

Rate Base

Long Island American Water
 Case No:
 Witness Responsible: H. E. Rex

Base Year: Twelve Months Ended: 12/31/06
 Exhibit 10
 Page 1 of 3

Line No.	Twelve Months Ended				
	12/31/2006	12/31/2007	12/31/2008	3/31/2009	
1	(1)	(2)	(3)	(4)	
2					
3	Utility Plant In Service	\$119,545,529	\$129,058,282	\$138,014,692	\$140,274,683
4					
5	Plant Held for Future Use	110,933	110,933	110,933	110,933
6					
7	Less:				
8	Accum. Provison For Depreciation	36,505,691	38,474,995	40,654,215	41,356,816
9	Customer Advances for Construction	89,014	230,091	208,707	233,953
10					
11	Def FIT	8,011,783	7,498,186	7,839,925	7,926,461
12	Def SIT Other	1,276,769	1,103,914	1,172,059	1,186,446
13					
14	Sub-total	<u>45,883,257</u>	<u>47,307,186</u>	<u>49,874,906</u>	<u>50,703,676</u>
15					
16	Add:				
17	Non-Interest Construction Work In Progress	202,362	220,486	303,094	338,021
18	Materials and Supplies	573,029	593,715	615,148	620,700
19	Prepayments	2,156,929	2,168,076	2,179,503	2,182,683
20	Cash Working Capital	2,371,378	2,723,372	2,922,964	3,000,825
21	Unamortized Balances:				
22	Tank Painting (net of taxes)	272,236	252,437	232,638	227,689
23	Rate Case Expense (net of taxes)	140,487	272,144	465,675	441,531
24	Call Center CSC	246,331	196,051	145,771	133,201
25	Financial Center SSC	363,418	287,998	212,578	193,723
26	Asbestos Removal (net of taxes)	0	46,963	107,021	105,666
27	Demutualization (net of taxes)	(311,459)	(266,965)	(222,471)	(211,347)
28	RAC/PTC (net of taxes)	2,112,284	1,485,806	1,685,172	1,572,685
29	Pensions/Opebs	(646,154)	(1,406,010)	(397,708)	(263,902)
30	Property Tax Refund	(6,581,992)	(4,493,024)	(2,903,763)	(2,683,333)
31					
32					
33	Sub-total	<u>898,849</u>	<u>2,081,049</u>	<u>5,345,622</u>	<u>5,658,142</u>
34					
35	Rate Base before EB Cap. Adjustment	74,672,054	83,943,078	93,596,341	95,340,082
36					
37	Earnings Base/Capitalization Adjustment	<u>(4,231,049)</u>	<u>(4,231,049)</u>	<u>(4,231,049)</u>	<u>(4,231,049)</u>
38					
39	Rate Base	<u>\$70,441,005</u>	<u>\$79,712,029</u>	<u>\$89,365,292</u>	<u>\$91,109,033</u>
40					
41					

Cash Working Capital

Long Island American Water
 Case No:
 Witness Responsible: H. E. Rex

Base Year: Twelve Months Ended: 12/31/06
 Exhibit 10
 Page 2 of 3

Line No.	Reference No.	Twelve Months Ended				
		12/31/2006	12/31/2007	12/31/2008	3/31/2009	
	(1)	(2)	(3)	(4)	(5)	
1						
2	Total Operation and Maintenance Expense	Exh.9 pg. 1	\$19,373,244	\$22,231,205	\$23,904,213	\$24,602,637
3						
4	Less: Uncollectibles		236,006	278,014	305,582	364,886
5	Amortization of:					
6	Asbestos Removal	Exh. 9 pg. 35	0	0	29,250	39,000
	Pensions and PBOP's	Exh. 9 pg. 22	0	0	(79,173)	(105,564)
	RAC /Prop. Tax Surcharges & Prop. Tax Refund	Exh. 9 pg. 37	0	0	(21,375)	(28,500)
7	Tank Painting	Exh. 9 pg. 32	32,884	32,884	32,684	32,884
8	Rate Case Exp.	Exh.9 pg. 29	133,332	133,332	253,332	293,328
9						
10	Net Operation and Maintenance Expenses		18,971,022	21,786,975	23,383,713	24,006,603
11						
12	Weighted Billing Factor		0.125	0.125	0.125	0.125
13						
14	Total Cash Working Capital		\$2,371,378	\$2,723,372	\$2,922,964	\$3,000,825
15						
16	Notes:					
17	Quarterly billing factor					
18	Average Service Lag	45				
19	Lag in Collections	30				
20	Total	75				
21						
22	75 days/360 days	0.208				
23	Quarterly metered billings-% of total	0.000				
24	Quarterly billing factor	0.000				
25						
26	Monthly billing factor					
27	Average Service Lag	15				
28	Lag in Collections	30				
29	Total	45				
30						
31	45 days/360 days	0.125				
32	Monthly metered billings-% of total	1.000				
33	Monthly billing factor	0.125				
34						
35	Weighted Billing Factor	0.125				

Earnings Base / Capitalization Differential

Base Year: Twelve Months Ended: 12/31/06
 Exhibit 10
 Page 3 of 3

Long Island American Water
 Case No:
 Witness Responsible: H. E. Rex

Line No.	Twelve Months Ended		Changes
	12/31/2006	3/31/2009	
1	(1)	(2)	(3)
2			
3	Rate Base	\$74,672,054	\$95,340,082
4			\$20,668,028
5	HTY Capitalization (1)		71,668,921
6			
7	Less: HTY Interest Bearing CWIP (1)		1,227,916
8			
9			
10			
11	HTY Capitalization for Supporting Rate Base		70,441,005
12			
13	Add:		
14	Change in Rate Base-from line		20,668,028
15			
16	Rate Year Capitalization		91,109,033
17			
18	Rate Year Rate Base		95,340,082
19			
20	Earnings Base / Capitalization Adjustment (EB/Cap)		(\$4,231,049)
21			
22			
23			
24			
25	Notes:		
26	(1)	13 month averages 12/31/2006 - see separate worksheets	
27			
28			
29			
30			
31			
32			
33			
34			
35			

Tariff Comparison - Present vs. Proposed Rates

Long Island American Water
 Case No:
 Witness Responsible: J. M. Watkins

Base Year: Twelve Months Ended: 12/31/06
 Exhibit 11
 Page 1 of 5

Line No.	Description	Present Rates		Proposed Rates	
		Monthly (3)	Quarterly (4)	Monthly (5)	Quarterly (6)
1	(1)				
2	Service Classification No. 1 - Residential Customers				
3					
4	Customer Service Charge				
5	<u>Meter Size</u>				
6	5/8"	\$10.86	\$24.34	\$12.63	\$28.30
7	3/4"	12.00	27.75	13.95	32.26
8	1"	13.76	33.06	16.00	38.43
9	1 1/2"	21.44		24.92	
10	2"	24.07		27.98	
11					
12	<u>Consumption Charges</u>				
13	Summer				
14	May 1 - September 30				
	First 5,000 Gallons (15,000 Quarterly)	\$3.0265	\$3.0265	\$3.5184	\$3.5184
15	Over 5,000 Gallons (15,000 Quarterly)	3.7857	3.7857	4.4010	4.4010
16	Winter				
17	October 1 - April 30				
	All Consumption	\$3.0265	\$3.0265	3.5184	3.5184
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					

Tariff Comparison - Present vs. Proposed Rates

Long Island American Water
 Case No:
 Witness Responsible: J. M. Watkins

Base Year: Twelve Months Ended: 12/31/06
 Exhibit 11
 Page 2 of 5

Line No.	Description	Present Rates		Proposed Rates	
		Monthly (3)	Quarterly (4)	Monthly (5)	Quarterly (6)
1	(1)				
2	(2)				
3	Service Classification No. 1A - Commercial and Industrial Customers				
4	Customer Service Charge				
5	<u>Meter Size</u>				
6	5/8"	\$10.86	\$24.34	\$12.63	\$28.30
7	3/4"	12.00	27.75	13.95	32.26
8	1"	13.76	33.06	16.00	38.43
9	1 1/2"	21.44		24.92	
10	2"	24.07		27.98	
11	3"	52.53		61.07	
12	3" Compound	82.52		95.93	
13	4" Compound	94.01		109.29	
14	6" Compound	93.76		109.00	
15	8" Compound	126.74		147.34	
16	5/8" & 2" (1)	25.33		29.45	
17	1" & 1 1/2" (1)	26.26		30.53	
18	1 1/2" & 1 1/2" (1)	32.48		37.76	
19	1 1/2" & 2" (1)	35.11		40.82	
20	2" & 2" (1)	37.73		43.86	
21	3" & 3" (1)	146.52		170.33	
22	4" & 4" (1)	169.46		197.00	
23	Note (1): Not available after 1/1/1981				
24					
25	<u>Consumption Charges</u>				
26	Summer				
27	May 1 - September 30				
28	First 34,000 Gallons (102,000 Quarterly)	\$3.7857	\$3.7857	\$4.4010	\$4.4010
29	Over 34,000 Gallons (102,000 Quarterly)	3.0265	3.0265	3.5184	3.5184
30	Winter				
31	October 1 - April 30				
32	First 34,000 Gallons (102,000 Quarterly)	\$3.0265	\$3.0265	\$3.5184	\$3.5184
33	Over 34,000 Gallons (102,000 Quarterly)	2.5235	2.5235	2.9336	2.9336
34					
35					

Tariff Comparison - Present vs. Proposed Rates

Long Island American Water
 Case No:
 Witness Responsible: J. M. Watkins

Base Year: Twelve Months Ended: 12/31/06
 Exhibit 11
 Page 3 of 5

Line No.	Description	Present Rates		Proposed Rates	
		Quarterly (2)	Yearly (3)	Quarterly (4)	Yearly (5)
1	(1)				
2	Service Classification No. 2 & 6 - Private Fire Service				
3					
4	Rate per Hydrant per Year		\$566.83		\$658.95
5					
6	Flat Rate				
7	2" Fire Connection or less	\$34.25		\$39.82	
8	3" Fire Connection	85.61		99.52	
9	4" Fire Connection	171.26		199.09	
10	6" Fire Connection	342.52		398.19	
11	8" Fire Connection	684.99		796.32	
12	10" Fire Connection			1,592.80	
13	12" Fire Connection			3,185.60	
14	16" Fire Connection			6,371.20	
15					
16					
17	Service Classification No. 3 - Lawn Sprinklers				
18	Season: May 1 to October 31				
19					
20	All Usage		\$3,785.7		\$4,401.0
21					
22	Meter Size				
23	1"		\$119.88		\$139.36
24	1 1/2"		212.09		246.56
25	2"		243.62		283.21
26					
27					
28	Service Classification No. 4 - Public Fire Service				
29					
30	Rate per Hydrant per Year		\$566.83		\$658.95
31					
32					
33					
34					
35					

Tariff Comparison - Present vs. Proposed Rates

Long Island American Water
 Case No:
 Witness Responsible: J. M. Watkins

Base Year: Twelve Months Ended: 12/31/06
 Exhibit 11
 Page 4 of 5

Line No.	Description	Unit	Present Rates	Proposed Rates
(1)	(2)	(3)	(4)	
1	Service Classification No. 5			
2				
3				
4	1 - Water used in constructing one or two story dwellings			
5	Frame	Each Structure	\$62.79	\$72.99
6	Frame and half stucco	Each Structure	\$83.71	\$97.31
7	All stucco, cement or cinder block, hollow tile, brick veneer or var. combinations	Each Structure	\$104.65	\$121.66
8	Brick	Each Structure	\$125.56	\$145.97
9				
10	2 - Structures other than dwellings			
11	Concrete, stone, terra cotta, other masonry	Per cu. yd. of masonry	\$0.70	\$0.81
12	Brick	Per 1,000 bricks	\$1.33	\$1.55
13				
14	3 - Road construction			
15	Concrete, macadam or other roads	Per 100 sq. ft.	\$2.44	\$2.84
16	Sidewalk	Per 100 sq. ft.	\$2.44	\$2.84
17	Curbing	Per 100 sq. ft.	\$2.61	\$3.03
18				
19	4 - Flooding ditches			
20	Ditch 2' x 3'	Per 100 lineal feet	\$13.15	\$15.29
21				
22	5 - Jetting planks			
23	Minimum rate - for four or less planks		\$13.85	\$16.10
24	After first four planks, thereafter		\$0.98	\$1.14
25				
26	6 - Jetting spiles			
27	Minimum rate - for four or less spiles		\$13.85	\$16.10
28	After first four spiles, thereafter		\$2.09	\$2.43
29				
30	7 - Water drawn from hydrants for purposes other than fire protection and for			
31	other than specified above	Rate per 1,000 gallons	\$3.44	\$4.00
32				
33	Minimum charge payable in advance for which the customer will be entitled to use		\$68.80	\$79.98
34	20,000 gallons of water in the period stated in the permit. Water in excess of such allowance			
35	will be billed at the rate above stated, at the expiration of the permit, and the bill thereof			
36	will be due and payable when rendered. The quantities of water used will be estimated.			
37				
38	Hydrant Permits (In addition to the above charges)			
39	Per hydrant	Per Day	\$13.85	\$16.10
40	Per services of Inspector (when required by Company)	Per Day	\$104.65	\$121.66

Long Island American Water
Exhibit 12
Index to Workpapers

<u>Workpaper Tab</u>	<u>Witness Responsible</u>	<u>Schedule Name</u>
1	Watkins	Statement of Pro Forma Operating Revenue
2	Watkins	Customer Increase Adjustment
3	Watkins	Consumption Normalization
4	Watkins	Payroll
5	Casillo	Power
6	Casillo	Fuel
7	Casillo	Chemicals
8	Simpson	Invoices
9	Watkins	Group Insurance
10	Casillo	Post-Retirement Other than Pensions (PBOP's)
11	Casillo	Pensions
12	Casillo	Pension & PBOP Deferral
13	Watkins	401k
14	Watkins	Defined Contribution Plan
15	Watkins	Service Company Expense
16	Hunter	Insurance Other Than Group
17	Watkins	Uncollectible Expense
18	Hunter	Rate Case Expense
19	Pierse	Rents
20	Pierse	Leased Vehicles
21	Casillo	Overearnings Adjustment
22	Simpson	Low Income Program
23	Watkins	Postage
24	Varley	Asbestos Removal
25	Watkins	Safety Award
26	Watkins	RAC and Property Tax Reconciliation Clause (PTC)
27	Watkins	Audit Fees
28	Rex	Depreciation
29	Casillo	Property Tax
30	Watkins	Village Taxes
31	Watkins	PSC Assessment
32	Watkins	Payroll Taxes
33	Rex	Rate Base

Long Island American Water
RESIDENTIAL

Exhibit 12
Tab 1

Bill Analysis for the 12 Months Ended December 31, 2006.

Number of Meters	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Totals
Monthly	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	180.0
5/8"	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	72.0
3/4"	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	132.0
1-1/2"	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	1,032.0
2"	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	228.0
Quarterly	64,113.0	64,113.0	64,113.0	64,113.0	64,113.0	64,113.0	64,113.0	64,113.0	64,113.0	64,113.0	64,113.0	64,113.0	256,452.0
5/8"	2,259.0	2,259.0	2,259.0	2,259.0	2,259.0	2,259.0	2,259.0	2,259.0	2,259.0	2,259.0	2,259.0	2,259.0	9,036.0
3/4"	1,024.0	1,024.0	1,024.0	1,024.0	1,024.0	1,024.0	1,024.0	1,024.0	1,024.0	1,024.0	1,024.0	1,024.0	4,096.0
Total Meters	67,533.0	137.0	137.0	67,533.0	137.0	137.0	67,533.0	137.0	137.0	67,533.0	137.0	137.0	271,228.0

Consumption

Summer Usage	First 5,000 Gal	Over 5,000 Gal	Winter Usage	Total
68,471.6	0.0	0.0	50,151.9	165,727.3
92,820.1	28,208.5	25,089.4	38,663.7	164,616.3
616,283.1	345,946.8	484,400.3	446,584.9	451,340.5
777,574.8	374,155.3	509,489.7	462,240.7	540,156.1
			540,156.1	638,123.0
			586,954.8	925,240.4
			750,118.1	801,975.1
			700,196.0	557,247.1
			179,818.5	2,003,233.2
			107,697.6	2,457,564.1
			289,731.0	3,162,673.8
			557,247.1	7,623,471.1

Long Island American Water
 Commercial
 Bill Analysis for the 12 Months Ended December 31, 2006.

