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United Water

Via FedEx

May 26, 2011

The Honorable Jaclyn A. Brilling
Secretary to the Commission
State of New York Department of Public Service
Three Empire State Plaza
Albany, New York 12223

SUBJECT: United Water Owego-Nichols Inc. Pension and Post-Retirement Benefits Other Than Pension (OPEB) Reconciliations and Internal Reserves for the Rate Years Ending April 30, 2009, 2010 and 2011.

Dear Secretary Brilling:

In accordance with the "Statement of Policy and Order Concerning the Accounting and Ratemaking Treatment for Pensions and Post-Retirement Benefits Other than Pensions" (SOP) in Case 91-M-0890, enclosed please find five (5) copies of the above referenced reconciliations and internal reserves.

Enclosed are Pension and OPEB Reconciliations and Internal Reserves for the Rate Years ending April 30, 2009, 2010 and 2011. The deferral of pension and OPEB represents the difference between actual pension and OPEB expense per the Company's actuary and the amount authorized in Case No. 07-W-0639, Case No. 07-W-0872 and Case No. 07-W-0639 Phase II.

Please contact me at the number listed above or e-mail me at Thomas.Lippai@Unitedwater.com with any concerns, questions or requests for additional information.

Very truly yours,

Thomas G. Lippai

Thomas G. Lippai
Senior Regulatory Specialist

Enclosures

cc: J. Cagle

United Water Owego-Nichols
Pension Reconciliation
For The Rate Year May 2008 - April 2009

Pension		**May-08**	**Jun-08**	**Jul-08**	**Aug-08**	**Sep-08**	**Oct-08**	**Nov-08**	**Dec-08**	**Jan-09**	**Feb-09**	**Mar-09**	**Apr-09**	**Total**
Pension Expense Per Actuary		$ 5,001	$ 5,001	$ 5,001	$ 5,001	$ 5,030	$ 5,030	$ 5,030	$ 5,030	$ 5,602	$ 5,602	$ 6,252	$ 6,252	$63,832
Actuary Adjustment						230						1,301		1,531
Total Pension Expense Per Actuary		5,001	5,001	5,001	5,001	5,260	5,030	5,030	5,030	5,602	5,602	7,553	6,252	65,363
Less:														
Capitalized		735	606	767	1,109	1,363	1,926	1,686	1,098	939	765	421	694	12,109
Transferred Out								26		0			0	26
Sub-Total Capitalized/Transferred Out		735	606	767	1,109	1,363	1,926	1,712	1,098	939	765	421	694	12,135
Capitalized Adjustment		0	0	0	0	62	0	0	0	0	0	88	0	150
Transferred Out Adjustment		0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-Total Adjustments		0	0	0	0	62	0	0	0	0	0	88	0	150
Total Capitalized/Transferred Out		735	606	767	1,109	1,425	1,926	1,712	1,098	939	765	509	694	12,285
Total Net Actuarial Amount		4,266	4,395	4,234	3,892	3,835	3,104	3,318	3,932	4,663	4,837	7,044	5,558	53,078
Projected sales (mg)		47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	564
Actual sales (mg)		18.049	42.537	40.672	41.224	42.466	40.071	38.738	36.074	29.825	21.146	42.646	26.797	420
Billed %		38.40%	90.49%	86.53%	87.70%	90.34%	85.25%	82.41%	76.74%	63.45%	44.99%	90.72%	57.01%	74.50%
Monthly Rate Allowance	(a)	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	58,524
Sales adjustment	(b)	(3,004)	(464)	(657)	(600)	(471)	(720)	(858)	(1,134)	(1,783)	(2,683)	(452)	(2,097)	(14,922)
Adjusted Expense Allowed		1,873	4,413	4,220	4,277	4,406	4,157	4,019	3,743	3,094	2,194	4,425	2,780	43,602
Monthly Deferred Difference		$ 2,393	$ (18)	$ 14	$ (385)	$ (571)	$ (1,053)	$ (701)	$ 189	$ 1,569	$ 2,643	$ 2,620	$ 2,778	$ 9,477
Prior Period Carryforward		$ -												
Cumulative Deferred Difference		$ 2,393	$ 2,375	$ 2,389	$ 2,004	$ 1,433	$ 379	$ (322)	$ (133)	$ 1,436	$ 4,079	$ 6,699	$ 9,477	

