		(250.00)		
			October	(250.00)	(196,094.00)	
11/30/05	GJE2	NOVEMBER DEPOSITS - WATER / SEWER TAP, A/C #1778, LOGIC LAND COMPANY		(250.00)		
			November	(250.00)	(196,344.00)	
				(5,500.00)		(196,344.00)
		Combined Total		(11,750.00)		(366,269.00)
<b>272 Accumulated Amort. C.I.A.C. - Water</b>			0.00			
<b>1272 Accumulated Amort. C.I.A.C. - Water</b>			0.00			
12/31/05	YJE17	TO RECORD THE AMORTIZATION FOR PRIOR YEARS ITEMS (TAPS) ADDED TO CAUSE DEPR. SCHD. CIAC TO EQUAL B.SHEET CIAC		956.25		
12/31/05	YJE18	TO RECORD AMORTIZATION OF CIAC THROUGH 2005		25,852.12		
			December	26,808.37	26,808.37	
				26,808.37		26,808.37
<b>2272 Accumulated Amort. C.I.A.C. - Wastewater</b>			0.00			
12/31/05	YJE17	TO RECORD THE AMORTIZATION FOR PRIOR YEARS ITEMS (TAPS) ADDED TO CAUSE DEPR. SCHD. CIAC TO EQUAL B.SHEET CIAC		357.21		
12/31/05	YJE18	TO RECORD AMORTIZATION OF CIAC THROUGH 2005		31,657.32		
			December	32,014.53	32,014.53	
				32,014.53		32,014.53
		Combined Total		58,822.90		58,822.90
<b>400 Revenue</b>			0.00			
<b>1400 Water Revenue</b>			0.00			
01/31/05	GJE1	JANUARY BILLING		(1,995.74)		
			January	(1,995.74)	(1,995.74)	
02/28/05	GJE1	FEBRUARY BILLING		(1,949.02)		

RB-18.20

## BALANCE SHEET ACCOUNTS

4) Any amount of money received by a utility, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility and which is utilized to offset the federal, state or local income tax effect of taxable contributions in aid of construction, taxable amounts transferred from Account 252 - Advances for Construction, and taxable compensation received from governmental agencies and others for relocation of water mains or other plants shall be reflected in a sub-account of this account.

B. The credits to this account shall not be transferred to any other account without the approval of the Commission.

C. The records supporting the entries to this account shall be so kept that the utility can furnish information as to the purpose of each donation, the conditions, if any, upon which it was made, the amount of donations from (a) states, (b) municipalities, (c) customers, and (d) others, and the amount applicable to each utility department.

Note:--There shall not be included in this account advances for construction which are ultimately to be repaid wholly or in part (See account 252 - Advances for Construction).

### 272. Accumulated Amortization of Contributions in Aid of Construction

A. This account shall reflect the amortization accumulated on account 271 - Contributions in Aid of Construction, if recognized by the Commission.

B. Specifically, balances in account 271 which represent contributions of depreciable plant shall be amortized by charges to this account over a period equal to the estimated service life of the related contributed asset. A group or overall composite rate may be used for contributed balances that cannot be directly related to a plant asset.

C. The concurrent credit for the amortization recorded in this account shall be made to account 403 - Depreciation Expense.

D. If a regulatory body allows the amortization of any portion of the monies collected to pay the tax obligation caused by the receipt of CIAC, such amortization shall also be reflected in a sub-account of this account. Specifically, balances in account 271 which represent monies collected for the gross-up of CIAC (See Definition 7.) shall be amortized by charges to this account over a period determined by the regulatory body.

Source: NARUC USOA FOR CLASS C WASTEWATER UTILITIES



**Aqua Utilities Company**  
**Deferred Rate Case Expense and Amortization**

**RB-14.04-1.00**  
**E-6.01**

	<b>Estimated Cost</b>	<b>Annual Amortization</b>
Accounting	\$10,000 A/	\$3,333
Legal	6,250 B/	2,083
Regulatory	30,000 C/	10,000
<b>Total</b>	<b>\$46,250</b>	<b>\$15,417</b>

Cost to be amortized over three years beginning January 1, 2007 (Start of the Attrition Period).

	<b>Amortization</b>	<b>Balance</b>
Jan-07	\$1,284.72	\$44,965.28
Feb-07	1,284.72	43,680.56
Mar-07	1,284.72	42,395.83
Apr-07	1,284.72	41,111.11
May-07	1,284.72	39,826.39
<b>Attrition Year Midpoint</b>		<b>38,541.67</b>
Jun-07	1,284.72	37,256.94
Jul-07	1,284.72	35,972.22
Aug-07	1,284.72	34,687.50
Sep-07	1,284.72	33,402.78
Oct-07	1,284.72	32,118.06
Nov-07	1,284.72	30,833.33
Dec-07	1,284.72	29,548.61
Jan-08	1,284.72	28,263.89
Feb-08	1,284.72	26,979.17
Mar-08	1,284.72	25,694.44
Apr-08	1,284.72	24,409.72
May-08	1,284.72	23,125.00
Jun-08	1,284.72	21,840.28
Jul-08	1,284.72	20,555.56
Aug-08	1,284.72	19,270.83
Sep-08	1,284.72	17,986.11
Oct-08	1,284.72	16,701.39
Nov-08	1,284.72	15,416.67
Dec-08	1,284.72	14,131.94
Jan-09	1,284.72	12,847.22
Feb-09	1,284.72	11,562.50
Mar-09	1,284.72	10,277.78
Apr-09	1,284.72	8,993.06
May-09	1,284.72	7,708.33
Jun-09	1,284.72	6,423.61
Jul-09	1,284.72	5,138.89
Aug-09	1,284.72	3,854.17
Sep-09	1,284.72	2,569.44
Oct-09	1,284.72	1,284.72
Nov-09	1,284.72	0.00
Dec-09	1,284.72	

- A/ Company Expense Workpaper E-3.05.  
B/ Company Ratebase Workpaper RB-14.04-1.02.  
C/ Company Ratebase Workpaper RB-14.04-1.01.

## SERVICES AGREEMENT

This Agreement ("Agreement") is entered into this \_\_\_ day of August, 2005, by and between Aqua Utilities Company, Inc. ("Company"), and William H. Novak, a sole proprietor ("Consultant").

**WHEREAS**, Company is engaged in the business of providing water & wastewater distribution services (the "Business"); and

**WHEREAS**, Company desires to retain the services of Consultant to assist it with regulatory and financial analysis of the Business, and other services, which Company may from time to time request of Consultant; and

**WHEREAS**, Consultant is engaged on a free-lance basis from time to time by various businesses to assist them with research, retrieval, analysis and other services related to utility regulation; and

**WHEREAS**, it is the intention of the parties hereto that Consultant be retained to perform services on an as requested basis by Company.

**NOW, THEREFORE**, in consideration of the premises and of the promises and agreements hereinafter set forth, the parties do hereby agree as follows:

Section 1. Services to Be Provided by Consultant. Company hereby retains Consultant and Consultant hereby agrees to provide consulting services to Company, on an as requested basis, in connection with the regulatory and financial analysis of the Business, and to provide other services which Company may request (collectively, the "Services") during the Term of this Agreement. Consultant is not providing any legal advice. Company must rely on the review of its own legal professionals for such advice.

### Section 2. Compensation and Expenses.

(a) Consulting Fee. In consideration of Consultant's performance of the Services, Company shall pay to Consultant a consulting fee at a rate of \$200.00 per hour, not to exceed \$30,000 (exclusive of Expenses as described in Section 2(b) below) for the preparation and defense of the Company's upcoming rate case filing, of which Services are actually performed until the termination of the Agreement pursuant to Section 3. Consultant's hourly fees will be rounded to ten minute increments.

(b) Expenses. Company shall reimburse Consultant for all usual and customary business expenses incurred by Consultant while performing Services for Company in accordance with Company's customary policies and procedures, including but not limited to, reproduction expenses, overnight delivery expenses, travel and lodging.

January 11, 2006

Aqua Utilities, Inc.  
408 Main St.  
Savannah, TN 38372

Dear Eddie:

This letter will confirm my engagement to assist in your request for a rate increase on behalf of Aqua Utilities, Inc. I have expressed to you that a petition must be filed, public notice provided and a hearing before the T.R.A. In addition to the petition, sworn testimony must be prepared. The hearing will require my attendance in Nashville. In addition to the foregoing, it is anticipated that I will have to expend significant time dealing with residents which are currently serviced by the utility.

It is my respective opinion that the legal services required will cost not less than \$5,000.00 and up to \$7,500.00. The cost can vary based upon intervention by the Attorney Generals Office and the resistance of consumers.

I look forward to working on this project.

Very Truly Yours,

J. Gilbert Parrish, Jr.

LOW ESO	\$ 5,000
HIGH ESO	\$ 7,500
AVERAGE	\$ 6,250



**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>141 Accounts Receivable (cont.)</b>						
07/31/05	GJE4	ADJUSTMENT MADE TO CUSTOMERS FAIREY, BONO & REID DUE TO METERS BEING MIS-READ		(644.39)		
07/31/05	GJE5	LATE CHARGES		24.65		
			July	10.57	1,627.64	
08/31/05	GJE1	AUGUST BILLING		8,480.05		
08/31/05	GJE2	AUGUST DEPOSITS		(7,036.39)		
08/31/05	GJE3	REFUND GIVEN TO #1448 & 1658 - LOGIC LAND COMPANY		(298.98)		
08/31/05	GJE5	LATE CHARGES		39.20		
			August	1,183.88	2,811.52	
09/30/05	GJE1	SEPTEMBER BILLING		5,230.95		
09/30/05	GJE2	SEPTEMBER DEPOSITS		(7,732.13)		
09/30/05	GJE4	LATE CHARGES		64.45		
			September	(2,436.73)	374.79	
10/31/05	GJE1	OCTOBER BILLING		5,493.19		
10/31/05	GJE2	OCTOBER DEPOSITS		(3,540.27)		
10/31/05	GJE4	LATE CHARGES		47.13		
			October	2,000.05	2,374.84	
11/30/05	GJE1	NOVEMBER BILLING		5,046.06		
11/30/05	GJE2	NOVEMBER DEPOSITS		(6,332.82)		
11/30/05	GJE5	LATE CHARGES		48.10		
			November	(1,238.66)	1,136.18	
12/31/05	GJE1	DECEMBER BILLING		3,416.65		
12/31/05	GJE2	DECEMBER DEPOSITS		(4,462.62)		
12/31/05	GJE4	LATE CHARGES		53.97		
12/31/05	GJE5	TO ADJUST A/R TO ACTUAL		(65.96)		
			December	(1,057.96)	78.22	
				120.91		78.22
<b>186 Miscellaneous Deferred Debits</b>			0.00			
09/12/05	2360	WHN CONSULTING (RATE CASE)		1,016.75		
			September	1,016.75	1,016.75	
10/14/05	2377	WHN CONSULTING (RATE CASE)		3,100.00		
			October	3,100.00	4,116.75	
11/07/05	2399	WHN CONSULTING (RATE CASE)		11,109.33		
			November	11,109.33	15,226.08	
12/22/05	2427	WHN CONSULTING		6,170.05		
12/23/05	2431	W,J, GODWIN AND NICHOLS (ONE HALF OF RATE CASE FEE)		5,000.00		
			December	11,170.05	26,396.13	
				26,396.13		26,396.13
<b>201 Common Stock Issued</b>			(1,000.00)			
				0.00		(1,000.00)

**Aqua Utilities  
Revenue Forecast**

**R-1.00**

**For the 12 Months Ending December 31, 2007**

**Water Revenue:**

	<b>Determinant</b>	<b>Rate</b>	<b>Amount</b>
Customer Charges	3,390 A/	\$7.80 B/	\$26,442
Excess Volumes Charges	11,412,703 A/	1.65 B/	18,831
<b>Total Water Revenue</b>			<b>\$45,273</b>

**Wastewater Revenue:**

Customer Charges	2,793 A/	3.00 B/	\$8,379
Excess Volumes Charges	6,358,253 A/	3.00 B/	19,075
<b>Total Wastewater Revenue</b>			<b>\$27,454</b>

**Other Revenue:**

Forfeited Discounts			<b>\$466 C/</b>
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**Total Forecasted Revenues**

**\$73,193**

A/ Company Revenue Workpaper R-1.02.

B/ Company Revenue Workpaper R-1.01.

C/ Company Revenue Workpaper R-1.10.

**Aqua Utilities**  
**Current Tariff Rates**

**R-1.01**

**Water:**

0 - 1000 Gallons	\$7.80	Minimum Bill
Over 1000 Gallons	1.65	Per 1000 Gallons

**Sewer:**

0 - 1000 Gallons	\$3.00	Minimum Bill
Over 1000 Gallons	3.00	Per 1000 Gallons

**Tap Fees:**

Water	\$250.00	Per line installed
Wastewater	250.00	Per line installed

**SOURCE:** Company Tariff.



Total Customers Billed for 2005	2,742 A/	
Total Customers Billed for 2004	2,418 A/	
2005 Annual Growth in Total Bills	<u>324</u>	<u>13.40%</u>
2005 Annual Growth in Customers	<u>27</u>	

**Assumption:**

Assume that growth continues at 324 bills per year (27 customers per month)  
from the end of the test period (December 31, 2005) through the end of the attrition period (Dec 31, 2007)

Total bills rendered for the 12 months ended December 31, 2005		Water	Wastewater
		<u>2,742 A/</u>	<u>2,145 A/</u>
Jan-06	27	2,769	2,172
Feb-06	27	2,796	2,199
Mar-06	27	2,823	2,226
Apr-06	27	2,850	2,253
May-06	27	2,877	2,280
Jun-06	27	2,904	2,307
Jul-06	27	2,931	2,334
Aug-06	27	2,958	2,361
Sep-06	27	2,985	2,388
Oct-06	27	3,012	2,415
Nov-06	27	3,039	2,442
Dec-06	27	3,066	2,469
Jan-07	27	3,093	2,496
Feb-07	27	3,120	2,523
Mar-07	27	3,147	2,550
Apr-07	27	3,174	2,577
May-07	27	3,201	2,604
Jun-07	27	3,228	2,631
Jul-07	27	3,255	2,658
Aug-07	27	3,282	2,685
Sep-07	27	3,309	2,712
Oct-07	27	3,336	2,739
Nov-07	27	3,363	2,766
Dec-07	27	3,390	2,793

Total water bills rendered for the 12 months ended December 31, 2007	3,390
Usage per Customer (1,000 gallons)	4,029 A/
Total Water Usage for the 12 months ending December 31, 2007	<u>13,658,955</u>
Total Water Usage for the 12 months ended December 31, 2005	<u>11,048,040 A/</u>
Growth in Total Customer Water Usage	<u>2,610,915</u>

Water Usage:	Base Usage	Excess Usage	Total Usage
Test Period (1/1/05 - 12/31/05)	1,598,252 E/	9,449,788 A/	11,048,040 A/
Growth	648,000 D/	1,962,915 C/	2,610,915
Total (1/1/07 - 12/31/07)	<u>2,246,252</u>	<u>11,412,703</u>	<u>13,658,955</u>

Wastewater Usage:	Base Usage	Excess Usage	Total Usage
Test Period (1/1/05 - 12/31/05)	6,652,702 E/	4,395,338 A/	11,048,040 A/
Growth	648,000 D/	1,962,915 C/	2,610,915
Total (1/1/07 - 12/31/07)	<u>7,300,702</u>	<u>6,358,253</u>	<u>13,658,955</u>

NOTE: All growth is assumed to be water and wastewater (No Water Only) customers.

A/ Company Revenue Workpaper R-1.03.

B/ Company Revenue Workpaper R-1-21.02.

C/ (Attrition Period Water Bills - Test Period Water Bills) \* (Water Usage per Customer - 1,000).

D/ (Attrition Period Water Bills - Test Period Water Bills) \* 1,000.

E/ Total Usage - Excess Usage.

**SOURCE:** Company Revenue Worksheets R-1-1.00 to R-1-24.02.

Month	Water		Wastewater		Water Revenue		Sewer Revenue		Total Net Revenue	9.50% Water Sales Tax	Total Gross Revenue		
	Usage	Excess	Usage	Excess	\$7.80 Base	\$1.65 Excess	\$3.00 Base	\$3.00 Excess					
January 2004	200,260	125,100	125,100	125,100	\$1,492.00	\$208.44	Total	\$465.00	\$375.30	\$840.30	\$2,666.00		
February	164,621	102,870	102,870	102,870	1,497.60	169.72	1,667.32	468.00	308.61	776.61	2,443.93		
March	79,654	41,014	41,014	41,014	1,513.20	67.68	1,580.88	477.00	122.97	599.97	155.25		
April	921,115	788,406	501,028	501,028	1,497.60	1,300.87	2,798.47	474.00	1,503.12	1,377.12	195.05		
May	1,920,065	805,715	378,115	378,115	1,513.20	1,329.44	2,842.64	477.00	1,134.35	1,977.15	236.90		
June	1,135,645	979,450	567,180	567,180	1,598.60	1,166.20	2,764.80	488.00	1,871.54	2,061.54	5,041.36		
July	1,118,310	958,850	634,330	634,330	1,599.00	1,562.10	3,161.10	501.00	1,902.99	2,103.99	4,723.90		
August	1,425,397	1,283,080	1,283,080	1,283,080	1,630.20	2,064.13	3,714.33	492.00	2,096.42	2,586.42	5,609.78		
September	1,331,518	1,165,118	1,165,118	1,165,118	1,645.80	1,922.47	3,568.27	504.00	1,485.63	1,972.63	4,723.90		
October	968,220	832,708	258,306	258,306	1,638.00	1,374.03	3,012.03	507.00	774.91	1,281.91	3,327.90		
November	352,980	246,733	129,292	129,292	1,645.80	410.45	2,056.25	510.00	387.87	897.87	1,613.50		
December	275,670	198,310	178,090	178,090	1,653.60	323.94	1,977.54	519.00	534.19	1,053.19	1,418.34		
Total	8,894,615	7,607,335	3,929,611	3,929,611	\$18,852.60	\$12,387.47	\$31,240.07	\$5,980.00	\$11,708.90	\$17,668.90	\$51,875.41		
January 2005	294,555	197,885	192,085	192,085	\$1,700.40	\$28.55	\$2,028.95	\$534.00	\$576.26	\$1,110.26	\$3,220.59		
February	239,565	160,135	160,135	160,135	1,708.20	264.23	1,972.43	543.00	480.41	1,023.41	\$182.38		
March	82,622	39,487	39,487	39,487	1,716.00	60.17	1,776.17	528.00	109.44	637.44	187.27		
April	574,627	445,721	309,451	309,451	1,731.60	735.44	2,467.04	528.00	925.41	1,453.41	168.54		
May	889,970	842,170	441,810	441,810	1,747.20	1,389.64	3,136.84	522.00	1,325.43	1,847.43	234.35		
June	1,320,140	1,142,130	633,660	633,660	1,768.20	1,884.58	3,670.78	528.00	1,915.89	2,443.89	297.89		
July	1,741,411	1,556,950	843,940	843,940	1,801.80	2,566.04	4,370.84	525.00	2,231.82	2,756.82	348.85		
August	2,090,330	1,909,260	982,440	982,440	1,801.80	3,148.65	4,950.45	525.00	2,501.10	3,026.10	7,542.84		
September	1,658,878	1,501,540	833,700	833,700	1,833.00	1,652.58	3,485.58	537.00	1,073.39	1,414.32	4,846.74		
October	1,044,420	904,310	357,730	357,730	1,846.60	1,723.38	3,571.98	543.00	1,616.19	1,616.19	5,230.95		
November	1,041,300	904,310	357,730	357,730	1,846.60	1,723.38	3,571.98	543.00	1,616.19	1,616.19	5,230.95		
December	305,950	209,800	112,080	112,080	1,856.40	1,492.14	3,348.54	558.00	833.61	1,391.61	5,627.36		
Total	11,045,040	9,449,788	4,395,338	4,395,338	\$21,387.60	\$15,692.58	\$36,980.18	\$6,435.00	\$13,186.12	\$19,621.12	\$60,112.97		
Month	Water & WW Customers		Water Only Customers		Water Revenue		Sewer Revenue		Usage Per Customer				
January 2004	180	155	155	35	Calculated	\$1,698.44	Booked	\$1,076.55	Calculated	\$840.30	Difference	\$10.38	
February	192	156	156	36	1,697.32	111.96	1,699.32	776.61	599.97	776.61	0.00	857	
March	194	159	159	35	1,580.88	1,567.34	1,567.34	13.54	1,567.34	1,567.34	23.99	411	
April	192	158	158	34	2,798.47	2,798.37	2,798.37	0.10	1,977.12	1,977.12	1,967.88	9.24	4,797
May	194	159	159	35	2,842.64	2,842.63	2,842.63	0.01	1,811.35	1,811.35	920.58	690.77	4,742
June	198	162	162	36	3,136.84	3,136.80	3,136.80	0.04	2,157.54	2,157.54	2,185.89	-28.35	5,758
July	205	167	167	38	3,714.33	3,714.10	3,714.10	0.00	2,403.99	2,403.99	2,403.99	0.00	5,455
August	209	164	164	45	3,568.27	3,568.44	3,568.44	1.14	2,096.42	2,096.42	2,105.04	-8.62	6,821
September	211	168	168	43	3,012.03	3,012.03	3,012.03	-1.17	1,972.63	1,972.63	1,841.45	131.17	6,821
October	210	189	189	41	2,056.25	2,056.25	2,056.25	-0.07	1,281.91	1,281.91	1,281.91	-0.05	6,811
November	211	170	170	41	1,977.54	1,977.54	1,977.54	0.00	897.87	897.87	897.87	0.00	4,611
December	212	173	173	39				-0.05	1,053.19	1,053.19	957.45	\$5.74	1,673
Total	2,418	1,960		466	\$31,240.07	\$31,240.40		\$35.67	\$17,668.90	\$17,668.90	\$16,725.76	\$946.14	1,305
January 2005	216	178	178	40	\$2,028.95	\$1,995.74		\$31.21	\$1,110.26	\$1,110.26	\$1,101.24	\$9.02	3,679
February	219	181	181	38	1,972.43	1,949.02		23.41	1,023.41	1,023.41	1,001.01	\$22.40	1,351
March	220	178	178	42	1,776.17	1,719.26		56.91	637.44	637.44	594.44	53.00	1,094
April	222	176	176	46	2,457.04	2,459.05		7.98	1,453.41	1,453.41	1,450.05	3.36	2,588
May	224	174	174	50	3,136.84	3,129.04		7.80	1,847.43	1,847.43	1,655.03	192.40	4,420
June	229	175	175	53	3,670.78	4,238.67		-567.89	2,443.89	2,443.89	2,382.23	61.66	5,765
July	231	176	176	55	4,370.84	3,805.80		565.04	2,756.82	2,756.82	2,745.36	11.46	7,539
August	231	175	175	56	4,950.45	4,942.85		7.60	3,026.10	3,026.10	2,788.97	257.13	9,049
September	235	179	179	56	3,485.58	3,485.58		0.00	1,414.32	1,414.32	1,414.32	0.00	4,961
October	237	181	181	58	3,571.98	3,551.73		20.25	1,616.19	1,616.19	1,604.19	12.00	5,066
November	238	186	186	52	3,348.54	3,345.72		2.82	1,391.61	1,391.61	1,382.61	9.00	4,375
December	238	188	188	50	2,202.58	2,203.76		-1.20	900.24	900.24	934.58	-34.34	1,290
Total	2,742	2,145		597	\$36,980.18	\$36,825.85		\$154.33	\$19,621.12	\$19,621.12	\$18,024.03	\$597.09	4,929

**Aqua Utilities**  
**Test Period Forfeited Discounts**

**R-1.04**

	<u><b>Forfeited Discounts</b></u>	<u><b>Revenues</b></u>	<u><b>Total</b></u>	<u><b>Discount Percentage</b></u>
Water	\$232.92 A/	\$36,825.85 C/	\$37,058.77	0.63%
Wastewater	232.85 B/	19,024.03 D/	19,256.88	1.22%
Total	<u><b>\$465.77</b></u>	<u><b>\$55,849.88</b></u>	<u><b>\$56,315.65</b></u>	<u><b>0.83%</b></u>

- A/** Company Revenue Workpaper R-1.13.  
**B/** Company Revenue Workpaper R-1.14.  
**C/** Company Revenue Workpaper R-1.11.  
**D/** Company Revenue Workpaper R-1.12.



01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		<b>2271 C.I.A.C. - Wastewater (cont.)</b>				
		2000		(20,510.32)		
12/31/05	GJE17	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANTA IN 2001		(9,281.00)		
12/31/05	GJE18	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2002		(4,600.00)		
12/31/05	GJE19	TO RECORD AMOUNTS PAID BY MONTANA FOR AQUA PLANT IN 2004		(24,543.40)		
			December	(825,932.82)	(1,022,276.82)	
				(831,432.82)		(1,022,276.82)
		Combined Total		(1,619,808.43)		(1,974,327.43)
		<b>272 Accumulated Amort. C.I.A.C. - Water</b>	0.00			
		<b>1272 Accumulated Amort. C.I.A.C. - Water</b>	0.00			
12/31/05	GJE20	TO RECORD THE AMORTIZATION / ACCUMULATED DEPRECIATION FOR AMOUNTS PD BY MONTANA, YEARS '97 - '04		35,605.05		
			December	35,605.05	35,605.05	
				35,605.05		35,605.05
		<b>2272 Accumulated Amort. C.I.A.C. - Wastewater</b>	0.00			
31/05	GJE20	TO RECORD THE AMORTIZATION / ACCUMULATED DEPRECIATION FOR AMOUNTS PD BY MONTANA, YEARS '97 - '04		35,605.05		
			December	35,605.05	35,605.05	
				35,605.05		35,605.05
		Combined Total		71,210.10		71,210.10
		<b>400 Revenue</b>	0.00			
		<b>1400 Water Revenue</b>	0.00			
01/31/05	GJE1	JANUARY BILLING		(1,995.74)		
			January	(1,995.74)	(1,995.74)	
02/28/05	GJE1	FEBRUARY BILLING		(1,949.02)		
			February	(1,949.02)	(3,944.76)	
03/31/05	GJE1	MARCH BILLING		(1,768.70)		
03/31/05	GJE7	REFUND - POINT HARBOR BUILDERS		8.54		
03/31/05	GJE8	CHARGED OFF, PAUL & LISA SCATES.		39.18		
03/31/05	GJE9	CHARGED OFF WILLIAMS & MICHAEL PROPERTIES		1.72		
			March	(1,719.26)	(5,664.02)	
04/30/05	GJE1	APRIL BILLING		(2,459.06)		
			April	(2,459.06)	(8,123.08)	
05/31/05	GJE1	MAY BILLING		(3,129.04)		
			May	(3,129.04)	(11,252.12)	
06/30/05	GJE1	JUNE BILLING		(4,238.67)		

01/01/05 - 12/31/05

# AQUA UTILITIES COMPANY, INC.

## General Ledger

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>1400 Water Revenue (cont.)</b>						
			June	(4,238.67)	(15,490.79)	
07/31/05	GJE1	JULY BILLING		(4,381.29)		
07/31/05	GJE4	ADJUSTMENT MADE TO CUSTOMERS FAIREY, BONO & REID DUE TO METERS BEING MIS-READ		575.69		
			July	(3,805.60)	(19,296.39)	
08/31/05	GJE1	AUGUST BILLING		(4,942.65)		
			August	(4,942.65)	(24,239.04)	
09/30/05	GJE1	SEPTEMBER BILLING		(3,485.58)		
			September	(3,485.58)	(27,724.62)	
10/31/05	GJE1	OCTOBER BILLING		(3,551.73)		
			October	(3,551.73)	(31,276.35)	
11/30/05	GJE1	NOVEMBER BILLING		(3,345.72)		
			November	(3,345.72)	(34,622.07)	
12/31/05	GJE1	DECEMBER BILLING		(2,236.76)		
12/31/05	GJE5	TO ADJUST A/R TO ACTUAL		32.98		
			December	(2,203.78)	(36,825.85)	
				<u>(36,825.85)</u>		<u>(36,825.85)</u>
<b>2400 Wastewater Revenue</b>						
			0.00			
01/31/05	GJE1	JANUARY BILLING		(1,101.24)		
			January	(1,101.24)	(1,101.24)	
02/28/05	GJE1	FEBRUARY BILLING		(1,001.01)		
			February	(1,001.01)	(2,102.25)	
03/31/05	GJE1	MARCH BILLING		(628.32)		
03/31/05	GJE7	REFUND - POINT HARBOR BUILDERS		3.00		
03/31/05	GJE8	CHARGED OFF, PAUL & LISA SCATES.		39.17		
03/31/05	GJE9	CHARGED OFF WILLIAMS & MICHAEL PROPERTIES		1.71		
			March	(584.44)	(2,686.69)	
04/30/05	GJE1	APRIL BILLING		(1,450.05)		
			April	(1,450.05)	(4,136.74)	
05/31/05	GJE1	MAY BILLING		(1,844.43)		
05/31/05	GJE8	REFUND, A/C #1418, EUGENE MCDOWELL, SHOULD NOT HAVE REC.V SWR. CHG.		3.00		
05/31/05	GJE9	REFUND, A/C #0039, TERRY BRIMHALL		186.40		
			May	(1,655.03)	(5,791.77)	
06/30/05	GJE1	JUNE BILLING		(2,421.00)		
06/30/05	GJE3	REFUND TO MILES HILLIARD, A/C #1298		38.77		
			June	(2,382.23)	(8,174.00)	
07/31/05	GJE1	JULY BILLING		(2,759.37)		



01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>2400 Wastewater Revenue (cont.)</b>						
07/31/05	GJE4	ADJUSTMENT MADE TO CUSTOMERS FAIREY, BONO & REID DUE TO METERS BEING MIS-READ		14.01		
			July	(2,745.36)	(10,919.36)	
08/31/05	GJE1	AUGUST BILLING		(3,067.95)		
08/31/05	GJE3	REFUND GIVEN TO #1448 & 1658 - LOGIC LAND COMPANY		298.98		
			August	(2,768.97)	(13,688.33)	
09/30/05	GJE1	SEPTEMBER BILLING		(1,414.32)		
			September	(1,414.32)	(15,102.65)	
10/31/05	GJE1	OCTOBER BILLING		(1,604.19)		
			October	(1,604.19)	(16,706.84)	
11/30/05	GJE1	NOVEMBER BILLING		(1,382.61)		
			November	(1,382.61)	(18,089.45)	
12/31/05	GJE1	DECEMBER BILLING		(967.56)		
12/31/05	GJE5	TO ADJUST A/R TO ACTUAL		32.98		
			December	(934.58)	(19,024.03)	
				(19,024.03)		(19,024.03)
		Combined Total		(55,849.88)		(55,849.88)
<b>403 Depreciation - Water</b>						
			0.00			
01/31/05	GJE5	JANUARY DEPRECIATION		440.08		
01/31/05	GJE5	JANUARY DEPRECIATION		9.66		
			January	449.74	449.74	
02/28/05	GJE6	FEBRUARY DEPRECIATION		440.07		
02/28/05	GJE6	FEBRUARY DEPRECIATION		9.65		
			February	449.72	899.46	
03/31/05	GJE5	MARCH DEPRECIATION		444.24		
03/31/05	GJE5	MARCH DEPRECIATION		9.65		
			March	453.89	1,353.35	
04/30/05	GJE5	APRIL DEPRECIATION		444.24		
04/30/05	GJE5	APRIL DEPRECIATION		9.65		
			April	453.89	1,807.24	
05/31/05	GJE6	MAY DEPRECIATION		9.66		
05/31/05	GJE6	MAY DEPRECIATION		446.83		
			May	456.49	2,263.73	
06/30/05	GJE6	DEPRECIATION		448.73		
06/30/05	GJE6	DEPRECIATION		9.65		
			June	458.38	2,722.11	
07/31/05	GJE6	DEPRECIATION		449.00		
07/31/05	GJE6	DEPRECIATION		9.66		
			July	458.66	3,180.77	
08/31/05	GJE6	DEPRECIATION		448.91		
08/31/05	GJE6	DEPRECIATION		9.66		



01/01/05 - 12/31/05

# AQUA UTILITIES COMPANY, INC. General Ledger

8-1.13  
AQUA  
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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>426 Non-Utility expense (cont.)</b>						
10/31/05	GJE6	TO ADJUST SALES TAX PAYABLE TO ACTUAL		0.68		
			October	0.68	1.51	
11/30/05	GJE6	TO ADJUST SALES TAX PAYABLE TO ACTUAL		0.27		
			November	0.27	1.78	
12/31/05	GJE7	TO ADJUST SALES TAX PAYABLE TO ACTUAL		(2.42)		
12/31/05	GJE9	TO ADJUST		0.64		
			December	(1.78)	0.00	
				0.00		0.00
<b>474 Other water revenue</b>						
01/31/05	GJE3	LATE CHARGES	0.00			
			January	(17.77)	(17.77)	
02/28/05	GJE3	LATE CHARGES		(24.48)		
02/28/05	GJE7	REFUND OF LATE CHARGE ON MICHAEL MORRISON, A/C #1548		6.55		
			February	(17.93)	(35.70)	
03/31/05	GJE3	LATE CHARGES		(12.96)		
			March	(12.96)	(48.66)	
04/30/05	GJE3	LATE CHARGES		(9.37)		
04/30/05	GJE6	TO ADJUST TO ACTUAL		(0.01)		
			April	(9.38)	(58.04)	
05/31/05	GJE3	LATE CHARGES		(22.25)		
			May	(22.25)	(80.29)	
06/30/05	GJE5	LATE CHARGES		(13.86)		
			June	(13.86)	(94.15)	
07/31/05	GJE5	LATE CHARGES		(12.33)		
			July	(12.33)	(106.48)	
08/31/05	GJE5	LATE CHARGES		(19.60)		
			August	(19.60)	(126.08)	
09/30/05	GJE4	LATE CHARGES		(32.23)		
			September	(32.23)	(158.31)	
10/31/05	GJE4	LATE CHARGES		(23.57)		
			October	(23.57)	(181.88)	
11/30/05	GJE5	LATE CHARGES		(24.05)		
			November	(24.05)	(205.93)	
12/31/05	GJE4	LATE CHARGES		(26.99)		
			December	(26.99)	(232.92)	
				(232.92)		(232.92)

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		<b>536 Other wastewater revenue</b>	0.00			
01/31/05	GJE3	LATE CHARGES		(17.76)		
			January	(17.76)	(17.76)	
02/28/05	GJE3	LATE CHARGES		(24.48)		
02/28/05	GJE7	REFUND OF LATE CHARGE ON MICHAEL MORRISON, A/C #1548		6.54		
			February	(17.94)	(35.70)	
03/31/05	GJE3	LATE CHARGES		(12.96)		
			March	(12.96)	(48.66)	
04/30/05	GJE3	LATE CHARGES		(9.36)		
			April	(9.36)	(58.02)	
05/31/05	GJE3	LATE CHARGES		(22.25)		
			May	(22.25)	(80.27)	
06/30/05	GJE5	LATE CHARGES		(13.85)		
			June	(13.85)	(94.12)	
07/31/05	GJE5	LATE CHARGES		(12.32)		
			July	(12.32)	(106.44)	
08/31/05	GJE5	LATE CHARGES		(19.60)		
			August	(19.60)	(126.04)	
09/30/05	GJE4	LATE CHARGES		(32.22)		
			September	(32.22)	(158.26)	
10/31/05	GJE4	LATE CHARGES		(23.56)		
			October	(23.56)	(181.82)	
11/30/05	GJE5	LATE CHARGES		(24.05)		
			November	(24.05)	(205.87)	
12/31/05	GJE4	LATE CHARGES		(26.98)		
			December	(26.98)	(232.85)	
				<u>(232.85)</u>		<u>(232.85)</u>
		<b>601 Depreciation - Wastewater</b>	0.00			
01/31/05	GJE5	JANUARY DEPRECIATION		764.37		
01/31/05	GJE5	JANUARY DEPRECIATION		9.65		
			January	774.02	774.02	
02/28/05	GJE6	FEBRUARY DEPRECIATION		9.65		
02/28/05	GJE6	FEBRUARY DEPRECIATION		764.38		
			February	774.03	1,548.05	
03/31/05	GJE5	MARCH DEPRECIATION		768.53		
03/31/05	GJE5	MARCH DEPRECIATION		9.66		
			March	778.19	2,326.24	
04/30/05	GJE5	APRIL DEPRECIATION		768.53		
4/30/05	GJE5	APRIL DEPRECIATION		9.65		
			April	778.18	3,104.42	

**Aqua Utilities**  
**Purchased Water Forecast**  
**For the 12 Months Ending December 31, 2007**

E-1.00

	<u>Amount</u>
Water Sales Volumes (Gallons)	13,658,955 A/
Lost and Unaccounted-For Ratio	1.4994 B/
<b>Forecasted Water Purchased (Gallons)</b>	<b><u>20,479,652</u></b>
Forecasted Water Purchased (Gallons)	20,479,652
Base Usage (1st 1,000 Gallons * 12 Months)	12,000
<b>Excess Usage (Gallons)</b>	<b><u>20,467,652</u></b>
<b>Excess Usage (Per 1,000 Gallons)</b>	<b><u>20,468</u></b>

	<u>Determinant</u>	<u>Rate</u>	<u>Amount</u>
<b>Meter #1:</b>			
Customer Charge (1st 1,000 Gallons)	12	\$24.00 C/	\$288.00
Excess Usage Charge	20,468	2.00 C/	40,936.00
<b>Purchased Water Cost - Meter #1</b>			<b><u>\$41,224.00</u></b>
<b>Meter #2:</b>			
Customer Charge (1st 1,000 Gallons)	12	\$24.00 C/	\$288.00
Excess Usage Charge	0	2.00 C/	0.00
<b>Purchased Water Cost - Meter #2</b>			<b><u>\$288.00</u></b>
<b>Total Forecasted Purchased Water Cost</b>			<b><u>\$41,512.00</u></b>

A/ Company Revenue Workpaper R-1.02.

