

**RECONCILIATION BETWEEN FERC, PSC AND STOCKHOLDER'S
ANNUAL REPORT (Continued)
(\$000s)**

Line No.	Description	PSC USOA	Adjustments						Consolidations Eliminations	Footnote Ref	Stockholder's Report
1	Statement of Cash Flows										
2	<u>Operating Activities</u>										
3											
4											
5											
6											
7											
8	<u>Investing Activities</u>										
9											
10											
11											
12											
13											
14	<u>Financing Activities</u>										
15											
16											
17											
18	Net increase (decrease) in cash										
19	and cash equivalents	0	0	0	0	0	0	0	0		0
20											
21											
22	Cash and cash equivalents,										
23	Beginning of Year										
24											
25	Cash and cash equivalents,										
26	End of Year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0

FOOTNOTES

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beg. of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Water Plant (101-107, 114, 116, 117, 118.1, 118.2)	200-201	\$12,310,947	\$12,466,482
3	(Less) Accum. Prov. for Depr. Amort. Depl. (108-113, 115, 119.1, 119.2)	200-201	2,953,200	3,009,655
4	Net Utility Plant (Total of line 2 less 3)	-	9,357,747	9,456,827
5	OTHER PROPERTY AND INVESTMENTS	-		
6	Nonutility Property (121)	211		
7	(Less) Accum. Prov. for Depr. and Amort. (122)	-		
8	Investments in Associated Companies (123)	210		
9	Investment in Subsidiary Companies (123.1)	-		
10	Other Investments (124)	210	0	0
11	Sinking Funds (125)	212		
12	Depreciation Funds (126)	212		
13	Other Special Funds (128)	212		
14	TOTAL Other Property and Investments (Total of lines 6 thru 13)	-	0	0
15	CURRENT AND ACCRUED ASSETS	-		
16	Cash (131)	-	0	0
17	Interest Special Deposits (132)	212		
18	Dividend Special Deposits (133)	212		
19	Other Special Deposits (134)	212	0	0
20	Working Fund (135)	-	0	0
21	Temporary Cash Investments (136)	-	0	0
22	Notes Receivable (141)	213		
23	Customer Accounts Receivable (142)	213	276,083	298,273
24	Other Accounts Receivable (143)	213	0	0
25	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	213	19,483	15,130
26	Notes Receivable from Associated Companies (145)	214		
27	Accounts Receivable from Assoc. Companies (146)	214	276,594	
28	Materials and Supplies (150)	215	37,296	48,486
29	Prepayments (165)	215	38,070	47,653
30	Interest and Dividends Receivable (171)	-		
31	Rents Receivable (172)	-	0	0
32	Accrued Utility Revenues (173)	-	451,327	401,069
33	Miscellaneous Current and Accrued Assets (174)	-		
34	TOTAL Current and Accrued Assets (Enter Total of lines 16 thru 33)	-	1,059,887	780,351
35	DEFERRED DEBITS	-		
36	Unamortized Debt Expense (181)	-		
37	Extraordinary Property Losses (182)	216		
38	Preliminary Survey and Investigative Charges (183)	-	0	
39	Clearing Accounts (184)	-		
40	Temporary Facilities (185)	-		
41	Miscellaneous Deferred Debits (186)	216	1,953,410	1,996,608
42	Investment in Research and Development (188)	352-353		
43	Unamortized Loss on Reacquired Debt	-		
44	Accumulated Deferred Income Taxes (190)	217		
45	TOTAL Deferred Debits (Enter Total of lines 36 thru 44)	-	1,953,410	1,996,608
46	TOTAL Assets and Other Debits (Enter Total of lines 4, 14, 34, and 45)	-	\$12,371,044	\$12,233,786

STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i, k, m, o) in a similar manner to a utility department. Spread the amount(s) over lines 02 thru 23 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

3. Use page 124-125 for important notes regarding the statement of income or any account thereof.

4. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to water purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to water purchases.

5. Give concise explanations concerning significant amount of any refunds made or received during the year

resulting from settlement of any rate proceedings, and a summary of the adjustments to the balance sheet, income, and expense statement.

6. If any notes appearing in the report are applicable to this Statement of Income, include them on page 124-125.

7. Enter on page 124-125 a concise summary of changes in accounting methods made during the year.

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL		Water Utility	
			Current Year (c)	Previous Year (d)	Current Year (e)	Previous Year (f)
1	UTILITY OPERATING INCOME	-				
2	Operating Revenues (400)	300	\$2,780,840	\$3,115,777	\$2,780,840	\$3,115,777
3	Operating Expenses	-				
4	Operation Expenses (401)	307-309	692,231	701,207	692,231	701,207
5	Maintenance Expenses (402)	307-309	121,218	88,849	121,218	88,849
6	Depreciation Expense (403)	311-312	271,593	244,540	271,593	244,540
7	Amort. Limited-term Water Plant (404)	311-312	0	0		
8	Amort. of Other Water Plant (405)	311-312	0	0		
9	Amort. of Water Plant Acquisition Adjustment (406)	-	0	0		
10	Amort. of Property Losses (407)	-	0	0		
11	Regulatory Debits	-	0	0		
12	(Less) Regulatory Credits	-	0	0		
13	Taxes Other Than Income Taxes (408.1)	258-260	1,160,712	882,574	1,160,712	882,574
14	Income Taxes -- Federal (409.1)	258-260	(107,658)	316,863	(107,658)	316,863
15	-- Other (409.1)	258-260	167,615	100,773	167,615	100,773
16	Provision for Deferred Income Taxes (410.1)	-	23,798	27,513	23,798	27,513
17	(Less) Provision for Deferred Income Taxes -Cr. (411.1)	-	0	0		
18	Investment Tax Credit Adj. -- Net (411.4)	-	0	0		
19	Misc. Adjustments of Income Taxes (411.8)	-	0	0		
20	Water Plant Leased to Others (412)		0	0	0	0
21	(Less) Gains from Disp. of Utility Plant	-	0	0		
22	Losses from Disp. of Utility Plant	-	0	0		
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 21)	-	2,329,509	2,362,319	2,329,509	2,362,319
24	Net Utility Operating Income (Enter Total of line 2 less 22) (Carry forward to page 118)	-	\$451,331	\$753,458	\$451,331	\$753,458

STATEMENT OF INCOME FOR THE YEAR (Continued)

which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

8. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

3 explanation of only those
3 during the year

Other Utility		Other Utility		Line No.
Current Year	Previous Year	Current Year	Previous Year	
(g)	(h)	(i)	(j)	
				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
0	0	0	0	22
\$0	\$0	\$0	\$0	23

STATEMENT OF INCOME FOR THE YEAR				
Line No.	Account (a) <input type="checkbox"/>	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 116)	-	\$451,331	\$753,458
26	Other Income and Deductions	-		
27	Other Income	-		
28	Nonutility Operating Income	-		
29	Revenues From Merchandising, Jobbing and Contract Work (415)	315	0	0
30	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)	315	0	0
31	Revenues From Nonutility Operations (417)	316	0	0
32	(Less) Expenses of Nonutility Operations (417.1)	316		
33	Nonoperating Rental Income (418)	-		
34	Equity in Earnings of Subsidiary Companies	-		
35	Interest and Dividend Income (419)	-		0
36	Allowance for Other Funds Used During Construction (419.1)	207	1,978	907
37	Miscellaneous Nonoperating Income (421)	316	0	0
38	Gain in Disposition of Property (421.1)	317	1,970	
39	TOTAL Other Income (Enter Total of lines 28 thru 37)	-	3,948	907
40	Other Income Deductions	-		
41	Loss on Disposition of Property (421.2)	317		
42	Miscellaneous Amortization (425)	318-320	1,368	1,988
43	Miscellaneous Income Deductions (426)	318-320	0	0
44	TOTAL Other Income Deductions (Total of lines 40 thru 42)	-	1,368	1,988
45	Taxes Applicable to Other Income and Deductions	-		
46	Taxes Other Than Income Taxes (408.2)	258-260		
47	Income Taxes -- Federal (409.2)	258-260	0	0
48	Income Taxes -- Other (409.2)	258-260	0	0
49	Provision for Deferred Inc. Taxes (410.2)	-		
50	(Less) Provision for Deferred Income Taxes -- Cr. (411.2)	-		
51	Investment Tax Credit Adj. -- Net (411.5)	-		
52	(Less) Investment Tax Credits (420)	-		
53	TOTAL Taxes on Other Income and Deduct. (Total of 45 thru 51)	-	0	0
54	Net Other Income and Deductions (Enter Total of lines 38, 43, 52)	-	2,580	(1,081)
55	Interest Charges	-		
56	Interest on Long-Term Debt (427)	256-257		
57	Amort. of Debt Disc. and Expense (428)	256-257		
58	Amortization of Loss on Recquired Debt	-		
59	(Less) Amort. of Premium on Debt-Credit (429)	256-257		
60	(Less) Amortization of Gain on Recquired Debt-Credit	-		
61	Interest on Debt to Assoc. Companies (430)	318-320	192,022	101,324
62	Other Interest Expense (431)	318-320	24,979	16,443
63	(Less) Allowance for Borrowed Funds Used During Construction-Cr.	-		
64	Net Interest Charges (Enter Total of lines 55 thru 62)	-	217,001	117,767
65	Income Before Extraordinary Items (Total of lines 24, 53 and 63)	-	236,910	634,610
66	Extraordinary Items	-		
67	Extraordinary Income (434)	321		
68	(Less) Extraordinary Deductions (435)	321		
69	Net Extraordinary Items (Enter Total of line 66 less line 67)	-	0	0
70	Income Taxes -- Federal and Other (409.3)	-		
71	Extraordinary Items After Taxes (Enter Total of line 68 less line 69)	-	0	0
72	Net Income (Enter Total of lines 64 and 70)	-	\$236,910	\$634,610
* Acct 418 reclassified to Water Plant Leased to Others acct 412				

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STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)			
Line No.	Item (a)	Amount (b)	
	APPROPRIATED RETAINED EARNINGS (Account 215) State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.		
39			
40			
41			
42			
43			
44			
45	TOTAL Appropriated Retained Earnings (Account 215)	0	
New York State Intrastate Revenues Show the amount of gross operating revenues derived from New York intrastate utility operations during the year. If these amounts differ from the corresponding revenue figures in the income statement , each such difference should be explained in sufficient detail to identify the amounts by detail revenue account. It is intended that the amounts shown here shall represent the revenues subject to assessment under Section 18a of the Public Service Law.			
Line No.	Description of Account (a)	Revenues Intrastate (b)	Interstate (c)
1			
2	Water Utility Revenues	2,780,840	
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17	TOTAL	\$2,780,840	\$0

STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the respective annual stockholders report are applicable to this state pertaining to operating activities only. Gains and losses such notes should be included on pages 124-125. Information about noncash investing and financing activities should be reported in those activities. Show on page 124-125 the should be provided on pages 124-125. Provide also amounts of interest paid (net of amounts capitalized) 122 a reconciliation between "Cash and Cash Equivalents and income taxes paid. at End of Year" with related amounts on the balance sheet.