Notes:
(a) Case #'s 07-W-0639 and 07-W-0872 Order Issued 04/23/2008
(b) Case #' 07-W-0639 Phase II Order Issued 04/13/2010

United Water Owego-Nichols
Pension Reconciliation
For The Rate Year May 2009 - April 2010

Pension		May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	Total
Pension Expense Per Actuary		$ 6,252	$ 6,252	$ 6,252	$ 6,252	$ 6,688	$ 6,688	$ 6,688	$ 6,688	$ 6,446	$ 6,446	$ 6,517	$ 6,517	$77,686
Actuary Adjustment						3,486						142		3,628
Total Pension Expense Per Actuary		6,252	6,252	6,252	6,252	10,174	6,688	6,688	6,688	6,446	6,446	6,659	6,517	81,314
Less:														
Capitalized		1,142	978	696	496	706	745	807	820	928	837	488	1,316	9,959
Transferred Out		0	0	0	0	0				0	0	0	0	0
Sub-Total Capitalized/Transferred Out		1,142	978	696	496	706	745	807	820	928	837	488	1,316	9,959
Capitalized Adjustment		0	0	0	0	368	0	0	0	0	0	11	0	379
Transferred Out Adjustment		0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-Total Adjustments		0	0	0	0	368	0	0	0	0	0	11	0	379
Total Capitalized/Transferred Out		1,142	978	696	496	1,074	745	807	820	928	837	499	1,316	10,338
Total Net Actuarial Amount		5,110	5,274	5,556	5,756	9,100	5,943	5,881	5,868	5,518	5,609	6,160	5,201	70,976
Projected sales (mg)		47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	564
Actual sales (mg)		29.690	19.238	49.793	36.469	42.287	28.714	22.103	48.450	27.131	23.373	26.214	27.030	380
Billed %		63.16%	40.93%	105.93%	77.58%	89.96%	61.09%	47.02%	103.07%	57.72%	49.72%	55.77%	57.50%	67.45%
Monthly Rate Allowance	(a)	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	58,524
Sales adjustment	(b)	(1,797)	(2,881)	289	(1,093)	(490)	(1,898)	(2,584)	150	(2,062)	(2,452)	(2,157)	(2,073)	(19,047)
Adjusted Expense Allowed		3,080	1,996	5,166	3,784	4,387	2,979	2,293	5,027	2,815	2,425	2,720	2,804	39,477
Monthly Deferred Difference		$ 2,030	$ 3,278	$ 390	$ 1,972	$ 4,713	$ 2,964	$ 3,588	$ 841	$ 2,703	$ 3,184	$ 3,441	$ 2,397	$31,499
Prior Period Carryforward		$ 9,477												
Cumulative Deferred Difference		$11,506	$14,784	$15,174	$17,146	$21,859	$24,823	$28,410	$29,252	$31,955	$35,139	$38,579	$40,976	

Notes:
(a) Case #'s 07-W-0639 and 07-W-0872 Order Issued 04/23/2008
(b) Case #' 07-W-0639 Phase II Order Issued 04/13/2010

United Water Owego-Nichols
Pension Reconciliation
For The Rate Year May 2010 - April 2011