B/ Company Expense Workpaper E-1.05.

C/ Company Expense Workpaper E-1.02.



**Aqua Utilities Company**  
**Analysis of Purchased Water Cost - Meter #1**

Service From Date	Service To Date	Previous Meter Reading	Current Meter Reading	Usage	Rate First 1,000 Gallons	Rate Over 1,000 Gallons	Bill Amount
11/14/2003	12/9/2003	743708	747102	3,394	\$13.59	\$1.65	\$571.95
12/9/2003	1/7/2004	747102	750451	3,349	13.59	1.65	564.53
1/7/2004	1/28/2004	750451	752985	2,534	13.59	1.65	430.05
1/28/2004	3/8/2004	752985	758295	5,310	13.59	1.65	888.09
3/8/2004	4/6/2004	758295	764989	6,694	13.59	1.65	1,116.45
4/6/2004	5/10/2004	764989	779468	14,479	13.59	1.65	2,400.98
5/10/2004	6/10/2004	779468	793740	14,272	13.59	1.65	2,366.82
6/10/2004	7/8/2004	793740	807747	14,007	13.59	1.65	2,323.10
7/8/2004	8/11/2004	807747	826832	19,085	13.59	1.65	3,160.97
8/11/2004	9/8/2004	826832	843004	16,172	13.59	1.65	2,680.32
9/8/2004	10/15/2004	843004	859624	16,620	13.59	1.65	2,754.24
10/15/2004	11/12/2004	859624	867598	7,974	13.59	1.65	1,327.65
11/12/2004	12/20/2004	867598	880105	12,507	13.59	1.65	2,075.60
12/20/2004	1/12/2005	880105	885148	5,043	24.00	2.00	1,030.60
1/12/2005	2/9/2005	885148	890804	5,656	24.00	2.00	1,153.20
2/9/2005	3/9/2005	885148	890804	5,656	24.00	2.00	1,153.20
3/9/2005	4/15/2005	890804	897551	6,747	24.00	2.00	1,371.40
4/15/2005	5/11/2005	897551	909876	12,325	24.00	2.00	2,487.00
5/11/2005	6/10/2005	909876	924705	14,829	24.00	2.00	2,987.80
6/10/2005	7/12/2005	924705	950022	25,317	24.00	2.00	5,085.40
7/12/2005	8/11/2005	950022	970352	20,330	24.00	2.00	4,088.00
8/11/2005	9/13/2005	970352	991785	21,433	24.00	2.00	4,308.60
9/13/2005	10/12/2005	991785	1007456	15,671	24.00	2.00	3,156.20
10/12/2005	11/10/2005	1007456	1019242	11,786	24.00	2.00	2,379.20
11/10/2005	12/5/2005	1019242	1035792	16,550	24.00	2.00	3,332.00

**SOURCE:** Company Expense Worksheets E-1-2.00 to E-1-2.24.

**Aqua Utilities Company**  
**Analysis of Purchased Water Cost - Meter #2**

Service From Date	Service To Date	Previous Meter Reading	Current Meter Reading	Usage	Rate First 1,000 Gallons	Rate Over 1,000 Gallons	Bill Amount
11/13/2003	12/9/2003	728	728	0	\$13.59	\$1.65	\$13.59
12/9/2003	1/7/2004	728	728	0	13.59	1.65	13.59
1/7/2004	1/28/2004	728	728	0	13.59	1.65	13.59
1/28/2004	3/8/2004	728	728	0	13.59	1.65	13.59
3/8/2004	4/6/2004	728	728	0	13.59	1.65	13.59
4/6/2004	5/10/2004	728	728	0	13.59	1.65	13.59
5/10/2004	6/9/2004	728	728	0	13.59	1.65	13.59
6/9/2004	7/8/2004	728	728	0	13.59	1.65	13.59
7/8/2004	8/10/2004	728	728	0	13.59	1.65	13.59
8/10/2004	9/7/2004	728	728	0	13.59	1.65	13.59
9/7/2004	10/15/2004	728	728	0	13.59	1.65	13.59
10/15/2004	11/12/2004	728	728	0	13.59	1.65	13.59
11/12/2004	12/13/2004	728	728	0	13.59	1.65	13.59
12/13/2004	1/12/2005	728	728	0	24.00	2.00	24.00
1/12/2005	2/9/2005	728	728	0	24.00	2.00	24.00
2/9/2005	3/14/2005	728	728	0	24.00	2.00	24.00
3/14/2005	4/15/2005	728	728	0	24.00	2.00	24.00
4/15/2005	5/10/2005	728	728	0	24.00	2.00	24.00
5/10/2005	6/7/2005	728	728	0	24.00	2.00	24.00
6/7/2005	7/12/2005	728	728	0	24.00	2.00	24.00
7/12/2005	8/11/2005	728	728	0	24.00	2.00	24.00
8/11/2005	9/13/2005	728	729	1	24.00	2.00	24.00
9/13/2005	10/12/2005	729	729	0	24.00	2.00	24.00
10/12/2005	11/10/2005	729	729	0	24.00	2.00	24.00
11/10/2005	12/5/2005	729	729	0	24.00	2.00	24.00

**SOURCE:** Company Expense Workpapers E-1-2.00 to E-1-2.24.

<u>Date</u>	<u>Total Metered Water Usage</u>
1/1/2002	278,668
2/1/2002	99,594
3/1/2002	363,697
4/1/2002	539,891
5/1/2002	683,040
6/1/2002	1,466,873
7/1/2002	1,387,172
8/1/2002	1,588,295
9/1/2002	1,268,850
10/1/2002	999,160
11/1/2002	442,350
12/1/2002	284,780
1/1/2003	346,340
2/1/2003	216,930
3/1/2003	425,430
4/1/2003	411,180
5/1/2003	530,370
6/1/2003	1,142,440
7/1/2003	1,307,530
8/1/2003	2,198,310
9/1/2003	1,414,850
10/1/2003	1,154,177
11/1/2003	505,673
12/1/2003	236,450
1/1/2004	200,280
2/1/2004	164,621
3/1/2004	79,654
4/1/2004	921,115
5/1/2004	920,005
6/1/2004	1,135,645
7/1/2004	1,118,310
8/1/2004	1,425,597
9/1/2004	1,331,518
10/1/2004	968,220
11/1/2004	352,980
12/1/2004	276,670
1/1/2005	294,555
2/1/2005	239,565
3/1/2005	82,622
4/1/2005	574,627
5/1/2005	989,970
6/1/2005	1,320,140
7/1/2005	1,741,411
8/1/2005	2,090,330
9/1/2005	1,165,878
10/1/2005	1,200,682
11/1/2005	1,041,300
12/1/2005	306,960

**SOURCE:** Company Workpaper R-1.03.

**NOTE:** This schedule takes the total water usage each month (in gallons) and subtracts out the usage for those accounts that are water only (lawn sprinkler) leaving the remaining usage as water usage going to the wastewater treatment plant.



Aqua Utilities Company  
Analysis of Lost & Unaccounted-For Water

Purchased Water		A/		Water Sales		B/	
Service To Date	Usage	12 MTD Usage		Service To Date	Usage	12 MTD Usage	12 MTD Lost & Unaccounted
12/9/2003	3,394	-		12/1/2003	2,355	-	-
1/7/2004	3,349	-		1/1/2004	2,003	-	-
1/28/2004	2,534	-		2/1/2004	1,646	-	-
3/8/2004	5,310	-		3/1/2004	797	-	-
4/6/2004	6,694	-		4/1/2004	9,211	-	-
5/10/2004	14,479	-		5/1/2004	9,200	-	-
6/10/2004	14,272	-		6/1/2004	11,356	-	-
7/8/2004	14,007	-		7/1/2004	11,183	-	-
8/11/2004	19,085	-		8/1/2004	14,256	-	-
9/8/2004	16,172	-		9/1/2004	13,315	-	-
10/15/2004	16,620	-		10/1/2004	9,682	-	-
11/12/2004	7,974	123,890		11/1/2004	3,530	88,544	35,346
12/20/2004	12,507	133,003		12/1/2004	2,767	88,946	44,057
1/12/2005	5,043	134,697		1/1/2005	2,946	89,889	44,808
2/9/2005	5,656	137,819		2/1/2005	2,396	90,639	47,180
3/9/2005	5,656	138,165		3/1/2005	826	90,668	47,497
4/15/2005	6,747	138,218		4/1/2005	5,746	87,203	51,015
5/11/2005	12,325	136,064		5/1/2005	9,900	87,903	48,161
6/10/2005	14,829	136,621		6/1/2005	13,201	89,748	46,873
7/12/2005	25,317	147,931		7/1/2005	17,414	95,979	51,952
8/11/2005	20,330	149,176		8/1/2005	20,903	102,626	46,550
9/13/2005	21,433	154,437		9/1/2005	11,659	100,970	53,467
10/12/2005	15,671	153,488		10/1/2005	12,007	103,295	50,193
11/10/2005	11,786	157,300		11/1/2005	10,413	110,178	47,122
12/5/2005	16,550	161,343		12/1/2005	3,070	110,481	50,862
Average		143,011				95,505	47,506
							49.94%

A/ Company Expense Worksheet E-1.02.

B/ Company Expense Worksheet E-1.04.

**Aqua Utilities Company**  
**Total Purchased Water Expense**

**E-1.06**

<u>Date</u>	<u>Bill</u> <u>A/</u>	<u>Bill</u> <u>B/</u>	<u>Total</u>	<u>Ledger</u> <u>C/</u>
January 2004	\$564.53	\$13.59	\$578.12	
February	430.05	13.59	443.64	
March	888.09	13.59	901.68	
April	1,116.45	13.59	1,130.04	
May	2,400.98	13.59	2,414.57	
June	2,366.82	13.59	2,380.41	
July	2,323.10	13.59	2,336.69	
August	3,160.97	13.59	3,174.56	
September	2,680.32	13.59	2,693.91	
October	2,754.24	13.59	2,767.83	
November	1,327.65	13.59	1,341.24	
December	2,075.60	13.59	2,089.19	
January 2005	1,030.60	24.00	1,054.60	1,154.79
February	1,153.20	24.00	1,177.20	1,289.03
March	1,153.20	24.00	1,177.20	1,289.03
April	1,371.40	24.00	1,395.40	1,527.96
May	2,487.00	24.00	2,511.00	2,727.37
June	2,987.80	24.00	3,011.80	0.00
July	5,085.40	24.00	5,109.40	3,263.23
August	4,088.00	24.00	4,112.00	9,948.10
September	4,308.60	24.00	4,332.60	4,332.60
October	3,156.20	24.00	3,180.20	3,180.20
November	2,379.20	24.00	2,403.20	2,403.20
December	3,332.00	24.00	3,356.00	3,356.00
<b>2004 Total</b>	<b><u>\$22,088.80</u></b>	<b><u>\$163.08</u></b>	<b><u>\$22,251.88</u></b>	
<b>2005 Total</b>	<b><u>\$32,532.60</u></b>	<b><u>\$288.00</u></b>	<b><u>\$32,820.60</u></b>	<b><u>\$34,471.51</u></b>
<b>Sales Tax Adjustment</b>				<b><u>-\$1,650.91</u></b>

A/ Company Expense Workpaper E-1.02.  
 B/ Company Expense Workpaper E-1.03.  
 C/ Company Expense Workpaper E-1-3.00.

**NOTE:** The difference between the Ledger amounts and the calculated amount is due to sales tax. During the course of preparing for the rate case, the Company discovered that the City of Savannah had been charging sales tax to Aqua in error. Beginning with the September 2005 bills, the City quit charging sales tax to the Aqua. Sales tax has been excluded from the purchased water forecast.

E-1-2.00

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
11/14/2003	626.29	683.49
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
12/09/2003	022-00300-01	1/05/2003 2004

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
747102	743708	3394	WA TX	571.95 54.34

\*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
11/13/2003	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
12/09/2003	022-00020-01	1/05/2003 2004

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	0	WA TX	13.59 1.29

-Pd. 1-5-2004  
-CK # 2030  
-\$ 641.17

\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044



PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



E-1-2.01

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
12/09/2003	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
1/07/2004	022-00020-01	2/05/2004
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
728	728	0
		TYPE WA TX
		CHARGES 13.59 1.29

\*\*AUTO\*\*

AQUA UTILITIES  
LACON  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
12/09/2003	618.16	674.61
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
1/07/2004	022-00300-01	2/05/2004
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
750451	747102	3349
		TYPE WA TX
		CHARGES 564.53 53.63

\*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
1/07/2004	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
1/28/2004	022-00020-01	3/05/2004

SERVICE AT

POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	0	WA TX	13.59 1.29

PAID  
MAR 05 2004  
SAVANNAH UTILITY  
DEPT.

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
1/07/2004	470.90	513.91
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
4/28/2004	022-00300-01	3/05/2004

SERVICE AT

POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
752985	750451	2534	WA TX	430.05 40.85

-Pd. 3-5-04  
-\$ 485.78  
-CK. #2059

PAID  
MAR 05 2004  
SAVANNAH UTILITY  
DEPT.

\*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

E-1-2.03

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
1/28/2004	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
3/08/2004	022-00020-01	4/05/2004
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
728	728	0
		TYPE SERVICE
		WA TX
		CHARGES
		13.59 1.29

\*\*AUT. DEBT.\*\*

APR 13 2004

PAID

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
1/28/2004	972.46	1061.27
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
3/08/2004	022-00300-01	4/05/2004
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
758295	752985	5310
		TYPE SERVICE
		WA TX
		CHARGES
		888.09 84.37

-Pd. 4-5-04  
-CK. # 2074  
-\$ 987.34

\*\*AUT. DEBT.\*\*

APR 13 2004

PAID

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044



E-1-2.04

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
3/08/2004	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
4/06/2004	022-00020-01	5/05/2004

SERVICE AT  
POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	0	WA TX	13.59 1.29
PAID				
MAY 0 2 2004				
SAVANNAH UTILITY DEPT.				

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
3/08/2004	1222.51	1334.16
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
4/06/2004	022-00300-01	5/05/2004

SERVICE AT  
POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
764989	758295	6694	WA TX	1116.45 106.06
-Pd. 4-30-04				
-CK, # 2092 PAID				
-\$1,237.39 MAY 0 4 2004				
SAVANNAH UTILITY DEPT.				

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044



E-1-2.05

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
4/06/2004	2609.05	2849.15
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
5/10/2004	022-00300-01	6/05/2004
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
779468	764989	14479
PAID		WA TX
JUN 07 2004		2400.98
SAVANNAH UTILITY DEPT.		208.07

\*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
4/06/2004	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
5/10/2004	022-00020-01	6/05/2004
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
728	728	0
PAID		WA TX
JUN 07 2004		13.59
SAVANNAH UTILITY DEPT.		1.29

\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57







E-1-207

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
6/09/2004	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
7/08/2004	022-00020-01	8/05/2004
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
728	728	0
		WA TX
		PAID
		AUG 05 2004
		SAVANNAH UTILITY DEPT.
		13.59
		1.29

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
6/10/2004	2525.72	2758.03
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
7/08/2004	022-00300-01	8/05/2004
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
807747	793740	14007
		WA TX
		PAID
		AUG 05 2004
		SAVANNAH UTILITY DEPT.
		2323.10
		202.62

-Pd. 8-5-04  
-CR.# 2141  
-\$2,540.60

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044



E-1-2.08

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
7/08/2004	3422.24	3738.34
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
8/11/2004	022-00300-01	9/05/2004

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
826832	807747	19085	WA TX	3160.97 261.27

SAVANNAH UTILITY DEPT. SEP 07 2004 PAID

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
7/08/2004	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
8/10/2004	022-00020-01	9/05/2004

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	0	WA TX	13.59 1.29

SAVANNAH UTILITY DEPT. SEP 07 2004 PAID

-Pd. 9-7-04  
-CK.# 2160  
-\$3,437.12

\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



E-1-2.09

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
8/11/2004	2907.94	3175.97
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
9/08/2004	022-00300-01	10/05/2004

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
843004	826832	16172	WA TX	2680.32 227.62

SAVANNAH UTILITY DEPT. OCT 05 2004 PAID

**\*\*AUTO\*\***

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 39372-2044



PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 39372  
PERMIT NO. 57

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
8/10/2004	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
9/07/2004	022-00020-01	10/05/2004

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	0	WA TX	13.59 1.29

10/5/04 PAID  
-Pd. 9/30/04  
-CK. #2174  
SAVANNAH UTILITY DEPT. OCT 05 2004  
\$2,922.82 **\*\*AUTO\*\***

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 39372-2044



PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 39372  
PERMIT NO. 57



E-1-2.10

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
9/07/2004	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
10/15/2004	022-00020-01	11/05/2004

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	0	WA TX	13.59 1.29

PAID  
NOV 05 2004  
SAVANNAH UTILITY  
DEPT.

\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
9/08/2004	2987.04	3262.46
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
10/15/2004	022-00300-01	11/05/2004

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
859624	843004	16620	WA TX	2754.24 232.80

PAID  
NOV 05 2004  
SAVANNAH UTILITY  
DEPT.  
-Pd. 10-29-04  
-CHK. # 2188

-\$ 3,006.92 \*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



E-1-2.11

SERVICE FROM	NET AMOUNT	GROSS AMOUNT		
10/15/2004	14.88	16.24		
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER		
11/12/2004	022-00020-01	12/05/2004		
SERVICE AT POINTS OF PICKWICK				
PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	0	WA TX	13.59 1.29
PAID		06 2004		
		UTILITY		

PAID  
DEC 6 2004  
SAVANNAH UTILITY DEPT.

\*\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH TN 38372  
PERMIT NO. 57



SERVICE FROM	NET AMOUNT	GROSS AMOUNT		
10/15/2004	1453.78	1586.55		
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER		
11/12/2004	022-00300-01	12/05/2004		
SERVICE AT POINTS OF PICKWICK				
PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
867598	859624	7974	WA TX	1327.65 126.13

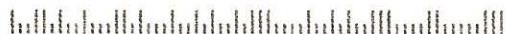
-PD. 12-6-04  
-CK. # 2200  
-\$1,468.66

PAID  
DEC 6 2004  
SAVANNAH UTILITY DEPT.

\*\*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH TN 38372  
PERMIT NO. 57



E-1-2.12

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
11/12/2004	2260.89	2468.45
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
12/20/2004	022-00300-01	1/05/2005

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
880105	867598	12507	WA TX	2075.60 185.29

**PAID**  
\*\*AUTO\*\*  
JAN 05 2005

POINTS OF PICKWICK  
C/O AQUA UTILITIES INC.  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
11/12/2004	14.88	16.24
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
12/13/2004	022-00020-01	1/05/2005

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	0	WA TX	13.59 1.29

-Pd. 1-5-05  
-CK. # 2216  
- \$2,275.77  
**PAID**  
JAN 05 2005  
SAVANNAH UTILITY  
DEPT.

\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57





E-1-2.13

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
12/20/2004	1128.51	1231.57
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
1/12/2005	022-00300-01	2/05/2005
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
885148	880105	5043
		WA TX
		1030.60
		97.91

PAID  
FEB 07 2005  
SAVANNAH UTILITY DEPT.

\*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
12/13/2004	26.28	28.68
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
1/12/2005	022-00020-01	2/05/2005
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
728	728	0
		WA TX
		24.00
		2.28

-Pd. 1-31-05  
-CK.# 2238  
-\$1,154.79  
PAID  
FEB 07 2005  
SAVANNAH UTILITY DEPT.

\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
706 MAIN ST  
SAVANNAH TN 38372-2044

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
1/12/2005	26.28	28.68
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
2/09/2005	022-00020-01	3/05/2005

SERVICE AT

POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	0	WA TK	24.00 2.28

SAVANNAH UTILITY  
DEPT.

MAR 07 2005

PAID

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
1/12/2005	1262.75	1378.07
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
2/09/2005	022-00300-01	3/05/2005

SERVICE AT

POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
890804	885148	5656	WA TK	1153.20 109.55

-Pd. 3-7-05  
-CK. # 2258  
-\$1,289.03SAVANNAH UTILITY  
DEPT.

MAR 17 2005

PAID

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

E-1-215

*Duplicate from previous Month*

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
2/09/2005	26.28	28.68
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
3/14/2005	022-00020-01	4/05/2005
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
728	728	0
PAID		WA TX
APR 05 2005		24.00
SAVANNAH UTILITY DEPT.		2.28

\*\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
2/09/2005	1262.75	1378.07
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
2/09/2005	022-00300-01	4/05/2005
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
890804	885148	5656
PAID		WA TX
APR 05 2005		1153.20
SAVANNAH UTILITY DEPT.		109.55
		-Pd. 3-31-05
		-CK # 2276
		- \$1,289.03

\*\*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57





E-1-2.16

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
3/14/2005	26.28	28.68
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
4/15/2005	022-00020-01	5/05/2005
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
728	728	0
		WA TX
		24.00
		2.28
PAID		
MAY 05		

SAVANNAH UTILITY  
DEPT.

\*\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
2/09/2005	1501.68	1638.82
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
4/15/2005	022-00300-01	5/05/2005
SERVICE AT POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
897551	890804	6747
		WA TX
		1371.40
		130.28
PAID		
MAY 05 2005		
SAVANNAH UTILITY DEPT.		
-PA. 4-29.05		
-CK.# 2289		
-\$1,527.96		

\*\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372



E-1-2.17

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
4/15/2005	26.28	28.68
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
5/10/2005	022-00080-01	6/05/2005

SERVICE AT  
POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	JUN 06 2005	WA TX	24.00 2.28

SAVANNAH UTILITY DEPT.

\*\*\*AUTO\*\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH TN 38372  
PERMIT NO. 57

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372

|||||

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
4/15/2005	2701.09	2949.79
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
5/11/2005	022-00300-01	6/05/2005

SERVICE AT  
POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
909876	897551	12325	WA TX	2487.00 214.09

~~PAID 7-6-05 (for June)~~  
~~PAID 6-6-05 (for mag)~~  
~~CK # 2306~~  
~~\$ 2,727.37~~

JUN 06 2005

SAVANNAH UTILITY DEPT.

\*\*\*AUTO\*\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH TN 38372  
PERMIT NO. 57

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372

|||||

E-1-2.18

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
5/10/2005	26.28	28.68
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
6/07/2005	022-00020-01	7/05/2005

SERVICE AT POINTS OF PICKWICK

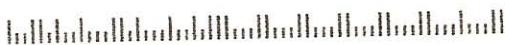
PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728		WA TX	24.00 2.28

JUL 0 5 2005  
SAVANNAH UTILITY DEPT.

\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
5/11/2005	3236.95	3535.73
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
6/10/2005	022-00300-01	7/05/2005

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
924705	909876	14829	WA TX	2987.80 249.15

JUL 0 5 2005  
SAVANNAH UTILITY DEPT.

- Pd. 7-5-05  
- CH. # 2322  
- \$3,263.23

\*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57





E-1-2.19

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
6/07/2005	26.28	28.68
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER

7/12/2005 022-00020-01 8/05/2005

SERVICE AT

POINTS OF PICKWICK			TYPE	CHARGES
PRESENT READING	PREVIOUS READING	USED	SERVICE	
728	728	0	WA TX	24.00 2.28

Paid  
AUG 15 2005  
Savannah Utility Dept.

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
6/10/2005	5481.38	5989.92
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER

7/12/2005 022-00300-01 8/05/2005

SERVICE AT

POINTS OF PICKWICK			TYPE	CHARGES
PRESENT READING	PREVIOUS READING	USED	SERVICE	
950022	924705	25317	WA TX	5085.40 395.98

-Pd, 8-5-05  
-CK # 2341  
-85,507.66  
Paid  
AUG 15 2005  
Savannah Utility Dept.

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372



E-1-220

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
7/12/2005	4414.16	4822.96
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
8/11/2005	022-00300-01	9/05/2005

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
970352	950022	20330 <b>Paid</b>	WA TX	4088.00 326.14

pd. 8-31-05  
- CK # 2353 Savannah Utility Dept.  
- \$4,440.44 \*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
7/12/2005	26.28	28.68
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
8/11/2005	022-00020-01	9/05/2005

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
728	728	0 <b>Paid</b>	WA TX	24.00 2.28

SEP 05 2005  
Savannah Utility Dept.

\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



E-1-2.21

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
8/11/2005	26.28	28.68
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
9/13/2005	022-00020-01	10/05/2005

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
729	728	1	WA TX	24.00 2.28

Paid

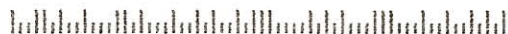
OCT 05 2005

Savannah Utility Dept.

\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372-2057

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH TN 38372  
PERMIT NO. 57

-1<sup>ST</sup> bill w/out Sales TAX

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
8/11/2005	4650.20	5081.06
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
9/13/2005	022-00300-01	10/05/2005

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
991785	970352	21433	WA TX	4308.60 841.60

-Pd. 10-5-05

-CK.# 2373

-\$4,332.60

Paid

OCT 05 2005

Savannah Utility Dept.

\*\*AUTO\*\*

Aqua Pd  
\$ 515.11x  
on these  
bills,

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372-2057

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH TN 38372  
PERMIT NO. 57

-1<sup>ST</sup> bill w/out Sales TAX -



E-1-2.22

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
9/13/2005	24.00	26.40
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
10/12/2005	022-00020-01	11/05/2005

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
729	729	0	WA	24.00

Paid  
NOV 17 5  
Savannah Utility Dept.

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372-2057



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
9/13/2005	3156.20	3471.82
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
10/14/2005	022-00300-01	11/05/2005

SERVICE AT POINTS OF PICKWICK

PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
1007456	991785	15671	WA	3156.20

~~Pd. 10~~  
- Pd- 11- 7-05  
- CR. # 2397  
- \$3,180.20

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372-2057



E-1-2.23

SERVICE FROM	NET AMOUNT	GROSS AMOUNT		
10/12/2005	24.00	26.40		
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER		
11/10/2005	022-00020-01	12/05/2005		
SERVICE AT POINTS OF PICKWICK				
PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
729	729	0	WA	24.00

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372-2057



SERVICE FROM	NET AMOUNT	GROSS AMOUNT		
10/14/2005	2379.20	2617.12		
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER		
11/10/2005	022-00300-01	12/05/2005		
SERVICE AT				
POINTS OF PICKWICK				
PRESENT READING	PREVIOUS READING	USED	TYPE SERVICE	CHARGES
1019242	1007456	11786	WA	2379.20
- CK. # 2412				
- \$ 2,403.20				
- Pd. 12-5-05				

- CK. # 2402  
- \$ 2,403.20  
- Pd. 12-5-05

\*\*AUTO\*\*

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372-2057



E-1-2.24

SERVICE FROM	NET AMOUNT	GROSS AMOUNT
11/10/2005	3332.00	3665.20
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
12/05/2005	022-00300-01	1/05/2006
SERVICE AT		
POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
1035792	1019242	16550
		WA
		3332.00

\*\*AUTO\*\*

POINTS OF PICKWICK  
C/O AQUA UTILITIES, INC  
408 MAIN ST  
SAVANNAH TN 38372-2057

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



SERVICE FROM	NET AMOUNT	GROSS AMOUNT
11/10/2005	24.00	26.40
SERVICE TO	ACCOUNT NO.	PAY GROSS AFTER
12/05/2005	022-00020-01	1/05/2006
SERVICE AT		
POINTS OF PICKWICK		
PRESENT READING	PREVIOUS READING	USED
729	729	0
-CK. # 2434		WA
- \$ 3,356.00		24.00

\*\*AUTO\*\*

AQUA UTILITIES  
LAGOON  
408 MAIN ST  
SAVANNAH TN 38372-2057

PRESORTED  
FIRST CLASS MAIL  
U.S. POSTAGE PAID  
SAVANNAH, TN 38372  
PERMIT NO. 57



Check dated 12-30-05



01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

AQUA  
Page 22  
05/08/06 10:23 AM

E-1-3.00

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		<b>601 Depreciation - Wastewater</b>	0.00			
01/31/05	GJE5	JANUARY DEPRECIATION		764.37		
01/31/05	GJE5	JANUARY DEPRECIATION		9.65		
			January	774.02	774.02	
02/28/05	GJE6	FEBRUARY DEPRECIATION		9.65		
02/28/05	GJE6	FEBRUARY DEPRECIATION		764.38		
			February	774.03	1,548.05	
03/31/05	GJE5	MARCH DEPRECIATION		768.53		
03/31/05	GJE5	MARCH DEPRECIATION		9.66		
			March	778.19	2,326.24	
04/30/05	GJE5	APRIL DEPRECIATION		768.53		
04/30/05	GJE5	APRIL DEPRECIATION		9.65		
			April	778.18	3,104.42	
05/31/05	GJE6	MAY DEPRECIATION		9.65		
05/31/05	GJE6	MAY DEPRECIATION		770.62		
			May	780.27	3,884.69	
06/30/05	GJE6	DEPRECIATION		798.72		
06/30/05	GJE6	DEPRECIATION		9.65		
			June	808.37	4,693.06	
07/31/05	GJE6	DEPRECIATION		799.04		
07/31/05	GJE6	DEPRECIATION		9.65		
			July	808.69	5,501.75	
08/31/05	GJE6	DEPRECIATION		830.64		
08/31/05	GJE6	DEPRECIATION		9.65		
			August	840.29	6,342.04	
09/30/05	GJE5	DEPRECIATION		832.22		
09/30/05	GJE5	DEPRECIATION		9.65		
			September	841.87	7,183.91	
10/31/05	GJE5	DEPRECIATION		832.72		
10/31/05	GJE5	DEPRECIATION		9.65		
			October	842.37	8,026.28	
11/30/05	GJE6	DEPRECIATION		833.23		
11/30/05	GJE6	DEPRECIATION		9.65		
			November	842.88	8,869.16	
12/31/05	GJE8	DEPRECIATION		833.23		
12/31/05	GJE8	DEPRECIATION		9.65		
			December	842.88	9,712.04	
				<u>9,712.04</u>		<u>9,712.04</u>
		<b>610 Purchased Water</b>	0.00			
01/31/05	2238 V	SAVANNAH UTIL. DEPT.		1,154.79		
			January	1,154.79	1,154.79	
02/28/05	2258 V	SAVANNAH UTIL. DEPT.		1,289.03		
			February	1,289.03	2,443.82	

01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

E-1-3.01  
 AQUA  
 Page 23  
 05/08/06 10:23 AM

Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>610 Purchased Water (cont.)</b>							
03/31/05	2276	V	SAVANNAH UTIL. DEPT.		1,289.03		
				March	1,289.03	3,732.85	
04/29/05	2289	V	SAVANNAH UTIL. DEPT.		1,527.96		
				April	1,527.96	5,260.81	
05/31/05	2306	V	SAVANNAH UTIL. DEPT.		2,727.37		
				May	2,727.37	7,988.18	
07/05/05	2322	V	SAVANNAH UTIL. DEPT.		3,263.23		
				July	3,263.23	11,251.41	
08/05/05	2341	V	SAVANNAH UTIL. DEPT.		5,507.66		
08/31/05	2353	V	SAVANNAH UTIL. DEPT.		4,440.44		
				August	9,948.10	21,199.51	
09/30/05	2373	V	SAVANNAH UTIL. DEPT.		4,332.60		
				September	4,332.60	25,532.11	
10/31/05	2397	V	SAVANNAH UTIL. DEPT.		3,180.20		
				October	3,180.20	28,712.31	
11/30/05	2412	V	SAVANNAH UTIL. DEPT.		2,403.20		
				November	2,403.20	31,115.51	
12/30/05	2434	V	SAVANNAH UTIL. DEPT.		3,356.00		
				December	3,356.00	34,471.51	
					<u>34,471.51</u>		<u>34,471.51</u>
<b>630 Contractual Services - Billing - Water</b>				0.00			
01/31/05	2234	V	W,J, GODWIN & NICHOLS		125.00		
				January	125.00	125.00	
02/28/05	2252	V	W,J, GODWIN & NICHOLS		125.00		
				February	125.00	250.00	
03/31/05	2274	V	W,J, GODWIN & NICHOLS		125.00		
				March	125.00	375.00	
04/25/05	2285	V	W,J, GODWIN & NICHOLS (COPIES OF WATER QUALITY RPT. FOR GEORGE LECKNER)		5.00		
04/29/05	2288	V	W,J, GODWIN & NICHOLS		125.00		
				April	130.00	505.00	
05/31/05	2305	V	W,J, GODWIN & NICHOLS		125.00		
				May	125.00	630.00	
07/05/05	2323	V	W,J, GODWIN & NICHOLS		125.00		
07/29/05	2337	V	W,J, GODWIN & NICHOLS		125.00		
				July	250.00	880.00	
08/31/05	2351	V	W,J, GODWIN & NICHOLS		125.00		
				August	125.00	1,005.00	
09/30/05	2372	V	W,J, GODWIN & NICHOLS		125.00		

**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**Attrition Period Price-Out of Electric Consumption**

**E-2.00**

	<u><b>Determinant</b></u>	<u><b>Rate</b></u>	<u><b>Sales Tax</b></u>
Bills	312 A/	\$20.38 C/	\$6,358.56
KWH Usage	107,288 B/	0.07594 D/	8,147.47
<b>Subtotal</b>			<b>\$14,506.03</b>
Sales Tax		7.00% E/	1,015.42
<b>Total 12 MTD Forecast at December 31, 2007</b>			<b>\$15,521.45</b>
<b>Test Period Amount</b>			<u>11,997.33 F/</u>
Adjustment			<u><b>\$3,524.12</b></u>

- A/ 26 monthly electric company bills \* 12 months = 312 individual monthly bills during the attrition period.  
 B/ Company Expense Workpaper E-2.01.  
 C/ Monthly customer charge = \$20.38.  
 D/ Current (December 2005) KWH usage charge per Tennessee Valley Electric Cooperative Billing.  
 E/ Current (December 2005) sales tax rate charge per Tennessee Valley Electric Cooperative Billing.  
 F/ Company Expense Workpaper E-2.02.