Number of Meters		Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Totals
Monthly	5/8"	303	303	303	303	303	303	303	303	303	303	303	303	3,636
	3/4"	79	79	79	79	79	79	79	79	79	79	79	79	948
	1"	151	151	151	151	151	151	151	151	151	151	151	151	1,812
	1-1/2"	422	422	422	422	422	422	422	422	422	422	422	422	5,064
	2"	154	154	154	154	154	154	154	154	154	154	154	154	1,848
	3"	17	17	17	17	17	17	17	17	17	17	17	17	204
Compound	3"	4	4	4	4	4	4	4	4	4	4	4	4	48
Compound	4"	3	3	3	3	3	3	3	3	3	3	3	3	36
Compound	6"		0	0	0	0	0	0	0	0	0	0	0	0
Compound	8"		0	0	0	0	0	0	0	0	0	0	0	0
	5/8" & 2"		0	0	0	0	0	0	0	0	0	0	0	0
	1" & 1 1/2"	1	1	1	1	1	1	1	1	1	1	1	1	12
	1 1/2" & 1 1/2"	42	42	42	42	42	42	42	42	42	42	42	42	504
	1 1/2" & 2"	1	1	1	1	1	1	1	1	1	1	1	1	12
	2" & 2"	63	63	63	63	63	63	63	63	63	63	63	63	756
	3" & 3"	8	8	8	8	8	8	8	8	8	8	8	8	96
	4" & 4"	3	3	3	3	3	3	3	3	3	3	3	3	36
Quarterly	5/8"	2,951			2,951			2,951			2,951			11,804
	3/4"	367			367			367			367			1,468
	1"	262			262			262			262			1,048
Total Meters		4,831	1,251	1,251	4,831	1,251	1,251	4,831	1,251	1,251	4,831	1,251	1,251	29,332
Consumption														
Summer Usage														
	First 34,000 Gal	8,296.6	2,544.8	5,011.9	5,383.8	3,166.4	24,187.9	30,344.8	54,921.9	45,137.2	41,521.7	30,340.5	11,409.3	262,266.8
	Over 34,000 Gal	5,504.2	0.0	0.0	0.0	7,716.9	41,951.7	54,908.6	94,726.4	82,732.3	80,352.8	23,873.2	8,649.3	400,415.4
Winter Usage														
	First 34,000 Gal	49,559.8	44,953.1	58,257.6	57,923.3	43,725.5	27,966.0	9,690.5	0.0	0.0	0.0	55,710.2	34,597.0	382,383.0
	Over 34,000 Gal	58,573.8	53,642.8	56,712.5	61,495.7	62,983.5	23,767.1	3,821.9	4,813.5	1,328.9	1,276.8	89,302.8	21,408.5	439,127.8
Total		121,934.4	101,140.7	119,982.0	124,802.8	117,592.3	117,872.7	98,765.8	154,461.8	129,198.4	123,151.3	199,226.7	76,064.1	1,484,193.0

Long Island American Water
Industrial

Bill Analysis for the 12 Months Ended December 31, 2006:

Number of Meters	Month												Totals	
	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06		
Monthly	5/8"	2	2	2	2	2	2	2	2	2	2	2	24	
Quarterly	1"-1 1/2"	13	13	13	13	13	13	13	13	13	13	13	156	
	1"	6	6	6	6	6	6	6	6	6	6	6	72	
	3/4"	0	0	0	0	0	0	0	0	0	0	0	0	
	3"	0	0	0	0	0	0	0	0	0	0	0	0	
	Compound	4"	0	0	0	0	0	0	0	0	0	0	0	
	Compound	6"	1	1	1	1	1	1	1	1	1	1	12	
	Compound	8"	1	1	1	1	1	1	1	1	1	1	12	
	Compound	5/8" & 2"	0	0	0	0	0	0	0	0	0	0	0	0
		1" & 1 1/2"	0	0	0	0	0	0	0	0	0	0	0	0
		1 1/2" & 1 1/2"	0	0	0	0	0	0	0	0	0	0	0	0
		1 1/2" & 2"	0	0	0	0	0	0	0	0	0	0	0	0
		2" & 2"	1	1	1	1	1	1	1	1	1	1	1	12
3" & 3"		0	0	0	0	0	0	0	0	0	0	0	0	
4" & 4"		0	0	0	0	0	0	0	0	0	0	0	0	
5/8"		3											12	
Total Meters	3/4"	0	0	0	0	0	0	0	0	0	0	0	0	
	1"	0	0	0	0	0	0	0	0	0	0	0	0	
	32	29	29	29	29	29	32	29	29	32	29	29	360	
	360	29	29	29	29	29	32	29	29	32	29	29	360	
Consumption	Summer Usage	30.7	40.9	87.9	17.4	377.9	587.1	803.2	574.2	673.2	288.2	230.2	3,710.9	
	First 34,000 Gal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
	Over 34,000 Gal	95.7	0.0	0.0	137.5	2,173.3	4,269.1	6,313.0	6,594.4	5,244.5	814.4	157.3	25,799.2	
	Winter Usage	860.2	749.6	1,024.4	1,684.3	779.1	1,449.0	753.4	0.0	0.0	1,900.6	629.1	9,829.7	
Total	First 34,000 Gal	6,336.2	9,847.6	7,673.0	4,964.1	3,587.9	529.8	15.8	4.6	0.0	69.1	11,655.8	1,184.4	
	Over 34,000 Gal	7,322.8	10,597.2	8,738.3	6,736.3	4,521.9	4,530.0	5,625.4	7,120.8	7,168.6	5,986.8	14,659.0	2,201.0	
	First 34,000 Gal	85,208.1	9,829.7	45,868.3	2,201.0	85,208.1	9,829.7	45,868.3	2,201.0	85,208.1	9,829.7	45,868.3	2,201.0	
	Over 34,000 Gal	85,208.1	9,829.7	45,868.3	2,201.0	85,208.1	9,829.7	45,868.3	2,201.0	85,208.1	9,829.7	45,868.3	2,201.0	

Long Island American Water
 Other Public Authority
 Bill Analysis for the 12 Months Ended December 31, 2006.

Number of Meters		Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Totals
Monthly	5/8"	57	57	57	57	57	57	57	57	57	57	57	57	684
	3/4"	29	29	29	29	29	29	29	29	29	29	29	29	348
	1"	45	45	45	45	45	45	45	45	45	45	45	45	540
	1-1/2"	61	61	61	61	61	61	61	61	61	61	61	61	732
	2"	60	60	60	60	60	60	60	60	60	60	60	60	720
	3"	23	23	23	23	23	23	23	23	23	23	23	23	276
Compound	3"	10	10	10	10	10	10	10	10	10	10	10	10	120
Compound	4"	8	8	8	8	8	8	8	8	8	8	8	8	96
Compound	6"	2	2	2	2	2	2	2	2	2	2	2	2	24
Compound	8"	1	1	1	1	1	1	1	1	1	1	1	1	12
	5/8" & 2"		0	0	0	0	0	0	0	0	0	0	0	0
	1" & 1 1/2"		0	0	0	0	0	0	0	0	0	0	0	0
	1 1/2" & 1 1/2"	9	9	9	9	9	9	9	9	9	9	9	9	108
	1 1/2" & 2"		0	0	0	0	0	0	0	0	0	0	0	0
	2" & 2"	20	20	20	20	20	20	20	20	20	20	20	20	240
	3" & 3"	4	4	4	4	4	4	4	4	4	4	4	4	48
	4" & 4"		0	0	0	0	0	0	0	0	0	0	0	0
Quarterly	5/8"													0
	3/4"													0
	1"	2			2			2			2			8
Total Meters		331	329	329	331	329	329	331	329	329	331	329	329	3,956
Consumption														
Summer Usage														
	First 34,000 Gal	134.2	229.9	2,802.7	562.3	124.3	2,989.0	4,435.6	5,999.5	6,106.4	5,651.3	3,865.1	958.6	33,858.9
	Over 34,000 Gal	459.2	0.0	0.0	0.0	712.7	10,241.5	20,829.5	46,145.8	27,643.8	35,299.6	6,428.6	1,609.1	149,369.8
Winter Usage														
	First 34,000 Gal	4,134.0	5,203.9	18,947.1	7,279.3	4,036.1	6,828.1	3,675.7	0.0	0.0	0.0	15,003.1	6,433.2	71,540.5
	Over 34,000 Gal	19,337.5	19,245.1	27,042.2	19,175.2	19,729.5	3,621.1	118.9	817.0	0.0	51.9	44,322.7	23,010.4	176,471.5
Total		24,064.9	24,678.9	48,792.0	27,016.8	24,602.6	23,679.7	29,059.7	52,962.3	33,750.2	41,002.8	69,619.5	32,011.3	431,240.7

Long Island American Water

Percent Increase 1.175093

Bill Analysis for the 12 Months Ended December 31, 2006:

		3/30/2007	Proposed	
		Rates	Rates	
Service Charge				
Quarterly	2"	\$34.25	\$40.25	
	3"	85.61	100.60	2.50
	4"	171.26	201.25	5.00
	6"	342.52	402.49	10.00
	8"	684.99	804.93	20.00
	10"	NA	1,610.00	40.00
	12"	NA	3,220.00	80.00
	16"	NA	6,440.00	160.00

Private Fire Hydrants Per Hydrant per Year 566.83 666.08

Public Fire Hydrants Per Hydrant per Year 566.83 666.08

Long Island American Water

Private and Public Fire

Bill Analysis for the 12 Months Ended December 31, 2006:

Number of Meters		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Monthly	2"	35	0	0	35	1	0	34	0	0	34	0	0	139
	3"	5	0	0	5	0	0	5	0	0	5	0	0	20
	4"	346	1	1	345	0	0	346	1	4	346	0	1	1,391
	6"	225	0	0	224	1	3	224	1	0	223	2	1	904
	8"	61	1	0	61	0	0	61	0	0	61	1	0	246
	10"													
	12"													
	16"													
Private Fire Hydrants								123						123
Public Fire Hydrants - Advanced Billing								29						29
Public Fire Hydrants		4,519	3,273	3,273	4,519	3,273	3,273	4,519	3,273	3,273	4,519	3,273	3,273	44,260
Total Meters		5,191	3,275	3,274	5,189	3,275	3,276	5,341	3,275	3,277	5,188	3,276	3,275	47,112

Long Island American Water
Residential Growth

Exhibit 12
Tab 2

Year	Residential Customers	Residential Growth
2003	67,535	
2004	67,673	138
2005	67,508	(165)
2006	67,533	<u>25</u>
	Total Growth	(2)
	Average Growth	<u><u>(0.67)</u></u>
	For Case	<u><u>0</u></u>

Long Island American Water

Exhibit 12
Tab 3

In 000 Gallons	Last Case based on 7 year avg.	Last Case 7 year avg. Percent	2006 Percent	Per Bill Analysis 2006	2005	2004	Per Bill Analysis 2003	2002	2001	2000	7 year average	Normalization Adjustment
Residential												
Winter	3,810,772	51.23%	41.49%	3,162,674	3,921,272	3,576,197	3,555,547	3,926,952	4,010,638	3,677,974	3,690,179	527,505
Summer- 1st block	1,584,069	21.30%	26.28%	2,003,233	1,630,002	1,486,560	1,465,775	1,632,363	1,667,150	1,528,867	1,630,564	(372,669)
Summer 2nd block	2,043,071	27.47%	32.24%	2,457,564	2,102,314	1,917,308	1,943,341	2,105,358	2,150,225	1,971,874	2,092,569	(364,995)
Residential	7,437,912	100.00%	100.00%	7,623,471	7,653,588	6,980,065	6,964,663	7,664,673	7,828,013	7,178,715	7,413,312	(210,159)
Commercial/Industrial/OPA												
Winter - 1st block	344,740	16.43%	23.18%	463,753	335,836	341,778	385,721	342,010	346,856	344,483	365,777	(97,976)
Winter - 2nd block	684,797	32.64%	33.06%	661,468	667,109	678,913	717,273	679,374	689,001	684,287	682,489	21,021
Summer 1st block	330,151	15.74%	14.99%	299,837	321,623	327,314	316,264	327,536	332,178	329,905	322,094	22,257
Summer 2nd block	738,370	35.19%	28.77%	575,584	719,298	732,026	626,953	732,522	742,903	737,820	695,301	119,717
Commercial	2,098,058	100.00%	100.00%	2,000,642	2,043,866	2,080,031	2,046,210	2,081,442	2,110,938	2,096,495	2,065,661	65,019
Lawn Sprinklers	216,393			210,832	183,635	192,370	162,110	240,235	240,450	183,903	201,934	(8,898)
Total	9,752,363			9,834,945	9,881,089	9,252,466	9,172,983	9,986,350	10,179,401	9,459,113	9,680,907	(154,038)

**LONG ISLAND AMERICAN WATER
Payroll**

Exhibit 12
Tab 4

<u>Classification</u> (1)	<u>No of Empl</u> (2)	<u>Total Annual Payroll</u> (3)
Payroll - 1/1/2007 to 12/31/2007		
Union	70.70	\$5,217,250
Nonunion	24.80	2,059,827
Mileage		3,600
Meals	7.25	<u>3,852.00</u>
Total Payroll	<u>95.50</u>	<u>7,308,604</u>

Percent Chargeable to Capital and Other 11.85%

Amount Chargeable to Capital and Other 866,070

Pro Forma Chargeable to Operating Expenses \$6,442,534

Payroll - 1/1/2008 to 12/31/2008		
Union	70.70	\$5,443,667
Nonunion	24.80	2,139,676
Mileage		3,600
Meals	8.25	<u>3,852.00</u>
Total Payroll	<u>95.50</u>	<u>7,618,722</u>

Percent Chargeable to Capital and Other 11.85%

Amount Chargeable to Capital and Other 902,819

Pro Forma Chargeable to Operating Expenses \$6,715,903

Payroll - 4/1/2008 to 3/31/2009		
Union	70.70	\$5,616,140
Nonunion	24.80	2,158,273
Mileage		3,600
Meals	8.25	<u>3,852.00</u>
Total Payroll	<u>95.50</u>	<u>7,809,792</u>

Percent Chargeable to Capital and Other 11.85%

Amount Chargeable to Capital and Other 925,460

Pro Forma Chargeable to Operating Expenses \$6,884,332

**LONG ISLAND AMERICAN WATER
NON-UNION PAYROLL
2007 RATE CASE**

Classification (1)	No of Empl (2)	Annual Salary- (3)	Sch OT & Shift Prem (4)	Total Annual Payroll bef Inc Comp (5)	Incentive Compensation (6)	Total Annual Payroll (7)	Earnings Subject to			Group Life Insurance (11)
							7.65% FICA/Medicare \$97,500 (8)	Unemployment Federal .8%-\$7,000 (9)	State 4.2%-\$8,500 (10)	
NON-UNION - 1/1/2007 to 12/31/2007										
V/P & Manager	1.0									
Project Manager	1.0									
Communications Manager	1.0									
Human Resources Manager	1.0									
Operations Supervisor	1.0									
Production Manager	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Specialist	1.0									
Operations Specialist	1.0									
Operations Specialist	1.0									
Network Manager	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Specialist	1.0									
Operations Specialist	1.0									
Manager Construction	1.0									
CAD Tech (N)	0.3									
Engineer	1.0									
Operations Specialist	1.0									
Sr. Construction Inspector	1.0									
Sr. Construction Inspector	1.0									
Water Quality Superintendent	1.0									
Lab Analyst	1.0									
Lab Tech (N)	0.5									
TOTAL NON-UNION	24.8	\$1,844,681	\$0	\$1,844,681	\$215,146	\$2,059,827	\$1,882,214	\$182,000	\$221,000	\$2,754,000

**LONG ISLAND AMERICAN WATER
NON-UNION PAYROLL
2007 RATE CASE**

Classification (1)	No of Empl (2)	Annual Salary- (3)	Sch OT & Shift Prem (4)	Total Annual Payroll bef Inc Comp (5)	Incentive Compensation (6)	Total Annual Payroll (7)	Earnings Subject to			
							7.65% FICA/Medicare \$97,500 (8)	Unemployment Federal .8%-\$7,000 (9)	State 4.2%-\$8,500 (10)	Group Life Insurance (11)
NON-UNION - 1/1/2008 to 12/31/2008										
V/P & Manager	1.0									
Project Manager	1.0									
Communications Manager	1.0									
Human Resources Manager	1.0									
Operations Supervisor	1.0									
Production Manager	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Specialist	1.0									
Operations Specialist	1.0									
Operations Specialist	1.0									
Operations Specialist	1.0									
Network Manager	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Specialist	1.0									
Manager Construction	1.0									
CAD Tech (N)	0.3									
Engineer	1.0									
Operations Specialist	1.0									
Sr. Construction Inspector	1.0									
Sr. Construction Inspector	1.0									
Water Quality Superintendent	1.0									
Lab Analyst	1.0									
Lab Tech (N)	0.5									
TOTAL NON-UNION	24.8	\$1,915,923	\$0	\$1,915,923	\$223,753	\$2,139,676	\$1,932,924	\$182,000	\$221,000	\$2,853,000

**LONG ISLAND AMERICAN WATER
NON-UNION PAYROLL
2007 RATE CASE**

Classification (1)	No of Empl (2)	Annual Salary- (3)	Sch OT & Shift Prem (4)	Total Annual Payroll (5)	Incentive Compensation (6)	Total Annual Payroll (7)	Earnings Subject to			Group Life Insurance (15)
							7.65% FICA/Medicare \$97,500 (8)	Unemployment Federal 8%-\$7,000 (9)	State 4.2%-\$8,500 (10)	
NON-UNION - 4/1/2008 to 3/31/2009										
V/P & Manager	1.0									
Project Manager	1.0									
Communications Manager	1.0									
Human Resources Manager	1.0									
Operations Supervisor	1.0									
Production Manager	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Specialist	1.0									
Operations Specialist	1.0									
Operations Specialist	1.0									
Network Manager	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Supervisor	1.0									
Operations Specialist	1.0									
Operations Specialist	1.0									
Manager Construction	1.0									
CAD Tech (N)	0.3									
Engineer	1.0									
Operations Specialist	1.0									
Sr. Construction Inspector	1.0									
Sr. Construction Inspector	1.0									
Water Quality Superintendent	1.0									
Lab Analyst	1.0									
Lab Tech (N)	0.5									
TOTAL NON-UNION	24.8	\$1,934,520	\$0	\$1,934,520	\$223,753	\$2,158,273	\$1,945,002	\$182,000	\$221,000	\$2,766,000