2. Under "Other" specify significant amounts and group others.

Line No.	Description (See Instructions for Explanations of Codes) (a)	Amounts (b)
1	Net Cash Flow from Operating Activities:	
2	Net Income	\$236,910
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	271,593
5	Amortization of (Specify)	1,368
6		
7		
8	Deferred Income Taxes (Net)	235,651
9	Property Tax Refund due Ratepayer	
10	Investment Tax Credit Adjustment (Net)	
11	Pension Post Retirement & other Regulatory Credits	7,486
12	Net (Increase) Decrease in Receivables	28,068
13	Net (Increase) Decrease in Inventory	(11,190)
14	Net Increase (Decrease) in Payables and Accrued Expenses	(571,005)
15	Net (Increase) Decrease in Other Regulatory Assets	(43,198)
16	Net (Increase) Decrease in Investments (Property Tax Refund due Ratepayer)	0
17	(Less) Allowance for Other Funds Used During Construction	(1,978)
18	(Less) Undistributed Earnings from Subsidiary Companies	
19	Other:	13,788
20	Bad debt expense	(4,353)
21	Prepaid expense	(9,583)
22		
23	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 20)	153,557
24		
25	Cash Flows from Investment Activities:	
26	Construction and Acquisition of Plant (including Land):	
27	Gross Additions to Utility Plant	(155,535)
28	Gross Additions to Common Utility Plant	
29	Gross Additions to Nonutility Plant	
30	Less Allowance for Other Funds Used During Construction	1,978
31	Other:	
32		
33		
34	Cash Outflows for Plant (Total of lines 24 thru 31)	(153,557)
35		
36	Acquisition of Other Noncurrent Assets (d)	
37	Proceeds from Disposal of Noncurrent Assets (d)	
38		
39	Investments in and Advances to Assoc. and Subsidiary Companies	
40	Contributions and Advances from Assoc. and Subsidiary Companies	
41	Disposition and Investments in (and Advances to)	
42	Associated and Subsidiary Companies	0
43	Purchase of Investment Securities (a)	
44	Proceeds from Sales of Investment Securities (a)	

NOTES TO FINANCIAL STATEMENTS (Continued)

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WATER PLANT IN SERVICE (Accounts 101, 102, and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					44
			0	(389)	45
			174,156	(390)	46
			339,087	(391)	47
31,140			194,092	(392)	48
			0	(393)	49
			101,998	(394)	50
			0	(395)	51
			2,213	(396)	52
			12,238	(397)	53
			70,916	(398)	54
			687	(399)	55
31,140	0	0	895,387		56
31,141	(227,583)	0	12,324,715	(101)	57
				(102)	58
31,141	(227,583)	0	12,324,712		59
MISCELLANEOUS PLANT DATA (Continued)					

SUMMARY OF UTILITY PLANT ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Other (Specify)	Other (Specify)	Other (Specify)	Other (Specify)	Common	Line
(d)	(e)	(f)	(g)	(h)	No.
					1
					2
					3
					4
					5
					6
					7
0	0	0	0	0	8
					9
					10
					11
					12
					13
					14
0	0	0	0	0	15
0	0	0	0	0	16
\$0	\$0	\$0	\$0	\$0	17
					18
					19
					20
					21
					22
0	0	0	0	0	23
					24
					25
					26
0	0	0	0	0	27
					28
					29
					30
0	0	0	0	0	31
					32
\$0	\$0	\$0	\$0	\$0	33
					34

CONSTRUCTION WORK IN PROGRESS (Account 107)

1. For each department and common plant in service, report below descriptions and balances at the end of year for each projects in process, of construction.
2. Minor projects may be grouped.

Line No.	Description of Each Project (a)	Construction Work in Progress (Account 107) (b)
1		
2		
3	Meters	\$78,585
4	T&D Mains	23,317
5	Service Installs/Upgrades	4,443
6	Miscellaneous	35,425
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
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33		
34		
35		
36		
37		
38		
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41		
42		
43		
44		
45	TOTAL	\$141,770

CONSTRUCTION OVERHEADS

1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.
2. On page 208 furnish information concerning construction overheads.
3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page 208, the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.
4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.

Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)
1		
2		
3	Payroll and Fringe Benefits	11,430
4	AFUDC	1,978
5		
6		
7		
8		
9		
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12		
13		
14		
15		
16		
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36		
37		
38		
39		
40		
41		
42	TOTAL	\$13,408

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead explain: (a) the nature and extent of work, etc. the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

2. Show below the computation of allowance for funds used during construction rate(s) used by the company during the reporting year.

3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

Description of Each Construction Overhead

Payroll and fringe benefit overhead is charged to construction projects based upon the value of labor charged to construction projects.

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES**1. Components of Formula**

Line No.	Title (a)	Amount (b)	Capitalization Ratio (Percent) (c)	Cost Rate Percentage (d)
1	Average Short-Term Debt	NONE		
2	Short-Term Interest			
3	Long-Term Debt	\$3,800,000	49.95%	2.11%
4	Preferred Stock		0.00%	
5	Common Equity	\$3,808,000	50.05%	9.81%
6	Total Capitalization	\$7,608,000	100.00%	
7	Average Construction Work in Progress Balance	186,746		

2. Gross Rate for Borrowed Funds

=> 5.97% ROR per rate case

3. Rate for Other Funds

=>

4. Weighted Average Rate Actually Used for the Year:

- a. Rate for Borrowed Funds - =>
b. Rate for Other Funds - =>

ACCUMULATED PROVISION FOR DEPR. AND AMORT. OF WATER PLANT (A/C 108 and 111)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for water plant in service, pages 202-205, column (d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d) (b)	Water Plant (A/C 108) (c)	Water Plant (A/C 111) (d)
1	Balance Beginning of Year	\$2,953,200	\$2,953,200	
2	Depreciation Provisions for Year, Charged to			
3	(403) Depreciation Expense	271,593	271,593	
4	(413) Exp. of Plt. Leas. to Others	0		
5	Transportation Expenses-Clearing	0		
6	Other Clearing Accounts	0		
7	Other Accounts (Specify):	0	0	
8		0		
9	TOTAL Deprec. Prov. for Year (Total of lines 3 thru 8)	271,593	271,593	0
10	Net Charges for Plant Retired:			
11	Book Cost of Plant Retired	(215,138)	(215,138)	
12	Cost of Removal	0	0	
13	Salvage (Credit)	0	0	
14	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(215,138)	(215,138)	0
15	Other Dr. or Cr. Items (Describe):	0	0	
16		0		
17	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	\$3,009,655	\$3,009,655	\$0

Section B. Balances at End of Year According to Functional Classifications

18	Source of Supply	\$95,856	\$95,856	
19	Pumping	\$393,295	393,295	
20	Water Treatment	\$149,462	149,462	
21	Transmission and Distribution	\$1,953,458	1,953,458	
22	General	\$417,585	417,585	
23	TOTAL (Enter Total of lines 18 thru 22)	\$3,009,655	\$3,009,655	\$0

Investments (Account 123 and 124)

1. Report below investments greater than or equal to \$100,000 in Accounts 123, Investment in Associated Companies and 124, Other Investments.
2. Provide a subheading for each account and list thereunder the information called for, observing the instructions below.
3. Investment in Securities - List and describe each security owned, giving name of issuer. For bonds give also principal amount, date of issue, maturity, and interest rate. For capital stock state number of shares, class and series of stock. Minor investments may be grouped by classes.
4. Investment Advances - Report separately for each person or company the amounts of loans or investment advances which are subject to repayment but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. Each note should be listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders or employees.
5. For any securities, notes, or accounts that were pledged, designate such securities, notes or accounts and in a footnote state the name of the pledgee and purpose of the pledge.
6. If commission approval was required for any advance made or security acquired, designate such fact and in a footnote give date of authorization and case number.
7. Interest and dividend revenues from investments should be reported in column (g), including such revenues from securities disposed of during the year.
8. In column (h) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price therefor, not including any dividend or interest adjustment includible in column (g).

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Book Cost Beginning Of Year (d)	Principal Amount or No. Of Shares End of Year (e)	Book Costs * End Of Year (f)	Revenues For Year (g)	Gain or Loss From Investment Disposed of (h)
1	NONE							
2								
3								
4								
5								
6								
7								
8	Totals (Account 123)			\$0		\$0	\$0	\$0
9				0		0		
10								
11								
12								
13								
14								
15								
16	Totals (Account 124)			\$0		\$0	\$0	\$0

* If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.

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NONUTILITY PROPERTY (Account 121)

1. Give a brief description and state the location of nonutility property included in Account 121.
2. Designate with a double asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.
3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.
5. Minor items may be grouped.

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	NONE			\$0
2				0
3				0
4				0
5				0
6				0
7				0
8				0
9				0
10				0
11				0
12				0
13				0
14				0
15				0
16				0
17				0
18				0
19				0
20				0
21				0
22				0
23				0
24				0
25				0
26				0
27				0
28				0
29				0
30				0
31				0
32				0
33				0
34				0
35				0
36				0
37				0
38				0
39				0
40				0
41				0
42	Minor Items-Other Nonutility Property			0
43	TOTAL	\$0	\$0	\$0

SPECIAL FUNDS (Accounts 125, 126, 128)
(Sinking Funds, Depreciation Fund, Other Special Funds)

1. For each fund at the end of the year, report the balance below.
Aggregate all other funds. Indicate nature of any fund included in Account 128, Other Special Funds.
2. Explain, for each fund, any deductions other than withdrawals for the purpose for which the fund was created.
3. If the trustee of any fund is an associated company, give name of such associated company.
4. If assets other than cash comprise any fund, furnish a list of the securities or other assets, giving interest or dividend rate of each, cost to respondent, number of shares or principal amount, and book cost at end of year.

Line No.	Name of Fund and trustee if any (a)	Balance End of Year (b)
1	NONE	
2		
3		
4		
5		
6	Total (Account 125)	\$0
7	NONE	
8		
9		
10		
11		
12	Total (Account 126)	\$0
13	NONE	
14		
15		
16		
17		
18		
19		
20		
	Total (Account 128)	\$0

SPECIAL DEPOSITS (Accounts 132, 133, 134)

1. For each fund at the end of the year, report the balance below.
Aggregate all other funds.
2. If any deposit consists of assets other than cash, give a brief description of such assets.
3. If any deposit is held by an associated company, give name of company.

Line No.	Description and purpose of deposit (a)	Balance End of Year (b)
21	Interest Special Deposits (Account 132)	
22	Dividend Special Deposits (Account 133)	
23	Other Special Deposits (Account 134):	
24	(Specify purpose of each other special deposit)	
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37	Total (Account 134)	\$0

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RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)

1. Report particulars of notes and accounts receivable from associated companies at end of year.
2. Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts.
3. For notes receivable list each note separately and state purpose for which received. Show also in column (a) date of note, date of maturity and interest rate.
4. If any note was received in satisfaction of an open account, state the period covered by such open account.
5. Include in column (f) interest recorded as income during the year, including interest on accounts and notes held any time during the year.
6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.