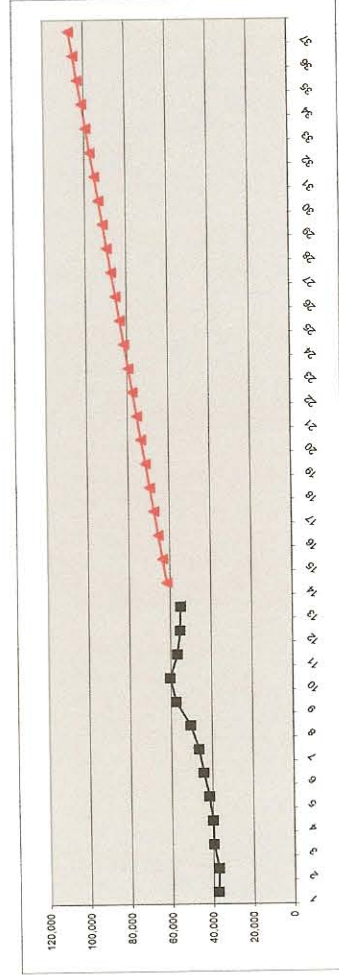


Aqua Utilities Company  
Analysis of Electric Consumption  
Forecast

E-2.01

Date	Month #	Actual		Forecast KWH Usage
		KWH Usage	12 MTD KWH Usage	
Jan-04		3,043	-	
Feb-04		907	-	
Mar-04		2,056	-	
Apr-04		1,563	-	
May-04		2,437	-	
Jun-04		1,747	-	
Jul-04		3,080	-	
Aug-04		2,149	-	
Sep-04		5,315	-	
Oct-04		5,954	-	
Nov-04		6,026	-	
Dec-04	1	3,394	37,671	
Jan-05	2	2,660	37,288	
Feb-05	3	3,285	39,666	
Mar-05	4	2,448	40,058	
Apr-05	5	3,139	41,634	
May-05	6	5,137	44,334	
Jun-05	7	3,859	46,446	
Jul-05	8	7,175	50,541	
Aug-05	9	9,014	57,406	
Sep-05	10	8,255	60,346	
Oct-05	11	2,308	56,700	
Nov-05	12	4,622	55,296	
Dec-05	13	3,047	54,949	
Jan-06	14			61,736
Feb-06	15			63,716
Mar-06	16			65,697
Apr-06	17			67,677
May-06	18			69,658
Jun-06	19			71,638
Jul-06	20			73,619
Aug-06	21			75,600
Sep-06	22			77,580
Oct-06	23			79,561
Nov-06	24			81,541
Dec-06	25			83,522
Jan-07	26			85,502
Feb-07	27			87,483
Mar-07	28			89,463
Apr-07	29			91,444
May-07	30			93,424
Jun-07	31			95,405
Jul-07	32			97,386
Aug-07	33			99,366
Sep-07	34			101,347
Oct-07	35			103,327
Nov-07	36			105,308
Dec-07	37			107,288

Regression Results			
X Coef	1.981	34,008	Y Coef
R^2	245.63	1,950	
	85.53%	3,314	



A/ Company Expense Worksheet E-2.02.

NOTE: Linear regression on 12 month-to-date kwh usage from December '04 to December '05 yields the equation  $yc = 34,008 + 1,981 * \text{month \#}$  with a 85.53% correlation.

**Aqua Utilities Company  
Analysis of Electric Consumption  
Summary**

**E-2.02**

<u>Date</u>	<u>KWH Usage</u>	<u>Amount</u>	<u>Sales Tax</u>	<u>Billing Adjustments</u>	<u>Total</u>
Jan-04	3,043	\$746.95	\$52.35	-\$1.43	\$797.87
Feb-04	907	594.58	41.69	-1.43	634.84
Mar-04	2,056	676.54	47.42	-5.93	718.03
Apr-04	1,563	641.37	44.96	-1.43	684.90
May-04	2,437	703.70	49.32	24.67	777.69
Jun-04	1,747	654.52	45.84	-1.43	698.93
Jul-04	3,080	749.59	52.49	-1.43	800.65
Aug-04	2,149	683.17	47.84	-1.43	729.58
Sep-04	5,315	909.02	63.66	-1.43	971.25
Oct-04	5,954	954.59	66.86	-1.43	1,020.02
Nov-04	6,026	959.76	67.21	-1.43	1,025.54
Dec-04	3,394	772.00	54.09	-1.43	824.66
Jan-05	2,660	719.65	50.41	-1.43	768.63
Feb-05	3,285	764.22	53.52	-1.43	816.31
Mar-05	2,448	704.51	49.37	12.39	766.27
Apr-05	3,139	753.82	52.79	-1.43	805.18
May-05	5,137	896.31	62.78	-1.43	957.66
Jun-05	3,859	805.15	56.40	-23.24	838.31
Jul-05	7,175	1,041.68	72.97	985.05	2,099.70
Aug-05	9,014	1,172.88	82.14	-1.43	1,253.59
Sep-05	8,255	1,118.75	78.34	-1.43	1,195.66
Oct-05	2,308	694.51	48.65	-1.43	741.73
Nov-05	4,622	880.88	61.67	-1.43	941.12
Dec-05	3,047	761.29	53.31	-1.43	813.17
<b>Total Calculated</b>	<b><u>92,620</u></b>	<b><u>\$19,359.44</u></b>	<b><u>\$1,356.08</u></b>	<b><u>\$965.77</u></b>	<b><u>\$21,681.29</u></b>

**Test Period (2005) Amount**

**\$11,997.33**

**Source:** Expense Workpapers E-2.03 to E-2.26.

**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of January 2004**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments -\$1.43 *	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	0	20.38	1.43		21.81
3	446-7020-1	0	20.38	1.43		21.81
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	32	22.66	1.59		24.25
6	446-4095-1	10	21.09	1.48		22.57
7	446-4620-1	0	20.38	1.43		21.81
8	446-4655-1	10	21.09	1.48		22.57
9	446-5000-1	35	22.88	1.60		24.48
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	16	21.52	1.51		23.03
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	14	21.38	1.50		22.88
14	446-7001-1	25	22.16	1.55		23.71
15	445-1010-1	2,480	197.29	13.81		211.10
16	445-1045-1	170	32.51	2.28		34.79
17	445-1295-1	5	20.74	1.45		22.19
18	445-1376-1	0	20.38	1.43		21.81
19	445-1435-1	30	22.52	1.58		24.10
20	445-1551-1	20	21.81	1.53		23.34
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	13	21.31	1.49		22.80
23	445-1623-1	20	21.81	1.53		23.34
24	445-1663-2	0	20.38	1.43		21.81
25	445-1685-1	3	20.59	1.44		22.03
26	445-1708-1	160	31.79	2.23		34.02
	<b>Total Calculated</b>	<b>3,043</b>	<b>\$746.95</b>	<b>\$52.35</b>	<b>-\$1.43</b>	<b>\$797.87</b>
	<b>Total Billed</b>					<b>797.85</b>
	<b>Difference</b>					<b>0.02</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-1.00 to E-2-1.25 (separately bound).



**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of February 2004**

**E-2.04**

Bill #	Account	KWH Usage	0.07133333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43	-\$1.43 *	\$20.38
2	446-6014-1	10	21.09	1.48		22.57
3	446-7020-1	0	20.38	1.43		21.81
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	34	22.81	1.60		24.41
6	446-4095-1	0	20.38	1.43		21.81
7	446-4620-1	0	20.38	1.43		21.81
8	446-4655-1	0	20.38	1.43		21.81
9	446-5000-1	26	22.23	1.56		23.79
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	22	21.95	1.54		23.49
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	14	21.38	1.50		22.88
14	446-7001-1	27	22.31	1.56		23.87
15	445-1010-1	340	44.63	3.12		47.75
16	445-1045-1	260	38.93	2.73		41.66
17	445-1295-1	5	20.74	1.45		22.19
18	445-1376-1	0	20.38	1.43		21.81
19	445-1435-1	30	22.52	1.58		24.10
20	445-1551-1	10	21.09	1.48		22.57
21	445-1607-1	2	20.52	1.44		21.96
22	445-1613-1	7	20.88	1.46		22.34
23	445-1623-1	10	21.09	1.48		22.57
24	445-1663-2	0	20.38	1.43		21.81
25	445-1685-1	0	20.38	1.43		21.81
26	445-1708-1	110	28.23	1.98		30.21
	<b>Total Calculated</b>	<b>907</b>	<b>\$594.58</b>	<b>\$41.69</b>	<b>-\$1.43</b>	<b>\$634.84</b>
	<b>Total Billed</b>					<b>634.85</b>
	<b>Difference</b>					<b>-0.01</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-2.00 to E-2-2.25 (separately bound).

**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of March 2004**

**E-2.05**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	10	\$21.09	1.48		22.57
3	446-7020-1	0	\$20.38	1.43		21.81
4	446-7080-1	0	\$20.38	1.43		21.81
5	446-1000-1	30	22.52	1.58		24.10
6	446-4095-1	20	21.81	1.53		23.34
7	446-4620-1	10	21.09	1.48		22.57
8	446-4655-1	10	21.09	1.48		22.57
9	446-5000-1	28	22.38	1.57		23.95
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	14	21.38	1.50		22.88
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	13	21.31	1.49		22.80
14	446-7001-1	22	21.95	1.54		23.49
15	445-1010-1	1,000	91.71	6.42	-4.00 **	94.13
16	445-1045-1	600	63.18	4.42	-0.50 **	67.10
17	445-1295-1	8	20.95	1.47		22.42
18	445-1376-1	10	21.09	1.48		22.57
19	445-1435-1	51	24.02	1.68		25.70
20	445-1551-1	13	21.31	1.49		22.80
21	445-1607-1	2	20.52	1.44		21.96
22	445-1613-1	6	20.81	1.46		22.27
23	445-1623-1	28	22.38	1.57		23.95
24	445-1663-2	0	20.38	1.43		21.81
25	445-1685-1	8	20.95	1.47		22.42
26	445-1708-1	173	32.72	2.29		35.01
<b>Total Calculated</b>		<b>2,056</b>	<b>\$676.54</b>	<b>\$47.42</b>	<b>-\$5.93</b>	<b>\$718.03</b>
<b>Total Billed</b>						<b>718.08</b>
<b>Difference</b>						<b>-0.05</b>

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No Sales Tax Applied.

\* Interest applied.

**SOURCE:** Company Expense Workpapers E-2-3.00 to E-2-3.25 (separately bound).

E-2.06

Aqua Utilities Company  
Analysis of Electric Consumption  
For the Month of April 2004

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43	-\$1.43 *	\$20.38
2	446-6014-1	10	21.09	1.48		22.57
3	446-7020-1	0	20.38	1.43		21.81
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	28	22.38	1.57		23.95
6	446-4095-1	0	20.38	1.43		21.81
7	446-4620-1	10	21.09	1.48		22.57
8	446-4655-1	10	21.09	1.48		22.57
9	446-5000-1	32	22.66	1.59		24.25
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	18	21.66	1.52		23.18
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	6	20.81	1.46		22.27
14	446-7001-1	28	22.38	1.57		23.95
15	445-1010-1	1,110	99.56	6.97		106.53
16	445-1045-1	0	20.38	1.43		21.81
17	445-1295-1	5	20.74	1.45		22.19
18	445-1376-1	7	20.88	1.46		22.34
19	445-1435-1	52	24.09	1.69		25.78
20	445-1551-1	86	26.51	1.86		28.37
21	445-1607-1	2	20.52	1.44		21.96
22	445-1613-1	1	20.45	1.43		21.88
23	445-1623-1	13	21.31	1.49		22.80
24	445-1663-2	0	20.38	1.43		21.81
25	445-1685-1	5	20.74	1.45		22.19
26	445-1708-1	140	30.37	2.13		32.50
Total Calculated		1,563	\$641.37	\$44.96	-\$1.43	\$684.90
Total Billed						684.93
Difference						-0.03

\* No Sales Tax Applied.

SOURCE: Company Expense Workpapers E-2-4.00 to E-2-4.25 (separately bound).



**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of May 2004**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43	-\$0.41	\$21.40
2	446-6014-1	10	21.09	1.48	1.06	23.63
3	446-7020-1	0	20.38	1.43	1.02	22.83
4	446-7060-1	0	20.38	1.43	1.02	22.83
5	446-1000-1	26	22.23	1.56	1.12	24.91
6	446-4095-1	20	21.81	1.53	1.02	24.36
7	446-4620-1	10	21.09	1.48	1.06	23.63
8	446-4655-1	0	20.38	1.43	1.06	22.87
9	446-5000-1	24	22.09	1.55	1.13	24.77
10	446-5400-1	0	20.38	1.43	1.02	22.83
11	446-6001-1	16	21.52	1.51	1.08	24.11
12	446-6002-1	0	20.38	1.43	1.02	22.83
13	446-6100-1	20	21.81	1.53	1.04	24.38
14	446-7001-1	18	21.66	1.52	1.12	24.30
15	445-1010-1	1,450	123.81	8.67		132.48
16	445-1045-1	500	56.05	3.92	1.04	59.97
17	445-1295-1	7	20.88	1.46	1.04	23.38
18	445-1376-1	7	20.88	1.46	1.04	23.38
19	445-1435-1	67	25.16	1.76	1.20	28.12
20	445-1551-1	40	23.23	1.63	1.33	26.19
21	445-1607-1	1	20.45	1.43	1.03	22.91
22	445-1613-1	3	20.59	1.44	1.02	23.05
23	445-1623-1	28	22.38	1.57	1.07	25.02
24	445-1663-2	0	20.38	1.43	1.02	22.83
25	445-1685-1	8	20.95	1.47	1.04	23.46
26	445-1708-1	182	33.36	2.34	1.52	37.22
<b>Total Calculated</b>		<b>2,437</b>	<b>\$703.70</b>	<b>\$49.32</b>	<b>\$24.67</b>	<b>\$777.69</b>
<b>Total Billed</b>						<b>777.71</b>
<b>Difference</b>						<b>-0.02</b>

\* No Sales Tax Applied.

\*\* Balance Forward

SOURCE: Company Expense Worksheets E-2-5.00 to E-2-5.25 (separately bound).

**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of June 2004**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	12	21.24	1.49		22.73
3	446-7020-1	25	22.16	1.55		23.71
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	39	23.16	1.62		24.78
6	446-4095-1	0	20.38	1.43		21.81
7	446-4620-1	4	20.67	1.45		22.12
8	446-4655-1	21	21.88	1.53		23.41
9	446-5000-1	31	22.59	1.58		24.17
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	34	22.81	1.60		24.41
12	446-6002-1	9	21.02	1.47		22.49
13	446-6100-1	0	20.38	1.43		21.81
14	446-7001-1	44	23.52	1.65		25.17
15	445-1010-1	500	56.05	3.92		59.97
16	445-1045-1	500	56.05	3.92		59.97
17	445-1295-1	9	21.02	1.47		22.49
18	445-1376-1	9	21.02	1.47		22.49
19	445-1435-1	139	30.30	2.12		32.42
20	445-1551-1	48	23.80	1.67		25.47
21	445-1607-1	6	20.81	1.46		22.27
22	445-1613-1	4	20.67	1.45		22.12
23	445-1623-1	95	27.16	1.90		29.06
24	445-1663-2	2	20.52	1.44		21.96
25	445-1685-1	13	21.31	1.49		22.80
26	445-1708-1	203	34.86	2.44		37.30
<b>Total Calculated</b>		<b>1,747</b>	<b>\$654.52</b>	<b>\$45.84</b>	<b>-\$1.43</b>	<b>\$698.93</b>
<b>Total Billed</b>						<b>698.88</b>
<b>Difference</b>						<b>0.05</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-6.00 to E-2-6.25 (separately bound).

**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of July 2004**

**E-2.09**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	15	21.45	1.50		22.95
3	446-7020-1	2	20.52	1.44		21.96
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	35	22.88	1.60		24.48
6	446-4095-1	11	21.16	1.48		22.64
7	446-4620-1	21	21.88	1.53		23.41
8	446-4655-1	22	21.95	1.54		23.49
9	446-5000-1	29	22.45	1.57		24.02
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	201	34.72	2.43		37.15
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	20	21.81	1.53		23.34
14	446-7001-1	19	21.74	1.52		23.26
15	445-1010-1	1,840	151.63	10.61		162.24
16	445-1045-1	200	34.65	2.43		37.08
17	445-1295-1	7	20.88	1.46		22.34
18	445-1376-1	4	20.67	1.45		22.12
19	445-1435-1	133	29.87	2.09		31.96
20	445-1551-1	40	23.23	1.63		24.86
21	445-1607-1	3	20.59	1.44		22.03
22	445-1613-1	1	20.45	1.43		21.88
23	445-1623-1	348	45.20	3.16		48.36
24	445-1663-2	3	20.59	1.44		22.03
25	445-1685-1	2	20.52	1.44		21.96
26	445-1708-1	124	29.23	2.05		31.28
<b>Total Calculated</b>		<b>3,080</b>	<b>\$749.59</b>	<b>\$52.49</b>	<b>-\$1.43</b>	<b>\$800.65</b>
<b>Total Billed</b>						<b>800.62</b>
<b>Difference</b>						<b>0.03</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-7.00 to E-2-7.25 (separately bound).



Aqua Utilities Company  
Analysis of Electric Consumption  
For the Month of August 2004

E-2.10

Bill #	Account	KWH Usage	Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	16	21.52	1.51		23.03
3	446-7020-1	3	20.59	1.44		22.03
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	88	26.66	1.87		28.53
6	446-4095-1	15	21.45	1.50		22.95
7	446-4620-1	23	22.02	1.54		23.56
8	446-4655-1	31	22.59	1.58		24.17
9	446-5000-1	22	21.95	1.54		23.49
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	37	23.02	1.61		24.63
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	17	21.59	1.51		23.10
14	446-7001-1	21	21.88	1.53		23.41
15	445-1010-1	380	47.49	3.32		50.81
16	445-1045-1	500	56.05	3.92		59.97
17	445-1295-1	11	21.16	1.48		22.64
18	445-1376-1	10	21.09	1.48		22.57
19	445-1435-1	97	27.30	1.91		29.21
20	445-1551-1	117	28.73	2.01		30.74
21	445-1607-1	9	21.02	1.47		22.49
22	445-1613-1	7	20.88	1.46		22.34
23	445-1623-1	481	54.69	3.83		58.52
24	445-1663-2	8	20.95	1.47		22.42
25	445-1685-1	10	21.09	1.48		22.57
26	445-1708-1	246	37.93	2.66		40.59
Total Calculated		2,149	\$683.17	\$47.84		\$729.58
Total Billed					-\$1.43	729.55
Difference						0.03

\* No Sales Tax Applied.

\*\* Balance Forward

SOURCE: Company Expense Workpapers E-2-8.00 to E-2-8.25 (separately bound).

E-2.11

Aqua Utilities Company  
Analysis of Electric Consumption  
For the Month of September 2004

Bill #	Account	KWH Usage	0.07133333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	10	21.09	1.48		22.57
3	446-7020-1	1	20.45	1.43		21.88
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	42	23.38	1.64		25.02
6	446-4095-1	10	21.09	1.48		22.57
7	446-4620-1	24	22.09	1.55		23.64
8	446-4655-1	0	20.38	1.43		21.81
9	446-5000-1	43	23.45	1.64		25.09
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	0	20.38	1.43		21.81
12	446-6002-1	0	20.38	1.43		22.03
13	446-6100-1	3	20.59	1.44		22.88
14	446-7001-1	14	21.38	1.50		314.14
15	445-1010-1	3,830	293.59	20.55		55.39
16	445-1045-1	440	51.77	3.62		22.64
17	445-1295-1	11	21.16	1.48		22.34
18	445-1376-1	7	20.88	1.46		27.84
19	445-1435-1	79	26.02	1.82		27.38
20	445-1551-1	73	25.59	1.79		47.75
21	445-1607-1	340	44.63	3.12		22.19
22	445-1613-1	5	20.74	1.45		36.31
23	445-1623-1	190	33.93	2.38		21.96
24	445-1663-2	2	20.52	1.44		22.34
25	445-1685-1	7	20.88	1.46		35.86
26	445-1708-1	184	33.51	2.35		\$971.25
Total Calculated		5,315	\$909.02	\$63.66	-\$1.43	971.24
Total Billed						0.01
Difference						

\* No Sales Tax Applied.

SOURCE: Company Expense Workpapers E-2-9.00 to E-2-9.25 (separately bound).

**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of October 2004**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	10	21.09	1.48		22.57
3	446-7020-1	2	20.52	1.44		21.96
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	70	25.37	1.78		27.15
6	446-4095-1	6	20.81	1.46		22.27
7	446-4620-1	17	21.59	1.51		23.10
8	446-4655-1	8	20.95	1.47		22.42
9	446-5000-1	92	26.94	1.89		28.83
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	1	20.45	1.43		21.88
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	34	22.81	1.60		24.41
14	446-7001-1	70	25.37	1.78		27.15
15	445-1010-1	3,260	252.93	17.71		270.64
16	445-1045-1	100	27.51	1.93		29.44
17	445-1295-1	19	21.74	1.52		23.26
18	445-1376-1	5	20.74	1.45		22.19
19	445-1435-1	1,452	123.96	8.68		132.64
20	445-1551-1	73	25.59	1.79		27.38
21	445-1607-1	476	54.33	3.80		58.13
22	445-1613-1	3	20.59	1.44		22.03
23	445-1623-1	28	22.38	1.57		23.95
24	445-1663-2	3	20.59	1.44		22.03
25	445-1685-1	5	20.74	1.45		22.19
26	445-1708-1	220	36.07	2.52		38.59
<b>Total Calculated</b>		<b>5,954</b>	<b>\$954.59</b>	<b>\$66.86</b>	<b>-\$1.43</b>	<b>\$1,020.02</b>
<b>Total Billed</b>						<b>1,020.01</b>
<b>Difference</b>						<b>0.01</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Worksheets E-2-10.00 to E-2-10.25 (separately bound).



**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of November 2004**

**E-2.13**

Bill #	Account	KWH Usage	0.0713333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	5	20.74	1.45		22.19
3	446-7020-1	1	20.45	1.43		21.88
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	32	22.66	1.59		24.25
6	446-4095-1	2	20.52	1.44		21.96
7	446-4620-1	8	20.95	1.47		22.42
8	446-4655-1	8	20.95	1.47		22.42
9	446-5000-1	27	22.31	1.56		23.87
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	0	20.38	1.43		21.81
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	14	21.38	1.50		22.88
14	446-7001-1	27	22.31	1.56		23.87
15	445-1010-1	710	71.03	4.97		76.00
16	445-1045-1	3,260	252.93	17.71		270.64
17	445-1295-1	12	21.24	1.49		22.73
18	445-1376-1	5	20.74	1.45		22.19
19	445-1435-1	1,339	115.90	8.11		124.01
20	445-1551-1	59	24.59	1.72		26.31
21	445-1607-1	350	45.35	3.17		48.52
22	445-1613-1	2	20.52	1.44		21.96
23	445-1623-1	2	20.52	1.44		21.96
24	445-1663-2	1	20.45	1.43		21.88
25	445-1685-1	5	20.74	1.45		22.19
26	445-1708-1	157	31.58	2.21		33.79
<b>Total Calculated</b>		<b>6,026</b>	<b>\$959.76</b>	<b>\$67.21</b>	<b>-\$1.43</b>	<b>\$1,025.54</b>
<b>Total Billed</b>						<b>1,025.50</b>
<b>Difference</b>						<b>0.04</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-11.00 to E-2-11.25 (separately bound).

**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of December 2004**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	6	20.81	1.46		22.27
3	446-7020-1	1	20.45	1.43		21.88
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	28	22.38	1.57		23.95
6	446-4095-1	0	20.38	1.43		21.81
7	446-4620-1	9	21.02	1.47		22.49
8	446-4655-1	6	20.81	1.46		22.27
9	446-5000-1	30	22.52	1.58		24.10
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	0	20.38	1.43		21.81
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	20	21.81	1.53		23.34
14	446-7001-1	33	22.73	1.59		24.32
15	445-1010-1	1,050	95.28	6.67		101.95
16	445-1045-1	990	91.00	6.37		97.37
17	445-1295-1	4	20.67	1.45		22.12
18	445-1376-1	3	20.59	1.44		22.03
19	445-1435-1	974	89.86	6.29		96.15
20	445-1551-1	64	24.95	1.75		26.70
21	445-1607-1	49	23.88	1.67		25.55
22	445-1613-1	2	20.52	1.44		21.96
23	445-1623-1	4	20.67	1.45		22.12
24	445-1663-2	1	20.45	1.43		21.88
25	445-1685-1	2	20.52	1.44		21.96
26	445-1708-1	118	28.80	2.02		30.82
	<b>Total Calculated</b>	<b>3,394</b>	<b>\$772.00</b>	<b>\$54.09</b>	<b>-\$1.43</b>	<b>\$824.66</b>
	<b>Total Billed</b>					<b>824.65</b>
	<b>Difference</b>					<b>0.01</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-12.00 to E-2-12.25 (separately bound).

**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of January 2005**

E-2.15

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	10	21.09	1.48		22.57
3	446-7020-1	4	20.67	1.45		22.12
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	29	22.45	1.57		24.02
6	446-4095-1	5	20.74	1.45		22.19
7	446-4620-1	19	21.74	1.52		23.26
8	446-4655-1	6	20.81	1.46		22.27
9	446-5000-1	26	22.23	1.56		23.79
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	10	21.09	1.48		22.57
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	8	20.95	1.47		22.42
14	446-7001-1	23	22.02	1.54		23.56
15	445-1010-1	420	50.34	3.52		53.86
16	445-1045-1	500	56.05	3.92		59.97
17	445-1295-1	7	20.88	1.46		22.34
18	445-1376-1	5	20.74	1.45		22.19
19	445-1435-1	1,250	109.55	7.67		117.22
20	445-1551-1	140	30.37	2.13		32.50
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	2	20.52	1.44		21.96
23	445-1623-1	4	20.67	1.45		22.12
24	445-1663-2	1	20.45	1.43		21.88
25	445-1685-1	4	20.67	1.45		22.12
26	445-1708-1	187	33.72	2.36		36.08
	<b>Total Calculated</b>	<b>2,660</b>	<b>\$719.65</b>	<b>\$50.41</b>	<b>-\$1.43</b>	<b>\$768.63</b>
	<b>Total Billed</b>					<b>768.61</b>
	<b>Difference</b>					<b>0.02</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-13.00 to E-2-13.25 (separately bound).



**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of February 2005**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments -\$1.43 *	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	9	21.02	1.47		22.49
3	446-7020-1	1	20.45	1.43		21.88
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	21	21.88	1.53		23.41
6	446-4095-1	5	20.74	1.45		22.19
7	446-4620-1	29	22.45	1.57		24.02
8	446-4655-1	14	21.38	1.50		22.88
9	446-5000-1	22	21.95	1.54		23.49
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	14	21.38	1.50		22.88
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	14	21.38	1.50		22.88
14	446-7001-1	23	22.02	1.54		23.56
15	445-1010-1	660	67.46	4.72		72.18
16	445-1045-1	250	38.21	2.67		40.88
17	445-1295-1	8	20.95	1.47		22.42
18	445-1376-1	7	20.88	1.46		22.34
19	445-1435-1	1,759	145.86	10.21		156.07
20	445-1551-1	52	24.09	1.69		25.78
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	4	20.67	1.45		22.12
23	445-1623-1	12	21.24	1.49		22.73
24	445-1663-2	15	21.45	1.50		22.95
25	445-1685-1	3	20.59	1.44		22.03
26	445-1708-1	363	46.27	3.24		49.51
<b>Total Calculated</b>		<b>3,285</b>	<b>\$764.22</b>	<b>\$53.52</b>	<b>-\$1.43</b>	<b>\$816.31</b>
<b>Total Billed</b>						<b>816.26</b>
<b>Difference</b>						<b>0.05</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-14.00 to E-2-14.25 (separately bound).

Aqua Utilities Company  
Analysis of Electric Consumption  
For the Month of March 2005

Bill #	Account	KWH Usage	0.07133333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	6	20.81	1.46		22.27
3	446-7020-1	2	20.52	1.44		21.96
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	21	21.88	1.53		23.41
6	446-4095-1	2	20.52	1.44		21.96
7	446-4620-1	18	21.66	1.52		23.18
8	446-4655-1	5	20.74	1.45		22.19
9	446-5000-1	22	21.95	1.54		23.49
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	5	20.74	1.45		22.19
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	12	21.24	1.49		22.73
14	446-7001-1	0	20.38	1.43		21.81
15	445-1010-1	0	20.38	1.43	14.32 **	36.13
16	445-1045-1	500	56.05	3.92	-0.50 **	59.47
17	445-1295-1	8	20.95	1.47		22.42
18	445-1376-1	4	20.67	1.45		22.12
19	445-1435-1	1,383	119.03	8.33		127.36
20	445-1551-1	68	25.23	1.77		27.00
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	2	20.52	1.44		21.96
23	445-1623-1	2	20.52	1.44		21.96
24	445-1663-2	0	20.38	1.43		21.81
25	445-1685-1	5	20.74	1.45		22.19
26	445-1708-1	383	47.70	3.34		51.04
Total Calculated		2,448	\$704.51	\$49.37	\$12.39	\$766.27
Total Billed						766.28
Difference						-0.01

\* No Sales Tax Applied.

\*\* Interest applied and other Electric Company adjustments.

SOURCE: Company Expense Worksheets E-2-15.00 to E-2-15.25 (separately bound).

Aqua Utilities Company  
Analysis of Electric Consumption  
For the Month of April 2005

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	8	20.95	1.47		22.42
3	446-7020-1	0	20.38	1.43		21.81
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	22	21.95	1.54		23.49
6	446-4095-1	5	20.74	1.45		22.19
7	446-4620-1	27	22.31	1.56		23.87
8	446-4655-1	12	21.24	1.49		22.73
9	446-5000-1	23	22.02	1.54		23.56
10	446-5400-1	0	20.38	1.43		21.81
11	446-6001-1	24	22.09	1.55		23.64
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	15	21.45	1.50		22.95
14	446-7001-1	49	23.88	1.67		25.55
15	445-1010-1	450	52.48	3.67		56.15
16	445-1045-1	500	56.05	3.92		59.97
17	445-1295-1	14	21.38	1.50		22.88
18	445-1376-1	7	20.88	1.46		22.34
19	445-1435-1	1,230	108.12	7.57		115.69
20	445-1551-1	106	27.94	1.96		29.90
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	3	20.59	1.44		22.03
23	445-1623-1	5	20.74	1.45		22.19
24	445-1663-2	1	20.45	1.43		21.88
25	445-1685-1	4	20.67	1.45		22.12
26	445-1708-1	634	65.61	4.59		70.20
Total Calculated		3,139	\$753.82	\$52.79		\$805.18
Total Billed					-\$1.43	805.14
Difference						0.04

\* No Sales Tax Applied.

SOURCE: Company Expense Workpapers E-2-16.00 to E-2-16.25 (separately bound).



**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of May 2005**

**E-2.19**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	6	20.81	1.46		22.27
3	446-7020-1	1	20.45	1.43		21.88
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	40	23.23	1.63		24.86
6	446-4095-1	2	20.52	1.44		21.96
7	446-4620-1	9	21.02	1.47		22.49
8	446-4655-1	14	21.38	1.50		22.88
9	446-5000-1	39	23.16	1.62		24.78
10	446-5400-1	26	22.23	1.56		23.79
11	446-6001-1	15	21.45	1.50		22.95
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	15	21.45	1.50		22.95
14	446-7001-1	27	22.31	1.56		23.87
15	445-1010-1	1,270	110.97	7.77		118.74
16	445-1045-1	500	56.05	3.92		59.97
17	445-1295-1	16	21.52	1.51		23.03
18	445-1376-1	6	20.81	1.46		22.27
19	445-1435-1	1,996	162.76	11.39		174.15
20	445-1551-1	180	33.22	2.33		35.55
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	2	20.52	1.44		21.96
23	445-1623-1	8	20.95	1.47		22.42
24	445-1663-2	2	20.52	1.44		21.96
25	445-1685-1	5	20.74	1.45		22.19
26	445-1708-1	958	88.72	6.21		94.93
	<b>Total Calculated</b>	<b>5,137</b>	<b>\$896.31</b>	<b>\$62.78</b>	<b>-\$1.43</b>	<b>\$957.66</b>
	<b>Total Billed</b>					<b>957.68</b>
	<b>Difference</b>					<b>-0.02</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-17.00 to E-2-17.25 (separately bound).