LONG ISLAND AMERICAN WATER
UNION PAYROLL
2007 RATE CASE

Classification (1)	No of Emp! (2)	Rate (3)	\$ Regular (4)	Shift Prem (5)	Pay Adj for Working Above Normal Job (6)	12/31/2007 Longevity Payment (7)	Total Annual Payroll (8)	Earnings Subject to			Group Life Insurance (12)
								7.65% FICA/Medicare \$97,500 (9)	Federal 8%-7,000 (10)	Unemployment State 1.5%-\$8,500 (11)	
UNION - 1/1/2007 to 12/31/2007			Hours =	2,088	Shift Prem =	\$ 25					
Auto Mechanic	1.00	\$32,490	\$67,839	\$1,916	\$0	\$350	\$70,105	\$70,105	\$7,000	\$8,500	\$88,000
Boom Truck Operator	1.00	29,837	62,300	0	24	525	62,849	62,849	7,000	8,500	79,000
Business Clerk	1.00	28,483	59,473	0	0	350	59,823	59,823	7,000	8,500	75,000
Business Clerk	1.00	28,483	59,473	0	68	700	60,241	60,241	7,000	8,500	76,000
Car Washer	1.00	25,223	52,666	1,908	0	525	55,099	55,099	7,000	8,500	69,000
Commercial Investigator	1.00	29,113	60,788	0	0	525	61,313	61,313	7,000	8,500	77,000
Daylist Clerk	1.00	27,402	57,215	0	746	700	58,661	58,661	7,000	8,500	74,000
Distribution Clerk	1.00	24,805	51,793	0	0	350	52,143	52,143	7,000	8,500	66,000
Equipment Operator	1.00	32,334	67,513	0	0	700	68,213	68,213	7,000	8,500	86,000
Equipment Operator	1.00	32,334	67,513	0	0	700	68,213	68,213	7,000	8,500	86,000
Janitor	1.00	25,223	52,666	0	0	0	52,666	52,666	7,000	8,500	66,000
M & S Storekeeper	1.00	30,417	63,511	0	0	700	64,211	64,211	7,000	8,500	81,000
Maintenance Mechanic A	1.00	32,334	67,513	0	0	525	68,038	68,038	7,000	8,500	86,000
Maintenance Mechanic B	1.00	29,648	61,905	0	0	525	62,430	62,430	7,000	8,500	79,000
Maintenance Mechanic B	1.00	29,648	61,905	1,440	0	350	63,695	63,695	7,000	8,500	80,000
Meter Tester	1.00	28,439	59,381	0	0	700	60,081	60,081	7,000	8,500	76,000
Oiler-Plant Helper - Summer	1.60	20,953	70,000	880	0	0	70,880	70,880	11,200	13,600	
Oiler-Plant Helper	1.00	27,937	58,332	625	1,049	350	60,356	60,356	7,000	8,500	76,000
Oiler-Plant Helper	1.00	27,937	58,332	450	1,287	0	60,069	60,069	7,000	8,500	76,000
Oiler-Plant Helper	1.00	27,937	58,332	300	504	0	59,136	59,136	7,000	8,500	74,000
Oiler-Plant Helper	1.00	27,937	58,332	920	0	0	59,252	59,252	7,000	8,500	75,000
Oiler-Plant Helper	1.00	27,937	58,332	1,040	987	350	60,709	60,709	7,000	8,500	76,000
Oiler-Plant Helper	1.00	27,937	58,332	210	180	0	58,722	58,722	7,000	8,500	74,000
Oiler-Plant Helper	1.00	27,937	58,332	1,630	0	350	60,312	60,312	7,000	8,500	76,000
Oiler-Plant Helper	1.00	27,937	58,332	1,360	935	350	60,977	60,977	7,000	8,500	77,000
Oiler-Plant Helper	1.00	27,937	58,332	310	0	0	58,642	58,642	7,000	8,500	74,000
Sr. Meter Mechanic	1.00	31,197	65,139	0	0	700	65,839	65,839	7,000	8,500	83,000
Senior Utility Man A	1.00	32,334	67,513	0	0	525	68,038	68,038	7,000	8,500	86,000
Senior Utility Man A	1.00	32,334	67,513	0	0	525	68,038	68,038	7,000	8,500	86,000
Senior Utility Man A	1.00	32,334	67,513	0	0	700	68,213	68,213	7,000	8,500	86,000
Senior Utility Man A	1.00	32,334	67,513	0	0	700	68,213	68,213	7,000	8,500	86,000
Senior Utility Man A	1.00	32,334	67,513	0	0	700	68,213	68,213	7,000	8,500	86,000
Station Attendant A	1.00	31,375	65,511	1,430	0	525	67,466	67,466	7,000	8,500	85,000
Station Attendant A	1.00	31,375	65,511	1,650	0	700	67,861	67,861	7,000	8,500	85,000
Station Attendant A	1.00	31,375	65,511	1,540	0	700	67,751	67,751	7,000	8,500	85,000
Station Attendant A	1.00	31,375	65,511	1,630	0	700	67,841	67,841	7,000	8,500	85,000
Station Attendant B	1.00	29,392	61,370	980	0	0	62,350	62,350	7,000	8,500	78,000
Station Attendant B	1.00	29,392	61,370	1,390	0	0	62,750	62,750	7,000	8,500	79,000
Station Attendant B	1.00	29,392	61,370	1,150	0	175	62,695	62,695	7,000	8,500	79,000
Station Attendant B	1.00	29,392	61,370	1,141	0	175	62,686	62,686	7,000	8,500	79,000
Utility Man - Meter Service	1.00	28,890	60,322	0	0	525	60,847	60,847	7,000	8,500	77,000
Utility Man - Meter Service	1.00	28,890	60,322	1,348	0	350	62,020	62,020	7,000	8,500	78,000
Utility Man - Meter Service	1.00	28,890	60,322	970	0	350	61,642	61,642	7,000	8,500	78,000
Utility Man - Meter Service	1.00	28,890	60,322	70	285	525	61,202	61,202	7,000	8,500	77,000
Utility Man - Meter Service	1.00	28,890	60,322	0	0	525	60,847	60,847	7,000	8,500	77,000
Utility Man - Meter Service	1.00	28,890	60,322	70	0	525	60,917	60,917	7,000	8,500	77,000
Utility Man - Meter Service	1.00	28,890	60,322	0	0	700	61,022	61,022	7,000	8,500	77,000
Utility Man - Meter Service	1.00	28,890	60,322	113	39	350	60,824	60,824	7,000	8,500	77,000
Utility Man I	1.00	28,890	60,322	0	115	350	60,787	60,787	7,000	8,500	76,000
Utility Man I	1.00	28,890	60,322	0	515	350	61,187	61,187	7,000	8,500	77,000
Utility Man I	1.00	28,890	60,322	0	1,225	525	62,072	62,072	7,000	8,500	78,000
Utility Man I	1.00	28,890	60,322	0	637	525	61,484	61,484	7,000	8,500	77,000
Utility Man I	1.00	28,890	60,322	0	457	350	61,129	61,129	7,000	8,500	77,000
Utility Man I	1.00	28,890	60,322	0	94	350	60,766	60,766	7,000	8,500	76,000
Utility Man I	1.00	28,890	60,322	0	143	175	60,640	60,640	7,000	8,500	76,000
Utility Man I	1.00	28,890	60,322	0	72	350	60,744	60,744	7,000	8,500	76,000
Utility Man I	1.00	28,890	60,322	190	0	175	60,687	60,687	7,000	8,500	76,000
Utility Man I	1.00	28,890	60,322	0	1,881	525	62,728	62,728	7,000	8,500	79,000
Utility Man I	1.00	28,890	60,322	0	483	525	61,330	61,330	7,000	8,500	77,000
Utilitymn II/Utility Meter SVC - Summer	1.10	20,706	47,558	0	0	0	47,558	47,558	7,700	9,350	
Utilitymn II/Utility Meter SVC	1.00	27,608	57,646	0	0	0	57,646	57,646	7,000	8,500	73,000
Utilitymn II/Utility Meter SVC	1.00	27,608	57,646	1,720	0	350	59,716	59,716	7,000	8,500	75,000
Utilitymn II/Utility Meter SVC	1.00	27,608	57,646	0	0	0	57,646	57,646	7,000	8,500	73,000
Utilitymn II/Utility Meter SVC	1.00	27,608	57,646	0	132	0	57,778	57,778	7,000	8,500	73,000
Utilitymn II/Utility Meter SVC	1.00	27,608	57,646	874	34	0	58,554	58,554	7,000	8,500	74,000
Utilitymn II/Utility Meter SVC	1.00	27,608	57,646	620	0	0	58,266	58,266	7,000	8,500	73,000
Utilitymn II/Utility Meter SVC	1.00	27,608	57,646	0	347	525	58,518	58,518	7,000	8,500	74,000
Utilitymn II/Utility Meter SVC	1.00	27,608	57,646	0	0	0	57,646	57,646	7,000	8,500	73,000
Utilitymn II/Utility Meter SVC	1.00	27,608	57,646	1,675	0	175	59,496	59,496	7,000	8,500	75,000
Utilitymn II/Utility Meter SVC	1.00	27,608	57,646	1,614	0	175	59,435	59,435	7,000	8,500	75,000
SUBTOTAL	70.70		4,248,806	33,154	12,239	25,725	4,319,924	4,319,924	494,900	600,950	5,291,000
Overtime							897,326	897,326			
TOTAL UNION			\$4,248,806	\$33,154	\$12,239	\$25,725	\$5,217,250	\$5,217,250	\$494,900	\$600,950	\$5,291,000

LONG ISLAND AMERICAN WATER
UNION PAYROLL
2007 RATE CASE

Classification (1)	No of Empl (2)	Rate (3)	\$		Pay Adj for Working Above Normal Job (6)	12/31/2008 Longevity Payment (7)	Total Annual Payroll (8)	Earnings Subject to			Group Life Insurance (12)
			Regular (4)	Shift Prem (5)				7.65% FICA/Medicare \$97,500 (9)	Unemployment Federal 8%-\$7,000 (10)	State 1.5%-\$8,500 (11)	
UNION - 1/1/2008 to 12/31/2008		Hours =	2,096	Shift Prem =	\$1.30						
Auto Mechanic	1	\$33,790	\$70,824	\$1,993	\$0	\$350	\$73,167	\$73,167	\$7,000	\$8,500	\$92,000
Boom Truck Operator	1	31,030	65,039	0	25	525	65,589	65,589	7,000	8,500	82,000
Business Clerk	1	29,622	62,088	0	0	525	62,613	62,613	7,000	8,500	79,000
Business Clerk	1	29,622	62,088	0	71	700	62,859	62,859	7,000	8,500	79,000
Car Washer	1	26,232	54,982	1,984	0	525	57,491	57,491	7,000	8,500	72,000
Commercial Investigator	1	30,278	63,463	0	0	525	63,988	63,988	7,000	8,500	80,000
Daylist Clerk	1	28,498	59,732	0	776	700	61,208	61,208	7,000	8,500	77,000
Distribution Clerk	1	25,797	54,071	0	0	525	54,596	54,596	7,000	8,500	69,000
Equipment Operator	1	33,627	70,482	0	0	700	71,182	71,182	7,000	8,500	89,000
Equipment Operator	1	33,627	70,482	0	0	700	71,182	71,182	7,000	8,500	89,000
Janitor	1	26,232	54,982	0	0	0	54,982	54,982	7,000	8,500	69,000
M & S Storekeeper	1	31,634	66,305	0	0	700	67,005	67,005	7,000	8,500	84,000
Maintenance Mechanic A	1	33,627	70,482	0	0	700	71,182	71,182	7,000	8,500	89,000
Maintenance Mechanic B	1	30,834	64,628	0	0	525	65,153	65,153	7,000	8,500	82,000
Maintenance Mechanic B	1	30,834	64,628	1,498	0	350	66,476	66,476	7,000	8,500	84,000
Meter Tester	1	29,577	61,993	0	0	700	62,693	62,693	7,000	8,500	79,000
Oilier-Plant Helper - Summer	1.6	21,791	73,078	915	0	0	73,993	73,993	11,200	13,600	
Oilier-Plant Helper	1	29,054	60,897	650	1,091	350	62,988	62,988	7,000	8,500	79,000
Oilier-Plant Helper	1	29,054	60,897	468	1,338	0	62,703	62,703	7,000	8,500	79,000
Oilier-Plant Helper	1	29,054	60,897	312	524	0	61,733	61,733	7,000	8,500	78,000
Oilier-Plant Helper	1	29,054	60,897	957	0	0	61,854	61,854	7,000	8,500	78,000
Oilier-Plant Helper	1	29,054	60,897	1,082	1,026	525	63,530	63,530	7,000	8,500	80,000
Oilier-Plant Helper	1	29,054	60,897	218	187	0	61,302	61,302	7,000	8,500	77,000
Oilier-Plant Helper	1	29,054	60,897	1,695	0	350	62,942	62,942	7,000	8,500	79,000
Oilier-Plant Helper	1	29,054	60,897	1,414	972	525	63,808	63,808	7,000	8,500	80,000
Oilier-Plant Helper	1	29,054	60,897	322	0	0	61,219	61,219	7,000	8,500	77,000
Sr Meter Mechanic	1	32,445	68,005	0	0	700	68,705	68,705	7,000	8,500	86,000
Senior Utility Man A	1	33,627	70,482	0	0	525	71,007	71,007	7,000	8,500	89,000
Senior Utility Man A	1	33,627	70,482	0	0	700	71,182	71,182	7,000	8,500	89,000
Senior Utility Man A	1	33,627	70,482	0	0	700	71,182	71,182	7,000	8,500	89,000
Senior Utility Man A	1	33,627	70,482	0	0	700	71,182	71,182	7,000	8,500	89,000
Senior Utility Man A	1	33,627	70,482	0	0	700	71,182	71,182	7,000	8,500	89,000
Station Attendant A	1	32,630	68,392	1,487	0	525	70,404	70,404	7,000	8,500	89,000
Station Attendant A	1	32,630	68,392	1,716	0	700	70,808	70,808	7,000	8,500	89,000
Station Attendant A	1	32,630	68,392	1,602	0	700	70,694	70,694	7,000	8,500	89,000
Station Attendant A	1	32,630	68,392	1,695	0	700	70,787	70,787	7,000	8,500	89,000
Station Attendant B	1	30,568	64,071	1,019	0	0	65,090	65,090	7,000	8,500	82,000
Station Attendant B	1	30,568	64,071	1,435	0	0	65,506	65,506	7,000	8,500	82,000
Station Attendant B	1	30,568	64,071	1,196	0	175	65,442	65,442	7,000	8,500	82,000
Station Attendant B	1	30,568	64,071	1,187	0	175	65,433	65,433	7,000	8,500	82,000
Utility Man - Meter Service	1	30,046	62,976	0	0	700	63,676	63,676	7,000	8,500	80,000
Utility Man - Meter Service	1	30,046	62,976	1,401	0	350	64,727	64,727	7,000	8,500	81,000
Utility Man - Meter Service	1	30,046	62,976	1,009	0	525	64,510	64,510	7,000	8,500	81,000
Utility Man - Meter Service	1	30,046	62,976	73	296	525	63,870	63,870	7,000	8,500	80,000
Utility Man - Meter Service	1	30,046	62,976	0	0	525	63,501	63,501	7,000	8,500	80,000
Utility Man - Meter Service	1	30,046	62,976	73	0	525	63,574	63,574	7,000	8,500	80,000
Utility Man - Meter Service	1	30,046	62,976	0	0	700	63,676	63,676	7,000	8,500	80,000
Utility Man - Meter Service	1	30,046	62,976	117	41	350	63,484	63,484	7,000	8,500	80,000
Utility Man I	1	30,046	62,976	0	120	350	63,446	63,446	7,000	8,500	80,000
Utility Man I	1	30,046	62,976	0	536	350	63,862	63,862	7,000	8,500	80,000
Utility Man I	1	30,046	62,976	0	1,274	525	64,775	64,775	7,000	8,500	81,000
Utility Man I	1	30,046	62,976	0	662	525	64,163	64,163	7,000	8,500	81,000
Utility Man I	1	30,046	62,976	0	475	350	63,801	63,801	7,000	8,500	80,000
Utility Man I	1	30,046	62,976	0	98	350	63,424	63,424	7,000	8,500	80,000
Utility Man I	1	30,046	62,976	0	149	175	63,300	63,300	7,000	8,500	80,000
Utility Man I	1	30,046	62,976	0	75	525	63,576	63,576	7,000	8,500	80,000
Utility Man I	1	30,046	62,976	198	0	175	63,349	63,349	7,000	8,500	80,000
Utility Man I	1	30,046	62,976	0	1,956	525	65,457	65,457	7,000	8,500	82,000
Utility Man I	1	30,046	62,976	0	502	525	64,003	64,003	7,000	8,500	81,000
Utilityman II/Utility Meter SVC - Summer	1.1	21,534	49,649	0	0	0	49,649	49,649	7,700	9,350	
Utilityman II/Utility Meter SVC	1	28,712	60,180	0	0	0	60,180	60,180	7,000	8,500	76,000
Utilityman II/Utility Meter SVC	1	28,712	60,180	1,789	0	525	62,494	62,494	7,000	8,500	79,000
Utilityman II/Utility Meter SVC	1	28,712	60,180	0	0	0	60,180	60,180	7,000	8,500	76,000
Utilityman II/Utility Meter SVC	1	28,712	60,180	0	137	0	60,317	60,317	7,000	8,500	76,000
Utilityman II/Utility Meter SVC	1	28,712	60,180	909	35	0	61,124	61,124	7,000	8,500	77,000
Utilityman II/Utility Meter SVC	1	28,712	60,180	645	0	0	60,825	60,825	7,000	8,500	77,000
Utilityman II/Utility Meter SVC	1	28,712	60,180	0	361	525	61,066	61,066	7,000	8,500	77,000
Utilityman II/Utility Meter SVC	1	28,712	60,180	0	0	0	60,180	60,180	7,000	8,500	76,000
Utilityman II/Utility Meter SVC	1	28,712	60,180	1,742	0	175	62,097	62,097	7,000	8,500	78,000
Utilityman II/Utility Meter SVC	1	28,712	60,180	1,678	0	350	62,208	62,208	7,000	8,500	78,000
TOTAL UNION	70.70		4,435,680	34,479	12,727	27,650	4,510,536	4,510,536	494,900	600,950	5,514,000
Overtime							933,131	933,131			
TOTAL UNION			\$4,435,680	\$34,479	\$12,727	\$27,650	\$5,443,667	\$5,443,667	\$494,900	\$600,950	\$5,514,000