Pension	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	Total
Pension Expense Per Actuary	$ 6,517	$ 6,517	$ 6,517	$ 6,517	$ 6,517	$ 6,540	$ 6,540	$ 6,540	$ 7,102	$ 6,881	$ 6,881	$ 6,881	$79,950
Actuary Adjustment						207				(221)			(14)
Total Pension Expense Per Actuary	6,517	6,517	6,517	6,517	6,517	6,747	6,540	6,540	7,102	6,660	6,881	6,881	79,936
Less:													
Capitalized	1,231	786	849	1,114	1,050	839	609	489	303	534	313	466	8,583
Transferred Out	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-Total Capitalized/Transferred Out	1,231	786	849	1,114	1,050	839	609	489	303	534	313	466	8,583
Capitalized Adjustment	0	0	0	0	0	27	0	0	0	(17)	0	0	9
Transferred Out Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-Total Adjustments	0	0	0	0	0	27	0	0	0	(17)	0	0	9
Total Capitalized/Transferred Out	1,231	786	849	1,114	1,050	866	609	489	303	517	313	466	8,593
Total Net Actuarial Amount	5,286	5,731	5,668	5,403	5,467	5,881	5,931	6,051	6,799	6,143	6,568	6,415	71,343
Projected sales (mg)	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	564
Actual sales (mg)	30.099	30.099	30.390	34.708	40.145	48.045	35.505	31.706	35.899	22.895	22.769	32.234	394
Billed %	64.03%	64.03%	64.65%	73.84%	85.40%	102.21%	75.53%	67.45%	76.37%	48.71%	48.44%	68.57%	69.94%
Monthly Rate Allowance **(a)**	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	58,524
Sales adjustment **(b)**	(1,754)	(1,754)	(1,724)	(1,276)	(712)	108	(1,193)	(1,587)	(1,152)	(2,502)	(2,515)	(1,533)	(17,594)
Adjusted Expense Allowed	3,123	3,123	3,153	3,601	4,165	4,985	3,684	3,290	3,725	2,375	2,362	3,344	40,930
Monthly Deferred Difference	$ 2,163	$ 2,608	$ 2,515	$ 1,802	$ 1,302	$ 897	$ 2,247	$ 2,761	$ 3,074	$ 3,768	$ 4,206	$ 3,071	$30,413
Prior Period Carryforward	$40,976												
Cumulative Deferred Difference	$43,139	$45,747	$48,262	$50,064	$51,365	$52,262	$54,509	$57,271	$60,345	$64,113	$68,319	$71,389	

Notes:
(a) Case #'s 07-W-0639 and 07-W-0872 Order Issued 04/23/2008
(b) Case #' 07-W-0639 Phase II Order Issued 04/13/2010

United Water Owego -Nichols
Pension Internal Reserve Account and
Calculation of Accrued Interest on Internal Reserve Balance