**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of June 2005**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43	-\$1.43 *	\$20.38
2	446-6014-1	8	20.95	1.47		22.42
3	446-7020-1	2	20.52	1.44		21.96
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	83	26.30	1.84		28.14
6	446-4095-1	9	21.02	1.47		22.49
7	446-4620-1	17	21.59	1.51		23.10
8	446-4655-1	18	21.66	1.52		23.18
9	446-5000-1	59	24.59	1.72		26.31
10	446-5400-1	385	47.84	3.35		51.19
11	446-6001-1	15	21.45	1.50		22.95
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	23	22.02	1.54		23.56
14	446-7001-1	47	23.73	1.66		25.39
15	445-1010-1	1,540	130.23	9.12		139.35
16	445-1045-1		20.38	1.43	-21.81 **	0.00
17	445-1295-1	20	21.81	1.53		23.34
18	445-1376-1	6	20.81	1.46		22.27
19	445-1435-1	403	49.13	3.44		52.57
20	445-1551-1	154	31.37	2.20		33.57
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	6	20.81	1.46		22.27
23	445-1623-1	31	22.59	1.58		24.17
24	445-1663-2	8	20.95	1.47		22.42
25	445-1685-1	4	20.67	1.45		22.12
26	445-1708-1	1,021	93.21	6.52		99.73
	<b>Total Calculated</b>	<b>3,859</b>	<b>\$805.15</b>	<b>\$56.40</b>	<b>-\$23.24</b>	<b>\$838.31</b>
	<b>Total Billed</b>					<b>838.32</b>
	<b>Difference</b>					<b>-0.01</b>

\* No Sales Tax Applied.

\*\* No Bill for account 445-1045-1.

SOURCE: Company Expense Workpapers E-2-18.00 to E-2-18.25 (separately bound).

Aqua Utilities Company  
Analysis of Electric Consumption  
For the Month of July 2005

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	1	\$20.45	\$1.43	-\$1.43 *	\$20.45
2	446-6014-1	10	21.09	1.48		22.57
3	446-7020-1	2	20.52	1.44		21.96
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	108	28.08	1.97		30.05
6	446-4095-1	8	20.95	1.47		22.42
7	446-4620-1	15	21.45	1.50		22.95
8	446-4655-1	9	21.02	1.47		22.49
9	446-5000-1	61	24.73	1.73		26.46
10	446-5400-1	617	64.39	4.51		68.90
11	446-6001-1	15	21.45	1.50		22.95
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	28	22.38	1.57		23.95
14	446-7001-1	60	24.66	1.73		26.39
15	445-1010-1	4,540	344.23	24.10		368.33
16	445-1045-1	190	33.93	2.38	986.48 **	1,022.79
17	445-1295-1	21	21.88	1.53		23.41
18	445-1376-1	6	20.81	1.46		22.27
19	445-1435-1	52	24.09	1.69		25.78
20	445-1551-1	69	25.30	1.77		27.07
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	2	20.52	1.44		21.96
23	445-1623-1	26	22.23	1.56		23.79
24	445-1663-2	6	20.81	1.46		22.27
25	445-1685-1	4	20.67	1.45		22.12
26	445-1708-1	1,325	114.90	8.04		122.94
Total Calculated		7,175	\$1,041.68	\$72.97	\$985.05	\$2,099.70
Total Billed						2,099.68
Difference						0.02

\* No Sales Tax Applied.

\*\* True-up of prior period estimated usage per electric company. See notes on Company Expense Worksheets E-2.21A - E-2.21C.

SOURCE: Company Expense Worksheets E-2-19.00 to E-2-19.25 (separately bound).



Hal Novak

E-2.21A

**From:** "Kerry Williams" <lkerrywilliams@bellsouth.net>  
**To:** "Hal Novak" <halnovak@whnconsulting.com>  
**Sent:** Tuesday, May 23, 2006 11:43 AM  
**Subject:** Re: July Electric Bill Adjustment

I have just e-mailed you a copy of the history on this account from January 2004 - April 2006. According to the power company, they think the last time the meter was read before the large bill amount in May was in October 2004.

Hope this helps.

Kerry

----- Original Message -----

**From:** Hal Novak  
**To:** Kerry Williams  
**Sent:** Monday, May 22, 2006 2:52 PM  
**Subject:** July Electric Bill Adjustment

Kerry -

Do you have any further information that you can provide me for the electric bill adjustment of \$986.48 that was paid in July of 2005. What I need the most is the period that is covered by the adjustment - 6 months, 12 months or longer? How long had it been since the electric company did a valid (non-estimated) bill?

Hal

ELECTRIC COMPANY THINKS THE LAST TIME THE METER WAS READ FOR THIS ACCOUNT WAS OCTOBER '04. HOWEVER THERE WAS ANOTHER LARGE BILL IN NOVEMBER '04.

THIS METER RUNS A LIFT STATION. IF THE \$270 CHARGE IN OCTOBER '04 IS ASSUMED TO BE THE MAX FOR 1 MONTH, THEN ALL OF THE CONSUMPTION WOULD HAVE BEEN FOR BILLS PAID IN 2005 (THE TEST PERIOD) SINCE PAYMENT LAGS 1 MONTH BEHIND THE COMPANY'S READ DATE. THEREFORE NO SPECIAL ADJUSTMENT FOR THIS ITEM IS NECESSARY.

WHN 5-23-06

May 23 06 08:12a Tennessee Valley Electric

17319254919

p.2 E-2.21B

ACCT NUMBER- 363 49 465 1045 1

ACCT STATUS --- ACTIVE

ADHA

NAME ----- AQUA UTILITIES

CUSTOMER DATE - 10/14/93

STREET ----- POINTS OF PICKWICK

TYPE SERVICE -- GENERAL POWER

CITY/STATE -- SAVANNAH

TN 38372 CIS ACTIVITY -- NONE

\* \* \* \* \* ACCOUNTS RECEIVABLE HISTORY \* \* \* \* \*

BILLING				A/R TRANSACTIONS				
MONTH	NET-AMT	OTH-AMT	PEN-APL	TOTAL-AMT	DATE	DESC	BATCH	AMOUNT
MAR05	59.97			59.97	12 29	CASH	1 2	97.36-
FEB05	59.97	.50-		59.47	11 24	CASH	1 2	270.61-
JAN05	40.90			40.90	10 25	CASH	1 3	29.45-
DEC04	59.97			59.97	09 24	CASH	1 3	55.38-
NOV04	97.36			97.36	08 12	CASH	1 3	59.97-
OCT04	270.61			270.61	07 16	CASH	1 2	37.08-
SEP04	29.45			29.45	06 23	CASH	1 3	59.97-
AUG04	55.38			55.38	05 25	CASH	1 2	59.97-
JUL04	59.97			59.97	04 27	CASH	1 3	21.81-
JUN04	37.08			37.08	03 23	CASH	1 2	67.10-
MAY04	59.97			59.97	02 24	CASH	1 2	41.64-
APR04	59.97			59.97	01 26	CASH	1 2	34.78-
MAR04	21.81			21.81	12 23	CASH	1 2	36.31-
FEB04	67.60	.50-		67.10	11 24	CASH	1 2	70.65-
JAN04	41.64			41.64	10 24	CASH	1 2	28.99-

ENTER TRANS- MORE ...

May 23 06 08:12a Tennessee Valley Electric

17319254919

p.3 E-2.21C

ACCT NUMBER- 363 49 465 1045 1

ACCT STATUS --- ACTIVE

AREC

NAME ----- AQUA UTILITIES

CUSTOMER DATE - 10/14/93

STREET ----- POINTS OF PICKWICK

TYPE SERVICE -- GENERAL POWER

CITY/STATE -- SAVANNAH

TN 38372

CIS ACTIVITY -- NONE

\* \* \* \* \* ACCOUNTS RECEIVABLE HISTORY \* \* \* \* \*

BILLING

A/R TRANSACTIONS

MONTH	NET-AMT	OTH-AMT	PEN-APL	TOTAL-AMT	DATE	DESC	BATCH	AMOUNT
APR06	24.61	189.27-		164.66-	03 02	BILADJ	Y C	232.39-
MAR06	21.81	211.08-		189.27-	02 22	CASH	1 2	265.57-
FEB06	21.81	232.89-		211.08-	01 24	CASH	1 3	29.13-
JAN06	33.18			33.18	12 16	CASH	1 3	32.37-
DEC05	29.13			29.13	11 16	CASH	1 2	32.37-
NOV05	32.37			32.37	10 19	CASH	1 2	34.02-
OCT05	32.37			32.37	09 26	CASH	1 3	37.08-
SEP05	34.02			34.02	08 25	CASH	1 3	42.41-
AUG05	37.08			37.08	07 25	CASH	1 3	36.31-
JUL05	42.41			42.41	07 08	CASH	1 2	986.48-
JUN05	36.31	986.48		1022.79	05 25	CASH	1 2	59.97-
MAY05	967.44		19.04	986.48	04 26	CASH	1 2	59.97-
APR05	59.97			59.97	03 28	CASH	1 2	59.47-
REMARK 1-	KERRY WILLIAMS	925-6547			02 24	CASH	1 3	40.90-
REMARK 2-					01 25	CASH	1 2	59.97-

ENTER TRANSACTION CODE-



**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of August 2005**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	17	21.59	1.51		23.10
3	446-7020-1	2	20.52	1.44		21.96
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	194	34.22	2.40		36.62
6	446-4095-1	8	20.95	1.47		22.42
7	446-4620-1	22	21.95	1.54		23.49
8	446-4655-1	28	22.38	1.57		23.95
9	446-5000-1	1,593	134.01	9.38		143.39
10	446-5400-1	604	63.47	4.44		67.91
11	446-6001-1	13	21.31	1.49		22.80
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	38	23.09	1.62		24.71
14	446-7001-1	79	26.02	1.82		27.84
15	445-1010-1	4,440	337.10	23.60		360.70
16	445-1045-1	270	39.64	2.77		42.41
17	445-1295-1	28	22.38	1.57		23.95
18	445-1376-1	11	21.16	1.48		22.64
19	445-1435-1	45	23.59	1.65		25.24
20	445-1551-1	94	27.09	1.90		28.99
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	6	20.81	1.46		22.27
23	445-1623-1	59	24.59	1.72		26.31
24	445-1663-2	11	21.16	1.48		22.64
25	445-1685-1	10	21.09	1.48		22.57
26	445-1708-1	1,442	123.24	8.63		131.87
<b>Total Calculated</b>		<b>9,014</b>	<b>\$1,172.88</b>	<b>\$82.14</b>	<b>-\$1.43</b>	<b>\$1,253.59</b>
<b>Total Billed</b>						<b>1,253.58</b>
<b>Difference</b>						<b>0.01</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-20.00 to E-2-20.25 (separately bound).

**Aqua Utilities Company**  
**Analysis of Electric Consumption**  
**For the Month of September 2005**

Bill #	Account	KWH Usage	0.071333333 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	6	20.81	1.46		22.27
3	446-7020-1	1	20.45	1.43		21.88
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	129	29.58	2.07		31.65
6	446-4095-1	8	20.95	1.47		22.42
7	446-4620-1	13	21.31	1.49		22.80
8	446-4655-1	18	21.66	1.52		23.18
9	446-5000-1	0	20.38	1.43		21.81
10	446-5400-1	342	44.78	3.13		47.91
11	446-6001-1	15	21.45	1.50		22.95
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	17	21.59	1.51		23.10
14	446-7001-1	33	22.73	1.59		24.32
15	445-1010-1	5,990	447.67	31.34		479.01
16	445-1045-1	200	34.65	2.43		37.08
17	445-1295-1	22	21.95	1.54		23.49
18	445-1376-1	8	20.95	1.47		22.42
19	445-1435-1	36	22.95	1.61		24.56
20	445-1551-1	49	23.88	1.67		25.55
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	7	20.88	1.46		22.34
23	445-1623-1	41	23.30	1.63		24.93
24	445-1663-2	6	20.81	1.46		22.27
25	445-1685-1	5	20.74	1.45		22.19
26	445-1708-1	1,309	113.76	7.96		121.72
<b>Total Calculated</b>		<b>8,255</b>	<b>\$1,118.75</b>	<b>\$78.34</b>	<b>-\$1.43</b>	<b>\$1,195.66</b>
<b>Total Billed</b>						<b>1,195.60</b>
<b>Difference</b>						<b>0.06</b>

\* No Sales Tax Applied.

**SOURCE:** Company Expense Workpapers E-2-21.00 to E-2-21.25 (separately bound).

Aqua Utilities Company  
Analysis of Electric Consumption  
For the Month of October 2005

Bill #	Account	KWH Usage	0.07133333 Amount	7.00% Sales Tax	Billing Adjustments -\$1.43 *	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	10	21.09	1.48		22.57
3	446-7020-1	3	20.59	1.44		22.03
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	88	26.66	1.87		28.53
6	446-4095-1	4	20.67	1.45		22.12
7	446-4620-1	13	21.31	1.49		22.80
8	446-4655-1	13	21.31	1.49		22.80
9	446-5000-1	0	20.38	1.43		21.81
10	446-5400-1	324	43.49	3.04		46.53
11	446-6001-1	15	21.45	1.50		22.95
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	18	21.66	1.52		23.18
14	446-7001-1	37	23.02	1.61		24.63
15	445-1010-1	1,210	106.69	7.47		114.16
16	445-1045-1	160	31.79	2.23		34.02
17	445-1295-1	26	22.23	1.56		23.79
18	445-1376-1	10	21.09	1.48		22.57
19	445-1435-1	35	22.88	1.60		24.48
20	445-1551-1	73	25.59	1.79		27.38
21	445-1607-1	0	20.38	1.43		21.81
22	445-1613-1	3	20.59	1.44		22.03
23	445-1623-1	57	24.45	1.71		26.16
24	445-1663-2	8	20.95	1.47		22.42
25	445-1685-1	7	20.88	1.46		22.34
26	445-1708-1	194	34.22	2.40		36.62
Total Calculated		2,308	\$694.51	\$48.65	-\$1.43	\$741.73
Total Billed						741.40
Difference						0.33

\* No Sales Tax Applied.

SOURCE: Company Expense Workpapers E-2-22.00 to E-2-22.25 (separately bound).



Aqua Utilities Company  
Analysis of Electric Consumption  
For the Month of November 2005

Bill #	Account	KWH Usage	0.075940000 Amount	7.00% Sales Tax	Billing Adjustments -\$1.43 *	Total
1	445-1231-1	0	\$20.38	\$1.43		\$20.38
2	446-6014-1	4	20.68	1.45		22.13
3	446-7020-1	1	20.46	1.43		21.89
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	116	29.19	2.04		31.23
6	446-4095-1	2	20.53	1.44		21.97
7	446-4620-1	5	20.76	1.45		22.21
8	446-4655-1	9	21.06	1.47		22.53
9	446-5000-1	0	20.38	1.43		21.81
10	446-5400-1	360	47.72	3.34		51.06
11	446-6001-1	13	21.37	1.50		22.87
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	28	22.51	1.58		24.09
14	446-7001-1	58	24.78	1.73		26.51
15	445-1010-1	3,670	299.08	20.94		320.02
16	445-1045-1	130	30.25	2.12		32.37
17	445-1295-1	17	21.67	1.52		23.19
18	445-1376-1	5	20.76	1.45		22.21
19	445-1435-1	21	21.97	1.54		23.51
20	445-1551-1	37	23.19	1.62		24.81
21	445-1607-1	1	20.46	1.43		21.89
22	445-1613-1	3	20.61	1.44		22.05
23	445-1623-1	10	21.14	1.48		22.62
24	445-1663-2	1	20.46	1.43		21.89
25	445-1685-1	5	20.76	1.45		22.21
26	445-1708-1	126	29.95	2.10		32.05
Total Calculated		4,622	\$880.88	\$61.67	-\$1.43	\$941.12
Total Billed						941.11
Difference						0.01

\* No Sales Tax Applied.

SOURCE: Company Expense Workpapers E-2-23.00 to E-2-23.25 (separately bound).

E-2.26

Aqua Utilities Company  
Analysis of Electric Consumption  
For the Month of December 2005

Bill #	Account	KWH Usage	0.075940000 Amount	7.00% Sales Tax	Billing Adjustments	Total
1	445-1231-1	0	\$20.38	\$1.43	-\$1.43 *	\$20.38
2	446-6014-1	8	20.99	1.47		22.46
3	446-7020-1	1	20.46	1.43		21.89
4	446-7060-1	0	20.38	1.43		21.81
5	446-1000-1	34	22.96	1.61		24.57
6	446-4095-1	5	20.76	1.45		22.21
7	446-4620-1	6	20.84	1.46		22.30
8	446-4655-1	5	20.76	1.45		22.21
9	446-5000-1	0	20.38	1.43		21.81
10	446-5400-1	87	26.99	1.89		28.88
11	446-6001-1	16	21.60	1.51		23.11
12	446-6002-1	0	20.38	1.43		21.81
13	446-6100-1	14	21.44	1.50		22.94
14	446-7001-1	0	20.38	1.43		21.81
15	445-1010-1	2,500	210.23	14.72		224.95
16	445-1045-1	130	30.25	2.12		32.37
17	445-1295-1	13	21.37	1.50		22.87
18	445-1376-1	5	20.76	1.45		22.21
19	445-1435-1	22	22.05	1.54		23.59
20	445-1551-1	16	21.60	1.51		23.11
21	445-1607-1	2	20.53	1.44		21.97
22	445-1613-1	3	20.61	1.44		22.05
23	445-1623-1	15	21.52	1.51		23.03
24	445-1663-2	1	20.46	1.43		21.89
25	445-1685-1	4	20.68	1.45		22.13
26	445-1708-1	160	32.53	2.28		34.81
Total Calculated		3,047	\$761.29	\$53.31	-\$1.43	\$813.17
Total Billed						813.15
Difference						0.02

\* No Sales Tax Applied.

SOURCE: Company Expense Workpapers E-2-24.00 to E-2-24.25 (separately bound).

Aqua Utilities Company  
Analysis of Contractual Services - Summary

Account	Test Period		Adjustments	Attrition Period
	Water	Wastewater		
630/730 Contractual Services - Billing	\$2,255.00 A/	\$2,255.00 A/	\$4,490.00 A/	\$9,000.00
631/731 Contractual Services - Professional	2,679.05 B/	2,679.05 B/	4,634.70 B/	9,992.80
635/735 Contractual Services - Testing	2,872.50 C/	3,854.50 C/	1,127.50 C/	7,854.50
636/736 Contractual Services - Other	7,367.20 D/	6,873.15 D/	4,459.98 D/	18,700.33
<b>Total</b>	<b>\$15,173.75</b>	<b>\$15,661.70</b>	<b>\$14,712.18</b>	<b>\$45,547.63</b>

A/ Company Expense Workpaper E-3.01.  
B/ Company Expense Workpaper E-3.02.  
C/ Company Expense Workpaper E-3.03.  
D/ Company Expense Workpaper E-3.04.



Aqua Utilities Company  
Analysis of Contractual Services - Billing  
For the 12 Months Ended December 31, 2004

E-3.01

Month	Acct 630 Water	Acct 730 Wastewater	Total
January 2004	\$125.00	\$125.00	\$250.00
February	125.00	125.00	250.00
March	125.00	125.00	250.00
April	125.00	125.00	250.00
May	125.00	125.00	250.00
June	125.00	125.00	250.00
July	125.00	125.00	250.00
August	125.00	125.00	250.00
September	125.00	125.00	250.00
October	125.00	125.00	250.00
November	125.00	125.00	250.00
December	125.00	125.00	250.00
<b>Total</b>	<b>\$1,500.00</b>	<b>\$1,500.00</b>	<b>\$3,000.00</b>
January 2005	\$125.00	\$125.00	\$250.00
February	125.00	125.00	250.00
March	125.00	125.00	250.00
April	130.00	130.00	260.00
May	125.00	125.00	250.00
June	125.00	125.00	250.00
July	125.00	125.00	250.00
August	125.00	125.00	250.00
September	125.00	125.00	250.00
October	375.00	375.00	750.00
November	375.00	375.00	750.00
December	375.00	375.00	750.00
<b>Total</b>	<b>\$2,255.00</b>	<b>\$2,255.00</b>	<b>\$4,510.00</b>
Test Period	\$2,255.00	\$2,255.00	\$4,510.00
Adjustment	2,245.00 A/	2,245.00	4,490.00
Forecast	<b>\$4,500.00</b>	<b>\$4,500.00</b>	<b>\$9,000.00</b>

**Note:** Billing invoice is allocated 50/50 to water and wastewater.  
**SOURCE:** Company Expense Workpapers E-3.06 to E-3.28.

Per letter from Mark Godwin on Workpaper E-3.05, WJGN's fees for billing and administrative services will go from \$500 to \$1,500 per month or \$18,000 per year. This cost has been evenly allocated between the Billing and Professional categories and evenly between water and wastewater.

Aqua Utilities Company  
Analysis of Contractual Services - Professional  
For the 12 Months Ended December 31, 2004

E-3.02

Month	Acct 631 Water			Acct 731 Wastewater			Grand Total
	Regular	Special	Total	Regular	Special	Total	
January 2004	\$125.00	\$0.00	\$125.00	\$125.00	\$0.00	\$125.00	\$250.00
February	125.00	0.00	125.00	125.00	0.00	125.00	250.00
March	125.00	0.00	125.00	125.00	0.00	125.00	250.00
April	125.00	425.00	550.00	125.00	425.00	550.00	1,100.00
May	125.00	0.00	125.00	125.00	0.00	125.00	250.00
June	125.00	138.75	263.75	125.00	138.75	263.75	527.50
July	125.00	0.00	125.00	125.00	0.00	125.00	250.00
August	125.00	0.00	125.00	125.00	0.00	125.00	250.00
September	125.00	0.00	125.00	125.00	0.00	125.00	250.00
October	125.00	0.00	125.00	125.00	0.00	125.00	250.00
November	125.00	0.00	125.00	125.00	0.00	125.00	250.00
December	125.00	0.00	125.00	125.00	0.00	125.00	250.00
<b>Total</b>	<b>\$1,500.00</b>	<b>\$563.75</b>	<b>\$2,063.75</b>	<b>\$1,500.00</b>	<b>\$563.75</b>	<b>\$2,063.75</b>	<b>\$4,127.50</b>
January 2005	\$125.00	\$0.00	\$125.00	\$125.00	\$0.00	\$125.00	\$250.00
February	125.00	150.00	275.00	125.00	150.00	275.00	550.00
March	125.00	100.00	225.00	125.00	100.00	225.00	450.00
April	125.00	167.50	292.50	125.00	167.50	292.50	585.00
May	125.00	0.00	125.00	125.00	0.00	125.00	250.00
June	0.00	0.00	0.00	0.00	0.00	0.00	0.00
July	250.00	11.55	261.55	250.00	11.55	261.55	523.10
August	125.00	0.00	125.00	125.00	0.00	125.00	250.00
September	125.00	0.00	125.00	125.00	0.00	125.00	250.00
October	375.00	0.00	375.00	375.00	0.00	375.00	750.00
November	375.00	0.00	375.00	375.00	0.00	375.00	750.00
December	375.00	0.00	375.00	375.00	0.00	375.00	750.00
<b>Total</b>	<b>\$2,250.00</b>	<b>\$429.05</b>	<b>\$2,679.05</b>	<b>\$2,250.00</b>	<b>\$429.05</b>	<b>\$2,679.05</b>	<b>\$5,358.10</b>
Test Period/Average	\$2,250.00	\$496.40 B/	\$2,746.40	\$2,250.00	\$496.40 B/	\$2,746.40	\$5,492.80
Adjustment	2,250.00 A/	0.00	2,250.00	2,250.00 A/	0.00	2,250.00	4,500.00 A/
<b>Total</b>	<b>\$4,500.00</b>	<b>\$496.40</b>	<b>\$4,996.40</b>	<b>\$4,500.00</b>	<b>\$496.40</b>	<b>\$4,996.40</b>	<b>\$9,992.80</b>

**Note:** Billing invoices are allocated 50/50 to water and wastewater.  
**SOURCE:** Company Expense Worksheets E-3.06 to E-3.28.

A/ Per letter from Mark Godwin on Workpaper E-3.05, WJGN's fees for billing and administrative services will go from \$500 to \$1,500 per month or \$18,000 per year. This cost has been evenly allocated between the Billing and Professional categories and evenly between water and wastewater effective in October 2005.

B/ Per letter from Kerry Williams on Workpaper E-3.05B, WKGN's additional fees are for Income Tax preparation, Ad Valorem Report, and TRA Report.

Aqua Utilities Company  
Analysis of Contractual Services - Testing  
For the 12 Months Ended December 31, 2004

Month	Acct 635 - Water Testing			Acct 735 - Wastewater Testing			Total
	Contractual	Other	Total	Contractual	Other	Total	
January 2004	\$237.50	\$0.00	\$237.50	\$237.50	\$0.00	\$237.50	\$475.00
February	237.50	0.00	237.50	237.50	0.00	237.50	475.00
March	237.50	0.00	237.50	237.50	0.00	237.50	475.00
April	237.50	0.00	237.50	237.50	0.00	237.50	475.00
May	237.50	0.00	237.50	237.50	0.00	237.50	475.00
June	237.50	0.00	237.50	237.50	0.00	237.50	475.00
July	237.50	0.00	237.50	237.50	0.00	237.50	475.00
August	237.50	141.00	378.50	237.50	141.00	378.50	757.00
September	237.50	0.00	237.50	237.50	0.00	237.50	475.00
October	237.50	0.00	237.50	237.50	0.00	237.50	475.00
November	237.50	0.00	237.50	237.50	0.00	237.50	475.00
December	237.50	0.00	237.50	237.50	0.00	237.50	475.00
<b>Total</b>	<b>\$2,850.00</b>	<b>\$141.00</b>	<b>\$2,991.00</b>	<b>\$2,850.00</b>	<b>\$141.00</b>	<b>\$2,991.00</b>	<b>\$5,982.00</b>
January 2005	\$237.50	\$0.00	\$237.50	\$237.50	\$0.00	\$237.50	\$475.00
February	237.50	0.00	237.50	237.50	0.00	237.50	475.00
March	237.50	22.50	260.00	237.50	22.50	260.00	520.00
April	237.50	0.00	237.50	237.50	0.00	237.50	475.00
May	237.50	0.00	237.50	237.50	0.00	237.50	475.00
June	237.50	0.00	237.50	237.50	0.00	237.50	475.00
July	237.50	0.00	237.50	237.50	140.00	377.50	615.00
August	237.50	0.00	237.50	237.50	422.00	659.50	897.00
September	237.50	0.00	237.50	237.50	140.00	377.50	615.00
October	237.50	0.00	237.50	237.50	280.00	517.50	755.00
November	237.50	0.00	237.50	237.50	0.00	237.50	475.00
December	237.50	0.00	237.50	237.50	0.00	237.50	475.00
<b>Total</b>	<b>\$2,850.00</b>	<b>\$22.50</b>	<b>\$2,872.50</b>	<b>\$2,850.00</b>	<b>\$1,004.50</b>	<b>\$3,854.50</b>	<b>\$6,727.00</b>
<b>Average (Normal)</b>	<b>\$2,850.00</b>	<b>\$81.75</b>	<b>\$2,931.75</b>	<b>\$2,850.00</b>	<b>\$572.75</b>	<b>\$3,422.75</b>	<b>\$6,354.50</b>
<b>Adjustment</b>	<b>750.00 A/</b>	<b>0.00</b>	<b>750.00</b>	<b>750.00 A/</b>	<b>0.00</b>	<b>750.00</b>	<b>1,500.00</b>
<b>Forecast</b>	<b>\$3,600.00</b>	<b>\$81.75</b>	<b>\$3,681.75</b>	<b>\$3,600.00</b>	<b>\$572.75</b>	<b>\$4,172.75</b>	<b>\$7,854.50</b>

**Note:** Billing invoice is allocated 50/50 to water and wastewater.

**SOURCE:** Company Expense Worksheets E-3.06 to E-3.28.

A/ Per letter from James Clausel on Workpaper E-3.05A, testing fees are anticipated to rise to \$600/ month or \$7,200 per year. This cost has been evenly allocated between Water and Wastewater.



Aqua Utilities Company  
Analysis of Contractual Services - Other  
For the 12 Months Ended December 31, 2005

Month	Acct 636 - Other Water			Acct 736 - Other Wastewater			Total
	Contractual	Other	Total	Contractual	Other	Total	
January 2004	\$350.00	\$0.00	\$350.00	\$350.00	\$303.00	\$653.00	\$1,003.00
February	350.00	0.00	350.00	350.00	0.00	350.00	700.00
March	350.00	0.00	350.00	350.00	0.00	350.00	700.00
April	437.50	0.00	437.50	437.50	0.00	437.50	875.00
May	350.00	539.55	889.55	350.00	215.00	565.00	1,454.55
June	350.00	0.00	350.00	350.00	0.00	350.00	700.00
July	437.50	279.00	716.50	437.50	514.00	951.50	1,668.00
August	350.00	80.00	430.00	350.00	653.00	1,003.00	1,433.00
September	350.00	823.00	1,173.00	350.00	0.00	350.00	1,523.00
October	437.50	0.00	437.50	437.50	532.00	969.50	1,407.00
November	350.00	0.00	350.00	350.00	0.00	350.00	700.00
December	437.50	1,704.75	2,142.25	437.50	617.00	1,054.50	3,196.75
<b>Total</b>	<b>\$4,550.00</b>	<b>\$3,426.30</b>	<b>\$7,976.30</b>	<b>\$4,550.00</b>	<b>\$2,834.00</b>	<b>\$7,384.00</b>	<b>\$15,360.30</b>
January 2005	\$350.00	\$715.00	\$1,065.00	\$350.00	\$878.00	\$1,228.00	\$2,293.00
February	350.00	337.00	687.00	350.00	60.00	410.00	1,097.00
March	350.00	0.00	350.00	350.00	0.00	350.00	700.00
April	437.50	0.00	437.50	437.50	0.00	437.50	875.00
May	350.00	0.00	350.00	350.00	0.00	350.00	700.00
June	350.00	0.00	350.00	350.00	590.15	940.15	1,290.15
July	437.50	0.00	437.50	437.50	0.00	437.50	875.00
August	350.00	0.00	350.00	350.00	0.00	350.00	700.00
September	437.50	0.00	437.50	350.00	0.00	350.00	787.50
October	350.00	210.00	560.00	437.50	0.00	437.50	997.50
November	350.00	760.20	1,110.20	350.00	0.00	350.00	1,460.20
December	437.50	795.00	1,232.50	437.50	795.00	1,232.50	2,465.00
<b>Total</b>	<b>\$4,550.00</b>	<b>\$2,917.20</b>	<b>\$7,367.20</b>	<b>\$4,550.00</b>	<b>\$2,323.15</b>	<b>\$6,873.15</b>	<b>\$14,240.35</b>
<b>Average (Normal)</b>	<b>\$4,550.00</b>	<b>\$3,121.75</b>	<b>\$7,671.75</b>	<b>\$4,550.00</b>	<b>\$2,578.58</b>	<b>\$7,128.58</b>	<b>\$14,800.33</b>
<b>Adjustment</b>	<b>1,950.00 A/</b>	<b>0.00</b>	<b>1,950.00</b>	<b>1,950.00 A/</b>	<b>0.00</b>	<b>1,950.00</b>	<b>3,900.00</b>
<b>Forecast</b>	<b>\$6,500.00</b>	<b>\$3,121.75</b>	<b>\$9,621.75</b>	<b>\$6,500.00</b>	<b>\$2,578.58</b>	<b>\$9,078.58</b>	<b>\$18,700.33</b>

Note: Billing invoice is allocated 50/50 to water and wastewater.

SOURCE: Company Expense Worksheets E-3.06 to E-3.28.

A/ Per letter from James Clausel on Workpaper E-3.05A, other fees are anticipated to rise to \$250/ week or \$13,000 per year. This cost has been evenly allocated between Water and Wastewater.

**Hal Novak**

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**From:** "Mark Godwin" <markgodwin@bellsouth.net>  
**To:** "Hal Novak" <halnovak@whnconsulting.com>  
**Sent:** Tuesday, October 18, 2005 10:26 AM  
**Subject:** Aqua Accounting Fees

Hal,

The expected fees for WJGN's assistance in the rate case for Aqua Utilities is \$10,000. Also, the monthly charges to Aqua for accounting and administrative services will be \$1,500.

Please let me know if you need additional information.

Thanks,

Mark

10/27/2005

E-3.05A

**AQUA UTILITIES COMPANY, INC.**  
**408 MAIN STREET**  
**SAVANNAH, TN 38372**  
**PHONE (731) 925-6547**  
**FAX (731) 925-9524**

March 9, 2006

To whom it may concern:

Re: Anticipated fees

I anticipate the monthly fee paid to George Leckner for his work in bacteriological and chemical sampling and maintaining records pertaining to the water and wastewater system to increase from the current amount of \$475.00 per month to \$600.00 per month. I also anticipate the weekly fee paid to Storey Utility Contractors, Inc. for meter readings and on call service to increase from \$175.00 per week to \$250.00 per week.

Sincerely,



James E. Clausel



E-3.05B

**Hal Novak**

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**From:** "Kerry Williams" <lkerrywilliams@bellsouth.net>  
**To:** "Hal Novak" <halnovak@whnconsulting.com>  
**Sent:** Thursday, June 08, 2006 1:33 PM  
**Subject:** W & J additional charges

Hal,

The following are amounts Williams, Jerrolds, Godwin & Nichols, PLLC charges Aqua Utilities that are in addition to the regular monthly \$1,500.00 charge:

\$500.00 - Federal and State tax return preparation (yearly)

\$200.00 - Yearly Ad Valorem report preparation

\$325.00 - Yearly TRA annual report preparation

Thank you,

Kerry Williams

Total of \$1,025 Annually

**AQUA UTILITIES COMPANY, INC.**  
**STATEMENT OF INCOME**  
**FOR THE 1 MONTH AND 12 MONTHS ENDED DECEMBER 31, 2004**

	1 MONTH ENDED		12 MONTHS ENDED	
	December 31, 2004	%	December 31, 2004	%
<b>REVENUE</b>				
Water Revenue	\$ 1,977.60	66.95	\$ 31,204.40	64.31
Wastewater Revenue	957.45	32.41	16,722.76	34.46
Other water revenue	9.47	0.32	296.18	(0.61)
Other wastewater revenue	9.46	0.32	297.21	(0.61)
Non-utility income	0.00	0.00	0.79	0.00
<b>TOTAL REVENUE</b>	<b>2,953.98</b>	<b>100.00</b>	<b>48,521.34</b>	<b>100.00</b>
<b>WATER EXPENSE</b>				
Contractual Services:				
Billing	125.00	4.23	1,500.00	4.23
Professional Services	125.00	4.23	2,063.75	4.23
Testing	237.50	8.04	2,991.00	8.04
Other	2,142.25	72.52	7,976.30	16.44
Purchased Water	2,275.77	77.04	24,201.75	77.04
Miscellaneous	309.47	10.48	1,711.53	309.47
Depreciation	448.64	15.19	5,333.58	448.64
<b>TOTAL WATER EXPENSES</b>	<b>5,663.63</b>	<b>191.73</b>	<b>45,777.91</b>	<b>94.35</b>
<b>WASTEWATER EXPENSE</b>				
Contractual Services:				
Billing	125.00	4.23	1,500.00	4.23
Professional Services	125.00	4.23	2,063.75	4.23
Testing	237.50	8.04	2,991.00	8.04
Other	1,054.50	35.70	7,384.00	35.70
Purchased Power	824.65	27.92	9,683.87	27.92
Depreciation	772.92	26.17	8,795.02	26.17
Miscellaneous	309.46	10.48	1,711.38	10.48
<b>TOTAL WASTEWATER EXPENSES</b>	<b>3,449.03</b>	<b>116.76</b>	<b>34,129.02</b>	<b>70.34</b>
<b>OTHER</b>				
Taxes other than income	0.00	0.00	1,071.00	0.00
Non-utility expense	0.00	0.00	6.00	0.00
<b>TOTAL OTHER EXPENSE</b>	<b>0.00</b>	<b>0.00</b>	<b>1,077.00</b>	<b>0.00</b>
<b>TOTAL EXPENSES</b>	<b>9,112.66</b>	<b>308.49</b>	<b>80,983.93</b>	<b>166.90</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (6,158.68)</b>	<b>(208.49)</b>	<b>\$ (32,462.59)</b>	<b>(66.90)</b>

See accountants' compilation report.