LONG ISLAND AMERICAN WATER
UNION PAYROLL
2007 RATE CASE

Classification (1)	No of Empl (2)	Rate (3)	\$		Pay Adj for Working Above Normal Job (6)	3/31/2009 Longevity Payment (7)	Total Annual Payroll (8)	Earnings Subject to			Group Life Insurance (12)
			Regular (4)	Shift Prem (5)				7.65% FICA/Medicare \$97,500 (9)	Unemployment Federal .8%-\$7,000 (10)	State 1.5%-\$8,500 (11)	
UNION - 4/1/2008 to 3/31/2009		Hours =	2,088	Shift Prem= \$1.35							
Auto Mechanic	1	\$34,973	\$73,024	\$2,070	\$0	\$350	\$75,444	\$75,444	\$7,000	\$8,500	\$95,000
Boom Truck Operator	1	32,116	67,058	0	26	525	67,609	67,609	7,000	8,500	85,000
Business Clerk	1	30,659	64,016	0	0	525	64,541	64,541	7,000	8,500	81,000
Business Clerk	1	30,659	64,016	0	73	700	64,789	64,789	7,000	8,500	81,000
Car Washer	1	27,150	56,689	2,060	0	525	59,274	59,274	7,000	8,500	75,000
Commercial Investigator	1	31,338	65,434	0	0	525	65,959	65,959	7,000	8,500	83,000
Daylist Clerk	1	29,495	61,586	0	803	700	63,089	63,089	7,000	8,500	79,000
Distribution Clerk	1	26,700	55,750	0	0	525	56,275	56,275	7,000	8,500	71,000
Equipment Operator	1	34,804	72,671	0	0	700	73,371	73,371	7,000	8,500	92,000
Equipment Operator	1	34,804	72,671	0	0	700	73,371	73,371	7,000	8,500	92,000
Janitor	1	27,150	56,689	0	0	0	56,689	56,689	7,000	8,500	71,000
M & S Storekeeper	1	32,741	68,363	0	0	700	69,063	69,063	7,000	8,500	87,000
Maintenance Mechanic A	1	34,804	72,671	0	0	700	73,371	73,371	7,000	8,500	92,000
Maintenance Mechanic B	1	31,913	66,634	0	0	525	67,159	67,159	7,000	8,500	84,000
Maintenance Mechanic B	1	31,913	66,634	1,555	0	350	68,539	68,539	7,000	8,500	86,000
Meter Tester	1	30,612	63,918	0	0	700	64,618	64,618	7,000	8,500	81,000
Oiler-Plant Helper - Summer	1.6	22,553	75,345	950	0	0	76,295	76,295	11,200	13,600	
Oiler-Plant Helper	1	30,071	62,788	675	1,129	525	65,117	65,117	7,000	8,500	82,000
Oiler-Plant Helper	1	30,071	62,788	486	1,385	0	64,659	64,659	7,000	8,500	81,000
Oiler-Plant Helper	1	30,071	62,788	324	542	0	63,654	63,654	7,000	8,500	80,000
Oiler-Plant Helper	1	30,071	62,788	994	0	0	63,782	63,782	7,000	8,500	80,000
Oiler-Plant Helper	1	30,071	62,788	1,123	1,062	525	65,498	65,498	7,000	8,500	82,000
Oiler-Plant Helper	1	30,071	62,788	227	194	0	63,209	63,209	7,000	8,500	80,000
Oiler-Plant Helper	1	30,071	62,788	1,760	0	350	64,898	64,898	7,000	8,500	82,000
Oiler-Plant Helper	1	30,071	62,788	1,469	1,006	525	65,788	65,788	7,000	8,500	83,000
Oiler-Plant Helper	1	30,071	62,788	335	0	0	63,123	63,123	7,000	8,500	79,000
Sr Meter Mechanic	1	33,581	70,117	0	0	700	70,817	70,817	7,000	8,500	89,000
Senior Utility Man A	1	34,804	72,671	0	0	525	73,196	73,196	7,000	8,500	92,000
Senior Utility Man A	1	34,804	72,671	0	0	700	73,371	73,371	7,000	8,500	92,000
Senior Utility Man A	1	34,804	72,671	0	0	700	73,371	73,371	7,000	8,500	92,000
Senior Utility Man A	1	34,804	72,671	0	0	700	73,371	73,371	7,000	8,500	92,000
Senior Utility Man A	1	34,804	72,671	0	0	700	73,371	73,371	7,000	8,500	92,000
Station Attendant A	1	33,772	70,516	1,544	0	525	72,585	72,585	7,000	8,500	91,000
Station Attendant A	1	33,772	70,516	1,782	0	700	72,998	72,998	7,000	8,500	92,000
Station Attendant A	1	33,772	70,516	1,663	0	700	72,879	72,879	7,000	8,500	92,000
Station Attendant A	1	33,772	70,516	1,760	0	700	72,976	72,976	7,000	8,500	92,000
Station Attendant B	1	31,638	66,060	1,058	0	0	67,118	67,118	7,000	8,500	84,000
Station Attendant B	1	31,638	66,060	1,490	0	0	67,550	67,550	7,000	8,500	85,000
Station Attendant B	1	31,638	66,060	1,242	0	175	67,477	67,477	7,000	8,500	85,000
Station Attendant B	1	31,638	66,060	1,233	0	175	67,468	67,468	7,000	8,500	85,000
Utility Man - Meter Service	1	31,098	64,933	0	0	700	65,633	65,633	7,000	8,500	83,000
Utility Man - Meter Service	1	31,098	64,933	1,455	0	350	66,738	66,738	7,000	8,500	84,000
Utility Man - Meter Service	1	31,098	64,933	1,048	0	525	66,506	66,506	7,000	8,500	84,000
Utility Man - Meter Service	1	31,098	64,933	76	306	525	65,840	65,840	7,000	8,500	83,000
Utility Man - Meter Service	1	31,098	64,933	0	0	525	65,458	65,458	7,000	8,500	82,000
Utility Man - Meter Service	1	31,098	64,933	76	0	525	65,534	65,534	7,000	8,500	82,000
Utility Man - Meter Service	1	31,098	64,933	0	0	700	65,633	65,633	7,000	8,500	83,000
Utility Man - Meter Service	1	31,098	64,933	122	42	350	65,447	65,447	7,000	8,500	82,000
Utility Man I	1	31,098	64,933	0	124	350	65,407	65,407	7,000	8,500	82,000
Utility Man I	1	31,098	64,933	0	555	350	65,838	65,838	7,000	8,500	83,000
Utility Man I	1	31,098	64,933	0	1,319	525	66,777	66,777	7,000	8,500	84,000
Utility Man I	1	31,098	64,933	0	685	525	66,143	66,143	7,000	8,500	83,000
Utility Man I	1	31,098	64,933	0	492	525	65,950	65,950	7,000	8,500	83,000
Utility Man I	1	31,098	64,933	0	101	350	65,384	65,384	7,000	8,500	82,000
Utility Man I	1	31,098	64,933	0	154	175	65,262	65,262	7,000	8,500	82,000
Utility Man I	1	31,098	64,933	0	78	525	65,536	65,536	7,000	8,500	82,000
Utility Man I	1	31,098	64,933	205	0	175	65,313	65,313	7,000	8,500	82,000
Utility Man I	1	31,098	64,933	0	2,024	525	67,482	67,482	7,000	8,500	85,000
Utility Man I	1	31,098	64,933	0	520	525	65,978	65,978	7,000	8,500	83,000
Utilitymn III/Utility Meter SVC - Summer	1.1	22,288	51,191	0	0	0	51,191	51,191	7,700	9,350	
Utilitymn III/Utility Meter SVC	1	29,717	62,049	0	0	0	62,049	62,049	7,000	8,500	78,000
Utilitymn III/Utility Meter SVC	1	29,717	62,049	1,858	0	525	64,432	64,432	7,000	8,500	81,000
Utilitymn III/Utility Meter SVC	1	29,717	62,049	0	0	0	62,049	62,049	7,000	8,500	78,000
Utilitymn III/Utility Meter SVC	1	29,717	62,049	0	142	0	62,191	62,191	7,000	8,500	78,000
Utilitymn III/Utility Meter SVC	1	29,717	62,049	944	36	0	63,029	63,029	7,000	8,500	79,000
Utilitymn III/Utility Meter SVC	1	29,717	62,049	670	0	0	62,719	62,719	7,000	8,500	79,000
Utilitymn III/Utility Meter SVC	1	29,717	62,049	0	374	525	62,948	62,948	7,000	8,500	79,000
Utilitymn III/Utility Meter SVC	1	29,717	62,049	0	0	0	62,049	62,049	7,000	8,500	78,000
Utilitymn III/Utility Meter SVC	1	29,717	62,049	1,809	0	175	64,033	64,033	7,000	8,500	81,000
Utilitymn III/Utility Meter SVC	1	29,717	62,049	1,743	0	350	64,142	64,142	7,000	8,500	81,000
TOTAL UNION	70.70		4,573,445	35,806	13,172	28,000	4,650,423	4,650,423	494,900	600,950	5,685,000
Overtime							965,717	965,717			
TOTAL UNION			\$4,573,445	\$35,806	\$13,172	\$28,000	\$5,616,140	\$5,616,140	\$494,900	\$600,950	\$5,685,000

LONG ISLAND AMERICAN WATER
Capitalized Payroll

	<u>Total Payroll</u>	<u>Capitalized & other Payroll</u>	
2004	\$6,547,940	\$1,155,850	17.65%
2005	6,441,576	1,072,000	16.64%
2006	7,254,915	1,567,504	21.61%
2004-2006	<u>\$20,244,431</u>	<u>\$3,795,354</u>	<u>18.75%</u>

	<u>Total Payroll</u>	<u>Capitalized & other Payroll without AMR Capital</u>	
2004	\$6,547,940	\$676,173	10.33%
2005	6,441,576	720,575	11.19%
2006	7,254,915	1,001,214	13.80%
2004-2006	<u>\$20,244,431</u>	<u>\$2,397,961</u>	<u>11.85%</u>

LONG ISLAND AMERICAN WATER
2007 RATE CASE
INCENTIVE COMPENSATION
based on salaries from 1/1/2007 to 12/31/07

Title	Salary Grade	Salary	Incentive Percentage	Incentive Pay	Financial	Operational	Individual
Non-Union							
V/P & Manager	L5		20.00%				
Project Manager	L7		15.00%				
Communications Manager	L8		10.00%				
Human Resources Manager	L7		15.00%				
Operations Supervisor	L8		10.00%				
Production Manager	L6		20.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Specialist	L10		5.00%				
Operations Specialist	L10		5.00%				
Operations Specialist	L10		5.00%				
Network Manager	L6		20.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Specialist	L10		5.00%				
Manager Construction	L7		15.00%				
CAD Tech (N)			0.00%				
Engineer	L10		5.00%				
Operations Specialist	L10		5.00%				
Sr. Construction Inspector	L9		10.00%				
Sr. Construction Inspector	L9		10.00%				
Water Quality Superintendent	L8		10.00%				
Lab Analyst	L11		5.00%				
Lab Tech (N)	L13		0.00%				
Non-Union Total		\$1,860,120		\$215,146	\$86,059	\$64,545	\$64,542

LONG ISLAND AMERICAN WATER
 2007 RATE CASE
 INCENTIVE COMPENSATION
 based on salaries from 1/1/2008 to 12/31/08

Title	Salary Grade	Salary	Incentive Percentage	Incentive Pay	Financial	Operational	Individual
Non-Union							
V/P & Manager	L5		20.00%				
Project Manager	L7		15.00%				
Communications Manager	L8		10.00%				
Human Resources Manager	L7		15.00%				
Operations Supervisor	L8		10.00%				
Production Manager	L6		20.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Specialist	L10		5.00%				
Operations Specialist	L10		5.00%				
Operations Specialist	L10		5.00%				
Network Manager	L6		20.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Specialist	L10		5.00%				
Manager Construction	L7		15.00%				
CAD Tech (N)			0.00%				
Engineer	L10		5.00%				
Operations Specialist	L10		5.00%				
Sr. Construction Inspector	L9		10.00%				
Sr. Construction Inspector	L9		10.00%				
Water Quality Superintendent	L8		10.00%				
Lab Analyst	L11		5.00%				
Lab Tech (N)	L13		0.00%				
Non-Union Total		\$1,934,520		\$223,753	\$89,499	\$67,125	\$67,129

LONG ISLAND AMERICAN WATER
 2007 RATE CASE
 INCENTIVE COMPENSATION
 based on salaries from 4/1/2008 to 3/31/09

Title	Salary Grade	Salary	Incentive Percentage	Incentive Pay	Financial	Operational	Individual
Non-Union							
V/P & Manager	L5		20.00%				
Project Manager	L7		15.00%				
Communications Manager	L8		10.00%				
Human Resources Manager	L7		15.00%				
Operations Supervisor	L8		10.00%				
Production Manager	L6		20.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Specialist	L10		5.00%				
Operations Specialist	L10		5.00%				
Operations Specialist	L10		5.00%				
Network Manager	L6		20.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Supervisor	L9		10.00%				
Operations Specialist	L10		5.00%				
Manager Construction	L7		15.00%				
CAD Tech (N)			0.00%				
Engineer	L10		5.00%				
Operations Specialist	L10		5.00%				
Sr. Construction Inspector	L9		10.00%				
Sr. Construction Inspector	L9		10.00%				
Water Quality Superintendent	L8		10.00%				
Lab Analyst	L11		5.00%				
Lab Tech (N)	L13		0.00%				
Non-Union Total		\$1,934,520		\$223,753	\$89,499	\$67,125	\$67,129

LONG ISLAND AMERICAN WATER
POWER COSTS FOR 2006, 2007, 2008
AND RATE YEAR ENDED 3/31/09

	2006	Cost Increase(A)	Quantity Change(B)	2007	Cost Increase	2008	Cost Increase	12 Mos. Ended 3/31/09
OPERATIONS								
Source of Supply	0.60%	\$14,528	\$870	\$15,398	\$922	\$16,320	\$978	0.59%
Pumping	90.38%	2,188,414	132,858	2,350,857	140,816	2,491,673	149,251	90.50%
Water Treatment	5.80%	140,438	8,412	148,850	8,916	157,766	9,450	5.73%
Transmission and Distribution	2.29%	55,449	3,321	58,770	3,520	62,290	3,731	2.26%
Admin and General	0.93%	22,519	1,349	23,868	1,430	25,298	1,515	0.92%
Total		\$2,421,348	\$146,810	\$2,597,743	\$155,604	\$2,753,347	\$164,925	\$2,794,578

NOTES:

A- BASED ON HISTORICAL AVERAGE RATE INCREASE OVER 5 YEARS EXCLUDING THE HIGHEST % INCREASE & LOWEST % INCREASE RESULTING IN AVERAGE INCREASE OF 5.99 % PER YEAR

B - Use of 6 year average pumpage to normalize due to low 2006 pumpage number

	mg*	pumping cost	cost per mg					
2004	9,815.4							
2005	10,875.5							
2006	10,219.8	2,188,414	\$214.13					
AVERAGE	10,358.0							
INCR. OVER 2006	138.2							
RATE FOR 2006	\$214.13							
QUANTITY CHANGE	\$29,585							
				TOTAL	COST PER	EXCLUDE		
	mg*	POWER COST	mg*			HIGH & LOW		
2001	10,915.1	\$1,497,216	\$137.17					
2002	10,682.9	1,580,045	147.90		7.83%			
2003	9,639.1	1,560,823	161.93		9.48%			
2004	9,815.4	1,790,714	182.44		12.67%			
2005	10,875.5	2,052,195	188.70		3.43%			
2006	10,219.8	2,421,348	236.93		25.56%			
				AVERAGE INCREASE OVER 6 YEARS				
					11.79%			