Period	Beginning Internal Reserve Balance	Authorized Rate Allowance	Capitalized / Trnsfr Out Pension Costs	Payments To Trustee	Recovery Deferred Debit Amortization	Ending Internal Reserve Balance	Less Capital & Payments To Ratepayers	Cumulative Internal Reserve Balance	Monthly Internal Reserve Amount	Average Book Balance	Average Book Balance Net of Tax	Pre-Tax ROR	Monthly Accrued Interest	Cummulative Accrued Interest
May-08	($26,561)	($1,873)	($1,425)			($29,859)		($29,859)	(3,298)	($28,210)	($16,926)	11.02%	($155)	($155)
Jun-08	($29,859)	($4,413)	($1,926)			($36,198)		($36,198)	(6,339)	($33,029)	($19,817)	11.02%	($182)	($337)
Jul-08	($36,198)	($4,220)	($1,712)			($42,130)		($42,130)	(5,932)	($39,164)	($23,499)	11.02%	($216)	($553)
Aug-08	($42,130)	($4,277)	($1,098)			($47,505)		($47,505)	(5,375)	($44,818)	($26,891)	11.02%	($247)	($800)
Sep-08	($47,505)	($4,406)	($939)			($52,850)		($52,850)	(5,345)	($50,178)	($30,107)	11.02%	($276)	($1,076)
Oct-08	($52,850)	($4,157)	($765)			($57,772)		($57,772)	(4,922)	($55,311)	($33,187)	11.02%	($305)	($1,381)
Nov-08	($57,772)	($4,019)	($509)			($62,300)		($62,300)	(4,528)	($60,036)	($36,022)	11.02%	($331)	($1,712)
Dec-08	($62,300)	($3,743)	($694)			($66,737)		($66,737)	($4,437)	($64,518)	($38,711)	11.02%	($355)	($2,067)
Jan-09	($66,737)	($3,094)	($1,142)			($70,973)		($70,973)	($4,236)	($68,855)	($41,313)	11.02%	($379)	($2,446)
Feb-09	($70,973)	($2,194)	($765)			($73,932)		($73,932)	($2,959)	($72,452)	($43,471)	11.02%	($399)	($2,845)
Mar-09	($73,932)	($4,425)	($509)			($78,866)		($78,866)	($4,934)	($76,399)	($45,839)	11.02%	($421)	($3,266)
Apr-09	($78,866)	($2,780)	($694)	$10,052		($72,288)		($72,288)	6,578	($75,577)	($45,346)	11.02%	($416)	($3,682)
May-09	($72,288)	($3,080)	($1,142)			($76,510)		($76,510)	(4,222)	($74,399)	($44,639)	11.02%	($410)	($4,092)
Jun-09	($76,510)	($1,996)	($978)			($79,484)		($79,484)	(2,974)	($77,997)	($46,798)	11.02%	($430)	($4,522)
Jul-09	($79,484)	($5,166)	($696)	$10,052		($75,294)		($75,294)	4,190	($77,389)	($46,433)	11.02%	($426)	($4,948)
Aug-09	($75,294)	($3,784)	($496)			($79,574)		($79,574)	(4,280)	($77,434)	($46,460)	11.02%	($427)	($5,375)
Sep-09	($79,574)	($4,387)	($706)			($84,667)		($84,667)	(5,093)	($82,120)	($49,272)	11.02%	($452)	($5,827)
Oct-09	($84,667)	($2,979)	($745)	$10,052		($78,339)		($78,339)	6,328	($81,503)	($48,902)	11.02%	($449)	($6,276)
Nov-09	($78,339)	($2,293)	($807)			($81,439)		($81,439)	(3,100)	($79,889)	($47,933)	11.02%	($440)	($6,716)
Dec-09	($81,439)	($5,027)	($820)			($87,286)		($87,286)	(5,847)	($84,362)	($50,617)	11.02%	($465)	($7,181)
Jan-10	($87,286)	($2,815)	($928)	$10,052		($80,977)		($80,977)	6,309	($84,131)	($50,479)	11.02%	($464)	($7,645)
Feb-10	($80,977)	($2,425)	($837)			($84,239)		($84,239)	(3,262)	($82,608)	($49,565)	11.02%	($455)	($8,100)
Mar-10	($84,239)	($2,720)	($499)			($87,458)		($87,458)	(3,219)	($85,848)	($51,509)	11.02%	($473)	($8,573)
Apr-10	($87,458)	($2,804)	($1,316)	$14,253		($77,325)		($77,325)	10,133	($82,391)	($49,435)	11.02%	($454)	($9,027)
May-10	($77,325)	($3,123)	($1,231)			($81,679)		($81,679)	(4,354)	($79,502)	($47,701)	11.02%	($438)	($9,465)
Jun-10	($81,679)	($3,123)	($786)			($85,588)		($85,588)	(3,909)	($83,633)	($50,180)	11.02%	($461)	($9,926)
Jul-10	($85,588)	($3,153)	($849)	$43,062		($46,528)		($46,528)	39,060	($66,058)	($39,635)	11.02%	($364)	($10,290)
Aug-10	($46,528)	($3,601)	($1,114)			($51,243)		($51,243)	(4,715)	($48,885)	($29,331)	11.02%	($269)	($10,559)
Sep-10	($51,243)	($4,165)	($1,050)			($56,458)		($56,458)	(5,215)	($53,850)	($32,310)	11.02%	($297)	($10,856)
Oct-10	($56,458)	($4,985)	($866)	$18,830		($43,479)		($43,479)	12,979	($49,968)	($29,981)	11.02%	($275)	($11,131)
Nov-10	($43,479)	($3,684)	($609)			($47,772)		($47,772)	(4,293)	($45,625)	($27,375)	11.02%	($251)	($11,382)
Dec-10	($47,772)	($3,290)	($489)			($51,551)		($51,551)	(3,779)	($49,661)	($29,797)	11.02%	($274)	($11,656)
Jan-11	($51,551)	($3,725)	($303)	$18,830	($3,796)	($40,545)		($40,545)	11,006	($46,048)	($27,629)	11.02%	($254)	($11,910)
Feb-11	($40,545)	($2,375)	($517)		($3,757)	($47,194)		($47,194)	(6,649)	($43,869)	($26,322)	11.02%	($242)	($12,152)
Mar-11	($47,194)	($2,362)	($313)		($3,757)	($53,626)		($53,626)	(6,432)	($50,410)	($30,246)	11.02%	($278)	($12,430)
Apr-11	($53,626)	($3,344)	($466)	$25,047	($3,757)	($36,146)		($36,146)	17,480	($44,886)	($26,932)	11.02%	($247)	($12,677)