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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01/01/04 - 12/31/04

Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
			<b>630 Contractual Services - Billing - Water</b>	0.00			
01/30/04	2043	V	W,J, GODWIN & NICHOLS		125.00		
				January	125.00	125.00	
02/27/04	2057	V	W,J, GODWIN & NICHOLS		125.00		
				February	125.00	250.00	
03/31/04	2075	V	W,J, GODWIN & NICHOLS		125.00		
				March	125.00	375.00	
04/30/04	2091	V	W,J, GODWIN & NICHOLS		125.00		
				April	125.00	500.00	
05/28/04	2108	V	W,J, GODWIN & NICHOLS		125.00		
				May	125.00	625.00	
06/30/04	2124	V	W,J, GODWIN & NICHOLS		125.00		
				June	125.00	750.00	
07/30/04	2139	V	W,J, GODWIN & NICHOLS		125.00		
				July	125.00	875.00	
08/31/04	2159	V	W,J, GODWIN & NICHOLS		125.00		
				August	125.00	1,000.00	
09/24/04	2173	V	W,J, GODWIN & NICHOLS		125.00		
				September	125.00	1,125.00	
10/29/04	2187	V	W,J, GODWIN & NICHOLS		125.00		
				October	125.00	1,250.00	
11/30/04	2202	V	W,J, GODWIN & NICHOLS		125.00		
				November	125.00	1,375.00	
12/31/04	2217	V	W,J, GODWIN & NICHOLS		125.00		
				December	125.00	1,500.00	
					<u>1,500.00</u>		<u>1,500.00</u>
			<b>631 Contractual Services - Professional - Wate</b>	0.00			
01/30/04	2043	V	W,J, GODWIN & NICHOLS		125.00		
				January	125.00	125.00	
02/27/04	2057	V	W,J, GODWIN & NICHOLS		125.00		
				February	125.00	250.00	
03/31/04	2075	V	W,J, GODWIN & NICHOLS		125.00		
				March	125.00	375.00	
04/19/04	2086	V	W,J, GODWIN & NICHOLS(PREP. OF CORP. TAX. RETURN, AD VAL. RPT., & TRA ANNUAL RPT.)		425.00		
04/30/04	2091	V	W,J, GODWIN & NICHOLS		125.00		
				April	550.00	925.00	
05/28/04	2108	V	W,J, GODWIN & NICHOLS		125.00		
				May	125.00	1,050.00	
06/30/04	2124	V	W,J, GODWIN & NICHOLS		125.00		



AQUA UTILITIES COMPANY, INC.  
General LedgerAQUA  
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01/01/04 - 12/31/04

Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
631 Contractual Services - Professional - Water							
06/30/04	2124	V	W,J, GODWIN & NICHOLS		138.75		
				June	263.75	1,313.75	
07/30/04	2139	V	W,J, GODWIN & NICHOLS		125.00		
				July	125.00	1,438.75	
08/31/04	2159	V	W,J, GODWIN & NICHOLS		125.00		
				August	125.00	1,563.75	
09/24/04	2173	V	W,J, GODWIN & NICHOLS		125.00		
				September	125.00	1,688.75	
10/29/04	2187	V	W,J, GODWIN & NICHOLS		125.00		
				October	125.00	1,813.75	
11/30/04	2202	V	W,J, GODWIN & NICHOLS		125.00		
				November	125.00	1,938.75	
12/31/04	2217	V	W,J, GODWIN & NICHOLS		125.00		
				December	125.00	2,063.75	
					<u>2,063.75</u>		<u>2,063.75</u>
635 Contractual Services - Testing - Water				0.00			
01/02/04	2033	V	E. GEORGE LECKNER, JR.		237.50		
				January	237.50	237.50	
02/02/04	2046	V	E. GEORGE LECKNER, JR.		237.50		
				February	237.50	475.00	
03/01/04	2060	V	E. GEORGE LECKNER, JR.		237.50		
				March	237.50	712.50	
04/01/04	2077	V	E. GEORGE LECKNER, JR.		237.50		
				April	237.50	950.00	
05/01/04	2094	V	E. GEORGE LECKNER, JR.		237.50		
				May	237.50	1,187.50	
06/01/04	2110	V	E. GEORGE LECKNER, JR.		237.50		
				June	237.50	1,425.00	
07/01/04	2127	V	E. GEORGE LECKNER, JR.		237.50		
				July	237.50	1,662.50	
08/02/04	2142	V	E. GEORGE LECKNER, JR.		237.50		
08/18/04	2151	V	E. GEORGE LECKNER, JR.(SPECIAL TESTING)				
				August	141.00	2,041.00	
					378.50		
09/01/04	2162	V	E. GEORGE LECKNER, JR.		237.50		
				September	237.50	2,278.50	
10/01/04	2176	V	E. GEORGE LECKNER, JR.		237.50		
				October	237.50	2,516.00	
11/01/04	2190	V	E. GEORGE LECKNER, JR.		237.50		
				November	237.50	2,753.50	

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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01/01/04 - 12/31/04

Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
635 Contractual Services - Testing - Water (co							
12/01/04	2204	V	E. GEORGE LECKNER, JR.		237.50		
				December	237.50	2,991.00	
					<u>2,991.00</u>		<u>2,991.00</u>
636 Contractual Services - Other - Water				0.00			
01/08/04	2035	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/16/04	2037	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/22/04	2040	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/30/04	2042	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				January	<u>350.00</u>	350.00	
02/02/04	2047	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/13/04	2048	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/20/04	2051	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/27/04	2054	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				February	<u>350.00</u>	700.00	
03/05/04	2061	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/12/04	2063	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/19/04	2066	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/26/04	2069	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				March	<u>350.00</u>	1,050.00	
04/02/04	2078	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/09/04	2079	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/16/04	2082	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/23/04	2088	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/30/04	2090	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				April	<u>437.50</u>	1,487.50	
05/07/04	2096	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/14/04	2097	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/21/04	2098	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/21/04	2101	V	STOREY UTILITY CONTRACTORS, INC. (WATER LEAK)		392.55		
05/28/04	2104	V	STOREY UTILITY CONTRACTORS,				

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

01/01/04 - 12/31/04

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Page 4

Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
			636 Contractual Services - Other - Water (con				
			INC. (REPAIR OF WATER SERVICE				
			LINE)		147.00		
05/28/04	2106	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		889.55	2,377.05	
				May			
06/04/04	2112	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
06/11/04	2114	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
06/18/04	2116	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
06/23/04	2121	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		350.00	2,727.05	
				June			
07/01/04	2126	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
07/09/04	2130	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
07/16/04	2131	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		279.00		
07/19/04	2133	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
07/23/04	2135	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
07/30/04	2138	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		716.50	3,443.55	
				July			
08/06/04	2143	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		80.00		
08/06/04	2146		STOREY UTILITY CONTRACTORS,		87.50		
			INC. (REPAIR OF WATER LINE)		87.50		
08/13/04	2148	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
08/20/04	2152	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
08/27/04	2158	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		430.00	3,873.55	
				August			
09/03/04	2163	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
09/10/04	2164	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		823.00		
09/13/04	2166	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC. - REPAIR OF WATER LEAK		87.50		
09/17/04	2168	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
09/24/04	2172	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		1,173.00	5,046.55	
				September			
10/01/04	2177	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
10/08/04	2178	V	STOREY UTILITY CONTRACTORS,		87.50		
			INC.		87.50		
10/15/04	2179	V	STOREY UTILITY CONTRACTORS,				



**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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01/01/04 - 12/31/04

Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>636 Contractual Services - Other - Water (cont)</b>							
			INC.		87.50		
10/21/04	2183	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/29/04	2185	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				October	<u>437.50</u>	5,484.05	
11/05/04	2191	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/12/04	2192	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/19/04	2194	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/24/04	2199	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				November	<u>350.00</u>	5,834.05	
12/03/04	2203	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/10/04	2207	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/17/04	2209	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/24/04	2214	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/31/04	2215	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/31/04	2218	V	STOREY UTILITY CONTRACTORS, INC.		1,704.75		
				December	<u>2,142.25</u>	7,976.30	
					<u>7,976.30</u>		<u>7,976.30</u>
<b>730 Contractual Services - Billing - Wastewater</b>				0.00			
01/30/04	2043	V	W,J, GODWIN & NICHOLS		125.00		
				January	<u>125.00</u>	125.00	
02/27/04	2057	V	W,J, GODWIN & NICHOLS		125.00		
				February	<u>125.00</u>	250.00	
03/31/04	2075	V	W,J, GODWIN & NICHOLS		125.00		
				March	<u>125.00</u>	375.00	
04/30/04	2091	V	W,J, GODWIN & NICHOLS		125.00		
				April	<u>125.00</u>	500.00	
05/28/04	2108	V	W,J, GODWIN & NICHOLS		125.00		
				May	<u>125.00</u>	625.00	
06/30/04	2124	V	W,J, GODWIN & NICHOLS		125.00		
				June	<u>125.00</u>	750.00	
07/30/04	2139	V	W,J, GODWIN & NICHOLS		125.00		
				July	<u>125.00</u>	875.00	
08/31/04	2159	V	W,J, GODWIN & NICHOLS		125.00		
				August	<u>125.00</u>	1,000.00	

**AQUA UTILITIES COMPANY, INC.**  
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Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>730 Contractual Services - Billing - Wastewater</b>							
09/24/04	2173	V	W,J, GODWIN & NICHOLS		125.00		
				September	125.00	1,125.00	
10/29/04	2187	V	W,J, GODWIN & NICHOLS		125.00		
				October	125.00	1,250.00	
11/30/04	2202	V	W,J, GODWIN & NICHOLS		125.00		
				November	125.00	1,375.00	
12/31/04	2217	V	W,J, GODWIN & NICHOLS		125.00		
				December	125.00	1,500.00	
					<u>1,500.00</u>		<u>1,500.00</u>
<b>731 Contractual Services - Professional - Wast</b>				0.00			
01/30/04	2043	V	W,J, GODWIN & NICHOLS		125.00		
				January	125.00	125.00	
02/27/04	2057	V	W,J, GODWIN & NICHOLS		125.00		
				February	125.00	250.00	
03/31/04	2075	V	W,J, GODWIN & NICHOLS		125.00		
				March	125.00	375.00	
04/19/04	2086	V	W,J, GODWIN & NICHOLS(PREP. OF CORP. TAX. RETURN, AD VAL. RPT., & TRA ANNUAL RPT.)		425.00		
04/30/04	2091	V	W,J, GODWIN & NICHOLS		125.00		
				April	550.00	925.00	
05/28/04	2108	V	W,J, GODWIN & NICHOLS		125.00		
				May	125.00	1,050.00	
06/30/04	2124	V	W,J, GODWIN & NICHOLS		125.00		
06/30/04	2124	V	W,J, GODWIN & NICHOLS		138.75		
				June	263.75	1,313.75	
07/30/04	2139	V	W,J, GODWIN & NICHOLS		125.00		
				July	125.00	1,438.75	
08/31/04	2159	V	W,J, GODWIN & NICHOLS		125.00		
				August	125.00	1,563.75	
09/24/04	2173	V	W,J, GODWIN & NICHOLS		125.00		
				September	125.00	1,688.75	
10/29/04	2187	V	W,J, GODWIN & NICHOLS		125.00		
				October	125.00	1,813.75	
11/30/04	2202	V	W,J, GODWIN & NICHOLS		125.00		
				November	125.00	1,938.75	
12/31/04	2217	V	W,J, GODWIN & NICHOLS		125.00		
				December	125.00	2,063.75	
					<u>2,063.75</u>		<u>2,063.75</u>

**AQUA UTILITIES COMPANY, INC.**  
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01/01/04 - 12/31/04

Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
			<b>735 Contractual Services - Testing - Wastewat</b>	0.00			
01/02/04	2033	V	E. GEORGE LECKNER, JR.		237.50		
				January	237.50	237.50	
02/02/04	2046	V	E. GEORGE LECKNER, JR.		237.50		
				February	237.50	475.00	
03/01/04	2060	V	E. GEORGE LECKNER, JR.		237.50		
				March	237.50	712.50	
04/01/04	2077	V	E. GEORGE LECKNER, JR.		237.50		
				April	237.50	950.00	
05/01/04	2094	V	E. GEORGE LECKNER, JR.		237.50		
				May	237.50	1,187.50	
06/01/04	2110	V	E. GEORGE LECKNER, JR.		237.50		
				June	237.50	1,425.00	
07/01/04	2127	V	E. GEORGE LECKNER, JR.		237.50		
				July	237.50	1,662.50	
08/02/04	2142	V	E. GEORGE LECKNER, JR.		237.50		
08/18/04	2151	V	E. GEORGE LECKNER, JR. (SPECIAL TESTING)		141.00		
				August	378.50	2,041.00	
09/01/04	2162	V	E. GEORGE LECKNER, JR.		237.50		
				September	237.50	2,278.50	
10/01/04	2176	V	E. GEORGE LECKNER, JR.		237.50		
				October	237.50	2,516.00	
11/01/04	2190	V	E. GEORGE LECKNER, JR.		237.50		
				November	237.50	2,753.50	
12/01/04	2204	V	E. GEORGE LECKNER, JR.		237.50		
				December	237.50	2,991.00	
					<u>2,991.00</u>		<u>2,991.00</u>
			<b>736 Contractual Services - Other - Wastewater</b>	0.00			
01/08/04	2035	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/12/04	2036	V	STOREY UTILITY CONTRACTORS, INC.		303.00		
01/16/04	2037	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/22/04	2040	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/30/04	2042	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				January	653.00	653.00	
02/02/04	2047	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/13/04	2048	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/20/04	2051	V	STOREY UTILITY CONTRACTORS, INC.				



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Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
			736 Contractual Services - Other - Wastewater				
			INC.		87.50		
02/27/04	2054	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				February	350.00	1,003.00	
03/05/04	2061	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/12/04	2063	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/19/04	2066	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/26/04	2069	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				March	350.00	1,353.00	
04/02/04	2078	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/09/04	2079	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/16/04	2082	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/23/04	2088	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/30/04	2090	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				April	437.50	1,790.50	
05/07/04	2096	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/14/04	2097	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/21/04	2098	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/21/04	2101	V	STOREY UTILITY CONTRACTORS, INC. (SEWER LEAK)		215.00		
05/28/04	2106	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				May	565.00	2,355.50	
06/04/04	2112	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
06/11/04	2114	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
06/18/04	2116	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
06/23/04	2121	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				June	350.00	2,705.50	
07/01/04	2126	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
07/09/04	2130	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
07/16/04	2131	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
07/19/04	2133	V	STOREY UTILITY CONTRACTORS, INC.		514.00		
07/23/04	2135	V	STOREY UTILITY CONTRACTORS, INC.		87.50		

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
736 Contractual Services - Other - Wastewater						
07/30/04	2138 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			July	951.50	3,657.00	
08/06/04	2143 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
08/06/04	2145 V	STOREY UTILITY CONTRACTORS, INC. (REPAIR OF SPRAY SYSTEM - SWR LAGOON)		653.00		
08/13/04	2148 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
08/20/04	2152 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
08/27/04	2158 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			August	1,003.00	4,660.00	
09/03/04	2163 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/10/04	2164 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/17/04	2168 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/24/04	2172 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			September	350.00	5,010.00	
10/01/04	2177 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/08/04	2178 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/15/04	2179 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/21/04	2183 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/29/04	2185 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/29/04	2186 V	STOREY UTILITY CONTRACTORS, INC.		532.00		
			October	969.50	5,979.50	
11/05/04	2191 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/12/04	2192 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/19/04	2194 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/24/04	2199 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			November	350.00	6,329.50	
12/03/04	2203 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/10/04	2207 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/17/04	2209 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/17/04	2212 V	STOREY UTILITY CONTRACTORS, INC.		617.00		

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01/01/04 - 12/31/04

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		736 Contractual Services - Other - Wastewater				
12/24/04	2214 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/31/04	2215 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			December	1,054.50	7,384.00	
				<u>7,384.00</u>		<u>7,384.00</u>
Range of Accounts Specified:			YTD Profit/(Loss)	<u>(28,469.80)</u>		
Number of Transactions		194	The General Ledger is in balance			<u>0.00</u>



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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>610 Purchased Water (cont.)</b>						
03/31/05	2276 V	SAVANNAH UTIL. DEPT.		1,289.03		
			March	1,289.03	3,732.85	
04/29/05	2289 V	SAVANNAH UTIL. DEPT.		1,527.96		
			April	1,527.96	5,260.81	
05/31/05	2306 V	SAVANNAH UTIL. DEPT.		2,727.37		
			May	2,727.37	7,988.18	
07/05/05	2322 V	SAVANNAH UTIL. DEPT.		3,263.23		
			July	3,263.23	11,251.41	
08/05/05	2341 V	SAVANNAH UTIL. DEPT.		5,507.66		
08/31/05	2353 V	SAVANNAH UTIL. DEPT.		4,440.44		
			August	9,948.10	21,199.51	
09/30/05	2373 V	SAVANNAH UTIL. DEPT.		4,332.60		
			September	4,332.60	25,532.11	
10/31/05	2397 V	SAVANNAH UTIL. DEPT.		3,180.20		
			October	3,180.20	28,712.31	
11/30/05	2412 V	SAVANNAH UTIL. DEPT.		2,403.20		
			November	2,403.20	31,115.51	
'30/05	2434 V	SAVANNAH UTIL. DEPT.		3,356.00		
			December	3,356.00	34,471.51	
				<u>34,471.51</u>		<u>34,471.51</u>
<b>630 Contractual Services - Billing - Water</b>						
				0.00		
01/31/05	2234 V	W,J, GODWIN & NICHOLS		125.00		
			January	125.00	125.00	
02/28/05	2252 V	W,J, GODWIN & NICHOLS		125.00		
			February	125.00	250.00	
03/31/05	2274 V	W,J, GODWIN & NICHOLS		125.00		
			March	125.00	375.00	
04/25/05	2285 V	W,J, GODWIN & NICHOLS (COPIES OF WATER QUALITY RPT. FOR GEORGE LECKNER)		5.00		
04/29/05	2288 V	W,J, GODWIN & NICHOLS		125.00		
			April	130.00	505.00	
05/31/05	2305 V	W,J, GODWIN & NICHOLS		125.00		
			May	125.00	630.00	
07/05/05	2323 V	W,J, GODWIN & NICHOLS		125.00		
07/29/05	2337 V	W,J, GODWIN & NICHOLS		125.00		
			July	250.00	880.00	
08/31/05	2351 V	W,J, GODWIN & NICHOLS		125.00		
			August	125.00	1,005.00	
09/30/05	2372 V	W,J, GODWIN & NICHOLS		125.00		

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**AQUA UTILITIES COMPANY, INC.**  
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Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>630 Contractual Services - Billing - Water (cor</b>							
				September	125.00	1,130.00	
10/31/05	2394	V	W,J, GODWIN & NICHOLS		375.00		
				October	375.00	1,505.00	
11/30/05	2413	V	W,J, GODWIN & NICHOLS		375.00		
				November	375.00	1,880.00	
12/30/05	2435	V	W,J, GODWIN & NICHOLS		375.00		
				December	375.00	2,255.00	
					<u>2,255.00</u>		<u>2,255.00</u>
<b>631 Contractual Services - Professional - Wate</b>				0.00			
01/31/05	2234	V	W,J, GODWIN & NICHOLS		125.00		
				January	125.00	125.00	
02/28/05	2252	V	W,J, GODWIN & NICHOLS		125.00		
02/28/05	2253	V	W,J, GODWIN & NICHOLS (CORPORATE TAX RETURN)		150.00		
				February	275.00	400.00	
03/22/05	2265	V	W,J, GODWIN & NICHOLS (PREP. OF AD VAL. RPT.)		100.00		
'31/05	2274	V	W,J, GODWIN & NICHOLS		125.00		
				March	225.00	625.00	
04/07/05	2279	V	W,J, GODWIN & NICHOLS (PREP. OF TRA ANNUAL RPT.)		162.50		
04/25/05	2285	V	W,J, GODWIN & NICHOLS (COPIES OF WATER QUALITY RPT. FOR GEORGE LECKNER)		5.00		
04/29/05	2288	V	W,J, GODWIN & NICHOLS		125.00		
				April	292.50	917.50	
05/31/05	2305	V	W,J, GODWIN & NICHOLS		125.00		
				May	125.00	1,042.50	
07/05/05	2323	V	W,J, GODWIN & NICHOLS		125.00		
07/15/05	2331	V	W,J, GODWIN & NICHOLS		11.55		
07/29/05	2337	V	W,J, GODWIN & NICHOLS		125.00		
				July	261.55	1,304.05	
08/31/05	2351	V	W,J, GODWIN & NICHOLS		125.00		
				August	125.00	1,429.05	
09/30/05	2372	V	W,J, GODWIN & NICHOLS		125.00		
				September	125.00	1,554.05	
10/31/05	2394	V	W,J, GODWIN & NICHOLS		375.00		
				October	375.00	1,929.05	
11/30/05	2413	V	W,J, GODWIN & NICHOLS		375.00		
				November	375.00	2,304.05	
12/30/05	2435	V	W,J, GODWIN & NICHOLS		375.00		
				December	375.00	2,679.05	

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>631 Contractual Services - Professional - Wate</b>				<u>2,679.05</u>		<u>2,679.05</u>
<b>635 Contractual Services - Testing - Water</b>			0.00			
01/04/05	2219 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			January	237.50	237.50	
02/01/05	2236 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			February	237.50	475.00	
03/01/05	2255 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
03/02/05	2256 V	E. GEORGE LECKNER, JR. (ADDITIONAL FLUSHING)		<u>22.50</u>		
			March	260.00	735.00	
04/01/05	2278 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			April	237.50	972.50	
05/02/05	2291 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			May	237.50	1,210.00	
06/01/05	2308 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			June	237.50	1,447.50	
07/01/05	2325 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			July	237.50	1,685.00	
08/01/05	2339 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			August	237.50	1,922.50	
09/01/05	2354 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			September	237.50	2,160.00	
10/01/05	2374 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			October	237.50	2,397.50	
11/01/05	2396 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			November	237.50	2,635.00	
12/01/05	2415 V	E. GEORGE LECKNER, JR.		<u>237.50</u>		
			December	237.50	2,872.50	
				<u>2,872.50</u>		<u>2,872.50</u>
<b>636 Contractual Services - Other - Water</b>			0.00			
01/06/05	2220 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/06/05	2221 V	STOREY UTILITY CONTRACTORS, INC.		715.00		
01/13/05	2224 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/21/05	2228 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
1/28/05	2231 V	STOREY UTILITY CONTRACTORS, INC.		<u>87.50</u>		
			January	1,065.00	1,065.00	



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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>636 Contractual Services - Other - Water (con)</b>						
02/04/05	2237 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/04/05	2239	SAVANNAH RADIATOR SHOP		60.00		
02/11/05	2240 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/18/05	2243 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/25/05	2246 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/25/05	2247 V	STOREY UTILITY CONTRACTORS, INC. (WATER LINE REPAIR)		277.00		
			February	687.00	1,752.00	
03/04/05	2257 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/11/05	2259 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/18/05	2262 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/25/05	2270 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			March	350.00	2,102.00	
04/01/05	2277 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/08/05	2280 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/15/05	2281 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/22/05	2283 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/29/05	2287 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			April	437.50	2,539.50	
05/06/05	2292 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/13/05	2298 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/20/05	2300 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/27/05	2304 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			May	350.00	2,889.50	
06/03/05	2310 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
06/10/05	2311 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
06/17/05	2313 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
06/24/05	2316 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			June	350.00	3,239.50	
07/01/05	2324 V	STOREY UTILITY CONTRACTORS, INC.		87.50		

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**AQUA UTILITIES COMPANY, INC.**  
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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		<b>636 Contractual Services - Other - Water (con</b>				
07/08/05	2326 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
07/15/05	2329 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
07/22/05	2333 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
07/29/05	2335 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			July	<u>437.50</u>	3,677.00	
08/04/05	2340 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
08/12/05	2343 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
08/19/05	2344 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
08/26/05	2348 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			August	<u>350.00</u>	4,027.00	
09/02/05	2355 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/09/05	2357 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/15/05	2364 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/23/05	2367 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/30/05	2370 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			September	<u>437.50</u>	4,464.50	
10/07/05	2376 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/14/05	2378 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/14/05	2381 V	STOREY UTILITY CONTRACTORS, INC.		210.00		
10/18/05	2385 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/28/05	2391 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			October	<u>560.00</u>	5,024.50	
11/04/05	2398 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/11/05	2401 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/14/05	2403 V	STOREY UTILITY CONTRACTORS, INC. (REPAIR OF WATER LINE)		760.20		
11/18/05	2407 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/23/05	2408 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			November	<u>1,110.20</u>	6,134.70	
12/01/05	2416 V	STOREY UTILITY CONTRACTORS, INC.		87.50		



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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>636 Contractual Services - Other - Water (con)</b>						
12/09/05	2419 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/09/05	2420 V	STOREY UTILITY CONTRACTORS, INC. (MOVING OF UTILITY LINES)		795.00		
12/16/05	2421 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/22/05	2424 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/28/05	2432 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
			December	<u>1,232.50</u>	7,367.20	
				<u>7,367.20</u>		<u>7,367.20</u>
<b>675 Miscellaneous Water expense</b>						
				0.00		
01/19/05	2226 V	BELLSOUTH		35.10		
01/20/05	2229 V	U. S. POST OFFICE		28.75		
01/31/05	GJE4	BANK SERVICE CHARGE		3.75		
01/31/05	GJE6	NSF FUNDS CHARGE		20.00		
			January	<u>87.60</u>	87.60	
02/15/05	2241	TENNESSEE SECRETARY OF STATE (CORP. ANNUAL RPT.)		20.00		
02/15/05	2242 V	U. S. POST OFFICE		2.21		
02/18/05	2244 V	BELLSOUTH		35.10		
02/18/05	2245 V	U. S. POST OFFICE		23.00		
02/28/05	GJE4	BANK SERVICE CHARGE		3.70		
02/28/05	GJE5	DEPOSIT BOOK CHARGE		11.88		
			February	<u>95.89</u>	183.49	
03/15/05	2261	RAPID PRINT (METER SHEETS)		1.43		
03/21/05	2263 V	U. S. POST OFFICE		3.95		
03/22/05	2264 V	U. S. POST OFFICE		18.40		
03/23/05	2267 V	BELLSOUTH		35.10		
03/23/05	2268	TRA (GROSS EARNINGS & INSPECTION FEE)		65.28		
03/23/05	2269	TREASURER, STATE OF TENNESSEE (FACILITY PERMIT ANNUAL MAINT. FEE)		125.00		
03/30/05	2272 V	U. S. POST OFFICE		6.83		
03/31/05	GJE4	BANK SERVICE CHARGE		3.70		
			March	<u>259.69</u>	443.18	
04/20/05	2282 V	U. S. POST OFFICE		27.60		
04/27/05	2286 V	BELLSOUTH		35.10		
04/30/05	GJE4	BANK SERVICE CHARGE		3.75		
			April	<u>66.45</u>	509.63	
05/18/05	2299 V	U. S. POST OFFICE		17.25		
05/25/05	2302 V	BELLSOUTH		35.15		
05/31/05	2307	CARRAWAY COMPUTER SYSTEMS (BILLING CARDS)		75.48		
05/31/05	GJE4	BANK SERVICE CHARGE		3.65		
05/31/05	GJE5	BANK NSF CHARGE		10.00		
			May	<u>141.53</u>	651.16	
06/13/05	2312 V	U. S. POST OFFICE		47.25		



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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>715 Purchased Power - Wastewater (cont.)</b>						
02/24/05	2248 V	TVEC		816.26		
			February	816.26	1,584.87	
03/23/05	2266 V	TVEC		766.28		
			March	766.28	2,351.15	
04/25/05	2284 V	TVEC		805.14		
			April	805.14	3,156.29	
05/24/05	2301 V	TVEC		957.68		
			May	957.68	4,113.97	
06/24/05	2318 V	TVEC		838.32		
			June	838.32	4,952.29	
07/01/05	2321 V	TVEC		986.48		
07/25/05	2334 V	TVEC		1,113.20		
			July	2,099.68	7,051.97	
08/24/05	2347 V	TVEC		1,253.58		
			August	1,253.58	8,305.55	
09/26/05	2368 V	TVEC		1,195.60		
			September	1,195.60	9,501.15	
10/19/05	2386 V	TVEC		741.40		
			October	741.40	10,242.55	
11/16/05	2405 V	TN DEPT. OF REVENUE		941.11		
			November	941.11	11,183.66	
12/16/05	2423 V	TVEC		813.15		
			December	813.15	11,996.81	
				<u>11,996.81</u>		<u>11,996.81</u>
<b>730 Contractual Services - Billing - Wastewater</b>			0.00			
01/31/05	2234 V	W,J, GODWIN & NICHOLS		125.00		
			January	125.00	125.00	
02/28/05	2252 V	W,J, GODWIN & NICHOLS		125.00		
			February	125.00	250.00	
03/31/05	2274 V	W,J, GODWIN & NICHOLS		125.00		
			March	125.00	375.00	
04/25/05	2285 V	W,J, GODWIN & NICHOLS (COPIES OF WATER QUALITY RPT. FOR GEORGE LECKNER)		5.00		
04/29/05	2288 V	W,J, GODWIN & NICHOLS		125.00		
			April	130.00	505.00	
05/31/05	2305 V	W,J, GODWIN & NICHOLS		125.00		
			May	125.00	630.00	
5/05	2323 V	W,J, GODWIN & NICHOLS		125.00		

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**AQUA UTILITIES COMPANY, INC.**  
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Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>730 Contractual Services - Billing - Wastewater</b>							
07/29/05	2337	V	W,J, GODWIN & NICHOLS		125.00		
				July	250.00	880.00	
08/31/05	2351	V	W,J, GODWIN & NICHOLS		125.00		
				August	125.00	1,005.00	
09/30/05	2372	V	W,J, GODWIN & NICHOLS		125.00		
				September	125.00	1,130.00	
10/31/05	2394	V	W,J, GODWIN & NICHOLS		375.00		
				October	375.00	1,505.00	
11/30/05	2413	V	W,J, GODWIN & NICHOLS		375.00		
				November	375.00	1,880.00	
12/30/05	2435	V	W,J, GODWIN & NICHOLS		375.00		
				December	375.00	2,255.00	
					<u>2,255.00</u>		<u>2,255.00</u>
<b>731 Contractual Services - Professional - Wast</b>				0.00			
01/31/05	2234	V	W,J, GODWIN & NICHOLS		125.00		
				January	125.00	125.00	
02/28/05	2252	V	W,J, GODWIN & NICHOLS		125.00		
02/28/05	2253	V	W,J, GODWIN & NICHOLS (CORPORATE TAX RETURN)		150.00		
				February	275.00	400.00	
03/22/05	2265	V	W,J, GODWIN & NICHOLS (PREP. OF AD VAL. RPT.)		100.00		
03/31/05	2274	V	W,J, GODWIN & NICHOLS		125.00		
				March	225.00	625.00	
04/07/05	2279	V	W,J, GODWIN & NICHOLS (PREP. OF TRA ANNUAL RPT.)		162.50		
04/25/05	2285	V	W,J, GODWIN & NICHOLS (COPIES OF WATER QUALITY RPT. FOR GEORGE LECKNER)		5.00		
04/29/05	2288	V	W,J, GODWIN & NICHOLS		125.00		
				April	292.50	917.50	
05/31/05	2305	V	W,J, GODWIN & NICHOLS		125.00		
				May	125.00	1,042.50	
07/05/05	2323	V	W,J, GODWIN & NICHOLS		125.00		
07/15/05	2331	V	W,J, GODWIN & NICHOLS		11.55		
07/29/05	2337	V	W,J, GODWIN & NICHOLS		125.00		
				July	261.55	1,304.05	
08/31/05	2351	V	W,J, GODWIN & NICHOLS		125.00		
				August	125.00	1,429.05	
09/30/05	2372	V	W,J, GODWIN & NICHOLS		125.00		
				September	125.00	1,554.05	
10/01/05	2394	V	W,J, GODWIN & NICHOLS		375.00		

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**AQUA UTILITIES COMPANY, INC.**  
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Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>731 Contractual Services - Professional - Wast</b>							
				October	375.00	1,929.05	
11/30/05	2413	V	W,J, GODWIN & NICHOLS		375.00		
				November	375.00	2,304.05	
12/30/05	2435	V	W,J, GODWIN & NICHOLS		375.00		
				December	375.00	2,679.05	
					<u>2,679.05</u>		<u>2,679.05</u>
<b>735 Contractual Services - Testing - Wastewat</b>				0.00			
01/04/05	2219	V	E. GEORGE LECKNER, JR.		237.50		
				January	237.50	237.50	
02/01/05	2236	V	E. GEORGE LECKNER, JR.		237.50		
				February	237.50	475.00	
03/01/05	2255	V	E. GEORGE LECKNER, JR.		237.50		
03/02/05	2256	V	E. GEORGE LECKNER, JR. (ADDITIONAL FLUSHING)		22.50		
				March	260.00	735.00	
04/01/05	2278	V	E. GEORGE LECKNER, JR.		237.50		
				April	237.50	972.50	
05/02/05	2291	V	E. GEORGE LECKNER, JR.		237.50		
				May	237.50	1,210.00	
06/01/05	2308	V	E. GEORGE LECKNER, JR.		237.50		
				June	237.50	1,447.50	
07/01/05	2325	V	E. GEORGE LECKNER, JR.		237.50		
07/11/05	2327	V	E. GEORGE LECKNER, JR.		140.00		
				July	377.50	1,825.00	
08/01/05	2339	V	E. GEORGE LECKNER, JR.		237.50		
08/11/05	2342	V	E. GEORGE LECKNER, JR.		422.00		
				August	659.50	2,484.50	
09/01/05	2354	V	E. GEORGE LECKNER, JR.		237.50		
09/09/05	2358	V	E. GEORGE LECKNER, JR.		140.00		
				September	377.50	2,862.00	
10/01/05	2374	V	E. GEORGE LECKNER, JR.		237.50		
10/01/05	2375	V	E. GEORGE LECKNER, JR.		140.00		
10/26/05	2390	V	E. GEORGE LECKNER, JR.		140.00		
				October	517.50	3,379.50	
11/01/05	2396	V	E. GEORGE LECKNER, JR.		237.50		
				November	237.50	3,617.00	
12/01/05	2415	V	E. GEORGE LECKNER, JR.		237.50		
				December	237.50	3,854.50	
					<u>3,854.50</u>		<u>3,854.50</u>



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Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
			<b>736 Contractual Services - Other - Wastewater</b>	0.00			
01/06/05	2220	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/06/05	2222	V	STOREY UTILITY CONTRACTORS, INC.		878.00		
01/13/05	2224	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/21/05	2228	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
01/28/05	2231	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				January	<u>1,228.00</u>	1,228.00	
02/04/05	2237	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/04/05	2239		SAVANNAH RADIATOR SHOP		60.00		
02/11/05	2240	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/18/05	2243	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
02/25/05	2246	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				February	<u>410.00</u>	1,638.00	
03/04/05	2257	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/11/05	2259	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/18/05	2262	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
03/25/05	2270	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				March	<u>350.00</u>	1,988.00	
04/01/05	2277	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/08/05	2280	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/15/05	2281	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/22/05	2283	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
04/29/05	2287	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				April	<u>437.50</u>	2,425.50	
05/06/05	2292	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/13/05	2298	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/20/05	2300	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
05/27/05	2304	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				May	<u>350.00</u>	2,775.50	
06/03/05	2310	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
06/10/05	2311	V	STOREY UTILITY CONTRACTORS,				

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**AQUA UTILITIES COMPANY, INC.**  
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Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>736 Contractual Services - Other - Wastewater</b>							
			INC.		87.50		
06/17/05	2313	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
06/20/05	2314		STOREY UTILITY CONTRACTORS, INC.		590.15		
06/24/05	2316	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				June	940.15	3,715.65	
07/01/05	2324	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
07/08/05	2326	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
07/15/05	2329	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
07/22/05	2333	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
07/29/05	2335	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				July	437.50	4,153.15	
08/04/05	2340	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
08/12/05	2343	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
08/19/05	2344	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
8/26/05	2348	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				August	350.00	4,503.15	
09/02/05	2355	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/09/05	2357	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/15/05	2364	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/23/05	2367	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
09/30/05	2370	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				September	437.50	4,940.65	
10/07/05	2376	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/14/05	2378	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/18/05	2385	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
10/28/05	2391	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				October	350.00	5,290.65	
11/04/05	2398	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/11/05	2401	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
11/18/05	2407	V	STOREY UTILITY CONTRACTORS, INC.				