*source G. Kaempf LI American

LONG ISLAND AMERICAN WATER
FUEL COSTS FOR 2006, 2007, 2008
AND RATE YEAR ENDED 3/31/09

OPERATIONS	2006		2007		2008		12 Mos. Ended 3/31/09	
	0.46%	Quantity Change(B)	Cost Increase(A)	Cost Increase	Cost Increase	Cost Increase	0.46%	0.46%
Source of Supply	\$1,257	\$251	\$1,508	\$301	\$1,809	\$361	0.46%	\$1,899
Pumping	184,274	36,744	223,509	44,568	268,077	53,455	67.71%	281,441
Water Treatment	14,095	2,811	16,906	3,371	20,277	4,043	5.12%	21,288
Transmission and Distribution	69,601	13,878	83,479	16,646	100,125	19,965	25.29%	105,116
Admin and General	3,934	784	4,718	941	5,659	1,128	1.43%	5,941
Total	\$273,161	\$54,468	\$330,120	\$65,827	\$395,947	\$78,952		\$415,685

NOTES:
A- BASED ON HISTORICAL AVERAGE RATE INCREASE OVER 5 YEARS EXCLUDING THE HIGHEST % INCREASE & LOWEST % INCREASE
RESULTING IN AVERAGE INCREASE OF 19.94 % PER YEAR

B -Use of 6 year average pumping to normalize due to low 2006 pumping number

	mg*	pumping cost	cost per mg	TOTAL FUEL COST	COST PER mg*	ALL YEARS	EXCLUDE HIGH & LOW
2004	9,815.4			\$166,211	\$15.23		
2005	10,875.5			60,556	5.67	-62.77%	0.00%
2006	10,219.8	184,274	\$18.03	109,632	11.37	100.65%	100.65%
AVERAGE INCR. OVER 2006	10,358.0			108,967	11.10	-2.39%	-2.39%
RATE FOR 2006	\$18.03			122,496	11.26	1.46%	1.46%
QUANTITY CHANGE	\$2,491			273,161	26.73	137.30%	0.00%
						34.85%	19.94%

*source G. Kaempf LI American

LONG ISLAND AMERICAN WATER
CHEMICAL COSTS FOR 2006, 2007, 2008
AND RATE YEAR ENDED 3/31/09

	2006	Cost Increase (A)	Quantity Change (B)	2007	Cost Increase	2008	Cost Increase	2009	12 Mos. Ended 3/31/09
OPERATIONS									
Source of Supply Pumping	\$683,601	\$35,410	\$10,191	\$729,202	\$37,772	\$766,974	\$39,728	\$806,702	\$776,906
Water Treatment Transmission and Distribution Admin and General									
Total	\$683,601	\$35,410	\$10,191	\$729,202	\$37,772	\$766,974	\$39,728	\$806,702	\$776,906

A- chemical usage as follows:

	2006 price -lbs	2007 price -lbs	% Increase 2006/2007	Amount 2006	Amount 2007	Percent Increase
Sodium Silicates	\$0.1131	\$0.1197	5.8%	\$138,948.78	\$147,057.20	
Bleach	0.1226	0.1236	0.8%	139,954.03	141,095.58	
Lime	0.1126	0.1200	6.6%	373,319.67	397,854.00	
Total				\$652,222.48	\$686,006.78	5.18%

In pounds	2004	2005	2006	Average	Contract Cost 2007 per pound	3 yr Avg over 2006 usage	Increase
Sodium Silicates	1,410,755	1,275,438	1,228,548	1,304,914	\$0.1197	76,366	\$9,141
Bleach	1,103,375	1,238,809	1,141,550	1,161,245	0.1236	19,695	2,434
Lime	3,043,700	3,552,600	3,315,450	3,303,917	0.1200	(11,533)	(1,384)
Total			5,685,548	5,770,075			\$10,191

Description	2006	SS	P	WT	TD	CA	AG
Misc Oper CA	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Misc Oper CA Mtr Read	1,413					1,413	
Misc Oper CA Cust Rec	(10,819)					(10,819)	
Bank Service Charges CA	51,518					51,518	
Collection Agencies CA	12,790					12,790	
Forms CA	42,262					42,262	
Office & Admin Supplies CA	17,175					17,175	
Telephone CA	8,315					8,315	
Uniforms CA	1,491					1,491	
Customer Accounting	124,145	-	-	-	-	124,145	-
M & S Oper AG	2,096						2,096
Misc General Office	5,823						5,823
Credit Line Fees	174						174
Credit Line Fees In	56,493						56,493
Dues/Membership Deduct	8,811						8,811
Empl Exp AG-P/R JE							-
Employee Expenses AG	34,194						34,194
Empl Exp Confr/Registration	4,985						4,985
Meals & Travel Deduct	20,773						20,773
Meals & Travel Nonded (Mth-	8,857						8,857
Janitorial AG	5,147						5,147
Office & Admin Supplies AG	81,892						81,892
Postage AG	8						8
Telephone AG	16,507						16,507
Cell Phone AG	42,032						42,032
Data Lines AG							-
Trash Removal AG	-						-
Wtr & Waste Wtr Exp AG	-						-
Misc Charges - P13880	32,899						32,899
Misc Chrgs - STEP W/O P1388	52,373						52,373
General Office Exp	373,064	-	-	-	-	-	373,064
Other Welfare Expense							
Other Welf Oper AG	115,412						115,412
Other Welf Maint TD							-
Employee Awards AG	8,365						8,365
Employee Physical Exam AG	1,506						1,506
Tuition Aid AG	1,308						1,308
Training AG	7,386						7,386
EIP							-
EIP Oper AG	(4,409)						(4,409)
Retiree Med Oper AG	667						667
M & S Oper P	31,303		31,303				
M & S Oper WT	585			585			
M & S Oper TD	10,488				10,488		
Contract Svc-Eng Oper WT	3,680			3,680			
Contract Svc-Eng Oper AG	25,396						25,396
Contract Svc-Accounting							
Contr Svc-Legal Oper SS		-					
Contr Svc-Legal Oper AG	143						143
Contr Svc-Litigation A	(3,430)						(3,430)
Contr Svc-Other Oper SS	20,235	20,235					
Contr Svc-Other Oper TD							-
Contr Svc-Other Oper AG	42,375						42,375
Misc Oper SS	(35,365)	(35,365)					
Misc Oper P	136,534		136,534				
Misc Oper P Pumps							-
Misc Oper WT	54,497			54,497			
Misc Oper TD	18,022				18,022		
Misc Oper TD Mains	93,468				93,468		
Misc Oper TD Meters	345				345		
Misc Oper AG	220,387						220,387
Advertising							-
Bill Inserts AG							-
Brochures and Handouts	44,242						44,242
Charitable Contrib Deduct	-						-
Charitable Contrib Nondeduc	-						-
Community Relations	-						-
Co Dues/Membership Deduct	23,725						23,725
Co Dues/Membership Nondeduc	16,128						16,128
Discounts Available	(3,973)						(3,973)
Discounts Lost	-						-
Bus Servies Proj Exp	126,660						126,660
Grounds Keeping SS	55,844	55,844					
Grounds Keeping WT	1,238			1,238			
Heat - Oil/Gas SS	17,383	17,383					
Heat - Oil/Gas WT	34,224			34,224			
Heat - Oil/Gas TD	13,334				13,334		
Janitorial WT	2,426			2,426			
Janitorial TD	-						-
Lab Supplies WT	13,140			13,140			
Lobbying Expenses							-
Office & Admin Supplies TD	-						-

Description	2006	SS	P	WT	TD	CA	AG
Overnight Shipping WT	-			-			
Overnight Shipping AG	59						59
Penalties Nondeduct	7,687						7,687
Research & Development Exp	9,417						9,417
Security Service AG	1,531						1,531
Add'l Security Costs AG	29,143						29,143
Software Licenses & Support	3,912						3,912
Telemetering SS	6,470	6,470					
Telephone SS	22,863	22,863					
Telephone WT	3,100			3,100			
Telephone TD	13,529				13,529		
Trash Removal SS	36,267	36,267					
Trash Removal WT				-			
Trustee Fees AG	14,515						14,515
Uniforms WT	21,960			21,960			
Uniforms TD	16,558				16,558		
PCard Undistributed	7,331						7,331
Contr Svc-Eng Maint WT	163			163			
Contr Svc-Eng Maint TD	11,147				11,147		
Miscellaneous	1,298,921	123,697	167,837	135,013	176,891	-	695,483
M&S Maint SS	80,309	80,309					
M&S Maint WT	128,795			128,795			
M&S Maint TD	111,462				111,462		
M&S Maint AG	(54,138)						(54,138)
Contr Svc-Other Maint WT	-			-			
Contr Svc-Other Maint AG							-
Misc Maint SS	12,239	12,239					
Misc Maint P	123,383		123,383				
Misc Maint P Struct & Imp	20,283		20,283				
Misc Maint P Pwr Prod Equip	3,655		3,655				
Misc Maint WT	9,183			9,183			
Misc Maint WT Struct & Imp	18,766			18,766			
Misc Maint WT Equip	30,231			30,231			
Misc Maint TD	19,635				19,635		
Misc Maint TD Struct & Imp	907				907		
Misc Maint TD Mains	-				-		
Misc Maint TD Services	-				-		
Misc Maint TD Meters	-				-		
Misc Maint TD Hydrants	1,086				1,086		
Misc Maint AG	57,193						57,193
Amort Def Maint SS	-	-					
Computer Equipment AG	11,471						11,471
Office Equipment AG	972						972
Paving/Backfill TD	260,432				260,432		
Permits TD	57,185				57,185		
Pump and Motors SS	-	-					
Maintenance Expense	893,049	92,548	147,321	186,975	450,707	-	15,498
	\$2,689,179	\$216,245	\$315,158	\$321,988	\$627,598	\$124,145	\$1,084,045

Consumer Price Index - All Urban Consumers

Series Id: CUUR0100SA0, CUUS0100SA0

Not Seasonally Adjusted

Area: Northeast urban

Item: All items

Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
1996	161.4	162.2	162.8	162.9	163.0	163.1	163.4	164.0	164.6	165.1	165.4	165.7	163.6	162.6	164.7
1997	166.2	166.9	167.3	167.1	166.8	167.0	167.6	167.8	168.4	168.7	168.5	168.4	167.6	166.9	168.2
1998	168.8	169.1	169.3	169.5	169.4	169.6	169.9	170.5	170.6	171.3	171.2	171.2	170.0	169.3	170.8
1999	171.4	171.6	171.9	172.8	172.8	173.1	173.4	174.1	174.8	175.5	175.5	175.5	173.5	172.3	174.8
2000	176.2	177.6	178.5	178.5	178.4	179.0	179.8	179.9	180.7	181.2	181.5	181.3	179.4	178.0	180.7
2001	182.2	182.8	183.7	184.2	184.6	185.3	185.0	185.1	185.1	185.0	185.0	184.2	184.4	183.8	184.9
2002	184.9	186.1	187.0	187.8	187.7	187.8	188.3	189.3	189.5	189.9	190.1	189.6	188.2	186.9	189.5
2003	190.5	191.7	193.0	192.6	192.7	192.8	193.5	194.3	195.0	195.4	195.1	194.9	193.5	192.2	194.7
2004	195.9	196.8	198.6	199.4	199.9	201.1	201.0	201.0	201.2	202.5	202.6	201.9	200.2	198.6	201.7
2005	202.6	203.6	206.0	206.9	206.2	206.2	207.9	208.7	210.8	211.5	210.0	209.0	207.5	205.3	209.7
2006	211.0	211.6	212.8	214.7	215.7	216.7	217.5	218.1	216.3	215.2	214.8	215.2	215.0	213.8	216.2

Change 2006-2005 7.5
Percent Change 3.61%

LONG ISLAND AMERICAN WATER
GROUP INSURANCE
1/1/2007 to 12/31/2007

Exhibit 12
Tab 9

	No. of Empl Hired Prior to 1/1/2006			No. of Empl Hired After 1/1/2006			Annual Cost for Employees Prior 1/1/06			Annual Cost for Employees After 1/1/06			Pro Forma Group Insurance(\$)		
	Standard	Premium	EPO	Standard	Premium	EPO	Standard	Premium	EPO	Standard	Premium	EPO			
LIFE INSURANCE															
1 Life Basic													8,045	2.16	\$17,377
2 Life Supplemental															0
TOTAL LIFE INSURANCE															17,377
DISABILITY															
3 Accidental Death & Dismemberment (\$10,000 coverage per Union employee)															
4 Accidental Death & Dismemberment															
5 Long Term Disability (rate per \$100)															
6 Short Term Managed Disability															
TOTAL DISABILITY INSURANCE															9,784
MEDICAL, DENTAL & PRESCRIPTION COVERAGE															
7 Employees without dependent coverage	2	11	0	0	7	2	\$5,784	\$5,784	\$5,784	\$5,784	\$5,784	\$5,784			127,248
8 Employees with dependent coverage	0	53	2	0	7	0	\$14,256	\$14,256	\$14,256	\$14,256	\$14,256	\$14,256			883,872
9 Employees with single dental coverage only	0	1		0	0	0	\$432	\$432	\$432	\$432	\$432	\$432			432
10 Employees with dependent dental coverage only	0	4		0	0	0	\$1,020	\$1,020	\$1,020	\$1,020	\$1,020	\$1,020			4,080
SUBTOTAL															1,015,632
ADD/Opt-Out Payments to Employees:															
single dental and vision only		1			0		\$1,044	\$1,044	\$1,044	\$1,044	\$1,044	\$1,044			1,044
family dental and vision only		4			0		\$912	\$912	\$912	\$912	\$912	\$912			3,648
no medical or dental coverage		3			0		\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200			3,600
Total Opt-Out															8,292
DEDUCT: Contributions by Employees to Medical and Dental															
Employees without dependent coverage	2	11	0	0	7	2	\$432	\$432	\$432	\$432	\$432	\$432			\$888
Employees with dependent coverage	0	53	2	0	7	0	\$936	\$936	\$936	\$936	\$936	\$936			\$1,732
Total Contributions															96,756
TOTAL MEDICAL, DENTAL AND PRESCRIPTION COVERAGE															
															927,168
NET GROUP INSURANCE COSTS															
															\$954,329

Group Insurance Rates

MEDICAL, DENTAL & PRESCRIPTION COVERAGE	2004	2005	Percent Increase	2006	Percent Increase	2007	Percent Increase	3 yr Growth Rate	Estimate for at 1/2008	Estimate for at 1/2009
7. Employees without dependent coverage	4,236	4,704	11.05%	5,244	11.48%	5,784	10.30%	10.94%	6,417	7,119
8. Employees with dependent coverage	10,440	11,592	11.03%	12,924	11.49%	14,256	10.31%	10.94%	15,816	17,547
9. Employees with single dental coverage only	300	336	12.00%	456	35.71%	432	-5.26%	12.92%	488	551
10. Employees with dependent dental coverage only	732	816	11.48%	1,080	32.35%	1,020	-5.56%	11.69%	1,139	1,272
SUBTOTAL										

LONG ISLAND AMERICAN WATER
OPEBS FOR RATE CASE
FOR THE CALANDER YEARS ENDED 2006, 2007, 2008 AND 12 MONTHS ENDED 3/31/09

OPEB Costs	ACTUAL 2006	PROJECTED 2007	PROJECTED 2008	PROJECTED 2009	PROJECTED 12 Mos. Ended Mar-09
Total FAS 106 actual/projected					
PRO FORMA EXPENSE	\$666,742	\$794,191	\$833,900	\$875,595	\$844,324
BASE YEAR EXPENSE	666,742	700,079	735,083	771,837	
PRO FORMA ADJUSMENT	\$0	\$94,112	\$98,817	\$103,758	

LONG ISLAND AMERICAN WATER
PENSION FOR RATE CASE
FOR THE CALANDER YEARS ENDED 2006, 2007, 2008 AND 12 MONTHS ENDED 3/31/09

Pension Costs	ACTUAL 2006	PROJECTED 2007	PROJECTED 2008	PROJECTED 2009	PROJECTED 12 Mos. Ended Mar-09
Total Pension Cost					
PRO FORMA EXPENSE	\$830,478	\$989,225	\$1,038,686	\$1,090,621	\$1,051,670
BASE YEAR EXPENSE	830,478	872,002	915,602	961,382	
PRO FORMA ADJUSMENT	\$0	\$117,223	\$123,084	\$129,239	

Long Island American Water
Pension & OPEBs Deferral

Exhibit 12
Tab 12

	YEARS 1993 THROUGH 2003	YEARS 2004 THROUGH 2006	YEARS 1993 THROUGH 2006
Pension			
Expensed	\$2,731,097	\$2,209,141	\$4,940,238
Recovered in Rates	3,500,947	1,550,935	5,051,882
	<u>(769,850)</u>	<u>658,206</u>	<u>(111,644)</u>
OPEBs			
Expensed	4,828,046	2,711,227	7,539,273
Recovered in Rates	5,689,000	1,700,877	7,389,877
	<u>(860,954)</u>	<u>1,010,350</u>	<u>149,396</u>
Total Pension and OPEBs	(1,630,804)	1,668,556	37,752
Audit Adjustments	445,311	0	445,311
	<u>(1,185,493)</u>	<u>1,668,556</u>	<u>483,063</u>
Additional Interest Pension (2004-2006)		(321,019)	(321,019)
Additional Interest OPEBs (2004-2006)		(478,725)	(478,725)
Total	<u>(\$1,185,493)</u>	<u>\$868,811</u>	<u>(\$316,682)</u>
Credit to Eliminate Expense/Rates difference and Additional Interest through 12/31/2006			<u><u>(\$316,682)</u></u>

Refund needed to Customers for Interest on Pension/OPEBs

Interest from 1/1/1993 through 12/31/2003

Pension	\$496,623
OPEBs	<u>1,164,222</u>
Total Interest	<u><u>\$1,660,845</u></u>

Interest for:

2004	10.63%	<u>106,794</u>
Balance at 12/31		<u>\$1,767,639</u>
2005	10.18%	<u>108,849</u>
Balance at 12/31		<u>\$1,876,488</u>
2006	10.03%	<u>113,849</u>
Balance at 12/31		<u>\$1,990,337</u>

Note: Refund is for interest only, principal remains and continues to accrue interest.