United Water Owego-Nichols
OPEB Reconciliation
For The Rate Year May 2008 - April 2009

<u>OPEB</u>		May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	<u>Total</u>
OPEB Expense Per Actuary		$1,633	$ 1,633	$ 1,633	$ 1,633	$ 150	$ 150	$ 150	$ 150	$ 137	$ 137	$ 46	$ 46	$ 7,498
Actuary Adjustment						(11,868)						(183)		(12,051)
Total OPEB Expense Per Actuary		1,633	1,633	1,633	1,633	(11,718)	150	150	150	137	137	(137)	46	(4,553)
Less:														
Capitalized		240	198	251	362	41	57	50	33	23	19	3	5	1,282
Transferred Out		0						1	0	0	0	0	0	1
Sub-Total Capitalized/Transferred Out		240	198	251	362	41	57	51	33	23	19	3	5	1,283
Capitalized Adjustment		0	0	0	0	(3,244)	0	0	0	0		(12)	0	(3,256)
Transferred Out Adjustment		0	0	0	0	0	0	0	0	0		0	0	0
Sub-Total Adjustments		0	0	0	0	(3,244)	0	0	0	0	0	(12)	0	(3,256)
Total Capitalized/Transferred Out		240	198	251	362	(3,203)	57	51	33	23	19	(9)	5	(1,973)
Total Net Actuarial Amount		1,393	1,435	1,382	1,271	(8,515)	93	99	117	114	118	(128)	41	(2,580)
Projected sales (mg)		47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	564
Actual sales (mg)		18.049	42.537	40.672	41.224	42.466	40.071	38.738	36.074	29.825	21.146	42.646	26.797	420
Billed %		38.40%	90.49%	86.53%	87.70%	90.34%	85.25%	82.41%	76.74%	63.45%	44.99%	90.72%	57.01%	74.50%
Monthly Rate Allowance	**(a)**	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	29,100
Sales adjustment	**(b)**	(1,494)	(231)	(327)	(298)	(234)	(358)	(427)	(564)	(886)	(1,334)	(225)	(1,043)	(7,420)
Adjusted Expense Allowed		931	2,194	2,098	2,127	2,191	2,067	1,998	1,861	1,539	1,091	2,200	1,382	21,680
Monthly Deferred Difference		$ 462	$ (759)	$ (716)	$ (856)	$(10,706)	$ (1,974)	$ (1,899)	$ (1,744)	$ (1,425)	$ (973)	$ (2,328)	$ (1,341)	$(24,260)
Prior Period Carryforward		$ -												
Cumulative Deferred Difference		$ 462	$ (298)	$ (1,014)	$ (1,870)	$(12,575)	$(14,550)	$(16,449)	$(18,193)	$(19,618)	$(20,591)	$(22,919)	$(24,260)	

Notes:
(a) Case #'s 07-W-0639 and 07-W-0872 Order Issued 04/23/2008
(b) Case #' 07-W-0639 Phase II Order Issued 04/13/2010

United Water Owego-Nichols
OPEB Reconciliation
For The Rate Year May 2009 - April 2010