Line No.	Particulars (a)	Balance Beginning of Year (b)			Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1					\$0	
2	Intercompany balance with parent, company Aqua America	276,594		276,594	0	
3					0	
4					0	
5					0	
6					0	
7					0	
8					0	
9					0	
10					0	
11					0	
12					0	
13					0	
14	Totals (Account 145)	\$276,594	\$0	\$276,594	\$0	\$0
15					\$0	
16					0	
17					0	
18					0	
19					0	
20					0	
21					0	
22					0	
23					0	
24					0	
25					0	
26					0	
27					0	
28					0	
29					0	
30					0	
31					0	
32					0	
33					0	
34					0	
35					0	
36					0	
37					0	
38					0	
39					0	
40					0	
41					0	
42					0	
43					0	
44					0	
45					0	
46					0	
47					0	
48	Totals (Account 146)	\$0	\$0	\$0	\$0	\$0

MATERIALS AND SUPPLIES (Account 150)

1. For Account 150, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.

2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected - debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments Which Use Material (d)
1	Fuel Stock (Account 150.151)			
2	Fuel Stock Expenses Undistributed (Account 150.152)			
3	Residuals and Extracted Products			
4	Plant Materials and Operating Supplies (Account 150.154)			
5	Assigned to - Construction (Estimated)	37,296	48,486	
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)			
10	Assigned to - Other			
11	TOTAL Account 150.154 (Enter Total of lines 5 thru 10)	\$37,296	\$48,486	
12	Merchandise (Account 150.155)			
13	Other Material and Supplies (Account 150.156)			
14				
14	Stores Expense Undistributed (Account 150.163)			
15				
16				
17				
18				
19	TOTAL Materials and Supplies (per Balance Sheet)	\$37,296	\$48,486	

PREPAYMENTS (ACCOUNT 165)

1. Give below the particulars called for concerning each prepayment.

2. Minor items may be grouped by classes, showing number of such items.

Line No.	Nature of Prepayment (a)	End of Year Balance (b)
1	Prepaid insurance	
2	Prepaid rents	
3	Prepaid taxes	45,535
4	Prepaid interest	
5	Miscellaneous prepayments: (specify:)	
	Prepaid Maint Contracts - Computer	0
7	Misc. Prepayments - Tank Registration Fees	0
8	Prepaid PSC	1,283
9	AWWA Dues	184
10	Prepaid Maint Contracts - Security	652
11	Prepaid Office Supplies-Envelopes, Pamphlets, ect.	0
12		
13		
14	TOTAL Material and Supplies (per Balance Sheet)	\$47,653

EXTRAORDINARY PROPERTY LOSSES (Account 182)

Line No.	Description of Extraordinary Loss [Include in the description the date of loss, the date of Commission authorization to use Account 182 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING THE YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17	TOTAL	\$0	\$0		\$0	\$0

MISCELLANEOUS DEFERRED DEBITS (Account 186)

Line No.	Description of Miscellaneous Deferred Debit [Include in the description of costs, the date of Commission authorization to use Account 186, and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING THE YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
18	Goodwill	\$1,425,306				1,425,306
19	FAS 109	347,620				347,620
20	Unamortized debt	9,642			1,368	8,274
21	Pension	131,788			32,574	99,214
22	Regulatory Asset	37,179	76,443			113,622
23	Other	1,875	822		125	2,572
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46	TOTAL	\$1,953,410	\$77,265		\$34,067	\$1,996,608

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below, concerning the respondent's accounting for deferred income taxes.

2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Balance End of Year (c)
1	Water		
2	NONE		
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18	TOTAL Water (Total of lines 2 through 17)	0	0
19	Other		
20	NONE		
21			
22			
23			
24			
25			
26			
27	TOTAL Other (Total of lines 20 through 26)	0	0
28	TOTAL Account 190 (TOTAL of lines 18 and 27)	\$0	\$0

Notes

CAPITAL STOCK (Accounts 201 and 204) (Continued)

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent.)		HELD BY RESPONDENT				
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	Line No.
						1
499	\$24,950					2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
499	\$24,950	0	\$0	0	\$0	19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
0	\$0	0	\$0	0	\$0	40
						41
						42

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**CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION,
PREMIUM ON CAPITAL STOCK, AND INSTALLMENTS RECEIVED ON CAPITAL STOCK**

(Accounts 202 and 205, 203 and 206, 207, 212)

1. Show for each of the above accounts the amounts applying to each class and series of capital stock.

2. For Account 202, Common Stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year.

3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203,

Common Stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of the year.

4. For Premium on Account 207, Capital Stock, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.

Line No.	Name of Account and Description of Item (a)	Number of Shares (b)	Amount (c)
1	<u>Common Stock Subscribed (Account 202)</u>		
2			
3	NONE		
4			
5			
6	TOTALS	0	\$0
7			
8	<u>Preferred Stock Subscribed (Account 205)</u>		
9			
10	NONE		
11			
12			
13	TOTALS	0	\$0
14			
15	<u>Common Stock Liability for Conversion (Account 203)</u>		
16			
17	NONE		
18			
19			
20	TOTALS	0	\$0
21			
22	<u>Preferred Stock Liability for Conversion (Account 206)</u>		
23			
24	NONE		
25			
26			
27	TOTALS	0	\$0
28			
29	<u>Premium on Capital Stock (Account 207)</u>		
30			
31			
32			
33			
34			
35			
36	TOTALS	0	\$0
37			
38	<u>Installments Received on Capital Stock (Account 212)</u>		
39			
40	NONE		
41			
42			
43			
44			
45			
46	TOTALS	0	\$0

OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with the balance sheet. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) Donations Received from Stockholders (Account 208) - State amount and give brief explanation of the origin and purpose of each donation.

(b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	<u>Donations Received from Stockholders (Account 208)</u>	
2		
3		
4		
5		
6		
7		
8	Subtotal	\$0
9		
10	<u>Reduction in Par or Stated Value of Common Stock (Account 209)</u>	
11		
12	NONE	
13		
14		
15		
16		
17	Subtotal	\$0
18		
19	<u>Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210)</u>	
20		
21	NONE	
22		
23		
24		
25		
26	Subtotal	\$0
27		
28	<u>Miscellaneous Paid-In Capital (Account 211)</u>	
29		
30		2,017,959
31		
32		
33		
34		
35	Subtotal	\$2,017,959
36		
37		
38		
39		
40	TOTAL	\$2,017,959

CAPITAL STOCK EXPENSE (Account 214)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	NONE	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37	TOTAL	\$0

NOTES PAYABLE (Account 231)

1. Report the particulars indicated concerning notes payable at end of year.
2. Give particulars of collateral pledged, if any.
3. Furnish particulars for any formal or informal compensating balance agreements covering open lines of credit.
4. Any demand notes should be designated as such in Column (c).
5. Minor amounts may be grouped by classes, showing the number of such amounts.
6. Report in total, all other interest accrued and paid on notes discharged during the year.

Line No.	PAYEE AND INTEREST RATE (a)	DATE OF NOTE (b)	DATE OF MATURITY (c)	Outstanding at End of Year (d)	INTEREST DURING YEAR	
					ACCRUED (e)	PAID (f)
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	TOTALS			\$0	\$0	\$0

PAYABLES TO ASSOCIATED COMPANIES (ACCOUNTS 233 and 234)

1. Report particulars of notes and accounts payable to associated companies to end of year.
2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234, Accounts Payable to Associated Companies.
3. List each note separately and state the purpose for which issued. Show also in Column (a) date of note, maturity and interest rate.
4. Include in Column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year.
5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.

Line No.	PARTICULARS (a)	BALANCE BEGINNING OF YEAR (b)	TOTAL FOR YEAR		BALANCE END OF YEAR (e)	INTEREST FOR YEAR (f)
			DEBITS (c)	CREDITS (d)		
1					\$0	
2		\$0	\$0	\$0	\$0	
3					0	
4					0	
5					0	
6					0	
7	TOTALS (ACCOUNT 233)	\$0	\$0	\$0	\$0	\$0
8					0	
9		\$0	0	0	0	
10					0	
11					0	
12					0	
13					0	
14					0	
15	TOTALS (ACCOUNT 234)	\$0	\$0	\$0	\$0	\$0

LONG-TERM DEBT (Accounts 221, 222, 223, and 224) (Continued)

10. Identify separate indisposed amounts applicable to issues which were redeemed in prior years.

11. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt - Credit.

12. In a footnote, give explanatory particulars (details) for Accounts 223 and 224 of net charges during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.

13. If the respondent has pledged any of its long-term debt

securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.

14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.

15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.

16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued

Nominal Date of Issue	Date of Maturity	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent)	Interest for Year Amount	Line No.
		Date From	Date To			
(d)	(e)	(f)	(g)	(h)	(i)	
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
				\$0	\$0	20
						21
						22
						23
						24
						25
						26
						27
				\$0	\$0	28
						29
						30
				0	0	31
				0	0	32
				\$0	\$0	33

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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

8. Report in columns (i) through (q) how the taxes were distributed.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED (Show utility dept. where applicable and acct. charged.)				Line No.
(Taxes Accrued Account 236) (g)	Prepaid Taxes (Incl. in Acct. 165) (h)	Water (Account 408.1,409.1) (i)	(j)	Other Utility Depts. (Account 408.1,409.1) (k)	Other Utility Operating Income (Account 408.1,409.1) (l)	
(46,654)		\$46,654 \$0 \$0				1
(46,654)	0	46,654		0	0	2
0		\$0				3
0						4
0						5
0						6
0		\$0				7
0						8
0						9
0		\$0				10
0		\$0				11
0		\$0				12
(87,266)		\$10,632				13
(87,266)	0	10,632		0	0	14
	45,535 0	\$1,176,472				15
0						16
0	45,535	1,176,472		0	0	17
313						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
(\$133,607)	\$45,535	\$1,233,758	\$0	\$0	\$0	40

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OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items may be grouped by classes showing the number of items in each class.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	Debits		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Pension Reserve	\$ 61,616			\$ 4,236	\$ 65,852
2	Pension/OPEB Internal Reserves	173,414		18,943		154,471
10	Accrued Int.-OPEB Internal Reserve	57,754			22,916	80,670
11	OPEB Reserve - non current	10,910		65		10,845
12	Regulatory Liability	354,478		658		353,820
13						0
15						0
16						0
20						0
21						0
22						0
23						0
24						0
25						0
26						0
27						0
28						0
29						0
30						0
31						0
32						0
33						0
34						0
35						0
36						0
37						0
38						0
39						0
40						0
41						0
42						0
43						0
44						0
45						0
46						0
47	TOTAL	\$658,172		\$19,666	\$27,152	\$665,658

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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)			
Balance at End Year (h)	Average Period of Allocation to Income (i)	Adjustment Explanation	Line No.
			1
\$0			2
0			3
0			4
0			5
0			6
0			7
0			8
0			9
0			10
0			11
0			12
0			13
0			14
0			15
0			16
0			17
0			18
\$0			19
\$0			20
0			21
0			22
0			23
0			24
0			25
0			26
0			27
0			28
0			29
0			30
0			31
0			32
0			33
0			34
0			35
0			36
0			37
0			38
\$0			39
\$0			40

ACCUMULATED DEFERRED INCOME TAXES (Accounts 281, 282, and 283)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited To Account 410.2 (e)	Amounts Credited To Account 411.2 (f)	Debits		Credits			
		Acct. Credited (g)	Amount (h)	Acct. Debited (i)	Amount (j)		
							1
							2
						\$0	3
						0	4
						0	5
						0	6
						0	7
0	0		0		0	0	8
						0	9
\$0	\$0		\$0		\$0	\$0	10
							11
	\$0					\$1,925,503	12
						0	13
						0	14
						0	15
						0	16
0	0		0		0	1,925,503	17
						99,997	18
\$0	\$0		\$0		\$0	\$2,025,500	19
							20
							21
						\$0	22
						0	23
						0	24
	0					0	25
						117,627	26
						0	27
						0	28
						0	29
0	0	0	0	0	0	117,627	30
						0	31
\$0	\$0		\$0		\$0	\$117,627	32
							33
\$0	\$0		\$0		\$0	\$2,043,130	34
0	0		0		0	99,997	35
\$0	\$0		\$0		\$0	\$2,143,127	36

Excess/Deficient Deferred Federal Income Tax Balances*

1. Report below the specified excess/deficient accumulated deferred Federal income taxes as of December 31 of the reporting year.
2. Protected amounts are accumulated deferred taxes that are depreciation related and are protected from rapid write-back by Section 203 (e) of the Tax Reform Act of 1986.
3. Unprotected amounts are those accumulated deferred taxes that are not subject to Section 203 (e) of the Tax Reform Act of 1986.
4. Excess/deficient deferred taxes result when there is a reduction/increase in the statutory income tax rate (e.g.. TRA-86 & Revenue Reconciliation Act of 1993) & the deferred tax balances provided are greater/less than the enacted tax rate, all calculated on a vintage year basis.