	<u>2004</u>	<u>2005</u>	<u>2006</u>
Beginning IR Balance	\$1,660,845	\$1,767,639	\$1,876,488
Pension expense rate allowance			
Amount charged to construction			
Benefits paid			
Contributions			
Other EB Cap Adj.			
IR balance at end of period	<u>1,660,845</u>	<u>1,767,639</u>	<u>1,876,488</u>
Average IR balance	<u>1,660,845</u>	<u>1,767,639</u>	<u>1,876,488</u>
Deferred income taxes @ 34%	<u>656,200</u>	<u>698,394</u>	<u>741,400</u>
IR balance subject to interest	<u>1,004,645</u>	<u>1,069,245</u>	<u>1,135,088</u>
Pre-tax rate of return	<u>10.63%</u>	<u>10.18%</u>	<u>10.03%</u>
Annual accrued interest	<u>106,794</u>	<u>108,849</u>	<u>113,849</u>
IR balance with interest	<u><u>\$1,767,639</u></u>	<u><u>\$1,876,488</u></u>	<u><u>\$1,990,337</u></u>

Long Island American Water
 OPEB Internal Reserve
 For the period between January 1, 1993 and December 31, 2003

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Beginning IR Balance	\$0	(\$534,582)	(\$946,375)	(\$1,146,099)	(\$1,393,857)	(\$1,138,045)	(\$1,392,774)	(\$1,306,735)	(\$1,838,392)	(\$2,507,478)	(\$3,264,340)
Pension expense rate allowance	(464,260)	(610,753)	(600,749)	(621,519)	(629,248)	(629,248)	(541,796)	(512,645)	(512,645)	(512,645)	(512,645)
Amount charged to construction	(50,286)	(50,868)	(49,200)	(52,090)	(39,484)	(50,510)	(41,445)	(30,545)	(21,071)	(64,431)	(105,569)
Benefits paid	0	0	0	0	0	0	0	0	0	0	0
Contributions	0	305,335	528,652	521,050	1,019,441	510,799	432,267	0	0	0	0
Other EB Cap Adj.	0	0	0	0	0	0	328,500	109,500	0	0	0
IR balance at end of period	(514,546)	(890,868)	(1,067,672)	(1,298,658)	(1,043,148)	(1,307,004)	(1,215,248)	(1,740,425)	(2,372,108)	(3,084,554)	(3,882,554)
Average IR balance	(257,273)	(712,725)	(1,007,024)	(1,222,379)	(1,218,503)	(1,222,525)	(1,304,011)	(1,523,580)	(2,105,250)	(2,796,016)	(3,573,447)
Deferred income taxes @ 34%	(87,473)	(242,327)	(342,388)	(415,609)	(414,291)	(415,658)	(443,364)	(601,966)	(831,784)	(1,104,706)	(1,411,869)
IR balance subject to interest	(169,800)	(470,399)	(664,636)	(806,770)	(804,212)	(806,866)	(860,647)	(921,613)	(1,273,466)	(1,691,310)	(2,161,578)
Pre-tax rate of return	11.80%	11.80%	11.80%	11.80%	11.80%	10.63%	10.63%	10.63%	10.63%	10.63%	10.63%
Annual accrued interest	(20,036)	(55,507)	(78,427)	(95,199)	(94,897)	(85,770)	(91,487)	(97,968)	(135,369)	(179,786)	(229,776)
IR balance with interest	(\$534,582)	(\$946,375)	(\$1,146,099)	(\$1,393,857)	(\$1,138,045)	(\$1,392,774)	(\$1,306,735)	(\$1,838,392)	(\$2,507,478)	(\$3,264,340)	(\$4,112,330)

Interest through 2003

(1,164,222)

Note: Staff Increasing Deferred taxes to 39.51% in 2000

Long Island American Water
OPEB Internal Reserve

	2004	2005	2006
Beginning IR Balance	(\$2,948,108)	(\$3,155,075)	(\$2,240,498)
Pension expense rate allowance	(512,645)	(575,982)	(597,094)
Amount charged to construction	(124,214)	(38,277)	(151,778)
Benefits paid	0	0	0
Contributions	620,000	817,750	737,700
Other EB Cap Adj.	0	872,250	290,750
IR balance at end of period	(2,964,967)	(2,079,333)	(1,960,920)
Average IR balance	(2,956,537)	(2,617,204)	(2,100,709)
Deferred income taxes @ 34%	(1,168,128)	(1,034,057)	(829,990)
IR balance subject to interest	(1,788,409)	(1,583,147)	(1,270,719)
Pre-tax rate of return	10.63%	10.18%	10.03%
Annual accrued interest	(190,108)	(161,164)	(127,453)
IR balance with interest	(\$3,155,075)	(\$2,240,498)	(\$2,088,373)

Interest 2004 through December 2006

(478,725)

**Long Island American Water
Pension Internal Reserve
For the period between January 1, 1993 and December 31, 2003**

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Beginning IR balance	\$0	(\$76,294)	(\$186,662)	(\$272,781)	(\$321,844)	(\$439,800)	(\$736,316)	(\$814,100)	(\$1,019,085)	(\$1,277,516)	(\$1,557,018)
Rate allowance for pension	(423,175)	(466,067)	(411,485)	(401,228)	(404,998)	(404,998)	(241,420)	(186,894)	(186,894)	(186,894)	(186,894)
Amount charged to construction	(31,398)	(35,242)	(32,296)	(37,913)	(27,917)	(14,459)	(8,387)	(1,489)	0	(4,316)	(159,077)
Benefits paid	0	0	0	0	0	0	0	0	0	0	0
Contributions	381,138	400,797	374,881	412,366	343,505	162,800	103,067	40,500	0	0	146,825
Other EB Cap adj	0	0	0	0	0	0	121,500	0	0	0	0
IR Balance end of period	(73,435)	(176,806)	(255,561)	(299,557)	(411,254)	(696,457)	(761,556)	(961,983)	(1,205,979)	(1,468,726)	(1,756,164)
Average IR balance	(36,717)	(126,550)	(221,112)	(286,169)	(366,549)	(568,129)	(748,936)	(888,041)	(1,112,532)	(1,373,121)	(1,656,591)
Deferred income taxes @ 34%	(12,484)	(43,027)	(75,178)	(97,297)	(124,626)	(193,164)	(254,638)	(350,865)	(439,561)	(542,520)	(654,519)
IR Balance subject to interest	(24,233)	(83,523)	(145,934)	(188,872)	(241,922)	(374,965)	(494,298)	(537,176)	(672,970)	(830,601)	(1,002,072)
Pre-tax rate of return	11.80%	11.80%	11.80%	11.80%	11.80%	10.63%	10.63%	10.63%	10.63%	10.63%	10.63%
Annual accrued interest	(2,860)	(9,856)	(17,220)	(22,287)	(28,547)	(39,859)	(52,544)	(57,102)	(71,537)	(88,293)	(106,520)
IR balance with interest	(\$76,294)	(\$186,662)	(\$272,781)	(\$321,844)	(\$439,800)	(\$736,316)	(\$814,100)	(\$1,019,085)	(\$1,277,516)	(\$1,557,018)	(\$1,862,685)

Interest through 2003

(496,623)

Note: Staff Increasing Deferred taxes to 39.51% in 2000

Long Island American Water
Pension Internal Reserve

	2004	2005	2006
Beginning IR balance	(\$1,366,061)	(\$1,491,443)	(\$1,871,436)
Rate allowance for pension	(186,894)	(601,430)	(739,608)
Amount charged to construction	(125,201)	(36,786)	(127,684)
Benefits paid	0	0	0
Contributions	275,722	71,420	177,528
Other EB Cap adj	0	287,250	95,750
IR Balance end of period	(1,402,434)	(1,770,988)	(2,465,451)
Average IR balance	(1,384,248)	(1,631,215)	(2,168,444)
Deferred income taxes @ 34%	(546,916)	(644,493)	(856,752)
IR Balance subject to interest	(837,331)	(986,722)	(1,311,692)
Pre-tax rate of return	10.63%	10.18%	10.03%
Annual accrued interest	(89,008)	(100,448)	(131,563)
IR balance with interest	(\$1,491,443)	(\$1,871,436)	(\$2,597,013)

Interest 2004 through December 2006 (321,019)

LONG ISLAND AMERICAN WATER
 2007 RATE CASE
 401k
 based on salaries for 1/1-12/31/2007

Exhibit 12
 Tab 13

Title	Employee Percentage Contribution	Salary	Company Percentage Match	Company 401 (k) Match
Non-Union				
V/P & Manager	10%		2.50%	
Project Manager	20%		4.00%	
Communications Manager	0%		0.00%	
Human Resources Manager	5%		4.00%	
Operations Supervisor	5%		2.50%	
Production Manager	6%		4.00%	
Operations Supervisor	12%		2.50%	
Operations Supervisor	15%		2.50%	
Operations Supervisor	12%		2.50%	
Operations Specialist	0%		0.00%	
Operations Specialist	10%		4.00%	
Operations Specialist	2%		1.00%	
Network Manager	6%		2.50%	
Operations Supervisor	2%		1.00%	
Operations Supervisor	5%		2.50%	
Operations Supervisor	0%		0.00%	
Operations Specialist	10%		2.50%	
Manager Construction	13%		2.50%	
CAD Tech (N)	5%		4.00%	
Engineer	20%		2.50%	
Operations Specialist	2%		1.00%	
Sr. Construction Inspector	5%		2.50%	
Sr. Construction Inspector	0%		0.00%	
Water Quality Superintendent	5%		2.50%	
Lab Analyst	0%		0.00%	
Lab Tech (N)	20%		2.50%	
Non-Union Total		\$1,844,681		\$40,993

LONG ISLAND AMERICAN WATER
 2007 RATE CASE
 401k
 based on salaries for 1/1-12/31/2008

Title	Employee Percentage Contribution	Salary	Company Percentage Match	Company 401 (k) Match
Non-Union				
V/P & Manager	10%		2.50%	
Project Manager	20%		4.00%	
Communications Manager	0%		0.00%	
Human Resources Manager	5%		4.00%	
Operations Supervisor	5%		2.50%	
Production Manager	6%		4.00%	
Operations Supervisor	12%		2.50%	
Operations Supervisor	15%		2.50%	
Operations Supervisor	12%		2.50%	
Operations Specialist	0%		0.00%	
Operations Specialist	10%		4.00%	
Operations Specialist	2%		1.00%	
Network Manager	6%		2.50%	
Operations Supervisor	2%		1.00%	
Operations Supervisor	5%		2.50%	
Operations Supervisor	0%		0.00%	
Operations Specialist	10%		2.50%	
Manager Construction	13%		2.50%	
CAD Tech (N)	5%		4.00%	
Engineer	20%		2.50%	
Operations Specialist	2%		1.00%	
Sr. Construction Inspector	5%		2.50%	
Sr. Construction Inspector	0%		0.00%	
Water Quality Superintendent	5%		2.50%	
Lab Analyst	0%		0.00%	
Lab Tech (N)	20%		2.50%	
Non-Union Total		\$1,915,923		\$42,569

LONG ISLAND AMERICAN WATER

2007 RATE CASE

401k

based on salaries for 4/1/08-3/31/2009

Title	Employee Percentage Contribution	Salary	Company Percentage Match	Company 401 (k) Match
Non-Union				
V/P & Manager	10%		2.50%	
Project Manager	20%		4.00%	
Communications Manager	0%		0.00%	
Human Resources Manager	5%		4.00%	
Operations Supervisor	5%		2.50%	
Production Manager	6%		4.00%	
Operations Supervisor	12%		2.50%	
Operations Supervisor	15%		2.50%	
Operations Supervisor	12%		2.50%	
Operations Specialist	0%		0.00%	
Operations Specialist	10%		4.00%	
Operations Specialist	2%		1.00%	
Network Manager	6%		2.50%	
Operations Supervisor	2%		1.00%	
Operations Supervisor	5%		2.50%	
Operations Supervisor	0%		0.00%	
Operations Specialist	10%		2.50%	
Manager Construction	13%		2.50%	
CAD Tech (N)	5%		4.00%	
Engineer	20%		2.50%	
Operations Specialist	2%		1.00%	
Sr Construction Inspector	5%		2.50%	
Sr Construction Inspector	0%		0.00%	
Water Quality Superintendent	5%		2.50%	
Lab Analyst	0%		0.00%	
Lab Tech (N)	20%		2.50%	
Non-Union Total		\$1,934,520		\$42,985

LONG ISLAND AMERICAN WATER
2007 RATE CASE
401k

based on salaries for 1/1-12/31/2007

Title	Employee Percentage Contribution	Salary	Company Percentage Match	Company 401 (k) Match
Union				
Auto Mechanic	7%	\$70,105	2.50% 0	\$1,753
Boom Truck Operator	5%	62,849	2.50% #	1,571
Business Clerk	15%	59,823	2.50% #	1,496
Business Clerk	15%	60,241	2.50% #	1,506
Car Washer	0%	55,099	0.00% #	0
Commercial Investigator	10%	61,313	2.50% #	1,533
Daylist Clerk	10%	58,661	2.50% #	1,467
Distribution Clerk	15%	52,143	2.50% #	1,304
Equipment Operator	10%	68,213	2.50% #	1,705
Equipment Operator	12%	68,213	2.50% #	1,705
Jantor	5%	52,666	4.00% #	2,107
M & S Storekeeper	10%	64,211	2.50% #	1,605
Maintenance Mechanic A	6%	68,038	2.50% #	1,701
Maintenance Mechanic B	5%	62,430	2.50% #	1,561
Maintenance Mechanic B	5%	63,695	2.50% #	1,592
Meter Tester	18%	60,081	2.50% #	1,502
Oiler-Plant Helper - Summer	0%	70,880	0.00% #	0
Oiler-Plant Helper	11%	60,356	2.50% #	1,509
Oiler-Plant Helper	20%	60,069	2.50% #	1,502
Oiler-Plant Helper	0%	59,136	0.00% #	0
Oiler-Plant Helper	10%	59,252	4.00% #	2,370
Oiler-Plant Helper	18%	60,709	2.50% #	1,518
Oiler-Plant Helper	0%	58,722	0.00% #	0
Oiler-Plant Helper	10%	60,312	2.50%	1,508
Oiler-Plant Helper	5%	60,977	2.50%	1,524
Oiler-Plant Helper	5%	58,642	4.00%	2,346
Sr. Meter Mechanic	10%	65,839	2.50%	1,646
Senior Utility Man A	0%	68,038	0.00%	0
Senior Utility Man A	5%	68,038	2.50%	1,701
Senior Utility Man A	15%	68,213	2.50%	1,705
Senior Utility Man A	5%	68,213	2.50%	1,705
Senior Utility Man A	5%	68,213	2.50%	1,705
Station Attendant A	5%	67,466	2.50%	1,687
Station Attendant A	0%	67,861	0.00%	0
Station Attendant A	5%	67,751	2.50%	1,694
Station Attendant A	7%	67,841	2.50%	1,696
Station Attendant B	15%	62,350	4.00%	2,494
Station Attendant B	0%	62,750	0.00%	0
Station Attendant B	8%	62,695	2.50%	1,567
Station Attendant B	3%	62,886	1.50%	940
Utility Man - Meter Service	0%	60,847	0.00%	0
Utility Man - Meter Service	8%	62,020	2.50%	1,551
Utility Man - Meter Service	5%	61,642	2.50%	1,541
Utility Man - Meter Service	5%	61,202	2.50%	1,530
Utility Man - Meter Service	10%	60,847	2.50%	1,521
Utility Man - Meter Service	15%	60,917	2.50%	1,523
Utility Man - Meter Service	5%	61,022	2.50%	1,526
Utility Man - Meter Service	5%	60,824	2.50%	1,521
Utility Man I	5%	60,787	2.50%	1,520
Utility Man I	7%	61,187	2.50%	1,530
Utility Man I	16%	62,072	2.50%	1,552
Utility Man I	0%	61,484	0.00%	0
Utility Man I	5%	61,129	2.50%	1,528
Utility Man I	5%	60,766	2.50%	1,519
Utility Man I	7%	60,640	2.50%	1,516
Utility Man I	3%	60,744	1.50%	911
Utility Man I	5%	60,687	2.50%	1,517
Utility Man I	5%	62,728	2.50%	1,568
Utility Man I	7%	61,330	2.50%	1,533
Utilitymn II/Utility Meter SVC - Summe	0%	47,558	0.00%	0
Utilitymn II/Utility Meter SVC	8%	57,646	4.00%	2,306
Utilitymn II/Utility Meter SVC	10%	59,716	2.50%	1,493
Utilitymn II/Utility Meter SVC	0%	57,646	0.00%	0
Utilitymn II/Utility Meter SVC	5%	57,778	4.00%	2,311
Utilitymn II/Utility Meter SVC	10%	58,554	4.00%	2,342
Utilitymn II/Utility Meter SVC	9%	58,266	4.00%	2,331
Utilitymn II/Utility Meter SVC	5%	58,518	2.50%	1,463
Utilitymn II/Utility Meter SVC	20%	57,646	4.00%	2,306
Utilitymn II/Utility Meter SVC	0%	59,496	0.00%	0
Utilitymn II/Utility Meter SVC	0%	59,435	0.00%	0
Union Total		\$4,319,924		\$94,884