OPEB	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	Total
OPEB Expense Per Actuary	$46	$ 46	$ 46	$ 46	$ 8	$ 8	$ 8	$ 8	$ 48	$ 48	$ 197	$ 197	$ 706
Actuary Adjustment					(304)						298		(6)
Total OPEB Expense Per Actuary	46	46	46	46	(296)	8	8	8	48	48	495	197	700
Less:													
Capitalized	8	7	5	4	1	1	1	1	7	6	15	40	96
Transferred Out	0	0	0	0	0				0	0	0	0	0
Sub-Total Capitalized/Transferred Out	8	7	5	4	1	1	1	1	7	6	15	40	96
Capitalized Adjustment	0	0	0	0	(38)	0	0	0	0		23	0	(15)
Transferred Out Adjustment	0	0	0	0	0	0	0	0	0		0	0	0
Sub-Total Adjustments	0	0	0	0	(38)	0	0	0	0	0	23	0	(15)
Total Capitalized/Transferred Out	8	7	5	4	(37)	1	1	1	7	6	38	40	81
Total Net Actuarial Amount	38	39	41	42	(259)	7	7	7	41	42	457	157	619
Projected sales (mg)	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	564
Actual sales (mg)	29.690	19.238	49.793	36.469	42.287	28.714	22.103	48.450	27.131	23.373	26.214	27.030	380
Billed %	63.16%	40.93%	105.93%	77.58%	89.96%	61.09%	47.02%	103.07%	57.72%	49.72%	55.77%	57.50%	67.45%
Monthly Rate Allowance **(a)**	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	29,100
Sales adjustment **(b)**	(893)	(1,433)	144	(544)	(243)	(944)	(1,285)	74	(1,025)	(1,219)	(1,073)	(1,031)	(9,471)
Adjusted Expense Allowed	1,532	992	2,569	1,881	2,182	1,481	1,140	2,499	1,400	1,206	1,352	1,394	19,629
Monthly Deferred Difference	$ (1,494)	$ (953)	$ (2,528)	$ (1,839)	$ (2,441)	$ (1,474)	$ (1,133)	$ (2,492)	$ (1,359)	$ (1,164)	$ (895)	$ (1,237)	$(19,010)
Prior Period Carryforward	$(24,260)												
Cumulative Deferred Difference	$(25,754)	$(26,707)	$(29,235)	$(31,075)	$(33,515)	$(34,989)	$(36,123)	$(38,615)	$(39,974)	$(41,138)	$(42,033)	$(43,270)	

Notes:
(a) Case #'s 07-W-0639 and 07-W-0872 Order Issued 04/23/2008
(b) Case #' 07-W-0639 Phase II Order Issued 04/13/2010

United Water Owego-Nichols
OPEB Reconciliation
For The Rate Year May 2010 - April 2011

OPEB		May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	Total
OPEB Expense Per Actuary		$197	$197	$197	$197	$197	$ 360	$ 360	$ 360	$ 650	$ 489	$ 489	$ 489	$ 4,182
Actuary Adjustment							1,470				(161)			1,309
Total OPEB Expense Per Actuary		197	197	197	197	197	1,830	360	360	650	328	489	489	5,491
Less:														
Capitalized		37	24	26	34	32	46	34	27	28	38	22	33	381
Transferred Out		0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-Total Capitalized/Transferred Out		37	24	26	34	32	46	34	27	28	38	22	33	381
Capitalized Adjustment		0		0	0	0	188	0	0	0	(13)	0	0	175
Transferred Out Adjustment		0		0	0	0	0	0	0	0	0	0	0	0
Sub-Total Adjustments		0	0	0	0	0	188	0	0	0	(13)	0	0	175
Total Capitalized/Transferred Out		37	24	26	34	32	234	34	27	28	25	22	33	556
Total Net Actuarial Amount		160	173	171	163	165	1,596	326	333	622	303	467	456	4,935
Projected sales (mg)		47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	47.006	564
Actual sales (mg)		30.099	30.099	30.390	34.708	40.145	48.045	35.505	31.706	35.899	22.895	22.769	32.234	394
Billed %		64.03%	64.03%	64.65%	73.84%	85.40%	102.21%	75.53%	67.45%	76.37%	48.71%	48.44%	68.57%	69.94%
Monthly Rate Allowance	(a)	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	2,425	29,100
Sales adjustment	(b)	(872)	(872)	(857)	(634)	(354)	54	(593)	(789)	(573)	(1,244)	(1,250)	(762)	(8,748)
Adjusted Expense Allowed		1,553	1,553	1,568	1,791	2,071	2,479	1,832	1,636	1,852	1,181	1,175	1,663	20,352
Monthly Deferred Difference		$ (1,393)	$ (1,380)	$ (1,397)	$ (1,628)	$ (1,906)	$ (882)	$ (1,506)	$ (1,303)	$ (1,230)	$ (879)	$ (708)	$ (1,207)	$(15,417)
Prior Period Carryforward		$(43,270)												
Cumulative Deferred Difference		$(44,663)	$(46,043)	$(47,439)	$(49,067)	$(50,973)	$(51,855)	$(53,361)	$(54,664)	$(55,894)	$(56,772)	$(57,480)	$(58,687)	