Line No.	Item (a)	Debits	Credits			Total (f)
		Account 190 (b)	Account 281 (c)	Account 282 (d)	Account 283 (e)	
	<u>Excess Deferred Taxes</u>					
1	Protected Excess Deferred Taxes					\$0
2	Unprotected Excess Deferred Taxes					0
3	Total Excess Deferred Taxes	\$0	\$0	\$0	\$0	\$0
	<u>Deficient Deferred Taxes</u>					
	Deficient Deferred FIT Balance Related to:					
4	1986 & Prior Vintage Yr. Assets/Liab.					\$0
5	1987 to Current Vintage Yr. Assets/Liabs.					0
	Average Remaining Amortization Period for:					
6	Protected Excess Deferred FIT Balance					0
7	Unprotected Excess Deferred FIT Balance					0
8	Deficient Deferred FIT Balance					\$0
	*NOTE: Do not include deferred Federal income taxes recorded purely from the implementation of FAS-109, Accounting for Income Taxes					

TEMPORARY INCOME TAX DIFFERENCES - SFAS 109

1. Report below the accumulated deferred Federal income tax assets/liabilities, as of December 31 of the reporting year, that result purely from the implementation of SFAS - 109, "Accounting for Income Taxes", and in accordance with the Commission's associated Policy Statement (issued January 15, 1993), in Case 92-M-1005.

Line No.	Item (a)	Debits	Credits			
		Account 190 (b)	Account 281 (c)	Account 282 (d)	Account 283 (e)	Total (f)
	<u>AFUDC</u>					
1	AFUDC - Net of Tax - Plant					\$0
2	AFUDC - Equity Component - Plant					0
3	Other Net of Tax Items (specify)					0
4						0
	<u>Prior Flow-Through Items</u>					
5	Depreciation				0	0
6	Asset Base Difference (non - ITC)					0
7	Other (specify)					0
8						0
	<u>ITC</u>					
9	Section 46(f)(1) ITC					0
10	Section 46(f)(2) ITC				0	0
11						0
	<u>Other Items</u>					
12						0
13						0
14						0
15						0
16	Total	\$0	\$0	\$0	\$0	\$0
17	Gross-up of above amounts for income tax effects; etc.					0

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WATER OPERATING REVENUES (Account 400)

- Report below water operating revenues for the year for each account.
- Number of customers, columns (h) and (i), should be reported on the number of meters, plus number of flat rate accounts, except that where separate meter reading for billing purposes, one customer should be counted for each group of meters so added. The average number of customers means the average of twelve figures at the end of the year. If customer count in the residential and commercial classifications includes customers counted more than once because of special services, indicate in a footnote the number of such customers included in each of the two service classifications.
- If preceding year columns (e), (g) and (i) are not derived from previously reported figures, explain any inconsistencies.

Line No. (a)	Account No. (b)	Account Title (c)	Operating Revenues		Number of Thousand Gallons Sold		Average Number of Customers Per Month	
			Amount for Year (d)	Amount for Previous Year (e)	Amount for Year (f)	Amount for Previous Year (g)	Number for Year (h)	Number for Previous Year (i)
1		SALES OF WATER						
2	460.1, 461.1	Residential Sales	\$1,639,809	\$1,935,426	355,522	402,687	3,949	3,953
3	460.2, 461.2	Commercial Sales	350,189	421,080	82,495	88,422	375	379
4	460.3, 461.3	Industrial Sales					0	0
5	462	Private Fire Protection Service	17,002	88,036	N/A	N/A	44	46
6	463	Public Fire Protection Service	304,619	233,996	N/A	N/A	4	4
7	464	Other Sales to Public Authorities						
8	465	Sales to Irrigation Customers						
9	466	Sales for Resale						
10	467	Interdepartmental Sales						
11		Total Sales of Water	2,311,619	2,678,538	438,017	491,109	4,372	4,382
12		OTHER OPERATING REVENUES						
13								
14	470	Forfeited Discounts						
15	471	Misc. Service Revenues	8,655	7,756				
16	472	Rent from Water Property	234,861	222,418				
17	473	Interdepartmental Rents						
18	474	Other Water Revenues	225,705	207,066				
19		Total Other Operating Revenues	469,221	437,240				
20		Total Water Operating Revenues	\$2,780,840	\$3,115,778				

BILLING ROUTINE - WATER

Report the following information in days for Accounts 460 and 461:

- The period for which bills are rendered.
- The period between the date meters are read and the date customers are billed.
- The period between the billing date and the date on which discounts are forfeited.

SALES OF WATER BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the thousand gallons sold, revenue, average number of customers, average thousand gallons sold per customer and average revenue per thousand gallons.

2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Water Operating Revenues," page 300. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.

3. Where the same customers are served under more than one rate schedule in the same revenue account classification, the entries in column (d) for the special schedule should denote the duplication in number of reported customers.

4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).

Line No.	Number and Title of Rate Schedule (a)	Thousand Gallons Sold (b)	Revenue (c)	Average Number of Customers (d)	Thousand Gallons Per Customer (e)	Revenue Per Thousand Gallons (f)
1						
2	Metered Sale to Residential Customer	355,522	1,639,809	3,949	90	4.61
3						
4						
5						
6						
7						
8	TOTALS (Accounts 460.1, 461.1)	355,522	\$1,639,809	3,949	90	\$4.61
9						
10	Metered Sale to Commercial Customer	82,495	350,189	375	220	4.24
11						
12						
13						
14						
15						
16	TOTALS (Accounts 460.2, 461.2)	82,495	\$350,189	375	220	\$4.24
17						
18						
19						
20						
21						
22						
23						
24	TOTALS (Accounts 460.3, 461.3)	0	\$0	0		
25						
26	Private Fire Protection - Hydrants	unmetered	17,002	44	0	
27						
28						
29						
30	TOTALS (Account 462)	0	\$17,002	44	0	
31						
32	Public Fire Protection - Hydrants	unmetered	304,619	4	0	
33						
34						
35						
36	TOTALS (Account 463)	0	\$304,619	4	0	
37						
38						
39						
40						
41						
42	TOTALS (Account 464)	0	\$0	0		
43						
44						
45						
46						
47						
48	TOTALS (Account 465)	0	\$0	0		

SALES OF WATER BY MUNICIPALITIES (CONTINUED)

3. The information to be shown below should be the same basis as provided in "Water Operating Revenues".

4. The totals should agree with the amounts for those accounts shown in Schedule entitled "Water Operating Revenues".

Industrial			Private Fire Protection Service			Public Fire Protection Service			Line No.
Operating Revenues (h)	Thousand Gallons (i)	Average Number of Customers (j)	Operating Revenues (k)	Thousand Gallons (l)	Average Number of Customers (m)	Operating Revenues (n)	Thousand Gallons (o)	Average Number of Customers (q)	
			\$4,190	N/A	10	\$101,441	N/A	1	1
			\$11,496	N/A	31	\$196,702	N/A	2	2
				N/A			N/A		3
			\$1,317	N/A	3	\$6,476	N/A		4
				N/A			N/A	1	5
									6
									7
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									46
\$0	0	0	\$17,002	0	44	\$304,618	0	4	47

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SALES FOR RESALE AND PURCHASED WATER (Account 466 and 602)

Report below particulars of sales or purchases for redistribution during the year.

Line No.	Sold To (a)	Thousand Gallons Supplied (b)	Revenue (c)	Average per Thousand Gallons (Cents) (d)	Purchased From (e)	Thousand Gallons Purchased (f)	Cost (g)	Average per Thousand Gallons (Cents) (h)
1	NONE							
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
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23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33	TOTAL	0	\$0	0.00	TOTAL	0	\$0	0.00

MISCELLANEOUS SERVICE REVENUES AND OTHER WATER REVENUES (ACCOUNT 471, 474)		
<p>1. Report particulars concerning other water revenues derived from water utility operations during the year. Provide a subheading and amount for each classification of Account 474.</p> <p>2. Designate associated companies.</p> <p>3. Minor items may be grouped by classes.</p>		
LINE NO.	DESCRIPTION OF SERVICE (a)	Amount of Revenue for Year (b)
1		
2	Interest Charges on Late Payments	7,955
3	New tank surcharge	165,473
4	NYS tax assessment	37,572
5	Antenna revenues	234,860
6	Other revenues	23,361
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	TOTAL (Account 471)	\$469,221
20		
21		
22	NONE	
23		
24		
25		
26		
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28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
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41		
42		
43		
44		
45		
46		
47	TOTAL (Account 474)	\$0

WATER OPERATION AND MAINTENANCE EXPENSES (Accounts 401 - 402.1)

Enter in the space provided the operation and maintenance expenses for the year and previous year.

LINE NO.	ACCOUNT (a)	AMOUNT FOR CURRENT YEAR (b)	AMOUNT FOR PREVIOUS YEAR (b)
88	6. SALES EXPENSES		
89	OPERATIONS		
90	910 SALES EXPENSES		
91			
92	7. ADMINISTRATIVE AND GENERAL EXPENSES		
93	OPERATIONS		
94	920 ADMINISTRATION & GENERAL SALARIES	84,528	101,665
95	921 OFFICE SUPPLIES & OTHER EXPENSES	27,072	29,049
96	922 ADMINISTRATIVE EXPENSES TRANSFERRED - CR.		
97	923 OUTSIDE SERVICES EMPLOYED	212,326	198,590
98	924 PROPERTY INSURANCE	21,392	23,502
99	925 INJURIES AND DAMAGES		
100	926 EMPLOYEE PENSIONS AND BENEFITS	43,017	47,700
101	927 FRANCHISE REQUIREMENTS		
102	928 REGULATORY COMMISSION EXPENSES	0	0
103	929 DUPLICATE CHARGES - (CREDIT)		
104	930 MISCELLANEOUS GENERAL EXPENSES		
105	931.1 GENERAL RENTS	1,765	2,881
106	931.2 EXPENSES OF DATA PROCESSING EQUIPMENT	0	0
107	MANAGEMENT CHARGES		0
108	TOTAL OPERATION	390,100	403,387
109	MAINTENANCE		
110	932 MAINTENANCE OF GENERAL PLANT	0	0
111	TOTAL MAINTENANCE	0	0
113	TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	390,100	403,387
114			
115			
116			
117	TOTAL WATER O&M EXPENSES - SUM OF 7 CATEGORIES ABOVE	\$813,450	\$790,056

NUMBER OF WATER DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported for the payroll period ending December 31, or any payroll period ending 60 days before December 31.