LONG ISLAND AMERICAN WATER
2007 RATE CASE
401k

based on salaries for 1/1-12/31/2008

Title	Employee Percentage Contribution	Salary	Company Percentage Match	Company 401 (k) Match
Union				
Auto Mechanic	7%	\$73,167	2.50% 0	\$1,829
Boom Truck Operator	5%	65,589	2.50% #	1,640
Business Clerk	15%	62,613	2.50% #	1,565
Business Clerk	15%	62,859	2.50% #	1,571
Car Washer	0%	57,491	0.00% #	0
Commercial Investigator	10%	63,988	2.50% #	1,600
Daylist Clerk	10%	61,208	2.50% #	1,530
Distribution Clerk	15%	54,596	2.50% #	1,365
Equipment Operator	10%	71,182	2.50% #	1,780
Equipment Operator	12%	71,182	2.50% #	1,780
Janitor	5%	54,982	4.00% #	2,199
M & S Storekeeper	10%	67,005	2.50% #	1,675
Maintenance Mechanic A	6%	71,182	2.50% #	1,780
Maintenance Mechanic B	5%	65,153	2.50% #	1,629
Maintenance Mechanic B	5%	66,476	2.50% #	1,662
Meter Tester	18%	62,693	2.50% #	1,567
Oiler-Plant Helper - Summer	0%	73,993	0.00% #	0
Oiler-Plant Helper	11%	62,988	2.50% #	1,575
Oiler-Plant Helper	20%	62,703	2.50% #	1,568
Oiler-Plant Helper	0%	61,733	0.00% #	0
Oiler-Plant Helper	10%	61,854	4.00% #	2,474
Oiler-Plant Helper	18%	63,530	2.50% #	1,588
Oiler-Plant Helper	0%	61,302	0.00% #	0
Oiler-Plant Helper	10%	62,942	2.50% #	1,574
Oiler-Plant Helper	5%	63,808	2.50% #	1,595
Oiler-Plant Helper	5%	61,219	4.00% #	2,449
Sr. Meter Mechanic	10%	68,705	2.50% #	1,718
Senior Utility Man A	0%	71,007	0.00% #	0
Senior Utility Man A	5%	71,182	2.50% #	1,780
Senior Utility Man A	15%	71,182	2.50% #	1,780
Senior Utility Man A	5%	71,182	2.50% #	1,780
Senior Utility Man A	5%	71,182	2.50% #	1,780
Station Attendant A	5%	70,404	2.50% #	1,760
Station Attendant A	0%	70,808	0.00% #	0
Station Attendant A	5%	70,694	2.50% #	1,767
Station Attendant A	7%	70,787	2.50% #	1,770
Station Attendant B	15%	65,090	4.00% #	2,604
Station Attendant B	0%	65,506	0.00% #	0
Station Attendant B	8%	65,442	2.50% #	1,636
Station Attendant B	3%	65,433	1.50% #	981
Utility Man - Meter Service	0%	63,676	0.00% #	0
Utility Man - Meter Service	8%	64,727	2.50% #	1,618
Utility Man - Meter Service	5%	64,510	2.50% #	1,613
Utility Man - Meter Service	5%	63,870	2.50% #	1,597
Utility Man - Meter Service	10%	63,501	2.50% #	1,588
Utility Man - Meter Service	15%	63,574	2.50% #	1,589
Utility Man - Meter Service	5%	63,676	2.50% #	1,592
Utility Man - Meter Service	5%	63,484	2.50% #	1,587
Utility Man I	5%	63,446	2.50% #	1,586
Utility Man I	7%	63,862	2.50% #	1,597
Utility Man I	16%	64,775	2.50% #	1,619
Utility Man I	0%	64,163	0.00% #	0
Utility Man I	5%	63,801	2.50% #	1,595
Utility Man I	5%	63,424	2.50% #	1,586
Utility Man I	7%	63,300	2.50% #	1,583
Utility Man I	3%	63,576	1.50% #	954
Utility Man I	5%	63,349	2.50% #	1,584
Utility Man I	5%	65,457	2.50% #	1,636
Utility Man I	7%	64,003	2.50% #	1,600
Utilitymn II/Utility Meter SVC - Summe	0%	49,649	0.00% #	0
Utilitymn II/Utility Meter SVC	8%	60,180	4.00% #	2,407
Utilitymn II/Utility Meter SVC	10%	62,494	2.50% #	1,562
Utilitymn II/Utility Meter SVC	0%	60,180	0.00% #	0
Utilitymn II/Utility Meter SVC	5%	60,317	4.00% #	2,413
Utilitymn II/Utility Meter SVC	10%	61,124	4.00% #	2,445
Utilitymn II/Utility Meter SVC	9%	60,825	4.00% #	2,433
Utilitymn II/Utility Meter SVC	5%	61,066	2.50% #	1,527
Utilitymn II/Utility Meter SVC	20%	60,180	4.00% #	2,407
Utilitymn II/Utility Meter SVC	0%	62,097	0.00% #	0
Utilitymn II/Utility Meter SVC	0%	62,208	0.00% #	0
Union Total		\$4,510,536		\$99,069

LONG ISLAND AMERICAN WATER
2007 RATE CASE
401k

based on salaries for 4/1/08-3/31/2009

Title	Employee Percentage Contribution	Salary	Company Percentage Match	Company 401 (k) Match
Union				
Auto Mechanic	7%	\$75,444	2.50% 0	\$1,886
Boom Truck Operator	5%	67,609	2.50% #	1,690
Business Clerk	15%	64,541	2.50% #	1,614
Business Clerk	15%	64,789	2.50% #	1,620
Car Washer	0%	59,274	0.00% #	0
Commercial Investigator	10%	65,959	2.50% #	1,649
Daylist Clerk	10%	63,089	2.50% #	1,577
Distribution Clerk	15%	56,275	2.50% #	1,407
Equipment Operator	10%	73,371	2.50% #	1,834
Equipment Operator	12%	73,371	2.50% #	1,834
Janitor	5%	56,689	4.00% #	2,268
M & S Storekeeper	10%	69,063	2.50% #	1,727
Maintenance Mechanic A	8%	73,371	2.50% #	1,834
Maintenance Mechanic B	5%	67,159	2.50% #	1,679
Maintenance Mechanic B	5%	68,539	2.50% #	1,713
Meter Tester	18%	64,618	2.50% #	1,615
Oiler-Plant Helper - Summer	0%	76,295	0.00% #	0
Oiler-Plant Helper	11%	65,117	2.50% #	1,628
Oiler-Plant Helper	20%	64,659	2.50% #	1,616
Oiler-Plant Helper	0%	63,654	0.00% #	0
Oiler-Plant Helper	10%	63,782	4.00% #	2,551
Oiler-Plant Helper	18%	65,498	2.50% #	1,637
Oiler-Plant Helper	0%	63,209	0.00% #	0
Oiler-Plant Helper	10%	64,898	2.50% #	1,622
Oiler-Plant Helper	5%	65,788	2.50% #	1,645
Oiler-Plant Helper	5%	63,123	4.00% #	2,525
Sr. Meter Mechanic	10%	70,817	2.50% #	1,770
Senior Utility Man A	0%	73,196	0.00% #	0
Senior Utility Man A	5%	73,371	2.50% #	1,834
Senior Utility Man A	15%	73,371	2.50% #	1,834
Senior Utility Man A	5%	73,371	2.50% #	1,834
Senior Utility Man A	5%	73,371	2.50% #	1,834
Station Attendant A	5%	72,585	2.50% #	1,815
Station Attendant A	0%	72,998	0.00% #	0
Station Attendant A	5%	72,879	2.50% #	1,822
Station Attendant A	7%	72,976	2.50% #	1,824
Station Attendant B	15%	67,118	4.00% #	2,685
Station Attendant B	0%	67,550	0.00% #	0
Station Attendant B	8%	67,477	2.50% #	1,687
Station Attendant B	3%	67,468	1.50% #	1,012
Utility Man - Meter Service	0%	65,633	0.00% #	0
Utility Man - Meter Service	8%	66,738	2.50% #	1,668
Utility Man - Meter Service	5%	66,506	2.50% #	1,663
Utility Man - Meter Service	5%	65,840	2.50% #	1,646
Utility Man - Meter Service	10%	65,458	2.50% #	1,636
Utility Man - Meter Service	15%	65,534	2.50% #	1,638
Utility Man - Meter Service	5%	65,633	2.50% #	1,641
Utility Man - Meter Service	5%	65,447	2.50% #	1,636
Utility Man I	5%	65,407	2.50% #	1,635
Utility Man I	7%	65,838	2.50% #	1,646
Utility Man I	16%	66,777	2.50% #	1,669
Utility Man I	0%	66,143	0.00% #	0
Utility Man I	5%	65,950	2.50% #	1,649
Utility Man I	5%	65,384	2.50% #	1,635
Utility Man I	7%	65,262	2.50% #	1,632
Utility Man I	3%	65,536	1.50% #	983
Utility Man I	5%	65,313	2.50% #	1,633
Utility Man I	5%	67,482	2.50% #	1,687
Utility Man I	7%	65,978	2.50% #	1,649
Utilitymn II/Utility Meter SVC - Summe	0%	51,191	0.00% #	0
Utilitymn II/Utility Meter SVC	8%	62,049	4.00% #	2,482
Utilitymn II/Utility Meter SVC	10%	64,432	2.50% #	1,611
Utilitymn II/Utility Meter SVC	0%	62,049	0.00% #	0
Utilitymn II/Utility Meter SVC	5%	62,191	4.00% #	2,488
Utilitymn II/Utility Meter SVC	10%	63,029	4.00% #	2,521
Utilitymn II/Utility Meter SVC	9%	62,719	4.00% #	2,509
Utilitymn II/Utility Meter SVC	5%	62,948	2.50% #	1,574
Utilitymn II/Utility Meter SVC	20%	62,049	4.00% #	2,482
Utilitymn II/Utility Meter SVC	0%	64,033	0.00% #	0
Utilitymn II/Utility Meter SVC	0%	64,142	0.00% #	0
Union Total		\$4,650,423		\$102,135

LONG ISLAND AMERICAN WATER
Pro Forma Defined Contribution Plan
Payroll for eligible employees

Exhibit 12
Tab 14

Defined Contribution Plan for 1/1-12/31/2007	LIAW
Union Base Pay for Defined Contribution Plan	\$918,134
Non-Union Base Pay for Defined Contribution Plan	<u>559,165</u>
Total Base Pay	1,477,299
Contribution %	<u>5.25%</u>
Defined Contribution Plan Pro Forma Expense	<u><u>\$77,558</u></u>

Defined Contribution Plan for 1/1-12/31/2008

Union Base Pay for Defined Contribution Plan	\$946,697
Non-Union Base Pay for Defined Contribution Plan	<u>577,949</u>
Total Base Pay	1,524,646
Contribution %	<u>5.25%</u>
Defined Contribution Plan Pro Forma Expense	<u><u>\$80,044</u></u>

Defined Contribution Plan for 4/1/2008-3/31/2009

Union Base Pay for Defined Contribution Plan	\$946,697
Non-Union Base Pay for Defined Contribution Plan	<u>583,560</u>
Total Base Pay	1,530,257
Contribution %	<u>5.25%</u>
Defined Contribution Plan Pro Forma Expense	<u><u>\$80,338</u></u>

Note: Salaries above are for the following employees:

- 1) LIAW non-union employees hired on or after 1/1/2006
- 2) LIAW union employees hired on or after 1/1/2001

LONG ISLAND AMERICAN WATER
Service Company - Total Expenses

Exhibit 12
Tab 15

	2006 Total Expense (2)	Adjustments (3)	Adjusted 2006 Total Expense (4)	Adjustments (5)	2006 Adjusted Expense (6)	2007 Total Expense (7)	2008 Total Expense (8)	12 Months Ended 3/31/2009 Total Expense (9)
Voorhees Office								
Accounting	\$17,850	\$0	\$17,850	\$0	\$17,850	\$18,529	\$19,235	\$19,418
Administration	555,406	(124,341)	431,065	0	431,065	447,206	463,953	468,290
Audit	24,263	(13)	24,250	0	24,250	25,210	26,207	26,466
Business Development	38,214	(26)	38,188	0	38,188	39,659	41,186	41,582
Communications	49,730	(25)	49,705	0	49,705	51,559	53,482	53,980
Engineering	33,220	(63)	33,157	0	33,157	34,474	35,843	36,199
External Affairs	23,958	(23)	23,935	0	23,935	24,858	25,816	26,064
Finance	406,585	(296,317)	110,268	0	110,268	114,594	119,089	120,257
Human Resources	99,953	(7)	99,946	0	99,946	103,798	107,800	108,838
Investor Relations	4,996	(4,435)	561	0	561	598	637	647
Legal	48,531	(72)	48,459	0	48,459	50,352	52,319	52,830
Operational Risk	29,130	(17)	29,113	0	29,113	30,225	31,380	31,679
Regulatory Programs	44,694	(23)	44,671	0	44,671	46,406	48,208	48,675
Water Quality	1,750	0	1,750	0	1,750	1,820	1,893	1,912
	<u>1,378,280</u>	<u>(425,362)</u>	<u>952,918</u>	<u>0</u>	<u>952,918</u>	<u>989,288</u>	<u>1,027,048</u>	<u>1,036,837</u>
Supply Chain	59,177	(16)	59,161	0	59,161	61,491	63,912	64,541
Belleville Lab	113,087	0	113,087	0	113,087	117,364	121,804	122,955
Customer Call Center	868,952	0	868,952	53,968	922,920	958,548	995,555	1,005,156
ITS	513,841	(9,354)	504,487	134,390	638,877	663,093	688,230	694,744
Shared Service Center	327,669	2,190	329,859	0	329,859	342,631	355,899	359,341
Northeast Region								
Administration	190,796	(41,281)	149,515	0	149,515	179,714	186,891	188,687
Business Development	38,426	(465)	37,961	0	37,961	96,568	108,833	109,874
Engineering	2,909	(5)	2,904	0	2,904	3,908	4,091	4,131
Environmental Compliance	19,278	0	19,278	0	19,278	23,283	24,003	24,231
External Affairs	42,180	(18)	42,162	0	42,162	35,847	37,294	37,654
Finance	147,495	(47)	147,448	0	147,448	274,133	285,886	288,656
Human Resources	110,011	(33)	109,978	0	109,978	133,388	138,855	140,165
Legal	64,431	(890)	63,541	0	63,541	153,036	159,395	160,935
Maintenance	8,121	(4)	8,117	0	8,117	23,414	24,117	24,351
Network/Field Service	73,038	(16)	73,038	0	73,038	0	0	0
Production	22,596	(3)	22,593	0	22,593	0	0	0
Loss Control	71,604	(12)	71,592	0	71,592	117,007	121,267	122,435
	<u>790,901</u>	<u>(42,774)</u>	<u>748,127</u>	<u>0</u>	<u>748,127</u>	<u>1,040,298</u>	<u>1,090,632</u>	<u>1,101,119</u>
Central Region	12,376	0	12,376	(12,376)	0	0	0	0
Southeast Region	16,286	(14)	16,272	(16,272)	0	0	0	0
Western Region	9,157	(2,273)	6,884	(6,884)	0	0	0	0
Subtotal	<u>\$4,089,726</u>	<u>(\$477,603)</u>	<u>\$3,612,123</u>	<u>\$152,826</u>	<u>\$3,764,949</u>	<u>\$4,172,713</u>	<u>\$4,343,080</u>	<u>\$4,384,693</u>

LONG ISLAND AMERICAN WATER

Service Company - Labor & Related Expenses

	2006										100%	
	Total										Inc for the 12	
	Labor Expense	JE Adjustments	Divesture & Sox Corporate	Divesture & Sox Region	Business Change Corporate	Business Change Region	Other Adjustments	2,006 Total Labor Expense	2006 Adjusted Labor Expense	4% inc for 2007 Labor	4% inc for 2008 Labor	Months Ended 3/31/2009 Labor
Voorhees Office												
Accounting	\$8,985						8,985	\$8,985	\$9,344	\$9,718	\$9,815	
Administration	804,913	(522,986)	(10,717)		(69,827)	(52,624)	148,759	148,759	154,709	160,897	162,506	
Audit	21,621						21,621	21,621	22,486	23,385	23,619	
Business Development	23,565						23,565	23,565	24,508	25,488	25,743	
Communications	15,118						15,118	15,118	15,723	16,352	16,516	
Engineering	30,801						30,801	30,801	32,033	33,314	33,647	
External Affairs	14,996						14,996	14,996	15,596	16,220	16,382	
Finance	88,369						88,369	88,369	91,904	95,580	96,536	
Human Resources	55,686	6,971					62,657	62,657	65,163	67,770	68,448	
Investor Relations	4,201						4,201	4,201	4,369	4,544	4,589	
Legal	36,978						36,978	36,978	38,457	39,995	40,395	
Operational Risk	15,614						15,614	15,614	16,239	16,889	17,058	
Regulatory Programs	31,478						31,478	31,478	32,737	34,046	34,386	
Water Quality	1,675						1,675	1,675	1,742	1,812	1,830	
	1,154,000	(516,015)	(10,717)	0	(69,827)	(52,624)	504,817	504,817	525,010	546,010	551,470	
Supply Chain	49,756		(7)		(9)		49,740	49,740	51,730	53,799	54,337	
Belleville Lab	49,893						49,893	49,893	51,889	53,965	54,505	
Customer Call Center	538,501						538,501	538,501	616,168	640,815	647,223	
ITS	224,957		(5,568)		(58)	252	219,583	219,583	295,595	319,716	322,913	
Shared Service Center	221,769		(107)				221,662	221,662	230,528	239,749	242,146	
Northeast Region												
Administration	118,201			(23)			118,178	118,178	147,246	153,251	154,744	
Business Development	20,645			(17)			20,628	20,628	21,621	22,486	23,619	
Engineering	2,822.00			(5)			2,817	2,817	3,818	3,998	4,037	
Environmental Compliance	15,121			(11)			15,110	15,110	16,976	19,541	19,729	
External Affairs	37,769			(40)			37,729	37,729	31,284	32,566	32,883	
Finance	132,267			(770)			132,227	132,227	258,363	269,547	272,170	
Human Resources	66,392			(24)			66,368	66,368	88,204	92,040	92,929	
Legal	56,702			(4)			56,698	56,698	145,152	151,226	152,692	
Maintenance	8,006			(16)			8,000	8,000	23,295	23,994	24,227	
Network/Field Service	71,249			(3)			71,233	71,233	0	0	0	
Production	16,408			(12)			16,405	16,405	0	0	0	
Operational Risk	56,740			(925)			56,728	56,728	101,606	105,310	106,334	
	602,322	0	0	0	0	0	601,397	601,397	896,553	941,699	950,845	
Central Region	7,744						7,744	7,744	0	0	0	
Southeast Region	10,233						10,233	10,233	0	0	0	
Western Region	3,831						3,831	3,831	0	0	0	
Subtotal	\$2,863,006	(\$516,015)	(\$16,399)	(\$925)	(\$69,894)	(\$52,372)	2,207,401	\$2,315,573	\$2,679,297	\$2,795,753	\$2,823,439	