Notes:
(a) Case #'s 07-W-0639 and 07-W-0872 Order Issued 04/23/2008
(b) Case #' 07-W-0639 Phase II Order Issued 04/13/2010

United Water Owego-Nichols

OPEB Internal Reserve Account and

Calculation of Accrued Interest on Internal Reserve Balance

Period	Beginning Internal Reserve Balance	Authorized Rate Allowance	Capitalized Trnsfr Out OPEB Costs	Payments To Trustee	Recovery Deferred Debit Amortization	Medicare Part D Reimbursemen	Ending Internal Reserve Balance	Less Capital & Payments To Ratepayers	Cumulative Internal Reserve Balance	Monthly Internal Reserve Amount	Average Book Balance	Average Book Balance Net of Tax	Pre-Tax ROR	Monthly Accrued Interest	Cummulative Accrued Interest
May-08	($286,770)	($931)	($240)	$0	($339)		($288,280)		($288,280)	(1,510)	($287,525)	($172,515)	11.02%	($1,584)	($1,584)
Jun-08	($288,280)	($2,194)	($198)	$0	($339)		($291,011)		($291,011)	($2,731)	($289,646)	($173,787)	11.02%	($1,596)	($3,180)
Jul-08	($291,011)	($2,098)	($251)	$0	($339)		($293,699)		($293,699)	($2,688)	($292,355)	($175,413)	11.02%	($1,611)	($4,791)
Aug-08	($293,699)	($2,127)	($362)	$0	($339)		($296,527)		($296,527)	($2,828)	($295,113)	($177,068)	11.02%	($1,626)	($6,417)
Sep-08	($296,527)	($2,191)	$3,203	$0	($339)		($295,854)		($295,854)	$673	($296,191)	($177,714)	11.02%	($1,632)	($8,049)
Oct-08	($295,854)	($2,067)	($57)	$0	($339)		($298,317)		($298,317)	($2,463)	($297,086)	($178,251)	11.02%	($1,637)	($9,686)
Nov-08	($298,317)	($1,998)	($51)	$0	($339)		($300,705)		($300,705)	($2,388)	($299,511)	($179,707)	11.02%	($1,650)	($11,336)
Dec-08	($300,705)	($1,861)	($33)	$3,233	($339)		($299,705)		($299,705)	$1,000	($300,205)	($180,123)	11.02%	($1,654)	($12,990)
Jan-09	($299,705)	($1,539)	($23)	$0	($339)		($301,606)		($301,606)	($1,901)	($300,656)	($180,393)	11.02%	($1,657)	($14,647)
Feb-09	($301,606)	($1,091)	($19)	$0	($339)		($303,055)		($303,055)	($1,449)	($302,331)	($181,398)	11.02%	($1,666)	($16,313)
Mar-09	($303,055)	($2,200)	$9	$0	($339)		($305,585)		($305,585)	($2,530)	($304,320)	($182,592)	11.02%	($1,677)	($17,990)
Apr-09	($305,585)	($1,382)	($5)	$0	($339)		($307,311)		($307,311)	($1,726)	($306,448)	($183,869)	11.02%	($1,689)	($19,679)
May-09	($307,311)	($1,532)	($8)	$0	($339)		($309,190)		($309,190)	($1,879)	($308,251)	($184,950)	11.02%	($1,698)	($21,377)
Jun-09	($309,190)	($992)	($7)	$0	($339)		($310,528)		($310,528)	($1,338)	($309,859)	($185,915)	11.02%	($1,707)	($23,084)
Jul-09	($310,528)	($2,569)	($5)	$0	($339)		($313,441)		($313,441)	($2,913)	($311,985)	($187,191)	11.02%	($1,719)	($24,803)