2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.

3. The number of employees assignable to the water company from joint functions of the parent or affiliates may be determined by estimate, on the basis of employee equivalents.

1.	Payroll Period ended (Date)	12/31/11
2.	Total Regular Full-Time Employees	4
3.	Total Part-Time and Temporary Employees	0
4.	Total Employees	4

FUEL OR POWER PURCHASED FOR PUMPING (ACCOUNT 623)

Show the requested information concerning items includible in account 623, Fuel or Power Purchased for Pumping during the year.

Line No.	Name of Vendor (a)	Kind of Power (b)	Number of units purchased or transferred (c)	Amount (d)
1	Long Island Power Authority (LIPA)	Electric	910,363 KWH	162,995
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
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10				
49	TOTAL		910,363	\$162,995

DEPRECIATION AND AMORTIZATION OF WATER PLANT (Continued)**C. Factors Used in Estimating Depreciation Charges**

Line No.	Account No. (a)	Depreciable Plant Base (In thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
9	311		60		1.670%	H3.5	
10	314		40		2.496%	H3.0	
11	316		40		2.496%	H3.0	
12	321		50		2.004%	H3.0	
13	325		35	5.000%	2.712%	814	
14	326		35	5.000%	2.712%	814	
15	332		20	25.000%	3.750%	815	
16	342		55		1.824%	371	
17	343.2		100		0.996%	300	
18	343.3		40		2.497%	300	
19	345		40		2.496%	300	
20	346		35	15.000%	2.430%	817	
21	346.1		40		2.496%	294	
22	348		65		1.536%	293	
23	349						
24	390.4		15		2.496%	H3.0	
25	390.5		40		2.496%	H3.0	
26	391		25		3.996%	819	
27	391D		25		3.996%	819	
28	391H		5		20.000%	819	
29	391S		5		20.000%	819	
30	392		10	10.000%	9.000%	822	
31	394		25	5.000%	3.805%	H2.5	
32	396						
33	397		25	5.000%	3.805%	H2.5	
34	398		25	5.000%	3.804%	H2.5	
35							
36							
37							
38							
39							
40							
41							
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56							

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MISCELLANEOUS GENERAL EXPENSES (Account 930)		
Line No.	Description (a)	Amount (b)
1	Industry Association Dues	\$0
2	Experimental and general research expenses	
3	Publishing and Distributing Information and Reports to Stockholders; Trustee, Registrar, and Transfer Agent Fees and Expenses, and Other Expenses of Servicing Outstanding Securities of the Respondent	
4	Other Expenses (List items of \$1,000 or more in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Group amounts of less than \$1,000 by classes if the number of items so grouped is shown).	
5		
6		
7	None	
8		
9		
10		
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17		
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19		
20		
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42		
43		
44		
45		
46		
47		
48		
49	TOTAL	\$0

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete line 27 and provide the substitute page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 118)	\$332,483
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books:	
5	Pension & Retiree Medical	
6	Other	
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	Bad debt reserve	900
11	Federal Income Tax	59,957
12	State Income Tax-Deferred	23,798
13		
14	Income Recorded on Books Not Included in Return	
15		
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20	Depreciation	130,000
21		
22		
23		
24		
25		
26		
27	Federal Taxable Income	\$287,138
28	Show Computation of Tax:	
29	tax rate	<u>0.35</u>
30	Tax on net income	100,498
31		
32		
33	Rounding	
34		
35		100,498
36		
37		
38		
39		
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41		
42		
43		
44		

INCOME FROM MERCHANDISING, JOBBING AND CONTRACT WORK (Accounts 415 and 416)

1. Report by utility departments the revenues, costs, expenses, and net income from merchandising, jobbing and contract work during the year. Report also the applicable taxes included in Accounts 408 and 409 and income after such taxes. Give the bases of any allocation of expenses between utility and merchandising, jobbing and contract work activities.

LINE NO.	ITEM (a)	WATER DEPARTMENT (b)	(c)	(d)	TOTAL (e)
1	Revenues:				
2	Merchandise sales, less discounts, allowances and returns	\$0			\$0
3	Contract work				0
4	Commissions				0
5	Other (list according to major classes)				0
6	Damage Claims				0
7					0
8					0
9					0
10	Total Revenues	\$0	\$0	\$0	\$0
11					
12					
13	Costs and Expenses:				
14	Costs of Sales (list according to major classes of costs)	\$0			\$0
15	Damage Claims				0
16					0
17					0
18					0
19					0
20					0
21					0
22					0
23					0
24					0
25					0
26	Sales expenses				0
27	Customer accounts expenses				0
28	Administrative and general expenses				0
29	Depreciation				0
30	Total Costs and Expenses	\$0	\$0	\$0	\$0
31					
32					
33					
34	Net Income (before taxes)	\$0	\$0	\$0	\$0
35					
36	Taxes:(408,409)				
37	Federal @35%	0			0
38	State				0
39	Other				0
40					
41	Total Taxes	\$0	\$0	\$0	\$0
42					
43					
44					
45	Net Income (after taxes)	\$0	\$0	\$0	\$0

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PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS

Report the information specified below, in the order given, for the respective other income accounts. Provide a subheading for each account and show a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Income from Nonutility Operations (Accounts 417 and 417.1) - Describe each nonutility operation, maintenance, depreciation, rents, amortization and net income, before

taxes from operations. Give the basis of any allocation of expenses between utility/nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.

(b) Miscellaneous Nonoperating Income (Account 421) - Give the nature and source of each miscellaneous nonoperating income, and the amount thereof for the year. Minor items may be grouped.

Line No.	Item (a)	Amount (b)
1	<u>Income from Nonutility Operations (Accounts 417 and 417.1)</u>	
2		
3	Contract Expenses	0
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24	TOTAL	\$0
25		
26	<u>Miscellaneous Nonoperating Income (Account 421)</u>	
27		
28		0
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41	TOTAL	\$0

GAIN OR LOSS ON DISPOSITION OF PROPERTY (Accounts 421.1 and 421.2)

1. Give a brief description of property creating the gain or loss. Include name of party acquiring the property (when acquired by another utility or associated company) and the date transaction was completed. Identify property by type: Leased, Held for Future Use, or Nonutility.

2. Individual gains or losses relating to property with an

original cost of less than \$2,500 may be grouped, with the number of such transactions disclosed in column (a).

3. Give the date of Commission approval of journal entries in column (b), when approval is required. Where approval is required but has not been received, give explanation following the item in column (a). See Account 102, Utility Plant Purchased or Sold).

Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
1	<u>Gain on Disposition of Property:</u>				
2					
3	NONE				
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15	TOTAL GAIN			\$0	
16	<u>Loss on Disposition of Property:</u>				
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30	TOTAL LOSS				\$0

PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS		
Line No.	Item (a)	Amount (b)
1	<u>Life Insurance (Account 426.2)</u>	
2		
3	NONE	
4		
5		
6		
7	Total Life Insurance	\$0
8	<u>Penalties (Account 426.3)</u>	
9		
10	NONE	
11		
12		
13		
14		
15	Total Penalties	\$0
16	<u>Expenditures for Certain Civic, Political, and Related Activities (Account 426.4)</u>	
17		
18	NONE	
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
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39		
40		
41		
42		
43		
44		
45		
46		
47		
48		
49		
50		
51		
52	Total Exp. for Certain Civic, Political and Related Activities	\$0

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EXTRAORDINARY ITEMS (Accounts 434 and 435)

1. Give below a brief description of each item included in accounts 434, Extraordinary Income and 435, Extraordinary Deductions.
2. Give reference to Commission approval, including date of approval, for extraordinary treatment of any item which amounts to less than 5% of income. (See General Instruction section 561.7 of the applicable Uniform System of Accounts.
3. Income tax effects relating to each extraordinary item should be listed in Column (c).

LINE NO.	DESCRIPTION OF ITEMS (a)	GROSS AMOUNT (b)	RELATED FEDERAL TAXES (c)
1	Extraordinary Income (Account 434):		
2			
3	NONE		
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21	Total Extraordinary Income	\$0	\$0
22	Extraordinary Deductions (Account 435):		
23			
24	NONE		
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
40			
41			
42			
43			
44			
45			
46	Total Extraordinary Deductions	\$0	\$0
47	Net Extraordinary Items	\$0	\$0

REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.

4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.

5. Minor items may be grouped.

Expenses Incurred During Year				Amortized During Year			
Charged Currently to			Deferred to Account 186	Contra Account	Amount	Deferred in Account 186 End of Year	Line No.
Department (f)	Account No. (g)	Amount (h)					
	928	\$5,192					1
	928	37,572					2
	928	(7,429)					3
							4
							5
							6
							7
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							34
							35
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							37
							38
							39
							40
							41
							42
							43
							44
							45
							\$35,335

RESEARCH AND DEVELOPMENT ACTIVITIES(Continued)

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e).

5. Show in column (g) the total unamortized accumulation of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred - Current Year		AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
Internal (c)	External (d)	Account (e)	Amount (f)		
					1
					2
					3
					4
					5
					6
					7
					8
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					10
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					32
					33
					34
					35
					36
					37
\$0	\$0		\$0	\$0	38

NYSPSC 347-97

DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate

lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1				
2	Operation			
3	Source of Supply	0		
4	Pumping	21,045		
5	Water Treatment	21,076		
6	Transmission and Distribution	6,897		
7	Customer Accounts	39,264		
8	Sales			
9	Administrative and General	84,528		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	172,810		
11	Maintenance			
12	Source of Supply	240		
13	Pumping	0		
14	Water Treatment	4,542		
15	Transmission and Distribution	96,315		
16	Administrative and General	0		
17	TOTAL Maint. (Total of lines 12 thru 16)	101,097		
18	Total Operation and Maintenance			
19	Source of Supply	240		
20	Pumping	21,045		
21	Water Treatment	25,618		
22	Transmission and Distribution	103,212		
23	Customer Accounts	39,264		
24	Sales	0		
25	Administrative and General	84,528		
26	TOTAL Oper. and Maint. (Total of lines 19 thru 25)	273,907		273,907
27	UTILITY PLANT			
28	Construction (By Utility Departments)			
29	Water Plant	44,169		44,169
30	Other			0
31	TOTAL Construction (Total of lines 29 thru 30)	44,169	0	44,169
32	Plant Removal (By Utility Departments)			
33	Water Plant			0
34	Other			0
35	TOTAL Plant Removal (Total of lines 33 thru 34)	0	0	0
36	Other Accounts (Specify):	0		0
37	TOTAL Salaries and Wages	318,076	0	318,076

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$1,000 in the case of a Class B company or \$5,000 in the case of a Class A company, including payments for legislative services, except those which should be reported in Account 426.4, Expenditures for Certain Civic, Political and Related Activities.
 - (a) name of person or organization rendering services in alphabetical order,
 - (b) description of services received during year and project or case to which services relate,
 - (c) basis of charges,
 - (d) total charges for the year detailing utility department..
2. Designate with an asterisk associated companies.