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Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>736 Contractual Services - Other - Wastewater</b>							
11/23/05	2408	V	INC. STOREY UTILITY CONTRACTORS, INC.		87.50		
				November	87.50 350.00	5,640.65	
12/01/05	2416	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/09/05	2419	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/09/05	2420	V	STOREY UTILITY CONTRACTORS, INC. (MOVING OF UTILITY LINES)		795.00		
12/16/05	2421	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/22/05	2424	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/28/05	2432	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				December	87.50 1,232.50	6,873.15	
					<u>6,873.15</u>		<u>6,873.15</u>
<b>775 Miscellaneous Wastewater expense</b>				0.00			
01/19/05	2226	V	BELLSOUTH		35.10		
01/20/05	2229	V	U. S. POST OFFICE		28.75		
01/31/05	GJE4		BANK SERVICE CHARGE		3.75		
/31/05	GJE6		NSF FUNDS CHARGE		20.00		
				January	87.60	87.60	
02/15/05	2241		TENNESSEE SECRETARY OF STATE (CORP. ANNUAL RPT.)		20.00		
02/15/05	2242	V	U. S. POST OFFICE		2.21		
02/18/05	2244	V	BELLSOUTH		35.10		
02/18/05	2245	V	U. S. POST OFFICE		23.00		
02/28/05	GJE4		BANK SERVICE CHARGE		3.70		
02/28/05	GJE5		DEPOSIT BOOK CHARGE		11.87		
				February	95.88	183.48	
03/15/05	2261		RAPID PRINT (METER SHEETS)		1.42		
03/21/05	2263	V	U. S. POST OFFICE		3.95		
03/22/05	2264	V	U. S. POST OFFICE		18.40		
03/23/05	2267	V	BELLSOUTH		35.10		
03/23/05	2268		TRA (GROSS EARNINGS & INSPECTION FEE)		65.28		
03/23/05	2269		TREASURER, STATE OF TENNESSEE (FACILITY PERMIT ANNUAL MAINT. FEE)		125.00		
03/30/05	2272	V	U. S. POST OFFICE		6.82		
03/31/05	GJE4		BANK SERVICE CHARGE		3.70		
				March	259.67	443.15	
04/20/05	2282	V	U. S. POST OFFICE		27.60		
04/27/05	2286	V	BELLSOUTH		35.10		
04/30/05	GJE4		BANK SERVICE CHARGE		3.75		
				April	66.45	509.60	
18/05	2299	V	U. S. POST OFFICE		17.25		
05/25/05	2302	V	BELLSOUTH		35.15		



Aqua Utilities Company  
 Analysis of Miscellaneous Expense - Summary

E-4.00

	Account	Test Period					
		Postage	Phone	Bank	Taxes & Fees	Other	Total
675	Miscellaneous Expense - Water	\$363.49 A/	\$425.08 A/	\$111.93 A/	\$243.38 A/	\$114.06 A/	\$1,257.94
775	Miscellaneous Expense - Wastewater	363.45 B/	425.07 B/	91.92 B/	263.37 B/	111.58 B/	1,255.39
	Total	\$726.94	\$850.15	\$203.85	\$506.75	\$225.64	\$2,513.33
	Adjustments	86.86 C/	0.00	0.00	0.00	2,000.00 D/	2,086.66
	Forecast Amount	\$813.80	\$850.15	\$203.85	\$506.75	\$2,225.64	\$4,599.99

- A/ Company Expense Workpaper E-4.01.  
 B/ Company Expense Workpaper E-4.02.  
 C/ 3,390 Attrition Period Water Bills per R-1.00 \* Current Post Card Rate of \$0.24 per E-4.05.  
 D/ Annual Bonding Cost to comply with new TRA Rules on Financial Security per E-4.20 for wastewater utilities.

**Aqua Utilities Company**  
**Analysis of Miscellaneous Expense - Water (Account 675)**  
**For the 12 Months Ended December 31, 2005**

**E-4.01**

<b>Month</b>	<b>Postage</b>	<b>Phone</b>	<b>Bank</b>	<b>Taxes &amp; Fees</b>	<b>Other</b>	<b>Total</b>
January 2004	\$41.50	\$35.45	\$3.75	\$0.00	\$0.00	\$80.70
February	25.21	35.45	13.75	0.00	0.00	74.41
March	37.53	35.45	3.75	196.38	0.00	273.11
April	20.61	35.46	28.77	0.00	65.79	150.63
May	23.00	38.91	3.70	0.00	6.17	71.78
June	23.00	35.46	0.00	0.00	19.14	77.60
July	23.00	35.46	3.75	25.00	0.00	87.21
August	51.38	34.96	0.00	0.00	0.00	86.34
September	25.30	35.62	2.20	100.00	0.00	163.12
October	25.30	35.07	15.32	0.00	0.00	75.69
November	25.30	34.97	3.70	0.00	197.50	261.47
December	23.00	35.02	3.75	137.50	110.20	309.47
<b>Total</b>	<b>\$344.13</b>	<b>\$427.28</b>	<b>\$82.44</b>	<b>\$458.88</b>	<b>\$398.80</b>	<b>\$1,711.53</b>
January 2005	\$28.75	\$35.10	\$23.75	\$0.00	\$0.00	\$87.60
February	25.21	35.10	15.58	20.00	0.00	95.89
March	29.18	35.10	3.70	190.28	1.43	259.69
April	27.60	35.10	3.75	0.00	0.00	66.45
May	17.25	35.15	13.65	0.00	75.48	141.53
June	54.08	35.13	3.70	0.00	0.00	92.91
July	28.75	35.07	13.65	0.00	0.00	77.47
August	30.96	35.86	3.60	0.00	0.00	70.42
September	23.00	35.86	2.15	125.00	34.70	220.71
October	34.21	0.00	0.55	0.00	0.00	34.76
November	17.25	71.74	25.45	0.00	0.00	114.44
December	47.25	35.87	2.40	-91.90	2.45	-3.93
<b>Total</b>	<b>\$363.49</b>	<b>\$425.08</b>	<b>\$111.93</b>	<b>\$243.38</b>	<b>\$114.06</b>	<b>\$1,257.94</b>

**Note:** Billing invoices are allocated 50/50 to water and wastewater.

**SOURCE:** Company Expense Workpapers E-4.07 to E-4.15.

**Aqua Utilities Company**  
**Analysis of Miscellaneous Expense - Wastewater (Account 775)**  
**For the 12 Months Ended December 31, 2005**

**E-4.02**

<b>Month</b>	<b>Postage</b>	<b>Phone</b>	<b>Bank</b>	<b>Taxes &amp; Fees</b>	<b>Other</b>	<b>Total</b>
January 2004	\$41.50	\$35.44	\$3.75	\$0.00	\$0.00	\$80.69
February	25.21	35.44	13.75	0.00	0.00	74.40
March	37.52	35.44	3.75	196.37	0.00	273.08
April	20.61	35.45	28.77	0.00	65.78	150.61
May	23.00	38.91	3.70	0.00	6.17	71.78
June	23.00	35.45	0.00	0.00	19.14	77.59
July	23.00	35.45	3.75	25.00	0.00	87.20
August	51.37	34.95	0.00	0.00	0.00	86.32
September	25.30	35.62	2.20	100.00	0.00	163.12
October	25.30	35.06	15.31	0.00	0.00	75.67
November	25.30	34.96	3.70	0.00	197.50	261.46
December	23.00	35.01	3.75	137.50	110.20	309.46
<b>Total</b>	<b>\$344.11</b>	<b>\$427.18</b>	<b>\$82.43</b>	<b>\$458.87</b>	<b>\$398.79</b>	<b>\$1,711.38</b>
January 2005	\$28.75	\$35.10	\$3.75	\$20.00	\$0.00	\$87.60
February	25.21	35.10	15.57	20.00	0.00	95.88
March	29.17	35.10	3.70	190.28	1.42	259.67
April	27.60	35.10	3.75	0.00	0.00	66.45
May	17.25	35.15	13.65	0.00	75.47	141.52
June	54.07	35.12	3.70	0.00	0.00	92.89
July	28.75	35.07	13.65	0.00	0.00	77.47
August	30.96	35.86	3.60	0.00	0.00	70.42
September	23.00	35.86	2.15	125.00	34.69	220.70
October	34.19	0.00	0.55	0.00	0.00	34.74
November	17.25	71.74	25.45	0.00	0.00	114.44
December	47.25	35.87	2.40	-91.91	0.00	-6.39
<b>Total</b>	<b>\$363.45</b>	<b>\$425.07</b>	<b>\$91.92</b>	<b>\$263.37</b>	<b>\$111.58</b>	<b>\$1,255.39</b>

**Note:** Billing invoices are allocated 50/50 to water and wastewater.

**SOURCE:** Company Expense Workpapers E-4.07 to E-4.14.



**Aqua Utilities Company**  
**Computation of Inflation Factor**

**E-4.03**

Inflation Factor for 2006	1.028 A/
Inflation Factor for 2007	1.028 A/
<b>Two Year Increase</b>	<b>1.056784</b>
<b>Average Annual Increase</b>	<b>1.028392</b>
<b>Average Monthly Increase</b>	<b>1.002366</b>

Number of months from end of test period through the end of attrition period  
(December 31, 2005 - September 30, 2007)

21

Monthly Inflation Factor compounded through the end of attrition period

**1.050879**

A/ Company Expense Workpaper E-4.04.

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- GDP
  - Growth slipping to 3.3% this year
- Interest Rates
  - Prime lending rate reaching 8%
- Inflation
  - Moderating to 2.8%
- Employment
  - 2 million more jobs
- Trade Deficit
  - Rising to \$730 billion, 5.6% of GDP
- Energy
  - Crude oil over \$80 a barrel by midsummer
- Housing Sales
  - Easing 6% to 7.85 million
- Retail Sales
  - Growth slowing slightly to 4.5% for the year

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☐ Fund research into new ways to cut greenhouse gases

☐ Let private industry handle it

☐ Global warming is unproven

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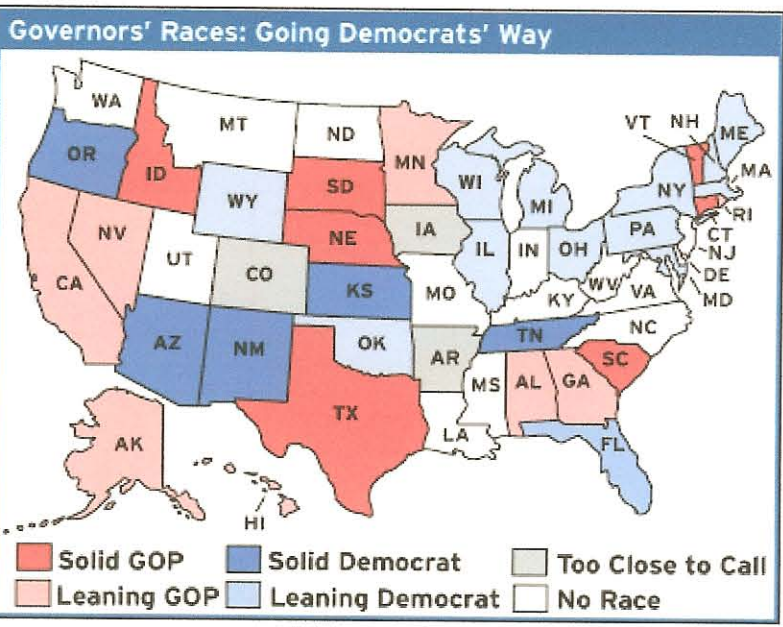
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The numbers just don't add up for Republicans in this fall's gubernatorial elections, and the GOP stands to lose its majority for the first time since 1994. Click here to see our latest rundown on hot races.





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# Simplified Domestic Rates and Fees

Effective January 8, 2006

 Printer Friendly

- ▶ [First-Class Mail®](#)
- ▶ [Priority Mail®](#)
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▶ **First-Class Mail®**

First-Class Mail® is used for personal and business correspondence. Any mailable item may be sent as First-Class Mail. It includes postcards, letters, large envelopes, and small packages. The maximum weight is 13 ounces. Pieces over 13 ounces can be sent as [Priority Mail](#).

The minimum size for First-Class Mail is 5 inches long, 3-1/2 inches high, and 0.007 inch thick. Pieces weighing 1 ounce or less may be subject to the [nonmachinable surcharge](#).

**First-Class Mail Rates**

First ounce	\$0.39
Each additional ounce	\$0.24

**First-Class Mail Rates**

Weight not over	Rate
-----------------	------



E-4.06

(ounces)	
1*	\$0.39
2	0.63
3	0.87
4	1.11
5	1.35
6	1.59
7	1.83
8	2.07
9	2.31
10	2.55
11	2.79
12	3.03
13	3.27

\*Over 13 ounces (see Priority Mail).

**Postcard and Stamped Card Rates:**

Postcard (commercially sold) \$0.24

Stamped card (sold by USPS) 0.26



**Postcard Rate Dimensions:**

Minimum: 3-1/2 inches high by 5 inches long by 0.007 inch thick.

Maximum: 4-1/4 inches high by 6 inches long by 0.016 inch thick.

Postcards over the maximum height or length for the card rate are charged the First-Class Mail letter rates; the nonmachinable surcharge may apply.

**Nonmachinable Surcharge:**

An additional \$0.13 is required for items weighing 1 ounce or less with any of the following criteria:

- A. Square letters.
- B. The height exceeds 6-1/8 inches, or length exceeds 11-1/2 inches, or thickness exceeds 1/4 inch.
- C. The length divided by height is less than 1.3 or more than 2.5 (length is the dimension parallel to the address).
- D. It has clasps, strings, buttons, or similar closure devices.
- E. It is too rigid or contains items such as pens that cause the thickness of the mailpiece to be uneven.
- F. It has an address parallel to the shorter dimension of the mailpiece.

E-4.07

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

AQUA04  
Page 1

01/01/04 - 12/31/04

date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
	675		Miscellaneous Water expense	0.00			
01/06/04	2034		U.S. POST OFFICE		41.50		
01/16/04	2039		BELLSOUTH		35.45		
01/30/04	GJE5		BANK SERVICE CHARGE		3.75		
			January		80.70	80.70	
02/17/04	2049		U. S. POST OFFICE		23.00		
02/19/04	2050	V	U. S. POST OFFICE		2.21		
02/20/04	2052	V	BELLSOUTH		35.45		
02/29/04	GJE4		BANK SERVICE CHARGE		3.75		
02/29/04	GJE5		BANK NSF CHARGE		10.00		
			February		74.41	155.11	
03/17/04	2064	V	BELLSOUTH		35.45		
03/19/04	2067	V	U. S. POST OFFICE		23.00		
03/26/04	2068		TN SECRETARY OF STATE (CORPORATION ANNUAL REPORT)		10.00		
03/26/04	2070		TREASURER, STATE OF TENN. (FACILITY PERMIT ANNUAL MAINT. FEE)		125.00		
03/26/04	2071		U.S. POST OFFICE		6.83		
03/30/04	2072		U.S. POST OFFICE		7.70		
03/30/04	2073		TRA (GROSS EARNINGS & INSPECTION FEE)		61.38		
03/31/04	GJE6		BANK SERVICE CHARGE		3.75		
			March		273.11	428.22	
03/29/04	2081		CARRAWAY COMPUTER SYSTEMS		65.79		
03/25/04	2084		U.S. POST OFFICE		2.21		
04/15/04	2085	V	BELLSOUTH		35.46		
04/20/04	2087	V	U. S. POST OFFICE		18.40		
04/30/04	GJE4		BANK SERVICE CHARGE		3.75		
04/30/04	GJE5		CHECK ORDER		25.02		
			April		150.63	578.85	
05/04/04	2095		VIKING OFFICE PRODUCTS		6.17		
05/20/04	2102	V	U. S. POST OFFICE		23.00		
05/21/04	2100	V	BELLSOUTH		38.91		
05/31/04	GJE7		BANK SERVICE CHARGE		3.70		
			May		71.78	650.63	
06/17/04	2117		U.S. POST OFFICE		23.00		
06/18/04	2118	V	BELLSOUTH		35.46		
06/23/04	2120		RAPID PRINT (METER SHEETS)		17.52		
06/28/04	2122		WAL-MART		1.62		
			June		77.60	728.23	
07/20/04	2134	V	U. S. POST OFFICE		23.00		
07/26/04	2136	V	BELLSOUTH		35.46		
07/26/04	2137	V	TN ASSOCIATION OF UTILITY DISTRICTS (ANNUAL MEMBERSHIP)		25.00		
07/31/04	GJE4		BANK SERVICE CHARGE		3.75		
			July		87.21	815.44	
08/06/04	2144	V	U. S. POST OFFICE		18.50		
08/17/04	2149	V	BELLSOUTH		34.96		
08/17/04	2150	V	U. S. POST OFFICE		18.50		
08/20/04	2153	V	U. S. POST OFFICE		11.50		
08/25/04	2157	V	U. S. POST OFFICE		2.88		
			August		86.34	901.78	

E-4.08

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

AQUA04  
Page 2

01/01/04 - 12/31/04

date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>675 Miscellaneous Water expense (cont.)</b>							
09/10/04	2165		STATE OF TENN. - FACILITY MAINT. FEE		100.00		
09/17/04	2169	V	U. S. POST OFFICE		25.30		
09/17/04	2170	V	BELLSOUTH		35.62		
09/30/04	GJE11		BANK SERVICE CHARGE		2.20		
				September	163.12	1,064.90	
10/14/04	2180	V	U. S. POST OFFICE		25.30		
10/19/04	2181	V	BELLSOUTH		35.07		
10/31/04	GJE6		BANK SERVICE CHARGE		2.65		
10/31/04	GJE7		DEPOSIT BOOK ORDER		12.67		
				October	75.69	1,140.59	
11/17/04	2195	V	U. S. POST OFFICE		25.30		
11/19/04	2193	V	BELLSOUTH		34.97		
11/24/04	2198		CARRAWAY COMPUTER SYSTEMS, LLC (SOFTWARE MAINT. SUPPORT)		197.50		
11/30/04	GJE5		BANK SERVICE CHARGE		3.70		
				November	261.47	1,402.06	
12/06/04	2205		TN ASSOCIATION OF UTIL. DISTRICTS (05 MEMBER ACTIVITY FEE)		37.50		
12/06/04	2206		TENNESSEE ONE-CALL SYSTEM (05 MEMBERSHIP FEE)		100.00		
12/10/04	2208	V	U. S. POST OFFICE		23.00		
12/17/04	2211	V	BELLSOUTH		35.02		
12/17/04	2223		POINTS OF PICKWICK OWNERS ASSOCIATION (REPAIR TO CONST. ROAD)		110.20		
12/31/04	GJE6		BANK SERVICE CHARGE		3.75		
				December	309.47	1,711.53	
					<u>1,711.53</u>		<u>1,711.53</u>
<b>775 Miscellaneous Wastewater expense</b>				0.00			
01/06/04	2034		U.S. POST OFFICE		41.50		
01/16/04	2039		BELLSOUTH		35.44		
01/30/04	GJE5		BANK SERVICE CHARGE		3.75		
				January	80.69	80.69	
02/17/04	2049		U. S. POST OFFICE		23.00		
02/19/04	2050	V	U. S. POST OFFICE		2.21		
02/20/04	2052	V	BELLSOUTH		35.44		
02/29/04	GJE4		BANK SERVICE CHARGE		3.75		
02/29/04	GJE5		BANK NSF CHARGE		10.00		
				February	74.40	155.09	
03/17/04	2064	V	BELLSOUTH		35.44		
03/19/04	2067	V	U. S. POST OFFICE		23.00		
03/26/04	2068		TN SECRETARY OF STATE (CORPORATION ANNUAL REPORT)		10.00		
03/26/04	2070		TREASURER, STATE OF TENN. (FACILITY PERMIT ANNUAL MAINT. FEE)		125.00		
03/26/04	2071		U.S. POST OFFICE		6.82		
03/30/04	2072		U.S. POST OFFICE		7.70		
03/30/04	2073		TRA (GROSS EARNINGS &				



E-4.09

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

01/01/04 - 12/31/04

AQUA04  
Page 3

date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
			<b>775 Miscellaneous Wastewater expense (cont.)</b>				
03/31/04	GJE6		INSPECTION FEE)		61.37		
			BANK SERVICE CHARGE		3.75		
				March	273.08	428.17	
04/09/04	2081		CARRAWAY COMPUTER SYSTEMS		65.78		
04/15/04	2084		U.S. POST OFFICE		2.21		
04/15/04	2085	V	BELLSOUTH		35.45		
04/20/04	2087	V	U. S. POST OFFICE		18.40		
04/30/04	GJE4		BANK SERVICE CHARGE		3.75		
04/30/04	GJE5		CHECK ORDER		25.02		
				April	150.61	578.78	
05/04/04	2095		VIKING OFFICE PRODUCTS		6.17		
05/20/04	2102	V	U. S. POST OFFICE		23.00		
05/21/04	2100	V	BELLSOUTH		38.91		
05/31/04	GJE7		BANK SERVICE CHARGE		3.70		
				May	71.78	650.56	
06/17/04	2117		U.S. POST OFFICE		23.00		
06/18/04	2118	V	BELLSOUTH		35.45		
06/23/04	2120		RAPID PRINT (METER SHEETS)		17.52		
06/28/04	2122		WAL-MART		1.62		
				June	77.59	728.15	
07/20/04	2134	V	U. S. POST OFFICE		23.00		
07/26/04	2136	V	BELLSOUTH		35.45		
7/26/04	2137	V	TN ASSOCIATION OF UTILITY				
			DISTRICTS (ANNUAL MEMBERSHIP)		25.00		
07/31/04	GJE4		BANK SERVICE CHARGE		3.75		
				July	87.20	815.35	
08/06/04	2144	V	U. S. POST OFFICE		18.50		
08/17/04	2149	V	BELLSOUTH		34.95		
08/17/04	2150	V	U. S. POST OFFICE		18.50		
08/20/04	2153	V	U. S. POST OFFICE		11.50		
08/25/04	2157	V	U. S. POST OFFICE		2.87		
				August	86.32	901.67	
09/10/04	2165		STATE OF TENN. - FACILITY MAINT.				
			FEE		100.00		
09/17/04	2169	V	U. S. POST OFFICE		25.30		
09/17/04	2170	V	BELLSOUTH		35.62		
09/30/04	GJE11		BANK SERVICE CHARGE'		2.20		
				September	163.12	1,064.79	
10/14/04	2180	V	U. S. POST OFFICE		25.30		
10/19/04	2181	V	BELLSOUTH		35.06		
10/31/04	GJE6		BANK SERVICE CHARGE		2.65		
10/31/04	GJE7		DEPOSIT BOOK ORDER		12.66		
				October	75.67	1,140.46	
11/17/04	2195	V	U. S. POST OFFICE		25.30		
11/19/04	2193	V	BELLSOUTH		34.96		
11/24/04	2198		CARRAWAY COMPUTER SYSTEMS,				
			LLC (SOFTWARE MAINT. SUPPORT)		197.50		
12/0/04	GJE5		BANK SERVICE CHARGE		3.70		
				November	261.46	1,401.92	
12/06/04	2205		TN ASSOCIATION OF UTIL. DISTRICTS				

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AQUA UTILITIES COMPANY, INC.  
General Ledger

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ate	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
			775 Miscellaneous Wastewater expense (cont.)				
			('05 MEMBER ACTIVITY FEE)		37.50		
12/06/04	2206		TENNESSEE ONE-CALL SYSTEM ('05				
			MEMBERSHIP FEE)		100.00		
12/10/04	2208	V	U. S. POST OFFICE		23.00		
12/17/04	2211	V	BELLSOUTH		35.01		
12/31/04	2223		POINTS OF PICKWICK OWNERS				
			ASSOCIATION (REPAIR TO CONST.				
			ROAD)		110.20		
12/31/04	GJE6		BANK SERVICE CHARGE		3.75		
				December	309.46	1,711.38	
					<u>1,711.38</u>		<u>1,711.38</u>
Range of Accounts Specified:				YTD Profit/(Loss)	<u>(3,422.91)</u>		
Number of Transactions				114			
				The General Ledger is in balance			<u>0.00</u>

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**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>636 Contractual Services - Other - Water (con:</b>						
		INC.		87.50		
12/22/05	2424 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/28/05	2432 V	STOREY UTILITY CONTRACTORS, INC.		87.50		
				<u>87.50</u>		
		December		1,232.50	7,367.20	
				<u>7,367.20</u>		<u>7,367.20</u>
<b>675 Miscellaneous Water expense</b>			0.00			
01/19/05	2226 V	BELLSOUTH		35.10		
01/20/05	2229 V	U. S. POST OFFICE		28.75		
01/31/05	GJE4	BANK SERVICE CHARGE		3.75		
01/31/05	GJE6	NSF FUNDS CHARGE		20.00		
		January		<u>87.60</u>	87.60	
02/15/05	2241	TENNESSEE SECRETARY OF STATE (CORP. ANNUAL RPT.)		20.00		
02/15/05	2242 V	U. S. POST OFFICE		2.21		
02/18/05	2244 V	BELLSOUTH		35.10		
02/18/05	2245 V	U. S. POST OFFICE		23.00		
02/28/05	GJE4	BANK SERVICE CHARGE		3.70		
02/28/05	GJE5	DEPOSIT BOOK CHARGE		11.88		
		February		<u>95.89</u>	183.49	
03/15/05	2261	RAPID PRINT (METER SHEETS)		1.43		
03/21/05	2263 V	U. S. POST OFFICE		3.95		
03/22/05	2264 V	U. S. POST OFFICE		18.40		
03/23/05	2267 V	BELLSOUTH		35.10		
03/23/05	2268	TRA (GROSS EARNINGS & INSPECTION FEE)		65.28		
03/23/05	2269	TREASURER, STATE OF TENNESSEE (FACILITY PERMIT ANNUAL MAINT. FEE)		125.00		
03/30/05	2272 V	U. S. POST OFFICE		6.83		
03/31/05	GJE4	BANK SERVICE CHARGE		3.70		
		March		<u>259.69</u>	443.18	
04/20/05	2282 V	U. S. POST OFFICE		27.60		
04/27/05	2286 V	BELLSOUTH		35.10		
04/30/05	GJE4	BANK SERVICE CHARGE		3.75		
		April		<u>66.45</u>	509.63	
05/18/05	2299 V	U. S. POST OFFICE		17.25		
05/25/05	2302 V	BELLSOUTH		35.15		
05/31/05	2307	CARRAWAY COMPUTER SYSTEMS (BILLING CARDS)		75.48		
05/31/05	GJE4	BANK SERVICE CHARGE		3.65		
05/31/05	GJE5	BANK NSF CHARGE		10.00		
		May		<u>141.53</u>	651.16	
06/13/05	2312 V	U. S. POST OFFICE		47.25		
06/24/05	2317 V	BELLSOUTH		35.13		
06/27/05	2320	U.S. POST OFFICE		6.83		
07/30/05	GJE4	BANK SERVICE SERVICE CHARGE		3.70		
		June		<u>92.91</u>	744.07	



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**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>675 Miscellaneous Water expense (cont.)</b>						
07/20/05	2332 V	U. S. POST OFFICE		28.75		
07/29/05	2336 V	BELLSOUTH		35.07		
07/31/05	GJE3	BANK SERVICE CHARGE / NSF CHARGE				
				13.65		
			July	77.47	821.54	
08/18/05	2346 V	U. S. POST OFFICE		30.96		
08/19/05	2345 V	BELLSOUTH		35.86		
08/31/05	GJE4	BANK SERVICE CHARGE		3.60		
			August	70.42	891.96	
09/08/05	2356	RAPID PRINT		20.26		
09/09/05	2359 V	W,J, GODWIN & NICHOLS (REIMB. FOR OFFICE SUPPLIES)		14.44		
09/14/05	2361	TN ENVIRONMENT OF CONSERVATION (ANNUAL MAINT. FEE)		100.00		
09/14/05	2362	TN ASSOCIATION OF UTILITY DISTRICTS (ANNUAL MEMBERSHIP DUES)		25.00		
09/19/05	2366 V	U. S. POST OFFICE		23.00		
09/26/05	2369 V	BELLSOUTH		35.86		
09/30/05	GJE3	BANK SERVICE CHARGE		2.15		
			September	220.71	1,112.67	
12/05	2379 V	U. S. POST OFFICE		28.75		
10/17/05	2384 V	U. S. POST OFFICE		3.53		
10/24/05	2389	U.S. POST OFFICE		1.93		
10/31/05	GJE3	BANK SERVICE CHARGE		0.55		
			October	34.76	1,147.43	
11/02/05	2393 V	BELLSOUTH		35.87		
11/15/05	2404 V	U. S. POST OFFICE		17.25		
11/16/05	2406 V	BELLSOUTH		35.87		
11/30/05	GJE3	BANK SERVICE CHARGE		2.20		
11/30/05	GJE4	CHECK ORDER		23.25		
			November	114.44	1,261.87	
12/06/05	2418	TN ASSOC. OF UTILITY DISTRICTS ('06 MEMBER ACTIVITY FEE)		50.00		
12/15/05	2422	U.S. POST OFFICE		47.25		
12/22/05	2425	BELLSOUTH		35.87		
12/29/05	2433	TENNESSEE ONE CALL SYSTEM, INC.		168.38		
12/31/05	GJE10	TO ADJUST		2.45		
12/31/05	GJE3	BANK SERVICE CHARGE		2.40		
12/31/05	YJE12	TO RECLASS TRA GROSS EARNINGS & INSPECTION FEE		(65.28)		
12/31/05	YJE13	TO RECLASS CORPORATION ANNUAL REPORT FEE		(20.00)		
12/31/05	YJE14	TO RECLASS FACILITY PERMIT ANNUAL MAINT. FEE - TREASURER, STATE OF TN.		(125.00)		
12/31/05	YJE15	TO RECLASS ANNUAL MAINT. FEE - TN ENVIRONMENT OF CONSERVATION		(100.00)		
			December	(3.93)	1,257.94	
				<u>1,257.94</u>		<u>1,257.94</u>

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# AQUA UTILITIES COMPANY, INC. General Ledger

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Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>736 Contractual Services - Other - Wastewater</b>							
11/23/05	2408	V	INC. STOREY UTILITY CONTRACTORS, INC.		87.50		
				November	<u>87.50</u> 350.00	5,640.65	
12/01/05	2416	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/09/05	2419	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/09/05	2420	V	STOREY UTILITY CONTRACTORS, INC. (MOVING OF UTILITY LINES)		795.00		
12/16/05	2421	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/22/05	2424	V	STOREY UTILITY CONTRACTORS, INC.		87.50		
12/28/05	2432	V	STOREY UTILITY CONTRACTORS, INC.		<u>87.50</u> 1,232.50	6,873.15	
					<u>6,873.15</u>		<u>6,873.15</u>
<b>775 Miscellaneous Wastewater expense</b>							
01/19/05	2226	V	BELLSOUTH	0.00	35.10		
01/20/05	2229	V	U. S. POST OFFICE		28.75		
01/31/05	GJE4		BANK SERVICE CHARGE		3.75		
31/05	GJE6		NSF FUNDS CHARGE		<u>20.00</u>		
				January	87.60	87.60	
02/15/05	2241		TENNESSEE SECRETARY OF STATE (CORP. ANNUAL RPT.)		20.00		
02/15/05	2242	V	U. S. POST OFFICE		2.21		
02/18/05	2244	V	BELLSOUTH		35.10		
02/18/05	2245	V	U. S. POST OFFICE		23.00		
02/28/05	GJE4		BANK SERVICE CHARGE		3.70		
02/28/05	GJE5		DEPOSIT BOOK CHARGE		<u>11.87</u>		
				February	95.88	183.48	
03/15/05	2261		RAPID PRINT (METER SHEETS)		1.42		
03/21/05	2263	V	U. S. POST OFFICE		3.95		
03/22/05	2264	V	U. S. POST OFFICE		18.40		
03/23/05	2267	V	BELLSOUTH		35.10		
03/23/05	2268		TRA (GROSS EARNINGS & INSPECTION FEE)		65.28		
03/23/05	2269		TREASURER, STATE OF TENNESSEE (FACILITY PERMIT ANNUAL MAINT. FEE)		125.00		
03/30/05	2272	V	U. S. POST OFFICE		6.82		
03/31/05	GJE4		BANK SERVICE CHARGE		<u>3.70</u>		
				March	259.67	443.15	
04/20/05	2282	V	U. S. POST OFFICE		27.60		
04/27/05	2286	V	BELLSOUTH		35.10		
04/30/05	GJE4		BANK SERVICE CHARGE		<u>3.75</u>		
				April	66.45	509.60	
18/05	2299	V	U. S. POST OFFICE		17.25		
05/25/05	2302	V	BELLSOUTH		35.15		



01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference	T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>775 Miscellaneous Wastewater expense (cont.)</b>							
05/31/05	2307		CARRAWAY COMPUTER SYSTEMS (BILLING CARDS)		75.47		
05/31/05	GJE4		BANK SERVICE CHARGE		3.65		
05/31/05	GJE5		BANK NSF CHARGE		10.00		
				May	141.52	651.12	
06/13/05	2312	V	U. S. POST OFFICE		47.25		
06/24/05	2317	V	BELLSOUTH		35.12		
06/27/05	2320		U.S. POST OFFICE		6.82		
06/30/05	GJE4		BANK SERVICE SERVICE CHARGE		3.70		
				June	92.89	744.01	
07/20/05	2332	V	U. S. POST OFFICE		28.75		
07/29/05	2336	V	BELLSOUTH		35.07		
07/31/05	GJE3		BANK SERVICE CHARGE / NSF CHARGE		13.65		
				July	77.47	821.48	
08/18/05	2346	V	U. S. POST OFFICE		30.96		
08/19/05	2345	V	BELLSOUTH		35.86		
08/31/05	GJE4		BANK SERVICE CHARGE		3.60		
				August	70.42	891.90	
09/08/05	2356		RAPID PRINT		20.26		
09/09/05	2359	V	W,J, GODWIN & NICHOLS (REIMB. FOR OFFICE SUPPLIES)		14.43		
14/05	2361		TN ENVIRONMENT OF CONSERVATION (ANNUAL MAINT. FEE)		100.00		
09/14/05	2362		TN ASSOCIATION OF UTILITY DISTRICTS (ANNUAL MEMBERSHIP DUES)		25.00		
09/19/05	2366	V	U. S. POST OFFICE		23.00		
09/26/05	2369	V	BELLSOUTH		35.86		
09/30/05	GJE3		BANK SERVICE CHARGE		2.15		
				September	220.70	1,112.60	
10/12/05	2379	V	U. S. POST OFFICE		28.75		
10/17/05	2384	V	U. S. POST OFFICE		3.52		
10/24/05	2389		U.S. POST OFFICE		1.92		
10/31/05	GJE3		BANK SERVICE CHARGE		0.55		
				October	34.74	1,147.34	
11/02/05	2393	V	BELLSOUTH		35.87		
11/15/05	2404	V	U. S. POST OFFICE		17.25		
11/16/05	2406	V	BELLSOUTH		35.87		
11/30/05	GJE3		BANK SERVICE CHARGE		2.20		
11/30/05	GJE4		CHECK ORDER		23.25		
				November	114.44	1,261.78	
12/06/05	2418		TN ASSOC. OF UTILITY DISTRICTS ('06 MEMBER ACTIVITY FEE)		50.00		
12/15/05	2422		U.S. POST OFFICE		47.25		
12/22/05	2425		BELLSOUTH		35.87		
12/29/05	2433		TENNESSEE ONE CALL SYSTEM, INC.		168.37		
12/31/05	GJE3		BANK SERVICE CHARGE		2.40		
12/31/05	YJE12		TO RECLASS TRA GROSS EARNINGS & INSPECTION FEE		(65.28)		



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**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

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Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		775 Miscellaneous Wastewater expense (cont.)				
12/31/05	YJE13	TO RECLASS CORPORATION ANNUAL REPORT FEE		(20.00)		
12/31/05	YJE14	TO RECLASS FACILITY PERMIT ANNUAL MAINT. FEE - TREASURER, STATE OF TN.		(125.00)		
12/31/05	YJE15	TO RECLASS ANNUAL MAINT. FEE - TN ENVIRONMENT OF CONSERVATION		(100.00)		
			December	(6.39)	1,255.39	
				<u>1,255.39</u>		<u>1,255.39</u>
		YTD Profit/(Loss)		<u>(54,023.31)</u>		
Number of Transactions	839			The General Ledger is in balance		<u>0.00</u>

**Aqua Utilities Company**  
**Computation of Bonding Cost**

**E-4.20**

The Bonding Costs are estimated to be 2% of wastewater revenues.  
After this rate increase, wastewater revenues are estimated to be approximately \$100,000.