Aug_09	($313,441)	($1,881)	($4)	$0	($339)		($315,665)		($315,665)	($2,224)	($314,553)	($188,732)	11.02%	($1,733)	($26,536)
Sep-09	($315,665)	($2,182)	$37	$0	($339)		($318,149)		($318,149)	($2,484)	($316,907)	($190,144)	11.02%	($1,746)	($28,282)
Oct-09	($318,149)	($1,481)	($1)	$0	($339)		($319,970)		($319,970)	($1,821)	($319,060)	($191,436)	11.02%	($1,758)	($30,040)
Nov-09	($319,970)	($1,140)	($1)	$0	($339)		($321,450)		($321,450)	($1,480)	($320,710)	($192,426)	11.02%	($1,767)	($31,807)
Dec-09	($321,450)	($2,499)	($1)	$4,835	($339)		($319,454)		($319,454)	$1,996	($320,452)	($192,271)	11.02%	($1,766)	($33,573)
Jan-10	($319,454)	($1,400)	($7)	$0	($339)		($321,200)		($321,200)	($1,746)	($320,327)	($192,196)	11.02%	($1,765)	($35,338)
Feb-10	($321,200)	($1,206)	($6)	$0	($339)		($322,751)		($322,751)	($1,551)	($321,976)	($193,185)	11.02%	($1,774)	($37,112)
Mar-10	($322,751)	($1,352)	($38)	$0	($339)		($324,480)		($324,480)	($1,729)	($323,616)	($194,169)	11.02%	($1,783)	($38,895)
Apr-10	($324,480)	($1,394)	($40)	$0	($339)		($326,253)		($326,253)	($1,773)	($325,367)	($195,220)	11.02%	($1,793)	($40,688)
May-10	($326,253)	($1,553)	($37)	$0	($339)		($328,182)		($328,182)	($1,929)	($327,218)	($196,331)	11.02%	($1,803)	($42,491)
Jun-10	($328,182)	($1,553)	($24)	$0	($339)		($330,098)		($330,098)	($1,916)	($329,140)	($197,484)	11.02%	($1,814)	($44,305)
Jul-10	($330,098)	($1,568)	($26)	$0	($339)		($332,031)		($332,031)	($1,933)	($331,065)	($198,639)	11.02%	($1,824)	($46,129)
Aug-10	($332,031)	($1,791)	($34)	$0	($339)		($334,195)		($334,195)	($2,164)	($333,113)	($199,868)	11.02%	($1,835)	($47,964)
Sep-10	($334,195)	($2,071)	($32)	$0	($339)		($336,637)		($336,637)	($2,442)	($335,416)	($201,250)	11.02%	($1,848)	($49,812)
Oct-10	($336,637)	($2,479)	($234)	$0	($339)		($339,689)		($339,689)	($3,052)	($338,163)	($202,898)	11.02%	($1,863)	($51,675)
Nov-10	($326,253)	($1,832)	($34)	$0	($339)		($328,458)		($328,458)	($2,205)	($327,356)	($196,413)	11.02%	($1,804)	($53,479)
Dec-10	($328,458)	($1,636)	($27)	$5,754	($339)		($324,706)		($324,706)	$3,752	($326,582)	($195,949)	11.02%	($1,799)	($55,278)
Jan-11	($324,706)	($1,852)	($28)	$0	$1,805		($324,781)		($324,781)	($75)	($324,744)	($194,846)	11.02%	($1,789)	($57,067)
Feb-11	($324,781)	($1,181)	($25)	$0	$1,805		($324,182)		($324,182)	$599	($324,482)	($194,689)	11.02%	($1,788)	($58,855)
Mar-11	($324,182)	($1,175)	($22)	$0	$1,805		($323,574)		($323,574)	$608	($323,878)	($194,327)	11.02%	($1,785)	($60,640)
Apr-11	($323,574)	($1,663)	($33)	$0	$1,805		($323,465)		($323,465)	$109	($323,520)	($194,112)	11.02%	($1,783)	($62,423)