Line No.	Vendor	Description of Services	Basis	Total Charges
1				
2				
3	Aqua America, Inc.	Administrative Services and Call Center		\$165,962
4	PriceWaterhouseCoopers	Auditing		4,792
5				
6				
7				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
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34				
35				
36				
37				
38				
39				
40				\$170,754

Employee Protective Plans (Continued)

ANALYSIS OF PENSION COST (Continued)		
Line No.	Item (a)	Current Year (b) <consolidated plan>
	<u>PLAN (1)</u>	<u>SEE NOTE BELOW</u>
1	Accumulated Benefit Obligation	\$ 0
2	Projected Benefit Obligation	\$ 0
3	Fair Value of Plan Assets	\$ 0
4	Unrecognized Transition Amount	\$ 0
5	Unrecognized Prior Service Costs	\$ 0
6	Unrecognized Gains or (Losses)	\$ 0
7	Date of Valuation Reported on Lines 1 through 6	
8	Discount Rate	
9	Expected Long-Term Rate of Return on Assets	
10	Salary Progression Rate (if applicable)	
	<u>Net Periodic Pension Cost:</u>	
	<u>Special Termination</u>	\$ 0
11	Service Cost	0
12	Interest Cost	0
13	Actual Return on Plan Assets [(Gain) or Loss]	0
14	Unrecognized Asset Gain	0
15	Amortization of Transition Amount	0
16	Amortization of Unrecognized Prior Service Cost	0
17	Amortization of Gains or Losses	0
18	Total Pension Cost	\$ 0
19	Number of Active Employees Covered by Plan	
20	Number of Retired Employees Covered by Plan	
21	Number of Previous Employees Vested but Not Retired	
	<u>REPORTING COMPANY</u>	
22	Minimum Required Contribution	\$ 0
23	Actual Contribution*	\$ 0
24	Maximum Amount Deductible*	\$ 0
25	Benefit Payments	\$ 0
26	Total Pension Cost	\$ 0
27	Pension Cost Capitalized	\$ 0
28	Accumulated Pension Asset/(Liability) at Close of Year	\$ 0
29	Total Number of Company Employees at Beginning of Policy Year	6
30	Number of Active Employees Covered by Plan	6
31	Number of Retired Employees Covered by Plan	0
32	Number of Previous Employees Vested but Not Retired	0
<p>* Specify in the space below the reason(s) for any difference between the amounts reported on lines 23(b) and 24(b).</p> <p>NOTE; AS A RESULT OF THE ACQUISITION OF THE COMPANY BY AQUA NY, AQUARIAN WATER PURCHASED ANNUITIES TO ELIMINATE THE PENSION LIABILITY (SEE CASE 07-W-0177 PAGE 26) THERE ARE NO SEPARATE VALUATION REPORTS FOR COMPANY EMPLOYEES IN THE AUQA PLAN.</p>		

ANALYSIS OF PENSION SETTLEMENTS, CURTAILMENTS AND TERMINATIONS (Continued)

Line No.	ESTIMATE OF SETTLEMENT GAIN OR LOSS (a)	(b)	(c)
	PLAN		
1	Unrecognized net asset	SEE NOTE BELOW	1. _____
2	Unrecognized net actuarial gain or (loss)		2. _____
	Year-to-date asset gain or (loss):		
3	Actual return	3. _____	
4	Expected return	4. _____	
5	Gain or (loss): (3)-(4)		5. _____ 0
	Year-to-date liability gain or (loss):		
6	PBO at settlement date	6. _____	
7	Year-to-date increase (or decrease) in actuarial discount rate	7. _____	basis points
8	Percentage decrease in PBO for each 100 basis-point increase in the discount rate	8. _____	
9	Liability gain or (loss): {(6) x (7) x (8)} x 100 -- see instructions		9. _____ 0
	Settlement gain or (loss):		
10	Accounting value of obligation which was settled	10. _____	
11	Settlement cost (e.g., price of purchased annuity contract)	11. _____	
12	Settlement gain or (loss): (10)-(11)		12. _____ 0
13	Total accumulated gain or (loss): (1)+(2)+(5)+(9)+(12)		13. _____ 0
14	Settlement ratio: (10)/(6)		14. _____ 0%
15	Pretax gain recognizable in current income: (13) x (14)		15. _____ 0
	REPORTING COMPANY		
16	Portion of amount on line 15 allocated to reporting company		16. _____
	Tax-affected gain:		
17	Tax rate	17. _____	
18	Gain or (loss) after provision for income tax: 16 x [100% - (17)]		18. _____ 0
<p>Explain the basis of allocation used to derive the amount reported on line 16 from that reported on line 15:</p> <p>For the amount reported on line 16 specify:</p> <p>a. the amount recorded as income for the current year _____</p> <p>b. the amount deferred on the balance sheet _____</p> <p>c. amortization period for the deferred amount (specify beginning and ending dates). _____</p> <p>Briefly describe the event (e.g., settlement, curtailment or termination with short description of the change) and the date of its occurrence.</p> <p>If the event involves the purchase of an annuity contract(s), state whether they are participating or nonparticipating contracts. If they are participating, explain the terms and state the cost difference between the contract(s) purchased and identical contracts without the participating feature.</p> <p>If the event qualified as a "small settlement" under SFAS 88, and the company elected not to recognize the gain or loss, state:</p> <p>a. number of employees affected _____</p> <p>b. the cost of the settlement _____</p> <p>c. the amount of PBO settled _____</p>			

ANALYSIS OF OPEB COSTS, FUNDING AND DEFERRALS

1. Report the requested data concerning Postretirement Benefits Other than Pensions (OPEB). For these schedules, the measurement date, calculation of the data requested, and separate reporting for different types of OPEB plans shall be consistent with the disclosure requirements specified in SFAS-106 (Paragraphs 72-89). If the reporting company's OPEB benefits are provided through a joint plan with its parent company or holding company, report under the columnar heading "Total Company" the data applicable to the total plan (i.e., that of the parent or holding company). The columnar heading "New York State Jurisdiction" refers to the New York State jurisdictional operations of the reporting company, exclusive of amounts applicable to subsidiary companies which are subject to the Commission's jurisdiction but are separately reported.
2. The quantification of amounts reported on Lines 1 - 12 shall be as of the date reported on Line 13.
3. Report on Lines 1 - 3 the actuarial present value of benefits attributed employees' service rendered to the date reported on Line 13.
4. Report on Line 4 the amount the OPEB plan(s) could expect to receive for investments in a sale between a willing buyer and a willing seller, other than in a forced or liquidation sale.
5. Report on Lines 5 and 6, the amounts applicable to OPEB that are recorded in internal reserves, net of their related deferred income tax effect. For New York State Jurisdictional Operations, creation of an internal reserve was required by the Commission's "Statement of Policy and Order Concerning the Accounting and Ratemaking Treatment for Pensions and OPEB" (issued September 7, 1993).
6. Report on Line 10 the amount of unrecognized net gain or loss (including plan asset gains and losses not yet reflected in the market-related value of the plan assets).
7. Report on Line 11 the amount of unrecognized net asset gain or loss not yet reflected in the market-related value of plan assets.
8. In certain instances, a portion of the New York State Jurisdiction OPEB internal reserve may not be subject to the accrual of interest (e.g. in the company's last rate case a portion of the reserve may have been used to reduce rate base). Report on Line 12 the balance of the reserve, net of its related deferred income tax effect, which is subject to the accrual of interest.
9. Report on Line 14 the discount rate which was used to calculate the obligations reported on Lines 1-3.
10. Report on Line 15 the expected long-term return on plan assets reported on Line 4.
11. Report on Line 21 the net asset gain or loss deferred during the reporting year for later recognition. Do not include in this amount amortization of previously deferred gains or losses as these amounts are to be reported on Line 24.
12. The amount reported on Line 24 is to include the amortization of gains and losses arising from changes in assumptions.

For each plan, specify and explain in the space below any accounting changes or changes in assumptions or elected options made during the reporting year. Quantify the effects of each revision on each of the amounts reported on Page **. Use a separate insert sheet if more space is necessary.

ANALYSIS OF OPEB COSTS, FUNDING AND DEFERRALS (Continued)

Line No.	Item (a)	Reporting Company *	Total Company (b)
<u>ANALYSIS OF OPEB COSTS</u>			SEE NOTE BELOW
	Accumulated Benefit Obligation Attributable to:		
1	Retirees Covered by the Plan		\$ 0
2	Other Fully Eligible Plan Participants		\$ 0
3	Other Active Plan Participants		\$ 0
4	Fair Value of Plan Assets Held in an Exterior Fund or Trust		\$ 0
	Plan Assets Held in an Internal Reserve (net of tax):		
5	New York State Jurisdiction		\$
6	Other		\$
7	Other Plan Assets (Specify)		\$
8	Unrecognized Transition Obligation		\$
9	Unrecognized Prior Service Costs		\$
10	Unrecognized Gains or (Losses)		\$
11	Gains or (Losses) Unrecognized in Market Related Value of Assets		\$
12	NYS Jurisdiction Internal Reserve Balance Subject to Accrual of Interest (net of tax)		\$
13	Date of Valuation for Amounts Reported on Lines 1 - 12.		
14	Discount Rate		
15	Expected Long-Term Rate of Return on Assets (Exterior Fund)		
16	Interest Rate Applied to NYS Jurisdiction Internal Reserve Balance		
17	Salary Progression Rate (if applicable)		
<u>NET PERIODIC OPEB COST</u>			
18	Service Cost	\$ -	\$ 0
19	Interest Cost	0	0
20	Actual Return on Plan Assets [(Gain) or Loss]	0	0
21	Deferral of Asset Gain or (Loss)		
22	Amortization of Transition Amount		0
23	Amortization of Unrecognized Prior Service Cost		0
24	Amortization of (Gains) or Losses from Earlier Periods	0	0
25	(Gain) or Loss Due to a Temporary Deviation From a Substantive Plan		
26	Net Periodic OPEB Cost	\$ -	\$ 0

* Sea Cliff Water Company employees participate in Aquarion's consolidated Retirement Plan for Employees and Postretirement Health Care Benefits ("the Plans"). Since the different Companies of Aquarion participate in the Plans, it would be impractical to segregate the assets of the individual Companies.

NOTE; SEE CASE 07-W-0177 PAGE 26

THERE ARE NO SEPARATE VALUATION REPORTS FOR COMPANY EMPLOYEES IN THE AUQA PLAN

ANALYSIS OF OPEB COSTS, FUNDING AND DEFERRALS (Continued)

1. Report on Line 3 items such as transfers of excess pension funds from the company's pension trust fund to an account set up under Section 401(h) of the Internal Revenue Code.
2. Report on Line 5 items of income (e.g., dividends and interest).
3. The amount reported on Line 9 should be the same amount as that reported on Line 4 on Page 364.

Line No.	Item (a)	Total Company (b)
EXTERNALLY HELD OPEB DEDICATED FUNDS OR TRUSTS		
1	Fair Value of Plan Assets at Beginning of Period	\$0
Contributions to the Fund:		
2	Deposits of Company Funds	
3	Transfers from Pension Related Funds	
4	Other *	
5	Income or (Loss) Earned on Fund Assets	
6	Capital Appreciation or (Depreciation) of Fund Assets	
7	Cost Benefits Paid from the Fund To or For Plan Participants	
8	Other Expenses Paid By the Fund **	
9	Fair Value of Plan Assets at End of the Period	\$0

* Specify the source of any amount reported on Line 4.