Therefore, Attrition Period Bonding Cost is calculated as follows:

Estimated Attrition Period Wastewater Revenues at Proposed Rates	\$100,000.00
Bonding Cost as a percentage of revenues	<u>2.00%</u>
<b>Attrition Period Bonding Cost</b>	<b><u>\$2,000.00</u></b>

**Aqua Utilities Company**  
**Administrative & General Expense - Management Fee**

**E-5.00**

In 2005, Aqua formally established a Management Fee Contract with Montana Land Company where Montana provides certain management functions to Aqua for \$2,500 per month.

Monthly Fee	\$2,500
12 Months Per Year	<u>12</u>
<b>Annual Fee</b>	<b><u><u>\$30,000</u></u></b>

**SOURCE:** Company Expense Workpaper E-5.02 (Article 3).



## MANAGEMENT SERVICES AGREEMENT

This Management Services Agreement (the "Agreement") is made and entered into as of this 15 day of January 2006, by and between Montana Utility Management, Inc., a Tennessee corporation ("Montana"), and Aqua Utilities Company, a Tennessee corporation ("Aqua").

**WHEREAS**, Aqua desires Montana to provide certain management services on its behalf related to the management functions of the regulated utility;

**WHEREAS**, Aqua expects to realize certain economies and increased efficiencies along with other benefits from Montana's performance of the referenced services; and

**WHEREAS**, subject to the terms and conditions contained herein, Aqua agrees to accept and Montana agrees to provide such services;

**NOW, THEREFORE**, in consideration of the mutual agreements, covenants, and conditions herein contained, Aqua and Montana hereby agree as follows:

### ARTICLE 1. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

"Agreement" means this Management Services Agreement, as it may be amended or modified from time to time.

"Assumed Liabilities" means any obligations arising under or pursuant to the Management Functions that either (a) arise or are attributable to acts or omissions occurring during the Term or (b) arise as a result of any breach by Montana of this Agreement.

"Contract Year" shall mean a 12-month period commencing January 1.

"Excluded Liabilities" means any liabilities or obligations that either (a) do not arise under or relate to the Management Functions; (b) arise or are attributable to acts or omissions occurring at a time other than during the Term; or (c) arise as a result of any breach by Aqua of this Agreement other than a breach attributable to an action taken by Aqua at Montana's direction.

"Governmental Authority" means any nation, state, sovereign or government; any federal, regional, state, local or political subdivision and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Management Functions" means the services that Montana will provide Aqua as identified in Article 4.

"Party" means either Aqua or Montana, as indicated, and "Parties" means, collectively, Aqua and Montana.

"TRA" means the Tennessee Regulatory Authority or any successor state agency.

"Term" shall have the meaning assigned to such term in Article 2. Section 2.1

## ARTICLE 2. TERMS AND CONDITIONS

2.1 Term. The term of this Agreement (the "Term") shall commence on January 1, 2006, and shall end on December 31, 2011, and shall be automatically extended for five (5) year periods thereafter; unless otherwise extended upon the mutual agreement of the Parties; *provided, however*, that either Party may, upon not less than thirty (30) days prior written notice to the other Party, terminate this Agreement effective as of the end of any Contract Year during the Term.

## ARTICLE 3. FEE, BILLING AND PAYMENT

3.1 Fee. The Parties agree that Aqua shall pay to Montana a monthly amount of two thousand five hundred dollars (\$2,500.00) for the Management Functions performed by Montana on behalf of Aqua.

3.2 Billing and Payment. The Parties agree that Montana shall directly bill Aqua on a monthly basis for the performance of its management services. By the fifteenth (15th) calendar day of each subsequent month, Montana shall render to Aqua a statement for services provided for the preceding month. Aqua shall make payment within thirty (30) days of receipt of each such statement.

## ARTICLE 4. FURNISHED SERVICES

4.1 Services to be Performed. Montana shall perform the following services for and on behalf of Aqua:

- (a) Montana shall provide management services by engaging independent contractors to handle the day to day operation of the sewer system and water distribution owned by Aqua..
- (b) Montana shall monitor the daily work provided by all subcontractors.
- (c) Montana shall review all reports and filings required by all state and federal agencies and assist in the filing of the same.
- (d) Montana shall engage an accounting group to maintain records, accounts, billings of Aqua.



- (e) Montana shall maintain a contact person available 24 hours a day for emergency calls.
- (f) Montana shall handle all delinquent accounts including the termination of services.
- (g) Montana shall review all plats for proposed utility services.
- (h) Montana shall coordinate all work by developers to extend or establish utilities.
- (i) Montana shall inspect all utility easements for erosion and hire such people as are necessary to maintain the same.
- (j) Montana shall make all decisions regarding needed repairs and maintenance and approve the same.
- (k) Montana shall establish an annual budget for Aqua.
- (l) Montana shall review annual accountings and submit the same for review by Aqua.

## ARTICLE 5. REPRESENTATIONS, WARRANTIES, AND ACKNOWLEDGEMENTS

5.1 Aqua Representations. As of the date hereof, Aqua represents and warrants as follows:

(a) Aqua is a corporation duly organized, validly existing and in good standing under the laws of the State of Tennessee.

(b) Aqua has all requisite corporate power and authority to own its properties and assets and to carry on its business as currently conducted and as proposed to be conducted. Aqua has all requisite corporate power and authority to execute, deliver and perform its obligations under this agreement.

(c) This Agreement has been duly authorized, executed and delivered by Aqua and constitutes a legal, valid and binding obligation of Aqua enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other laws from time to time in effect relating to general equity principles.

(d) The execution, delivery and performance by Aqua of this Agreement does not, and will not (i) violate any provisions of any law, statute, rule or regulation, order, writ, judgment, injunction, decree, governmental permit, determination or award having applicability to Aqua or any of its properties or assets; (ii) conflict with or result in a breach or violation of or constitute a default under any provision of the charter documents, bylaws or other comparable documents of Aqua; or (iii) require any consent, approval or notice under or result in a violation or breach of or constitute (with or without due notice or lapse of time or both) a default under any note, bond, mortgage, license, contract, agreement or loan or credit agreement to which Aqua is a party or by which Aqua or any of its properties or assets may be bound or affected.

5.2 Montana Representations. As of the date hereof, Montana represents and warrants as follows:



(a) Montana is a corporation duly organized, validly existing and in good standing under the laws of the State of Tennessee.

(b) Montana has all requisite corporate power and authority to own its properties and assets and to carry on its business as currently conducted and as proposed to be conducted. Montana has all requisite corporate power and authority to execute, deliver and perform its obligations under this agreement.

(c) This Agreement has been duly authorized, executed and delivered by Montana and constitutes a legal, valid and binding obligation of Montana enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other laws from time to time in effect relating to creditors' rights generally and to general equity principles.

(d) The execution, delivery and performance by Montana of this Agreement does not, and will not (i) violate any provisions of any law, statute, rule or regulation, order, writ, judgment, injunction, decree, governmental permit, determination or award having applicability to Montana or any of its properties or assets; (ii) conflict with or result in a breach or violation of or constitute a default under any provision of the charter documents, bylaws or other comparable documents of Montana; or (iii) require any consent, approval or notice under or result in a violation or breach of or constitute (with or without due notice or lapse of time or both) a default under any note, bond, mortgage, license, contract, agreement or loan or credit agreement to which Montana is a party or by which Montana or any of its properties or assets may be bound or affected.

(e) Montana acknowledges and agrees that, to the extent the Management Functions are being performed for the ultimate benefit of Aqua, a regulated utility, Montana shall be a fiduciary and shall neither take, nor omit to take, any action the taking or omission of which would: impair or adversely affect the reliability of the utility system; impair or adversely affect the discharge of any of the utility's obligations to customers or suppliers; cause Aqua to violate any law or regulation to which it is subject.

## ARTICLE 6. TERMINATION OF AGREEMENT

6.1 Early Termination. In addition to the termination rights set forth in Section 2.1 hereof,

(a) Montana may terminate this Agreement if Aqua fails to make payment of any amounts due under any provisions of this Agreement.

(b) Either Party may terminate this Agreement if any representation or warranty made by the other Party shall prove to have been false or misleading in any material respect when made.

(c) Either Party may terminate this Agreement if the other Party fails to comply substantially with any material provisions of this Agreement.

(d) Either Party may terminate this Agreement if existing federal, state and local regulatory rules, regulations or policies that serve as the basis for the transactions described in this Agreement shall be modified in any manner that would be reasonably likely to have a material adverse effect on such Party or the benefits in anticipates deriving from the transactions contemplated by this Agreement.

6.2 Remedies for Breach. A Party intending to terminate this Agreement pursuant to Article 6.1 shall give written notice of its intention to terminate and the reasons therefor to the other Party, which termination shall be effective no earlier than the thirtieth (30<sup>th</sup>) day following the receipt of said notice, whereupon (unless, in the case of notice of termination pursuant to Section 6.1(a) or 6.1(c), during such thirty (30) day period such grounds for termination shall have been cured) the terminating Party shall be excused and relieved of all obligations and liabilities under this Agreement, except for those obligations incurred before the effective date of termination or as a result of the termination. Each Party shall use every reasonable effort to mitigate any damages resulting from a breach and/or termination of this Agreement.

## ARTICLE 7. INDEMNIFICATION

7.1 Indemnification Obligations of Aqua. Subject to Section 7.3, Aqua shall indemnify and hold harmless Montana from and against any claim, liability, loss, cost, damage or expense (including without limitation, reasonable attorney's fees, charges and disbursements) made against such indemnified party by third parties arising out of, or resulting from or in any way related to (a) the breach of or failure to perform or satisfy any of the representations, warranties or covenants made by Aqua in this Agreement, or (b) any Excluded Liability.

7.2 Indemnification Obligations of Montana. Subject to Section 7.3, Montana shall indemnify and hold harmless Aqua from and against any claim, liability, loss, cost, damage or expense (including without limitation, reasonable attorney's fees, charges and disbursements) made against such indemnified party by third parties arising out of, or resulting from or in any way related to (a) the breach of or failure to perform or satisfy any of the representations, warranties or covenants made by Montana in this Agreement, or (b) any Assumed Liability.

7.3 Third Party Claims. With respect to claims made by third parties, the indemnifying party shall have the right to assume the defense of any such claim or action with counsel designated by the indemnifying party and reasonably satisfactory to the indemnified party. No indemnified party shall settle any claim or action with respect to which it has sought or intends to seek indemnification pursuant to this Article 7 without the prior written consent of the indemnifying party, which consent shall not be unreasonably withheld.

7.4 No Consequential Damages. Subject to the last sentence of this Article 7.4, neither Party shall be liable to the other Party for consequential, incidental, indirect, punitive or special damages (collectively, "Consequential Damages") resulting from any cause whatsoever, including without limitation, any loss of profits, sales or goodwill, loss of any other claim



whether arising out of or relating to this Agreement, and each Party hereby releases the other Party from any liability for all such losses and damages. It is expressly agreed that no failure by either Party to fulfill any condition of this Agreement shall constitute a failure of essential purpose entitling either Party to seek Consequential Damages. Nothing in this Article 7.4 shall be deemed to prohibit an indemnified party from obtaining reimbursement of third party consequential damages suffered by such indemnified party.

7.5 Survival. The provisions of this Article 7 shall survive the termination of this Agreement indefinitely.

## ARTICLE 8. CONFIDENTIALITY

8.1 Confidentiality; Public Statements. Except as provided in Article 8.2 below, each Party agrees that, during the Term, it will hold in strict confidence and will not without the prior written consent of the other Party disclose to any Person (a) any Confidential Information with respect to the other Party (and its Affiliates), or (b) the terms and conditions and other information contained in this Agreement. The Parties shall consult with each other and no Party shall issue any public announcement or statement with respect to the existence of this Agreement, or any transaction contemplated hereby without the consent of the other Party.

8.2 Actions Prior to Disclosure. In the event either Party determines that it is required by applicable law, rule, regulation or order of any Governmental Authority to disclose, file or otherwise make public the terms of this Agreement or any Confidential Information, it shall, prior to making any such disclosure, (a) notify the other Party of its determination that such disclosure is required and the basis for such determination; and (b) in the case of any disclosure or filing with any Governmental Authority, submit to the Governmental Authority, after consultation with the other Party, an application for confidential treatment (or such similar confidentiality request) and shall use reasonable efforts to obtain an order of the Governmental Authority granting the broadest confidential treatment that may be obtained with respect to this Agreement, or such other Confidential Information as the case may be.

8.3 Non-Disclosure by Representatives. Notwithstanding the foregoing, each Party may disclose Confidential Information to employees and representatives of such Party; provided, however, that each Representative who receives any such information shall be informed of the confidential nature of such information and shall be directed to treat such information in accordance with the terms of this Article 8. Aqua and Montana shall be responsible for any breach of this Article 8 by any of their representatives and each agrees, at its sole expense, to take all reasonable measures (including but not limited to court proceedings) to restrain its representatives from prohibited or unauthorized disclosure or use of confidential information.

## ARTICLE 9. MISCELLANEOUS

9.1 Entire Agreement; Modifications in Writing. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior



agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. Except as specifically provided herein, no amendment, waiver, consent, modification or termination of any provisions of this Agreement shall be effective unless signed by both Aqua and Montana.

9.2 Binding Effect; Assignment. The rights and obligations hereunder of either Party may not be assigned or delegated to any person without the prior consent of the other Party. Except as expressly provided herein, this Agreement shall not be construed so as to confer any right or benefit upon any person other than the Parties, and their respective successors and any permitted assigns. This Agreement shall be binding upon Aqua and Montana, and their respective successors and permitted assigns.

9.3 Communications. All notices and communications required or permitted under the terms of this Agreement shall be in writing, and shall be given by registered or certified mail, return receipt requested, telex, facsimile (fax), air courier guaranteeing overnight delivery or personal delivery, to the addresses set forth below. All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; four (4) business days after being sent by certified mail, return receipt requested, if mailed; when answered back, if telexed; when receipt acknowledged, if sent by telecopy (fax); and on the next Business Day if timely delivered to an air courier guaranteeing overnight delivery.

*NOTICE TO Aqua:*  
Aqua Utilities Company  
408 Main Street  
Savannah, TN 38372

*NOTICE TO Montana:*  
Montana Utility Management, Inc.  
90 Avalon Place  
Savannah, TN 38372

9.4 Execution of Counterparts. This Agreement may be executed in any number of counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same agreement.

9.5 Governing Law. This Agreement, and the rights and duties of the Parties arising out of such Agreement, shall be governed by and construed in accordance with the laws of the State of Tennessee without regard to principles of conflicts of laws.

9.6 Severability of Provisions. The invalidity of one or more provisions contained in this Agreement shall not affect the validity of the remaining portions of the Agreement so long as for both Parties the material purposes of the Agreement taken as a whole can be determined and effectuated. In the event that any or all of any of this Agreement is held to be invalid or unenforceable, the Parties agree to negotiate in good faith to reach an equitable agreement on such portion that is void or unenforceable. If any indemnity or hold harmless obligation (or portions thereof) in this Agreement is for any reason held to be invalid or unenforceable in any respect, and if the Parties fail to agree on a replacement provision, then such obligation shall be construed to apply to the fullest extent permitted by law but in no event beyond the scope and limits of those original indemnity and hold harmless obligations determined to be invalid or unenforceable.

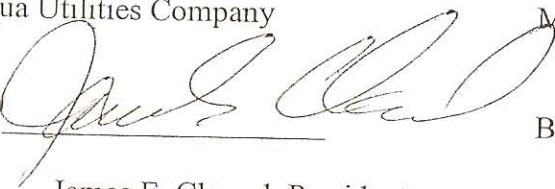
9.7 Headings. The section headings used or contained in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

9.8 No Partnership Created. The rights, liabilities, responsibilities and remedies of the Parties with respect to the subject matter of the Agreement shall be exclusively those expressly set forth in the Agreement. Neither Party is, or will represent itself as being, a partner of, or agent (except as expressly provided in the Agreement) or fiduciary for, the other Party with respect to the Management Functions or otherwise.

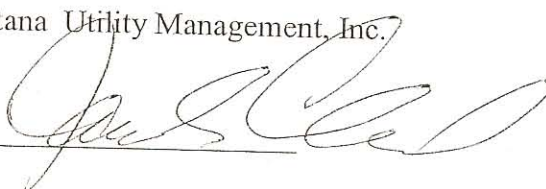
9.9 No Implied Warranties. Each Party hereby disclaims, and the other Party hereby waives, any implied representations, covenants, warranties and agreements, except those expressly set forth herein.

IN WITNESS WHEREOF, the Parties have hereunto affixed their hands and seals the day and year first above written.

Aqua Utilities Company

By   
James E. Clausel, President

Montana Utility Management, Inc.

By   
James E. Clausel, President

**Aqua Utilities Company**  
**Deferred Rate Case Expense and Amortization**

E-6.00

	<u>Annual Amortization</u>
Recurring Attrition Period Regulatory Expense	\$1,200 A/
Attrition Period Rate Case Amortization	15,417 B/
<b>Total</b>	<u><u><b>\$16,617</b></u></u>

- A/ Company Expense Workpaper E-6.01.  
B/ Company Expense Workpaper E-6.20.



**Aqua Utilities Company**  
**Deferred Rate Case Expense and Amortization**

**RB-14.04-1.00**  
**E-6.01**

	<b>Estimated Cost</b>	<b>Annual Amortization</b>
Accounting	\$10,000 A/	\$3,333
Legal	6,250 B/	2,083
Regulatory	30,000 C/	10,000
<b>Total</b>	<b>\$46,250</b>	<b>\$15,417</b>

Cost to be amortized over three years beginning January 1, 2007 (Start of the Attrition Period).

	<b>Amortization</b>	<b>Balance</b>
Jan-07	\$1,284.72	\$44,965.28
Feb-07	1,284.72	43,680.56
Mar-07	1,284.72	42,395.83
Apr-07	1,284.72	41,111.11
May-07	1,284.72	39,826.39
<b>Attrition Year Midpoint</b>		<b>38,541.67</b>
Jun-07	1,284.72	37,256.94
Jul-07	1,284.72	35,972.22
Aug-07	1,284.72	34,687.50
Sep-07	1,284.72	33,402.78
Oct-07	1,284.72	32,118.06
Nov-07	1,284.72	30,833.33
Dec-07	1,284.72	29,548.61
Jan-08	1,284.72	28,263.89
Feb-08	1,284.72	26,979.17
Mar-08	1,284.72	25,694.44
Apr-08	1,284.72	24,409.72
May-08	1,284.72	23,125.00
Jun-08	1,284.72	21,840.28
Jul-08	1,284.72	20,555.56
Aug-08	1,284.72	19,270.83
Sep-08	1,284.72	17,986.11
Oct-08	1,284.72	16,701.39
Nov-08	1,284.72	15,416.67
Dec-08	1,284.72	14,131.94
Jan-09	1,284.72	12,847.22
Feb-09	1,284.72	11,562.50
Mar-09	1,284.72	10,277.78
Apr-09	1,284.72	8,993.06
May-09	1,284.72	7,708.33
Jun-09	1,284.72	6,423.61
Jul-09	1,284.72	5,138.89
Aug-09	1,284.72	3,854.17
Sep-09	1,284.72	2,569.44
Oct-09	1,284.72	1,284.72
Nov-09	1,284.72	0.00
Dec-09	1,284.72	

A/ Company Expense Workpaper E-3.05.

B/ Company Ratebase Workpaper RB-14.04-1.02.

C/ Company Ratebase Workpaper RB-14.04-1.01.

**Aqua Utilities Company**  
**Recurring Regulatory Expense**

E-6.20

Monthly Regulatory Expense

\$100.00 A/

Annual Regulatory Expense

\$1,200.00

A/ See contract with WHN Consulting on Expense Workpapers E-6.21 to E-6.25 to provide on going regulatory services to Aqua.

## NON-DOCKETED REGULATORY SERVICES AGREEMENT

This Regulatory Services Agreement ("Agreement") is entered into this \_\_\_ day of May, 2006, by and between Aqua Utilities Company, Inc., ("Company"), and William H. Novak, a sole proprietor ("Consultant") doing business as WHN Consulting.

**WHEREAS**, Company is engaged in the business of providing, water and wastewater distribution and treatment services (the "Business"); and

**WHEREAS**, Company is required to provide the Tennessee Regulatory Authority (the "Regulator") with periodic financial reports along with other data; and

**WHEREAS**, Company desires to retain the services of Consultant to assist it with the non-docketed regulatory duties required by the Regulator, and other such services, which Company may from time to time request of Consultant; and

**WHEREAS**, Consultant is engaged on a free-lance basis from time to time by various utilities to assist them with their regulatory requirements; and

**WHEREAS**, it is the intention of the parties hereto that Consultant be retained to assist the Company in fulfilling its regular ongoing responsibilities required by the Regulator.

**NOW, THEREFORE**, in consideration of the premises and of the promises and agreements hereinafter set forth, the parties do hereby agree as follows:

Section 1. Services to Be Provided by Consultant. Company hereby retains Consultant and Consultant hereby agrees to provide regulatory assistance and advice in connection with the Company's non-docketed filings and submittals to the Regulator. Consultant's assistance shall be limited to providing assistance and advice to the Company in recording its regulatory accounting transactions. Such assistance and advice is limited to only those informal and recurring matters before the Regulator that are not assigned with a docket number. **Consultant is not providing any legal advice. Company must rely on the review of its own legal professionals for such advice.**

### Section 2. Compensation and Expenses.

(a) Consulting Fee. In consideration of Consultant's performance of the Services, Company shall pay to Consultant a consulting fee at the flat rate of \$100.00 per month.

(b) Expenses. Company shall reimburse Consultant for all usual and customary business expenses incurred by Consultant while performing Services for Company in accordance with Company's customary policies and procedures, including but not limited to, reproduction expenses and overnight delivery expenses. Company shall reimburse Consultant for travel and lodging expenses only when such expenses are



incurred at the request of the Company.

(c) Payment Terms. Consultant will invoice Company on a monthly basis on or before the 15<sup>th</sup> day of the subsequent month along with any expense invoices that Consultant may have received on Company's behalf. Company will pay Consultant's invoices within 30 days of receipt of a proper invoice.

Section 3. Term and Termination.

(a) Unless earlier terminated pursuant to Section 3(b), the term of this Agreement shall commence on May 1, 2006 and shall terminate on December 31, 2006 (the "Initial Term"). This Agreement shall then automatically renew for additional three-month periods (each a "Renewal Term") unless terminated pursuant to Section 3(b). The Initial Term and all Renewal Terms shall be referred to as the "Term."

(b) This Agreement and the rights and obligations of the parties, other than those rights and obligations set forth in Section 6, which shall survive such termination in accordance with their terms, will immediately terminate upon the first to occur of the following events:

- (i) Fifteen (15) days written notice by either party to the other party of its decision to terminate this Agreement, which it may do with or without cause at any time in its sole discretion;
- (ii) the mutual written agreement of Company and Consultant; or
- (iii) any breach by either party of any of the terms, conditions, or covenants embodied in this Agreement, and the failure to cure the same within ten (10) days following written notice of such breach by the nonbreaching party.

(c) Except for payments for fees earned and expenses incurred prior to the date of the termination of this Agreement, all payments to Consultant under Section 2 shall cease immediately upon the date of such termination. Consultant shall not be entitled to any additional pay, remuneration or reimbursement for his performance of the Services in exchange for his covenants in Section 6. Any termination of this Agreement shall not alter Consultant's obligations under Section 6, nor the time periods during which Consultant is subject to those obligations.

Section 4. Duties and Responsibilities. During the Term, Consultant agrees to perform the Services at the direction of Company and to serve Company faithfully, diligently and to the best of his ability in his performance of the Services. In connection with his performance of the Services, Consultant will be subject to such policies, procedures, directions and restrictions as Company may reasonably establish, and provide to Consultant in writing, from time to time.

Section 5 Relationship of the Parties. Consultant is entering into this Agreement as, and



will continue to be an independent contractor and is not and shall not make any claim that he is an employee, agent, servant or representative of Company. Consultant shall have no authority to transact business, enter into agreements or otherwise make commitments on behalf of Company unless expressly authorized to do so in writing by an authorized officer of Company. Consultant shall not be entitled to any benefits accorded to Company's employees, including, without limitation, worker's compensation, disability insurance, medical or dental benefits, vacation or sick pay. Company is only interested in the results of Consultant's performance of the Services. Consultant shall have sole control of the manner and means of his performance responsibilities under this Agreement.

**Section 6 Confidentiality.** During the Term of this Agreement and for a period of two (2) years thereafter, Consultant agrees to treat as confidential any information, whether oral, written, electronic or otherwise, provided by Company to Consultant that Company identifies as confidential or that Consultant, considering the circumstances of disclosure and the subject matter of the information disclosed, should reasonably consider to be confidential. All written documents containing any confidential information shall be returned to Company by Consultant and all electronic confidential information shall be destroyed by Consultant when the Agreement terminates or at any time upon Company's request. This confidentiality provision shall not apply when Consultant has received such information from a third party on a non-confidential basis and not derived from Company. Consultant may disclose confidential information only if Consultant receives written permission from Company to disclose such information.

**Section 7 Taxes.** Consultant shall be responsible for all state, federal, and local withholdings and/or taxes, including estimated taxes and social security, and appropriate reporting for Consultant or any employees or agents of Consultant.

**Section 8 Records.** Consultant agrees to keep full and accurate records of all consulting work performed under this Agreement.

**Section 9 Indemnification.** Consultant agrees to indemnify, defend and save harmless Company, its employees, officers, directors, members and managers from and against any and all suits, claims, demands, losses, damages, fines, or judgments, and any expenses in connection with such, including without limitation, attorney's fees (collectively, the "Losses"), based upon or arising out of loss, damage or injury to the person or property of any other person or business entity resulting from any act or omission of Consultant, or its agents, in connection with the performance of the Services by Consultant. Company agrees to indemnify, defend and save harmless Consultant from and against any and all Losses, based upon or arising out of loss, damage or injury to the person or property of any other person or business entity resulting from the sole act or omission of Company, or its agents, in connection with the performance of the Services by Consultant, so long as such loss, damage or injury is in no way related to, a result of or arising from an act or omission of Consultant.



Section 10. Notices. All notices and other communications required or permitted under this Agreement shall be validly given, made, or served if in writing and delivered personally or sent by registered mail, to Consultant or Company at the following addresses:

addressed to Consultant at:  
William H. Novak  
WHN Consulting  
19 Morning Arbor Place  
The Woodlands, TX 77381

addressed to Company at:  
Aqua Utilities Company, Inc.  
408 Main Street  
Savannah, Tennessee 38372

Any notice which is delivered personally shall be deemed effective upon receipt by such party and any notice appropriately addressed and mailed shall be deemed effective on the third business day after the date it was placed in the mail, or if earlier, the time of actual receipt.

Section 11. Waiver. There shall be no waiver of any term, provision or condition of this Agreement unless the waiver is evidenced in writing. No such waiver shall be deemed to be a continuing waiver of such term, provision or condition of this Agreement unless the writing which evidences such waiver so states.

Section 12. Titles and Captions. All section titles or captions contained in this Agreement are for convenience only and shall not be deemed part of the context or affect the interpretation of this Agreement.

Section 13 Presumption. This Agreement or any section thereof shall not be construed against any party due to the fact that said Agreement or any section thereof was drafted by said party.

Section 14 Counterparts. This Agreement may be executed in two counterparts, each of which shall be deemed an original and both of which shall constitute one and the same instrument, binding on all parties hereto even though all the parties are not signatories to the same counterpart.

Section 15 Parties in Interest. Nothing herein shall be construed to be to the benefit of any third party, nor is it intended that any provision shall be for the benefit of any third party.

Section 16. Savings Clause. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Section 17. Entire Agreement. This Agreement contains the entire understanding between and among the parties and supersedes any prior understandings and agreements whether written or oral among them respecting the subject matter of this Agreement.

Section 18 Agreement Binding. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. This Agreement may not



be assigned by either party without the written consent of the other party, which consent shall not be unreasonably withheld, except that Company, upon notice to Consultant, may assign this Agreement to any of its affiliates without the written consent of Consultant.

Section 19. Amendment. This Agreement may be amended only by the written agreement of the parties hereto.

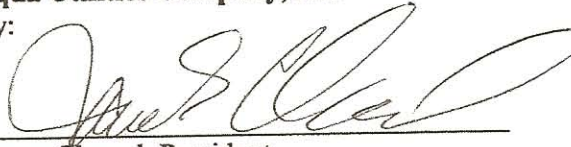
Section 20. Further Action. The parties hereto shall execute and deliver all documents, provide all information and take or forbear from all such action as may be necessary or appropriate to achieve the purposes of the Agreement.

Section 21. Survival. Consultant expressly agrees that any termination or rescission of this Agreement, regardless of the circumstances of or reason for such termination or rescission, shall not terminate, modify or any way diminish the enforceability of the covenants and agreements contained in this Agreement, including, without limitation, Sections 6, all of which covenants and agreements shall survive such termination or rescission.

Section 22. Conflict of Interest. Consultant warrants that no other contract or duty on its part now in existence conflicts with this Agreement and if Consultant becomes aware of any such conflict of interest, Consultant shall immediately notify Company.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

**COMPANY:**  
**Aqua Utilities Company, Inc.**  
By:

  
James Clausel, President

**CONSULTANT:**  
**WHN Consulting**  
By:

  
William H. Novak, Owner

**Aqua Utilities Company**  
**Analysis of Other Tax Expense**

**E-7.00**

<u>Account</u>	<u>Test Period</u>	<u>Adjustments</u>	<u>Adjusted Test Period</u>	<u>Adjustments</u>	<u>Attrition Period</u>
Property Taxes	\$905.00 A/	\$0.00	\$905.00	\$0.00	\$905.00 B/
Franchise Tax	100.00 A/	0.00	100.00	3,898.68	3,998.68 C/
TRA Inspection Fee	130.56 A/	0.00	130.56	1,165.44	1,296.00 D/
Other	490.00 A/	0.00	490.00	0.00	490.00
<b>Total</b>	<b>\$1,625.56</b>	<b>\$0.00</b>	<b>\$1,625.56</b>	<b>\$5,064.12</b>	<b>\$6,689.68</b>

- A/ Company Expense Workpapers E-7.04 - E-7.04A.  
 B/ Company Expense Workpaper E-7.01.  
 C/ Company Expense Workpaper E-7.02.  
 D/ Company Expense Workpaper E-7.03.

**Aqua Utilities Company**  
**Analysis of Property Tax Expense**

**E-7.01**

<u>Year</u>	<u>2005</u>	<u>2004</u>
City	\$259.00 A/	\$278.00 C/
County	646.00 B/	693.00 D/
<b>Total</b>	<b><u>\$905.00</u></b>	<b><u>\$971.00</u></b>

	<u>City</u>	<u>County</u>	<u>Total</u>
Current Assessment	\$35,502.00 A/	\$35,502.00 B/	
Tax Rate per \$100 of Assessed Value	0.73 A/	1.82 B/	
<b>Property Tax Expense</b>	<b><u>\$259.00</u></b>	<b><u>\$646.00</u></b>	<b><u>\$905.00</u></b>
Attrition Period Assessment	\$35,502.00	\$35,502.00	
Tax Rate per \$100 of Assessed Value	0.73 A/	1.82 B/	
<b>Attrition Period Property Tax Expense</b>	<b><u>\$259.00</u></b>	<b><u>\$646.00</u></b>	<b><u>\$905.00</u></b>

- A/ Company Expense Workpaper E-7.08.  
 B/ Company Expense Workpaper E-7.06.  
 C/ Company Expense Workpaper E-7.09.  
 D/ Company Expense Workpaper E-7.07.



**Aqua Utilities Company**  
**Analysis of Franchise Tax Expense**

**E-7.02**

	<u><b>Amount</b></u>
Attrition Period Rate Base (Net Worth)	\$1,599,471 A/
Tax Rate (\$0.25 per \$100.00)	\$0.0025 B/
<b>Attrition Period Franchise Tax</b>	<u><b>\$3,998.68</b></u>
Test Period Amount	100.00 C/
<b>Adjustment</b>	<u><u><b>\$3,898.68</b></u></u>

A/ Company Exhibit, Schedule 2.

B/ Statutory Rate.

C/ Company Expense Workpaper E-7.11

**Aqua Utilities Company**  
**Analysis of TRA Inspection Fee**

E-7.03

Test Period Amount	<u>\$130.56</u> A/
Attrition Period Revenues (Gross Receipts)	\$431,892 B/
Less Exemption	<u>5,000</u>
Net Taxable Revenues (Gross Receipts)	\$426,892
TRA Inspection Fee Rate	<u>0.30% C/</u>
<b>Attrition Period TRA Inspection Fee</b>	<u><b>\$1,296</b></u>
Adjustment	<u><b>\$1,165.44</b></u>

- A/ Company Expense Workpaper E-7.13.  
B/ Company Exhibit, Schedule 6.  
C/ Statutory Rate.

01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

AQUA

Page 19

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E-7.04

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
<b>403 Depreciation - Water (cont.)</b>						
			April	453.89	1,807.24	
05/31/05	GJE6	MAY DEPRECIATION		9.66		
05/31/05	GJE6	MAY DEPRECIATION		446.83		
			May	456.49	2,263.73	
06/30/05	GJE6	DEPRECIATION		448.73		
06/30/05	GJE6	DEPRECIATION		9.65		
			June	458.38	2,722.11	
07/31/05	GJE6	DEPRECIATION		449.00		
07/31/05	GJE6	DEPRECIATION		9.66		
			July	458.66	3,180.77	
08/31/05	GJE6	DEPRECIATION		448.91		
08/31/05	GJE6	DEPRECIATION		9.66		
			August	458.57	3,639.34	
09/30/05	GJE5	DEPRECIATION		450.56		
09/30/05	GJE5	DEPRECIATION		9.65		
			September	460.21	4,099.55	
10/31/05	GJE5	DEPRECIATION		451.01		
10/31/05	GJE5	DEPRECIATION		9.66		
			October	460.67	4,560.22	
*/30/05	GJE6	DEPRECIATION		451.51		
/30/05	GJE6	DEPRECIATION		9.65		
			November	461.16	5,021.38	
12/31/05	GJE8	DEPRECIATION		452.56		
12/31/05	GJE8	DEPRECIATION		9.66		
12/31/05	YJE10	TO RECORD THE DEPRECIATION ON AMOUNTS PD BY MONTANA FOR AQUA PLANT FOR YEARS '97 - '04 PLACED INTO EQUITY		35,605.05		
12/31/05	YJE16	DEPRECIATION FOR PRIOR YEARS ON ITEMS (TAPS) ADDED IN ORDER TO CAUSE DEPR. SCHD. CIAC TO EQUAL B.SHEET CIAC		956.25		
12/31/05	YJE17	TO RECORD THE AMORTIZATION FOR PRIOR YEARS ITEMS (TAPS) ADDED TO CAUSE DEPR. SCHD. CIAC TO EQUAL B.SHEET CIAC		(956.25)		
12/31/05	YJE18	TO RECORD AMORTIZATION OF CIAC THROUGH 2005		(25,852.12)		
			December	10,215.15	15,236.53	
				<u>15,236.53</u>		<u>15,236.53</u>
<b>408 Taxes other than income</b>			0.00			
02/25/05	2249	TN DEPT. OF REVENUE (TN F & E TAX RETURN)		100.00		
02/25/05	2250	JUDY GANT, SAVANNAH CITY RECORDER (CITY PROPERTY TAX)		259.00		
*/8/05	2251	LINDA MCCASLAND, HARDIN CO. TRUSTEE (COUNTY PROPERTY TAX)		646.00		



E-7.04A

01/01/05 - 12/31/05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

AQUA

Page 20

05/22/06 03:28 PM

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		<b>408 Taxes other than income (cont.)</b>				
			February	1,005.00	1,005.00	
12/31/05	YJE12	TO RECLASS TRA GROSS EARNINGS & INSPECTION FEE		130.56		
12/31/05	YJE13	TO RECLASS CORPORATION ANNUAL REPORT FEE		40.00		
12/31/05	YJE14	TO RECLASS FACILITY PERMIT ANNUAL MAINT. FEE - TREASURER, STATE OF TN.		250.00		
12/31/05	YJE15	TO RECLASS ANNUAL MAINT. FEE - TN ENVIRONMENT OF CONSERVATION		200.00		
			December	620.56	1,625.56	
				<u>1,625.56</u>		<u>1,625.56</u>
		<b>421 Non-utility income</b>	0.00			
01/31/05	GJE7	TO ADJUST TO ACTUAL		(0.11)		
			January	(0.11)	(0.11)	
02/28/05	GJE8	TO ADJUST SALES TAX PAYABLE TO ACTUAL		(0.05)		
			February	(0.05)	(0.16)	
04/30/05	GJE7	TO ADJUST TO ACTUAL		(0.50)		
			April	(0.50)	(0.66)	
05/31/05	GJE7	TO ADJUST TO ACTUAL		(0.15)		
			May	(0.15)	(0.81)	
07/31/05	GJE7	TO ADJUST TO ACTUAL		0.92		
			July	0.92	0.11	
08/31/05	GJE8	TO ADJUST		(0.11)		
			August	(0.11)	0.00	
12/31/05	GJE10	TO ADJUST		(2.45)		
12/31/05	GJE6	TO ADJUST SALES TAX PAYABLE TO ACTUAL		3.09		
12/31/05	GJE9	TO ADJUST		(0.64)		
			December	0.00	0.00	
				<u>0.00</u>		<u>0.00</u>
		<b>426 Non-Utility expense</b>	0.00			
03/31/05	GJE10	TO ADJUST SALES TAX PAYABLE TO ACTUAL		0.16		
			March	0.16	0.16	
05/31/05	GJE10	TO ADJUST A/R TO ACTUAL		0.01		
			May	0.01	0.17	
08/31/05	GJE7	TO ADJUST TO ACTUAL		0.55		
08/31/05	GJE8	TO ADJUST		0.11		
			August	0.66	0.83	

E-7.05

**AQUA UTILITIES COMPANY, INC.**  
**General Ledger**

AQUA04  
Page 1

01/01/04 - 12/31/04

ate	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
		<b>408 Taxes other than income</b>	0.00			
02/27/04	2055	JUDY GANT (2003 CITY PROPERTY TAXES)		278.00		
02/27/04	2056	LINDA MCCASLAND (2003 COUNTY PROPERTY TAXES)		693.00		
			February	971.00	971.00	
04/15/04	2083	TN DEPT. OF REVENUE (F & E TAX)		100.00		
			April	100.00	1,071.00	
				<u>1,071.00</u>		<u>1,071.00</u>

Range of Accounts Specified:

YTD Profit/(Loss) (1,071.00)

Number of Transactions

3

The General Ledger is in balance

0.00

E-7.06

STATE OF TENNESSEE  
PROPERTY TAX RECEIPT

## TAX PAYER COPY

AQUA UTILITIES COMPANY, IN  
ATTN: PRESIDENT  
706 MAIN STREET  
SAVANNAH TN 38372

RECEIPT NO: 036000-04-95006

COUNTY OF: HARDIN

CITY OF:

IF PAYMENT IS MADE BY CHECK, THIS RECEIPT IS NOT VALID UNTIL  
THE CHECK IS HONORED BY THE BANK ON WHICH IT WAS DRAWN

## MAP AND PARCEL

DIST.	MAP NO.	GP.	CTL. MAP	PARCEL	S. INT.	CITY	TAX RATE \$		
						000	1.8200		
PROPERTY ADDRESS					100 % LAND VALUE			\$ 0	
WS000150					100 % IMPMT VALUE			\$ 0	
SUBDIVISION NAME					PER. PROP. VALUE			\$ 0	
					TOTAL PROP. VALUE			\$ 0	
DIMENSIONS					ASSESSMENT @ 0%			\$ 35,502	
					NET PROPERTY TAXES			\$ 646.00	
ADDITIONAL DESCRIPTION					SSD			\$ 0.00	
					SSD			\$ 0.00	
					TOTAL SSD TAXES			\$ 0.00	
WARD	DEED BOOK	DEED BK. PG.	ACRES		DEED CALC	ROLLBACK TAXES			\$ 0.00
PLAT BOOK	PAGE	BLOCK	LOT	INT. CD		MISC. FEE TAXES			\$ 0.00
					TOTAL DUE			\$ 646.00	

A LISTING OF THE LEVIES COMPOSING  
THE TAX RATE AND THE PURPOSES FOR  
WHICH LEVIED IS AVAILABLE IN THE  
OFFICE OF THE COLLECTING OFFICIAL  
UPON REQUEST

TOTAL DUE: \$ 646.00

DISCOUNT

ADJUSTMENT \$

PENALTY &  
INTEREST \$TOTAL  
COLLECTED \$ 646.00PLEASE CHECK THE PARCEL AS IT IS YOUR RESPONSIBILITY  
TO SEE THAT TAXES ARE PAID ON ALL OF YOUR PROPERTY

FEB 28 2005

VOID IF NOT VALIDATED

DATE PAID

AUTHORIZED OFFICIAL

LINDA MCCASLAND

00006 036 000 000

- Pd. 2-28-05

- Linda McCasland

- \$ 646.00

- CK # 2251

- County Property Tax



E-7.07

## TAXPAYER'S COPY



AQUA UTILITIES COMPANY, IN  
ATTN: PRESIDENT  
706 MAIN STREET  
SAVANNAH TN 38372

STATE OF TENNESSEE

## PROPERTY TAX RECEIPT

RECEIPT NO: 036000-03-95004

MTG. CD.

COUNTY OF: HARDIN

CITY OF:

IF PAYMENT IS MADE BY CHECK, THIS RECEIPT IS NOT VALID UNTIL  
CHECK HAS BEEN HONORED BY THE BANK ON WHICH IT WAS DRAWN

## MAP AND PARCEL

DIST.	MAP NO.	GP.	CTL. MAP	PARCEL	S. INT.	CITY	TAX RATE \$
						000	1.8200
PROPERTY ADDRESS							100% LAND VALUE
WS000150							\$ 0.00
SUBDIVISION NAME							100% IMPMT VALUE
							\$ 0.00
DIMENSIONS							PER. PROP. VALUE
							\$ 0.00
ADDITIONAL DESCRIPTION							TOTAL PROP. VALUE
							\$ 38,097
							ASSESSMENT AT 0%
							\$ 693.00
							NET PROPERTY TAXES
							\$ 693.00
							SSD
							\$ 0.00
							SSD
							\$ 0.00
							TOTAL SSD TAXES
							\$ 0.00
WARD	DEED BOOK	DEED BK. PG.	ACRES				ROLLBACK TAXES
							\$ 0.00
DEED CALC.							MISC FEE
							\$ 0.00
PLAT BOOK	PAGE	BLOCK	LOT	INT. CODE		TOTAL DUE	693.00

A LISTING OF THE LEVIES COM-  
POSING THE TAX RATE AND THE  
PURPOSES FOR WHICH LEVIED IS  
AVAILABLE IN THE OFFICE OF  
THE COLLECTING OFFICIAL UPON  
REQUEST.

TOTAL DUE: \$ 693.00

DISCOUNT

% \$

ADJUSTMENT \$

PENALTY

&amp; INTEREST \$

TOTAL

COLLECTED \$

693.00

PLEASE CHECK THE PARCELS AS IT IS YOUR RESPONSIBILITY  
TO SEE THAT TAXES ARE PAID ON ALL YOUR PROPERTY

VOID IF NOT VALIDATED

00004 036 000 000

DATE PAID

02-27-04

AUTHORIZED OFFICIAL

LINDA MCCASLAND

-Pd. 2-27-04

-CK. # 2056

-\$ 693.00

-County taxes-

Ph. 925-8180

MAP 137  
Parcel 1203

1.88 acres  
Pyburn L

E-7.08

IMPORTANT: When paying property taxes in person, please bring this notice with you. If you mail your property tax payment, please write the receipt number on your check.

GENERAL INFORMATION

EXACT COPY

AQUA UTILITIES COMPANY, IN  
ATTN: PRESIDENT  
706 MAIN STREET  
SAVANNAH TN 38372

STATE OF TENNESSEE  
PROPERTY TAX RECEIPT

RECEIPT NO: 036644-04-95001  
COUNTY OF: HARDIN  
CITY OF: SAVANNAH

IF PAYMENT IS MADE BY CHECK, THIS RECEIPT IS NOT VALID UNTIL  
THE CHECK IS HONORED BY THE BANK ON WHICH IT WAS DRAWN

MAP AND PARCEL

DIST.	MAP NO.	GP.	CTL. MAP	PARCEL	S. INT.	CITY	TAX RATE \$
						644	.7300
PROPERTY ADDRESS							PROPERTY VALUE INFORMATION
WS000150							
SUBDIVISION NAME							
DIMENSIONS							
ADDITIONAL DESCRIPTION							
WARD	DEED BOOK	DEED BK. PG.	ACRES		DEED CALC	100 % LAND VALUE \$ 0	
PLAT BOOK	PAGE	BLOCK	LOT	INT. CD		100 % IMPMT VALUE \$ 0	
						PER. PROP. VALUE \$ 0	
						TOTAL PROP. VALUE \$ 0	
						ASSESSMENT @ 0% \$ 35,502	
						NET PROPERTY TAXES \$ 259.00	
						SSD \$ 0.00	
						SSD \$ 0.00	
						TOTAL SSD TAXES \$ 0.00	
						ROLLBACK TAXES \$ 0.00	
						MISC. FEE TAXES \$ 0.00	
						TOTAL DUE \$ 259.00	

A LISTING OF THE LEVIES COMPOSING  
THE TAX RATE AND THE PURPOSES FOR  
WHICH LEVIED IS AVAILABLE IN THE  
OFFICE OF THE COLLECTING OFFICIAL  
UPON REQUEST

TOTAL DUE: \$ 259.00  
DISCOUNT \_\_\_\_\_ %  
ADJUSTMENT \$ \_\_\_\_\_  
PENALTY & INTEREST \$ \_\_\_\_\_  
TOTAL COLLECTED \$ 259.00

PLEASE CHECK THE PARCEL AS IT IS YOUR RESPONSIBILITY  
TO SEE THAT TAXES ARE PAID ON ALL OF YOUR PROPERTY

VOID IF NOT VALIDATED

00001 036 000 000

2-28-05  
DATE PAID

AUTHORIZED OFFICIAL  
JUDY A GANT



- Pd. 2 - 28-05  
- CK. # 2250  
- \$259.00  
- City Property Tax  
- To: Judy GANT

E-7.09

## TAXPAYER'S COPY

AQUA UTILITIES COMPANY, IN  
ATTN: PRESIDENT  
706 MAIN STREET  
SAVANNAH TN 38372

STATE OF TENNESSEE

PROPERTY TAX RECEIPT

RECEIPT NO: 036644-03-95001  
COUNTY OF: HARDIN  
CITY OF: SAVANNAH

MTG. CD.

IF PAYMENT IS MADE BY CHECK, THIS RECEIPT IS NOT VALID UNTIL  
CHECK HAS BEEN HONORED BY THE BANK ON WHICH IT WAS DRAWN

## MAP AND PARCEL

DIST.	MAP NO.	GP.	CTL. MAP	PARCEL	S. INT.	CITY	TAX RATE \$
						644	7300
PROPERTY ADDRESS							100% LAND VALUE
WS000150							\$ 0
SUBDIVISION NAME							100% IMPMT VALUE
							\$ 0
DIMENSIONS							PER. PROP. VALUE
							\$ 0
ADDITIONAL DESCRIPTION							TOTAL PROP. VALUE
							\$ 38,097
WARD							ASSESSMENT AT 0 %
DEED BOOK							NET PROPERTY TAXES
DEED BK. PG.							\$ 278.00
ACRES							SSD
DEED							\$ 0.00
CALC.							SSD
MISC FEE							\$ 0.00
RELAT BOOK							TOTAL SSD TAXES
PAGE							\$ 0.00
BLOCK							ROLLBACK TAXES
LOT							\$ 0.00
INT. CODE							\$ 0.00
TOTAL DUE							\$ 278.00

A LISTING OF THE LEVIES COM-  
POSING THE TAX RATE AND THE  
PURPOSES FOR WHICH LEVIED IS  
AVAILABLE IN THE OFFICE OF  
THE COLLECTING OFFICIAL UPON  
REQUEST.

TOTAL DUE: \$ 278.00

DISCOUNT

% \$

ADJUSTMENT \$

PENALTY

&amp; INTEREST \$

TOTAL

COLLECTED \$

PLEASE CHECK THE PARCELS AS IT IS YOUR RESPONSIBILITY  
TO SEE THAT TAXES ARE PAID ON ALL YOUR PROPERTY

VOID IF NOT VALIDATED

00001 036 644 000

DATE PAID

AUTHORIZED OFFICIAL

JUDY A GANT

-Pd. 2-27-04

-CK. # 2056 # 2055

-\$ 278.00 Sv. City taxes



TENNESSEE DEPARTMENT OF REVENUE  
**FRANCHISE, EXCISE TAX RETURN**

**FAE**  
**170**  
1022

<b>FRANCHISE, EXCISE TAX RETURN</b>					
Taxable Year Beginning: <b>1/01/03</b> Ending: <b>12/31/03</b>		Account No. <b>318053068</b>		FEIN or SSN <b>62-1493779</b>	
		Due Date <b>10/15/04</b>			
<b>CHECK APPROPRIATE BLOCK(S):</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>a. <input type="checkbox"/> Tennessee domestic corporation</p> <p>b. <input type="checkbox"/> Foreign corporation</p> <p>c. <input checked="" type="checkbox"/> S Corporation</p> <p>d. <input type="checkbox"/> Insurance Company</p> <p>e. <input type="checkbox"/> LLC</p> <p>f. <input type="checkbox"/> PLLC</p> <p>g. <input type="checkbox"/> Single Member LLC/individual</p> <p>h. <input type="checkbox"/> Single Member LLC/corporation</p> <p>i. <input type="checkbox"/> Single Member LLC/general partnership</p> </div> <div style="width: 45%;"> <p>j. <input type="checkbox"/> Single Member LLC/Division of parent (see instructions)</p> <p>k. <input type="checkbox"/> LP</p> <p>l. <input type="checkbox"/> LLP</p> <p>m. <input type="checkbox"/> RLLP</p> <p>n. <input type="checkbox"/> PRLLP</p> <p>o. <input type="checkbox"/> Business Trust</p> <p>p. <input type="checkbox"/> Not-For-Profit</p> <p>q. <input type="checkbox"/> Other _____</p> </div> </div>					
				If this is an AMENDED RETURN, please check the box at right. <input type="checkbox"/>	
				If the taxpayer is inactive in Tennessee, please check the box at right. <input type="checkbox"/>	
				If this is a FINAL RETURN for termination or withdrawal, please check box at right. <input type="checkbox"/>	
				If the payment for this return was sent via EFT, please check the box at right. <input type="checkbox"/>	
				If the taxpayer is a member of a consolidated group, please check the box at right. <input type="checkbox"/>	
				If the taxpayer is a member of a partnership operating in Tennessee, please check the box at right. <input type="checkbox"/>	
<b>Aqua Utilities Company, Inc.</b>  <b>706 Main Street Savannah TN 38372</b>				Enter the principal business activity code (NAICS) listed in federal IRC instructions that best describes the principal business activity in Tennessee. <b>221300</b>	
				Date Tennessee Operations Began  <b>4/03/92</b>	If you use a paid preparer and do not want forms mailed to you next year, check box at right. <input checked="" type="checkbox"/>

SCHEDULE A - COMPUTATION OF FRANCHISE TAX		DOLLARS	CENTS
1. Total net worth from Schedule F, Line 6		(1) -110,428	
2. Total real & tangible personal property from Schedule G, Line 14		(2)	
3. Franchise tax (25¢ per \$100.00 or major fraction thereof on the greater of Lines 1 or 2; minimum \$100.00)		(3) 100	
<b>SCHEDULE B - COMPUTATION OF EXCISE TAX</b>			
4. Income subject to excise tax from Schedule J, Line 30		(4) -35,191	
5. Excise tax (6.5% of Line 4)		(5) 0	
6. Add: Recapture of excise tax credit from Schedule T, Part 2		(6)	
7. Net excise tax due (Line 5 plus Line 6)		(7)	
<b>SCHEDULE C - COMPUTATION OF TOTAL TAX DUE OR OVERPAYMENT</b>			
8. Total Franchise and Excise taxes - Add lines 3 and 7		(8) 100	
9. Deduct: Total credit from Schedule D, Line 7 (cannot exceed Line 8)		(9)	
10. Subtotal: Line 8 less Line 9 (if Line 9 exceeds Line 8, enter 0 here)		(10) 100	
11. Deduct: Total payments from Schedule E, Line 7		(11) 100	
12. Penalty (5% for each 30-day period of delinquency not to exceed 25%; minimum penalty is \$15)		(12)	
13. Interest (8.25% per annum on taxes unpaid by the due date)		(13)	
14. Penalty on estimated franchise, excise tax payments		(14)	
15. Interest on estimated franchise, excise tax payments		(15)	
16. Total amount due (overpayment) - Add lines 10, 12, 13, 14, and 15, less Line 11		(16) 0	
If overpayment reported on Line 16, complete A and/or B:			
A. <input type="checkbox"/> Credit to next year's tax \$		B. <input type="checkbox"/> Refund \$	
<b>POWER OF ATTORNEY - Check YES</b>		Under penalties of perjury, I declare that I have examined this report, and to the best of my knowledge and belief, it is true, correct, and complete.	
if this taxpayer's signature certifies that this tax preparer has the authority to execute this form on behalf of the taxpayer and is authorized to receive and inspect confidential tax information and to perform any and all acts relating to respective tax matters.		<b>President</b>	
		Taxpayer's Signature	Date <b>428-23-6255</b> <b>6/18/04</b> <b>731-925-6547</b>
		Tax Preparer's Signature <b>706 Main St</b>	Preparer's SSN      Date      Telephone
		Preparer's Address <b>Savannah</b> <b>TN 38372</b>	
		City      State      ZIP	
<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		Remit amount in item 16, payable to: <b>TENNESSEE DEPARTMENT OF REVENUE</b> Andrew Jackson State Office Building 500 Deaderick Street, Nashville, TN 37242	

17031531805306820030101200312310120000000000000000000000000000000009



**FAE**  
**170**  
1022

<b>FRANCHISE, EXCISE TAX RETURN</b>		<b>Account No.</b> <b>318053068</b>		<b>FEIN or SSN</b> <b>62-1493779</b>	
<b>Taxable Year</b> <b>Beginning: 1/01/04</b> <b>Ending: 12/31/04</b>		<b>Due Date</b> <b>4/15/05</b>		<b>AMENDED RETURN</b> , please check the box at right. <input type="checkbox"/>	
<b>CHECK APPROPRIATE BLOCK(S):</b>		<b>j. Single Member LLC/Division of parent (see instructions)</b>		<b>FINAL RETURN</b> for termination or withdrawal, please check box at right. <input type="checkbox"/>	
a.	<input type="checkbox"/> Tennessee domestic corporation	k.	<input type="checkbox"/> LP	<b>Payment for this return</b> was sent via EFT, please check the box at right. <input type="checkbox"/>	
b.	<input type="checkbox"/> Foreign corporation	l.	<input type="checkbox"/> LLP	<b>If the taxpayer is a member of an affiliated group</b> that has made an election to compute consolidated net worth, please check the box at right. <input type="checkbox"/>	
c.	<input checked="" type="checkbox"/> S Corporation	m.	<input type="checkbox"/> RLLP		
d.	<input type="checkbox"/> Insurance Company	n.	<input type="checkbox"/> PRLLP		
e.	<input type="checkbox"/> LLC	o.	<input type="checkbox"/> Business Trust		
f.	<input type="checkbox"/> PLLC	p.	<input type="checkbox"/> Not-For-Profit		
g.	<input type="checkbox"/> Single Member LLC/individual	q.	<input type="checkbox"/> Other _____		
h.	<input type="checkbox"/> Single Member LLC/corporation				
i.	<input type="checkbox"/> Single Member LLC/general partnership				
<b>Aqua Utilities Company, Inc.</b>  <b>408 Main Street</b> <b>Savannah</b>				<b>Enter the principal business activity code (NAICS) listed in federal IRC instructions that best describes the principal business activity in Tennessee.</b> <b>221300</b>	
<b>TN 38372</b>				<b>Date Tennessee Operations Began</b>  <b>4/03/92</b>	
				<b>If you use a paid preparer and do not want forms mailed to you next year, check box at right.</b> <input checked="" type="checkbox"/>	

SCHEDULE A - COMPUTATION OF FRANCHISE TAX		DOLLARS	CENTS
1. Total net worth from Schedule F1, Line 5 or Schedule F2, Line 3	(1)	-142,891	
2. Total real & tangible personal property from Schedule G, Line 15	(2)		
3. Franchise tax (25¢ per \$100.00 or major fraction thereof on the greater of Lines 1 or 2; minimum \$100.00)	(3)	100	
<b>SCHEDULE B - COMPUTATION OF EXCISE TAX</b>			
4. Income subject to excise tax from Schedule J, Line 31	(4)	-53,525	
5. Excise tax (6.5% of Line 4)	(5)	0	
6. Add: Recapture of excise tax credit from Schedule T, Part 2	(6)		
7. Net excise tax due (Line 5 plus Line 6)	(7)		
<b>SCHEDULE C - COMPUTATION OF TOTAL TAX DUE OR OVERPAYMENT</b>			
8. Total Franchise and Excise taxes - Add lines 3 and 7	(8)	100	
9. Deduct: Total credit from Schedule D, Line 7 (cannot exceed Line 8)	(9)		
10. Subtotal: Line 8 less Line 9 (if Line 9 exceeds Line 8, enter 0 here)	(10)	100	
11. Deduct: Total payments from Schedule E, Line 7	(11)		
12. Penalty (5% for each 30-day period of delinquency not to exceed 25%; minimum penalty is \$15)	(12)		
13. Interest (8.00% per annum on taxes unpaid by the due date)	(13)		
14. Penalty on estimated franchise, excise tax payments	(14)		
15. Interest on estimated franchise, excise tax payments	(15)		
16. Total amount due (overpayment) - Add lines 10, 12, 13, 14, and 15, less Line 11	(16)	100	
If overpayment reported on Line 16, complete A and/or B:			
A. <input type="checkbox"/> Credit to next year's tax \$		B. <input type="checkbox"/> Refund \$	
<b>POWER OF ATTORNEY - Check YES</b> Under penalties of perjury, I declare that I have examined this report, and to the best of my knowledge and belief, it is true, correct, and complete.			
if this taxpayer's signature certifies that this tax preparer has the authority to execute this form on behalf of the taxpayer and is authorized to receive and inspect confidential tax information and to perform any and all acts relating to respective tax matters.			
<div style="display: flex; justify-content: space-between;"> <div> <b>President</b>            Taxpayer's Signature <u>Mark Godwin, CPA</u>            Tax Preparer's Signature <u>408 Main Street</u>            Preparer's Address <u>Savannah</u>            City <u>TN</u> <u>38372</u>            State <u></u> ZIP <u></u> </div> <div>           Date <u>428-23-6255</u>            Preparer's SSN <u>2/18/05</u>            Date <u>731-925-6547</u>            Telephone         </div> </div>			

OFFICE  
ONLY[illegible]

Remit amount in item 16, payable to:  
**TENNESSEE DEPARTMENT OF REVENUE**  
 Andrew Jackson State Office Building  
 500 Deaderick Street, Nashville, TN 37242

[illegible]





Form UD-20

**TENNESSEE REGULATORY AUTHORITY  
STATEMENT OF GROSS EARNINGS AND COMPUTATION OF INSPECTION FEE  
DUE DATE: April 1, 2005**

Company Id: 35872  
Aqua Enterprises, Inc.

State the gross receipts from all sources of the utility for the Calendar Year 20043 as provided by Tenn. Code Ann. § 65-4-303:

<u>Gross Receipts:</u>	<u>Entire Company</u>	<u>Tennessee</u>
Energy & Water:		
Gas Revenues	\$ _____	\$ _____
Electric Revenues	_____	_____
Water Revenues	* <u>48,521</u>	<u>48,521</u>
Miscellaneous	_____	_____
Less: Uncollectibles	_____	_____
<b>TOTAL REVENUES</b>	\$ _____	\$ _____

**COMPUTATION OF FEE**

1. Tennessee Intrastate Gross Receipts	\$ <u>48,521</u>
2. Less: Exemptions	<u>5,000.00</u>
3. Net Intrastate Gross Receipts (Line 1 - Line 2)	<u>43,521</u>
4. .3% x First \$1,000,000 or line 3, if smaller	<u>130.56</u>
5. .2% x All over \$1,000,000	
6. <b>Total Inspection Fee</b> (Line 4 + Line 5) or <b>Minimum Fee of \$100</b> (whichever is greater)	\$ <u>130.56</u>

I, the undersigned owner, president, or secretary of the above named public utility, doing business in the State Tennessee and subject to the control and jurisdiction of the Tennessee Regulatory Authority, for the purpose of paying the State of Tennessee, as provided by Tenn. Code Ann. § 65-4-301 et. seq., a fee for the inspection, control and supervision of the business, service, and rates of said public utility, being first duly sworn, on oath, state that the above figures accurately state the gross receipts from all sources of the utility for the Year 2004, and the inspection fee computed therefrom.

NAME JAMES E. CLAUSEL  
(Please Print)  
TITLE President

\* SIGNATURE [Signature]  
TELEPHONE (731) 925-6547

Sworn to and subscribed to before me this 23<sup>RD</sup> day of March, 2005.

NOTARY PUBLIC Kenny Williams

My Commission Expires 5-29-05

NOTE: A PENALTY OF 10% PER MONTH OR A FRACTION THEREOF, PURSUANT TO TENN. CODE ANN. § 65-4-308 WILL BE ASSESSED FOR LATE PAYMENT IF NOT PAID ON OR BEFORE APRIL 1<sup>st</sup>.

PS0368

\* 31,501 - Water  
17020 - WASTEWATER





Form UD-20

**TENNESSEE REGULATORY AUTHORITY  
STATEMENT OF GROSS EARNINGS AND COMPUTATION OF INSPECTION FEE  
DUE DATE: April 1, 2004**

Company ID #: 35872  
Aqua Enterprises, Inc.

State the gross receipts from all sources of the utility for the Calendar Year 2003 as provided by Tenn. Code Ann. § 65-4-303:

<u>Gross Receipts:</u>	<u>Entire Company</u>	<u>Tennessee</u>
Energy & Water:		
Gas Revenues	\$ _____	\$ _____
Electric Revenues	_____	_____
Water Revenues	* <u>45,915</u>	<u>45,915</u>
Miscellaneous	_____	_____
Less: Uncollectibles	_____	_____
<b><u>TOTAL REVENUES</u></b>	\$ <u>=====</u>	\$ <u>=====</u>

COMPUTATION OF FEE

1. Tennessee Intrastate Gross Receipts	\$ <u>45,915</u>
2. Less: Exemptions	<u>5,000.00</u>
3. Net Intrastate Gross Receipts (Line 1 - Line 2)	<u>40,915</u>
4. .3% x First \$1,000,000 or line 3, if smaller	<u>122.75</u>
5. .2% x All over \$1,000,000	
6. <b><u>Total Inspection Fee</u></b> (Line 4 + Line 5) or <b>Minimum Fee of \$100</b> (whichever is greater)	\$ <u>122.75</u>

I, the undersigned owner, president, or secretary of the above named public utility, doing business in the State Tennessee and subject to the control and jurisdiction of the Tennessee Regulatory Authority, for the purpose of paying the State of Tennessee, as provided by Tenn. Code Ann. § 65-4-301 et. seq., a fee for the inspection, control and supervision of the business, service, and rates of said public utility, being first duly sworn, on oath, state that the above figures accurately state the gross receipts from all sources of the utility for the Year 2003, and the inspection fee computed therefrom.

X NAME James E. Clause L X SIGNATURE [Signature]  
(Please Print)  
TITLE President TELEPHONE (731) 925-6547  
Sworn to and subscribed to before me this 26<sup>th</sup> day of March, 2004.  
NOTARY PUBLIC Kerry Williams My Commission Expires 5-29-05

NOTE: A PENALTY OF 10% PER MONTH OR A FRACTION THEREOF, PURSUANT TO TENN. CODE ANN. § 65-4-308 WILL BE ASSESSED FOR LATE PAYMENT IF NOT PAID ON OR BEFORE APRIL 1<sup>st</sup>.

WA 441 - 30,492

PS0368

**Aqua Utilities Company**  
**Analysis of Income Tax Expense**

E-8.00

Aqua Utilities is a sole proprietorship.  
As a result, all federal Income taxes flow to the owners personal return.