** Specify the type and amount of any expenses reported on Line 8.

** Represents payment of federal income taxes due on earnings.

ANALYSIS OF OPEB COSTS, FUNDING AND DEFERRALS (Continued)

1. The data requested on Lines 1 through 12 are for the internal reserve, the establishment of which is required by the Commission's "Statement of Policy and Order Concerning the Accounting and Ratemaking Treatment for Pensions and Postretirement Benefits Other Than Pensions" (Case 91-M-0890, issued and effective September 7, 1993). The amounts reported below are to be consistent with the definitions and intent contained in that Statement.
2. The "rate allowance" to be reported on Line 2 is the amount which was projected to be charged to expense accounts (i.e., not charged to construction, depreciation, nor the rate base allowance related to capitalized OPEB costs) in the company's latest rate proceeding, adjusted to actual applicable sales as per the above Policy Statement.
3. The amount reported on Line 9 less the amount on Line 10 should total the amount reported on Line 5 of Page 364.
4. In certain instances, a portion of the OPEB internal reserve may not be subject to the accrual of interest (e.g., in the company's last rate case, a portion of the reserve may have been used as a rate base reduction). Report on Line 12 the balance of the reserve, net of its related deferred income tax effect, which is subject to the accrual of interest.
5. The Commission's September 7, 1993 Policy Statement on pensions and OPEB stated that, except under certain circumstances, the difference between 1) the rate allowance for OPEB expense, plus any pension related or other funds or credits the company is directed to use for OPEB purposes, and 2) OPEB expense determined as required therein, are to be deferred for future recovery. Report on Lines 13 through 17 the amounts relating to this requirement.

Line No.	Item (a)	New York State Jurisdiction (b)
	OPEB RELATED ASSETS RECORDED IN AN INTERNAL RESERVE	SEE NOTE BELOW
1	Balance in Internal Reserve at Beginning of the Period - [(Debit) / Credit]	
2	Amount of the Company's Latest Rate Allowance for OPEB Expense	
3	Amount of OPEB costs actually charged to Construction	
4	Pension Related or Other Funds or Credits this Commission Directed the Company to Use for OPEB Purposes	
5	Interest Accrued on Fund Balance	
6	Cost Benefits Paid to or for Plan Participants	
7	Amount Transferred to an External OPEB Dedicated Fund	
8	Other Debits or Credits to the Internal Reserve *	
9	Balance in Internal Reserve at End of the Period	0
10	Balance of Deferred Income Tax Applicable to the Internal Reserve	
11	Interest Rate Applied to Internal Reserve Balances	
12	Internal Reserve Balance Subject to Accrual of Interest (net of tax)	
	ACCUMULATED DEFERRED OPEB EXPENSE	
13	Accumulated Deferred Balance Beginning of Period - [Debit / (Credit)]	
14	Deferral Applicable to Current Year Variation	
15	Amortization of Previous Deferrals	
16	Accumulated Deferred Balance at End of Period	
17	Balance of Deferred Income Tax Applicable to Deferred OPEB Expense at the End of Period	
	* Briefly explain any amounts reported on Line 8.	
	NOTE; SEE CASE 07-W-0177 PAGE 26	

MISCELLANEOUS TAX REFUNDS

1. Report below particulars concerning all tax refunds received or used as a reduction of taxes payable during the year which are not more than \$1,500,000 and do not exceed \$1,000 or 0.2% of the utility's operating revenues. This information is requested in compliance with Section 89.3, Notification Concerning Tax Refunds, of 16NYCRR. This report shall be inapplicable to ordinary operating refunds that are not attributable to negotiation or to new legislation, adjudication, or rulemaking (such as refunds for overpayment of estimated taxes, and carrybacks of net operating losses and investment tax credits).
2. In determining whether a refund exceeds 0.2% of operating revenues for purposes of this report, in the case of a gas, electric, steam, or combination utility, operating revenues shall be reduced by the amounts properly chargeable to the functional group of Production Operation and Maintenance expense accounts; in the case of a combination utility the refund shall be deemed to exceed 0.2% of operating revenues if, after the refund is allocated among the gas, electric and steam departments in a manner reflecting insofar as possible the extent to which the refund is related to each department's activities, one or more of the portions thus allocated exceeds 0.2% of the operating revenues of the department to which it is allocated.
3. In determining whether a refund meets the criteria stated in Instruction 1 above, multiple refunds shall be treated as a single refund if they share a common cause such as a common act of negotiation legislation, adjudication or rulemaking.
4. In this report, the utility also shall either propose a method of distributing to its customers the entire amount refunded, or show why it should not make such a distribution.

LINE NO.	Description of Item (a)	Amount (b)
1	NONE	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34	Total	\$0

WATER PRODUCTION AND CONSUMPTION

1. Show quantities of water produced and purchased and the quantities delivered to consumers and lost or unaccounted for during the year. Where estimates are used, the bases thereof should be set forth in a footnote.

schedule separately for each plant.

2. If respondent has two or more major plants, show the information called for in this

3. Insert in the column headings preceding the abbreviation "gals." the initial letter of Thousand, Million or Billion to indicate the unit in which the quantities are expressed.

C o n s u m p t i o n											Losses Accounted for					Losses Un- accounted for gals. (o)
LINE NO.	Month (a)	Water Produced		C o n s u m p t i o n							Pump Slip gals. (k)	Trans mission gals. (l)	Distri bution gals. (m)	Other gals. (n)		
		Gravity gals. (b)	Pumped Million gals. (c)	Water Purchased gals. (d)	General		Public*		Respondent							
					Metered Million gals. (e)	Un- Metered gals. (f)	Metered gals. (g)	Un- Metered gals. (h)	Metered gals. (i)	Un- Metered gals. (j)						
1	Jan		25,306		14,332											
2	Feb		23,180		30,824											
3	Mar		22,693		24,433											
4	Apr		24,343		14,236											
5	May		36,477		23,492											
6	Jun		60,650		45,105											
7	Jul		84,167		20,396											
8	Aug		57,568		58,996											
9	Sep		41,122		97,498											
10	Oct		30,439		24,059											
11	Nov		25,886		43,456											
12	Dec		24,617		41,190											
13	Totals	0	456,448	0	438,017	0	0	0	0	0	0	0	0	0	18,431	

*Includes all sales to public authorities except those made under service classifications having general consumer application.

SOURCES OF WATER SUPPLY

1. Show the requested information concerning surface water supply. In the lower section of the schedule insert in "Designation" column some letter or other symbol which will identify the reservoir with related water shed and structures described in the upper section.

state that fact in a footnote, and give full particulars concerning respondent's title.

2. If any property was held at the end of the year under any title other than full ownership,

3. Insert in the headings of columns (q) and (a) to (w) and column (y) the initial letter of Thousand, Million or Billion to indicate the unit in which the quantities are expressed.

LINE NO.	Designation of water shed	D A M S						I N T A K E S					
		Area of water shed sq. miles	Location (village or town)	Year of construction	Type and material	Length ft.	Maximum height ft.	Number	Kind	Location	Diameter in.	Depth below surface ft.	Length ft.
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
1			NONE							NONE			
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													

13	Designation	Impounding Reservoirs					Draft during year			Draft during reservoir service			
		Year of Construction	Natural or Artificial	Capacity gals	Spillway elevation ft.	Est daily yield dry year gals	Avg. daily gals	Maximum Daily gals	Minimum Daily gals	Maximum Daily		Minimum Daily	
(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)
14			NONE										
15													
16													
17													
18													
19													
20													
21													
22													
23													
24													
25													
26													
27													
28													
29													
30													
31													
32													
33													

SOURCES OF WATER SUPPLY

1. Show the requested information concerning surface water supply. In column (b) indicate whether supply is from springs, wells, or infiltration galleries. Columns (f) to (l) relate to wells only, but other columns should also be filled out in respect of this source of supply.

3. In column (l) indicate whether Natural flow, Suction, Air lift, or Deep well pump.

2. If any property was held at the end of the year under any title other than full ownership, state that fact in a footnote, and give full particulars concerning respondent's title.

LINE NO.	Location (city, village or town) and designation of system (a)	Type of develop- ment (b)	Year of Construc- ion (c)	Number of each type (d)	Elevation (ground surface) ft.)* (e)	W E L L S							Average daily yield, thousand gals. (m)
						Type (driven, dug etc.) (f)	Depth ft. (g)	Minimum diameter of well in. (h)	Depth water below surface not. operating - ft. (i)	Draw down		Method of Operation (l)	
										Below static ft. (j)	Pumping at G.P.M. (k)		
1	Glen Head	Well	1957	1	173	Gravel Well	300	20	88.5	139	1380	Deep Well Pump	543
2													
3	Sea Cliff	Well	1966	1	185	Gravel Well	610	10	185	291	1400	Deep Well Pump	807
4													
5													
6													
7													
8													
9													
10													
11													
12													

* Above Sea Level

PUMPING STATION & FIRE SERVICE (Continued)

4. In column (i), assign a designation no. or letter to each pump, which designation must be used to indicate performance of the particular unit under the captions on lines 8 and 19.

6. If pumpage data are not available for individual pumps, give the information per station.

5. If electricity was used, specify on lines 23 to 38 the requested quantities (kwh) and averages.

LINE NO.									Total
	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
1									
2									
3									
4									456,630
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									4,189
15									2
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									0
29									
30									910,363
31									
32									0.90
33									
34									810,603
35									
36									0
37									0
38									

WATER TREATMENT SYSTEM

1. Show the requested information concerning the treatment system which was owned or operated at any time during the year covered by the report. If not in continuous operation, state in column (h), the beginning and end of the period of actual use within the year.

LINE NO.	Location (city, village or town) and designation of system (a)	Type (b)	Year of construction or installation (c)	Number of units, basins or beds (d)	Area of basins or beds sq. ft. (e)	Depth of basins or beds ft. (f)	Normal Daily capacitygals* (g)	Method of Operation (h)
1 2 3 4 5 6 7 8 9	NONE							
10	Maximum safe daily capacity							

*Prefix the initial letter of thousands, million or billion to indicate in which entries are expressed.

TREATMENT PROCESS

1. Show the requested information concerning Water Treatment Processes, the quantities treated by each process, and the chemicals used in connection therewith.

2. If respondent has two or more treatment plants, show the information separately for each plant.

3. Insert the heading of column (b) preceding the abbreviation "gals." the initial

letter of Thousand, Million or Billion to indicate the unit in which quantities are expressed.

4. If certain quantities of water are subject to more than one method of treatment, make suitable deduction on line 33.

5. In column (d) specify short tons gallons, or other unit in which quantities of chemicals in column (c) are expressed..

LINE NO.	Process (a)T.....gals. purified (b)	Kind (c)	Chemicals used		Total Cost (f)	Remarks (g)
				Units (d)	Number of Units (e)		
23 24 25 26 27 28 29 30 31	Sedimentation Coagulation Softening Iron Removal Filtration (Specify method) Blended Phosphates Chlorine Sodium Hydroxide Other:						
32	Totals	1,369,344					
33	Less duplications:	887,682					
34	Quantity purified	456,448					
35	Quantity not purified						
36	Total available for distribution	456,448					
				gal lbs gal	1,200 255 26	8,058 12,878 16,540	
						37,476 Total Chemicals	

DISTRIBUTION RESERVOIRS AND STANDPIPES

1. Show the requested information concerning structures employed for storage of water in connection with the distribution system.

2. In column (i) indicate whether some is high pressure, low pressure, or other characteristics.

3. If any property was held at the end of the year under any title other than full owner-ship, state the fact in a footnote, and give full particulars concerning respondent's title.

LINE NO.	Location (city, village or town) and designation of system (a)	Elevation of overflow ft. (b)	Classification (c)	Year of construction (d)	Material (e)	Open or closed (f)	Dimensions ft.. (g)	CapacityT.....gals. (h)	Service zone supplied (i)
1									
2	Sea Cliff	282	Elevated Tank	2009	Steel	Closed	103x56	650	Sea Cliff
3									
4	Glen Head	285	Elevated Tank	1935	Steel	Closed	124 x 50	500	Glen Head & Glen Wood Districts
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									

MAINS (Continued)

1. Show the requested information concerning mains in service of the respondent at the end of the year
 2. If any portion of the mains was held by respondent under any title other than full ownership, state that fact in a footnote and give the particulars concerning respondent's title.

LINE NO.	Municipality and designation of system (a)	Diameter of pipe in. (b)	Length of Pipe to the nearest foot							Total Length of Pipes	
			Cast Iron (c)	Wrought Iron (d)	(e)	(f)	(g)	(h)	(i)	Private right of way ft. (j)	Public Streets ft. (k)
1	Fire Mains	2									
2	Transmission &		4								
3	Distribution Mains										
4											
5	City of Glen Cove	2									0
6		4									0
7			0	0	0	0	0	0	0	0	0
8											
9	Inc. Village of Brookville	2	1,094								1,094
10		4	411								411
11		6	12,806							716	12,090
12		8	8,154							2,718	5,436
13		12	4,299								4,299
14			26,764	0	0	0	0	0	0	3,434	23,330
15											
16	Village of Roslyn Harbor	6	1,808								1,808
17		8	3,512							342	3,170
18			5,320	0	0	0	0	0	0	342	4,978
19											
20											
21											
22	Total		234,502	5,010	4,659	78	45,706	0	0	12,490	277,465
23											
24											
25											
26											
27											
28											
29											
30											
31											
32											

SERVICE PIPES

1. Show the requested information concerning the service pipes used in the delivery of water from the distribution mains. If the respondent has two or more separate distribution systems, the particulars for each should be separately stated.

2. State in a footnote upon what basis, if any, customers are charged for the installations of services.

3. If the respondent owns the services from the mains to the curb or property line, classify such services as "owned by respondent," and restrict the average length in column (g) to the portion of the service owned.

Line No.	Diameter In. (a)	Number at end of year				Material (f)			Average length feet (g)
		Total (b)	In Use (c)	Temporarily Inactive (d)	Advance connections, not yet used (e)				
1	<u>Owned by Respondent</u>					Copper	Plastic	Wrought Iron	
2						2299	121	134	25
3	0.75	2,554	2,532	22	0	1411	205	57	25
4	1.00	1,673	1,645	13	0	0	0	2	25
5	1.25	2	2	0	0	3	0	13	25
6	1.50	16	15	1	0	8	12	13	25
7	2.00	33	31	2	0	0	0	14	25
8	2.50	0	0	0	0	0	0	8	25
9	4.00	14	14	0	0	0	0	1	25
10	6.00	8	8	0	0	0	0		25
11	8.00	1	1	0	0	0	0		25
12									
13									
14		0							
15		0							
16	TOTALS	4,301	4,248	38	0	3721	337	242	
17	<u>Owned by Customers</u>								
18									
19	0.75	155	155			155			25
20	1.00	77	77			77			25
21	1.50	2	2			2			25
22		0							
23		0							
24		0							
25		0							
26		0							
27		0							
28		0							
29		0							
30		0							
31		0							
32		0							
33		0							
34	TOTALS	234	234	0	0				

CUSTOMERS' METERS

1. Show the requested information concerning customers' meters in service or in stock during the year, and also the information called for concerning meters owned by customers.

3. If the respondent has two or more distribution systems, the entries hereunder should be identified with the system of which the meters form a part.

2. Under type, classify them as Displacement, Current, Compound, and Fire service.

Line No.	Type (a)	Size In. (b)	Owned by Company					Number In stock at end of year (h)	Owned by Customers	
			Annual		Seasonal				Beginning of Year (i)	End of Year (j)
			Beginning of Year (c)	End of Year (d)	Beginning of Year (e)	Mid-season maximum (f)	End of Year (g)			
1	Disc	0.63	3,968	4,045	20		35	126	3	3
2	Compound	0.75	25	25	0		0	2	2	2
3		1.00	176	181	1		1	7	3	3
4		1.50	29	30	1		1	0	0	0
5		2.00	39	39	2		2	0	0	1
6		3.00	4	4	0		0	0	0	0
7		4.00	5	5	0		0	0	0	0
8		6.00	3	3	0		0	0	0	0
9		8.00	1	1	0		0	0	0	0
10		Turbine HP	1.50	0	0	0		0	0	1
11	Protectus HP-Pro III	2.00	0	0	0		0	0	2	2
12		6.00	2	2	0		0	0	0	0
13		0.63								
14		0.75								
15		1.00								
16		1.50								
17		2.00								
18		0.63								
19		0.75								
20		1.00								
21		1.50								
22		2.00								
23		3.00								
24		4.00								
25		6.00								
26	8.00									
27	0.63									
28	0.75									
29	1.00									
30	1.50									
31	2.00									
32	0.63									
33	0.75									
34	1.00									
35	1.50									
36	2.00									
TOTALS			4,252	4,335	24		39	135	11	12

FIRE HYDRANTS (Continued)

1. Show the requested information concerning fire hydrants used in furnishing water for public and private fire protection.

2. If respondent gives fire protection without direct charge, the hydrants used for such purpose should be so designated by appropriate footnotes.

3. If any unit listed hereunder was held at the end of the year under any title other than full ownership, give, in a footnote, particulars concerning respondent's title.

Line No.	Location (city, village or town) (a)	Size Hydrant (valve opening), in. (b)	Hose Connections		Steamer Connections		Diameter of pipe to main in. (g)	Number of Hydrants in Service			
			Number per Hydrant (c)	Size in. (d)	Number per Hydrant (e)	Size in. (f)		At beginning of year		At end of year	
								Owned by Company (h)	Not owned by company (i)	Owned by Company (j)	Not owned by company (k)
1	<u>Private Fire Protection</u>										
2											
3	Glen Head Glenwood Dist.	4	2	2.5	1	4.5	4 or 6	18	2	18	2
4	Inc. Village of Old Brookville	4	2	2.5	1	4.5	4 or 6	5		5	
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27											
28											
29											
30											
31											
32											
33											
34							TOTALS	23	2	23	2

NYSPSC 347-97

CASH FLOW STATEMENT

	Annual Report Source Page, Line (Column)	3/31/2012
Cash Flows From Operating Activities		
Net Income	Pg 122, L 2 (b)	\$236,910
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, Depletion & Amortization	Pg 122, L 4=>7 (b)	272,961
Deferred Taxes & ITCs	Pg 122, L 8, 9 (b)	243,137
Receivables and Inventory	Pg 122, L 10=>11 (b)	16,878
Payables and Accrued Expenses	Pg 122, L 12 (b)	(571,005)
Net (Increase) Decrease in Other Regulatory Assets	Pg 122, L 13 (b)	(43,198)
Net (Increase) Decrease in Investments (Property Tax Refund due Ratepayer)	Pg 122, L 14 (b)	0
Capitalized AFUDC - Equity Funds	Pg 122, L 15 (b) (-)	(1,978)
Equity In Loss (Earnings) Of Affiliates	Pg 122, L 16 (b) (-)	0
Other Adjustments	Pg 122, L 17 (b)	0
	Pg 122, L 18 (b)	(4,353)
	Pg 122, L 19=>20 (b)	(9,583)
Net Cash From Operating Activities	Formula	<u>139,769</u>
Cash Flows From Investing Activities		
Cash Outflows For Construction	Pg 122, L 32 (b)	(153,557)
Acquisition Of Other Non-Current Assets	Pg 122, L 34=>36 (b)	0
Investments In & Advances to Affiliates.	Pg 122, L 37 (b)	
Contributions & Advances from Affiliates	Pg 122, L 38 (b)	0
Net Proceeds - Sale Or Disposition Of:		
Property, Plant & Equipment	No Entry	
Investments in Affiliated Companies	Pg 122, L 40, 41 (b)	0
Other Debt & Equity Investments	Pg 122, L 42, 43 (b)	0
Other Non-Current Assets	Pg 123, L 44=>46 (b)	0
Other Cash Flows - Investing Activities	Pg 123, L 47=>49 (b)	0
	Pg 123, L 50=>52 (b)	0
Net Cash From Investing Activities	Formula	<u>(153,557)</u>
Cash Flows From Financing Activities		
Net Proceeds (Payments) - Issuing & Retiring:		
Long-Term Debt	Pg 123, L 58, 61, 62, 70, 73, 74 (b)	0
Common Stock	Pg 123, L 60+72 (b)	0
Preferred Stock	Pg 123, L 59+71 (b)	0
Short-Term Debt	Pg 123, L 63, 75 (b)	0
Dividends Paid	Pg 123, L 77, 78 (b)	0
Other Cash Flows - Financing Activities	Pg 123, L 64=>66, 76 (b)	0
Net Cash From Financing Activities	Formula	<u>0</u>
Net Increase/(Decrease) In Cash Equivalents	Formula	(13,788)
Cash & Cash Equivalents At Beginning Of Year	Pg 123, L 85 (b)	0
Cash & Cash Equivalents At End Of Year	Formula	(\$13,788)

VERIFICATION

The Public Service Law requires that "... it shall be the duty of every such person and corporation to file with the Commission an annual report, verified by oath of the president, vice-president, treasurer, secretary, general manager, or receiver, if any, thereof, or by the person required to file the same. The verification shall be made by said official holding office at the time of the filing of said report, and if not made upon the knowledge of the person verifying the same shall set forth the sources of his information and the grounds of his belief as to any matters not stated to be verified upon his knowledge."

State ofNew York.....)

) SS. :

County ofNassau.....)

..... Thomas Huber.....makes oath and

says: I am the Controller..... of Aqua New York of Sea Cliff
(Here insert the official title of the deponent) (Here insert exact name of the reporting company)

I am familiar with the preparation of the foregoing report know generally the contents thereof. The said report which

consists ofPages 101 through 412 inclusive with schedules pertaining thereto.....
(Here insert exact identification of the sections and pages comprising this report)

is true and correct to the best of my knowledge and belief. As to matters not actually stated upon my knowledge,

the sources of my information and the grounds for my belief are as follows:

Signature

Subscribed and sworn to before me a

..Notary Public.....

this day ofMarch, 2008.....

[use an im-

L.S.]

pression seal]

(Signature of officer authorized to administer oaths)

(This space for use of the Public Service Commission)

Computed

Examined

Reviewed

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