LONG ISLAND AMERICAN WATER
Service Company - Expenses Other than Labor & Related

0 90%
Inc for the 12
Months Ended
3/31/2009

	2006		Divestiture & Sox Corporate	Divestiture & Sox Region	Business Change Corporate	Business Change Region	Other Adjustments	2006 Total Other Expense	2006 Adjusted Other Expense	3.61% Increase for the Year 2007 Other Expense	3.61% Increase for the Year 2008 Other Expense	0 90% Inc for the 12 Months Ended 3/31/2009 Other Expense
	2006 Total Other Expense	JE Adjustments										
Voorhees Office	\$8,865	\$0						8,865	\$8,865	\$9,185	\$9,517	\$9,603
Accounting	326,103	(43,797)						282,306	282,306	292,497	303,056	305,784
Administration	2,642	(13)						2,629	2,629	2,724	2,822	2,847
Audit	14,649	(26)						14,623	14,623	15,151	15,698	15,839
Business Development	34,612	(25)						34,587	34,587	35,836	37,130	37,464
Communications	2,419	(63)						2,356	2,356	2,441	2,529	2,552
Engineering	8,962	(23)						8,939	8,939	9,262	9,596	9,682
External Affairs	318,216	(296,317)						21,899	21,899	22,690	23,509	23,721
Finance	37,296	(7)						37,289	37,289	38,635	40,030	40,390
Human Resources	795	(15)			(4,420)			(3,640)	(3,640)	(3,771)	(3,907)	(3,942)
Investor Relations	11,553	(72)						11,481	11,481	11,895	12,324	12,435
Legal	13,516	(17)						13,499	13,499	13,986	14,491	14,621
Operational Risk	13,216	(23)						13,193	13,193	13,669	14,162	14,289
Regulatory Programs	75	0						75	75	78	81	82
Water Quality	792,919	0	(340,398)	0	(4,420)	0	0	448,101	448,101	464,278	481,038	485,367
Supply Chain	9,421	0						9,421	9,421	9,761	10,113	10,204
Belleville Lab	63,194							63,194	63,194	65,475	67,839	68,450
Customer Call Center	330,451							330,451	330,451	342,380	354,740	357,933
ITS	288,632		(3,587)		(141)			284,904	343,282	355,674	368,514	371,831
Shared Service Center	124,380	(18,480)	2,297					108,197	108,197	112,103	116,150	117,195
Northeast Region	72,595			(41,258)				31,337	31,337	32,468	33,640	33,943
Administration	17,781			(6)		(442)		17,333	17,333	17,959	18,607	18,774
Business Development	87			0				87	87	90	93	94
Engineering	4,157			(7)				4,157	4,157	4,307	4,462	4,502
Environmental Compliance	4,411			(7)				4,404	4,404	4,563	4,728	4,771
Finance	15,228			(7)				15,221	15,221	15,770	16,339	16,486
Human Resources	43,619			(9)				43,610	43,610	45,184	46,815	47,236
Legal	7,729			(120)				7,609	7,609	7,884	8,169	8,243
Maintenance	115			0				115	115	119	123	124
Network/Field Service	1,805			0				1,805	1,805	0	0	0
Production	6,188			0				6,188	6,188	0	0	0
Loss Control	14,864			0				14,864	14,864	15,401	15,957	16,101
	188,579	0	0	(41,407)	0	(442)	0	146,730	146,730	143,745	148,933	150,274
Central Region	4,632							4,632	0	0	0	0
Southeast Region	6,053			(14)				6,039	0	0	0	0
Western Region	5,326			(2,273)				3,053	0	0	0	0
Subtotal	\$1,813,587	(\$18,480)	(\$341,688)	(\$43,694)	(\$4,561)	(\$442)	\$0	1,404,722	\$44,654	\$1,449,376	\$1,547,327	\$1,561,254

LONG ISLAND AMERICAN WATER
 Northeast Region of AWWSC
 2007 RATE CASE

Allocation of Northeast Region's Expenses

For Expenses incurred between 1/1/2007 through 12/31/2007

	Customers at 12/29/2006	Allocation of Expense	Administration	Business Development	Engineering	Environmental Compliance	External Affairs	Finance	Human Resources	Legal	Maintenance	Operational Risk
New Jersey-American Water Company	398,608	\$4,984,858	\$798,606	\$426,346	\$143,011	\$102,922	\$169,674	\$1,401,259	\$478,381	\$787,247	\$126,343	\$551,069
Elizabethtown Water Company	208,731	2,610,318	418,189	223,256	74,887	53,894	88,849	733,769	250,505	412,242	66,159	288,568
Mount Holly Water Company	16,415	205,279	32,887	17,557	5,889	4,238	6,987	57,705	19,700	32,419	5,203	22,894
Long Island American Water	73,495	919,103	147,246	78,609	26,368	18,976	31,284	258,363	88,204	145,152	23,295	101,606
	697,249	8,719,558	1,396,928	745,768	250,155	180,030	296,794	2,451,096	836,790	1,377,060	221,000	963,937

Capital Allocation
 O&M Expense

		\$896,553	\$147,246	\$78,609	\$3,818	\$18,976	\$31,284	\$258,363	\$88,204	\$145,152	\$23,295	\$101,606
					85.52%							

For Expenses incurred between 1/1/2008 through 12/31/2008

	Customers at 12/29/2006	Allocation of Expense	Administration	Business Development	Engineering	Environmental Compliance	External Affairs	Finance	Human Resources	Legal	Maintenance	Operational Risk
New Jersey-American Water Company	398,608	\$5,235,485	\$831,174	\$489,347	\$149,766	\$105,982	\$176,626	\$1,461,915	\$499,191	\$820,192	\$130,133	\$571,159
Elizabethtown Water Company	208,731	2,741,561	435,244	256,247	78,424	55,498	92,490	765,532	261,401	429,493	68,144	299,088
Mount Holly Water Company	16,415	215,601	34,228	20,152	6,167	4,364	7,274	60,203	20,557	33,776	5,359	23,521
Long Island American Water	73,495	965,314	153,251	90,226	27,613	19,541	32,566	269,547	92,040	151,226	23,994	105,310
	697,249	9,157,961	1,453,897	855,972	261,970	185,385	308,956	2,557,197	873,189	1,434,687	227,630	999,078

Capital Allocation
 O&M Expense

		\$941,699	\$153,251	\$90,226	\$3,998	\$19,541	\$32,566	\$269,547	\$92,040	\$151,226	\$23,994	\$105,310
					85.52%							

For Expenses incurred between 4/1/2008 through 3/31/2009

	Customers at 12/29/2006	Allocation of Expense	Administration	Business Development	Engineering	Environmental Compliance	External Affairs	Finance	Human Resources	Legal	Maintenance	Operational Risk
New Jersey-American Water Company	398,608	\$5,286,328	\$839,270	\$494,088	\$151,223	\$107,003	\$178,344	\$1,476,140	\$504,010	\$828,142	\$131,396	\$576,712
Elizabethtown Water Company	208,731	2,768,187	439,484	258,730	79,188	56,032	93,389	772,981	263,925	433,657	68,806	301,995
Mount Holly Water Company	16,415	217,695	34,562	20,347	6,227	4,406	7,344	60,789	20,756	34,104	5,411	23,749
Long Island American Water	73,495	974,690	154,744	91,100	27,862	19,729	32,883	272,170	92,929	152,692	24,227	106,334
	697,249	9,246,900	1,468,060	864,265	264,520	187,170	311,960	2,582,080	881,620	1,448,595	229,840	1,008,790

Capital Allocation
 O&M Expense

		\$950,845	\$154,744	\$91,100	\$4,037	\$19,729	\$32,883	\$272,170	\$92,929	\$152,692	\$24,227	\$106,334
					85.52%							

**LONG ISLAND AMERICAN WATER
Northeast Region of AWWSC
2007 RATE CASE**

Classification (1)	No of Empl (2)	Annual Salary- (3)	Benefits (4)	Incentive Compensation (5)	Total (6)
1/1/2007 to 12/31/2007			50.00%		
President	1.0				
Executive Assistant	1.0				
VP Operations	1.0				
Executive Assistant	1.0				
Manager Business Performance	1.0				
Manager NonRevenue Water	1.0				
VP & Treasurer	1.0				
Exec Asst	1.0				
Manager Financial Perf Plng & Rptg	1.0				
Project Manager Finance	1.0				
Financial Analyst-Intermediate	1.0				
Manager Compliance	1.0				
Project Manager Finance	1.0				
Sr. Financial Analyst	1.0				
Sr. Financial Analyst	1.0				
Manger Rates & Regulations	1.0				
Sr. Financial Analyst	1.0				
Sr. Financial Analyst	1.0				
Financial Analyst	1.0				
Financial Analyst	1.0				
Financial Analyst-Intermediate	1.0				
Sr. Financial Analyst	1.0				
Director Environmental Managemen	1.0				
Director Engineering	1.0				
Regional Counsel	1.0				
Assoc Counsel III Regional	1.0				
Assoc Counsel III Regional	1.0				
Assoc Counsel II Regional	1.0				
Paralegal	1.0				
Paralegal	1.0				
Executive Assistant	1.0				
Legal Secretary	1.0				
Director Maintenance	1.0				
VP Human Resources	1.0				
Exec Asst	1.0				
Mgr Training & Development	1.0				
Sr HR Generalist	1.0				
HR Generalist	1.0				
HR Generalist	1.0				
Director Operational Risk	1.0				
Mgr Health & Safety	1.0				
Specialist Health & Safety	1.0				
Specialist Health & Safety	1.0				
Mgr Loss Control	1.0				
Specialist Loss Control	1.0				
Mgr Security & Event Mgmt	1.0				
Specialist Loss Control	1.0				
VP Business Development	1.0				
Exec Secretary	1.0				
Client Exec	1.0				
Proposal Writer	0.5				
Sr. Financial Analyst	1.0				
Director External Affairs	1.0				
Executive Secretary	1.0				
TOTAL NORTHEAST REGION	53.5	\$5,235,967	\$2,617,994	\$865,597	\$8,719,558

(1)

Note (1): Total Region Payroll Cost, LIAW allocated 10.97%.

**LONG ISLAND AMERICAN WATER
Northeast Region of AWWSC
2007 RATE CASE**

Classification (1)	No of Empl (2)	Annual Salary- (3)	Benefits (4)	Incentive Compensation (5)	Total (6)	
1/1/2008 to 12/31/2008						
President	1.0					
Executive Assistant	1.0					
VP Operations	1.0					
Executive Assistant	1.0					
Manager Business Performance	1.0					
Manager NonRevenue Water	1.0					
VP & Treasurer	1.0					
Exec Asst	1.0					
Manager Financial Perf Plng & Rptg	1.0					
Project Manager Finance	1.0					
Financial Analyst-Intermediate	1.0					
Manager Compliance	1.0					
Project Manager Finance	1.0					
Sr. Financial Analyst	1.0					
Sr. Financial Analyst	1.0					
Manger Rates & Regulations	1.0					
Sr. Financial Analyst	1.0					
Sr. Financial Analyst	1.0					
Financial Analyst	1.0					
Financial Analyst	1.0					
Financial Analyst-Intermediate	1.0					
Sr. Financial Analyst	1.0					
Director Environmental Managemen	1.0					
Director Engineering	1.0					
Regional Counsel	1.0					
Assoc Counsel III Regional	1.0					
Assoc Counsel III Regional	1.0					
Assoc Counsel II Regional	1.0					
Paralegal	1.0					
Paralegal	1.0					
Executive Assistant	1.0					
Legal Secretary	1.0					
Director Maintenance	1.0					
VP Human Resources	1.0					
Exec Asst	1.0					
Mgr Training & Development	1.0					
Sr HR Generalist	1.0					
HR Generalist	1.0					
HR Generalist	1.0					
Director Operational Risk	1.0					
Mgr Health & Safety	1.0					
Specialist Health & Safety	1.0					
Specialist Health & Safety	1.0					
Mgr Loss Control	1.0					
Specialist Loss Control	1.0					
Mgr Security & Event Mgmt	1.0					
Specialist Loss Control	1.0					
VP Business Development	1.0					
Exec Secretary	1.0					
Client Exec	1.0					
Proposal Writer	0.5					
Sr. Financial Analyst	1.0					
Director External Affairs	1.0					
Executive Secretary	1.0					
TOTAL NORTHEAST REGION	53.5	\$5,500,570	\$2,750,297	\$907,094	\$9,157,961	(1)

Note (1): Total Region Payroll Cost, LIAW allocated 10.97%.

LONG ISLAND AMERICAN WATER
Northeast Region of AWWSC
2007 RATE CASE

Classification (1)	No of Empl (2)	Annual Salary- (3)	Benefits (4)	Incentive Compensation (5)	Total (6)	
4/1/2008 to 3/31/2009						
President	1.0					
Executive Assistant	1.0					
VP Operations	1.0					
Executive Assistant	1.0					
Manager Business Performance	1.0					
Manager NonRevenue Water	1.0					
VP & Treasurer	1.0					
Exec Asst	1.0					
Manager Financial Perf Plng & Rptg	1.0					
Project Manager Finance	1.0					
Financial Analyst-Intermediate	1.0					
Manager Compliance	1.0					
Project Manager Finance	1.0					
Sr. Financial Analyst	1.0					
Sr. Financial Analyst	1.0					
Manger Rates & Regulations	1.0					
Sr. Financial Analyst	1.0					
Sr. Financial Analyst	1.0					
Financial Analyst	1.0					
Financial Analyst	1.0					
Financial Analyst-Intermediate	1.0					
Sr. Financial Analyst	1.0					
Director Environmental Managemen	1.0					
Director Engineering	1.0					
Regional Counsel	1.0					
Assoc Counsel III Regional	1.0					
Assoc Counsel III Regional	1.0					
Assoc Counsel II Regional	1.0					
Paralegal	1.0					
Paralegal	1.0					
Executive Assistant	1.0					
Legal Secretary	1.0					
Director Maintenance	1.0					
VP Human Resources	1.0					
Exec Asst	1.0					
Mgr Training & Development	1.0					
Sr HR Generalist	1.0					
HR Generalist	1.0					
HR Generalist	1.0					
Director Operational Risk	1.0					
Mgr Health & Safety	1.0					
Specialist Health & Safety	1.0					
Specialist Health & Safety	1.0					
Mgr Loss Control	1.0					
Specialist Loss Control	1.0					
Mgr Security & Event Mgmt	1.0					
Specialist Loss Control	1.0					
VP Business Development	1.0					
Exec Secretary	1.0					
Client Exec	1.0					
Proposal Writer	0.5					
Sr. Financial Analyst	1.0					
Director External Affairs	1.0					
Executive Secretary	1.0					
TOTAL NORTHEAST REGION	53.5	\$5,554,000	\$2,777,000	\$915,900	\$9,246,900	(1)

Note (1): Total Region Payroll Cost, LIAW allocated 10.97%.

ITS Labor & Related
Known and Measurable Changes

BU	Job Title	Salary	Incentive	Hours
032031	Spec Client Support II (N)	\$44,228	\$2,211	2,080
032031	Spec Client Support I (N)	40,706	2,035	2,080
032031	Spec Client Support II (N)	44,228	2,211	2,080
032031	Spec Client Support I (N)	40,706	2,035	2,080
032072	Master Project Mgr PMO ITS	121,600	24,320	2,080
032072	Sr Analyst PMO ITS	85,000	12,750	2,080
032075	EAI Support Spec.	100,000	15,000	2,080
032077	Specialist Support ITS	50,000	2,500	2,080
032077	Telecom Manager	100,000	15,000	2,080
032079	Sr Developer ITS	78,000	7,800	2,080
032079	Spec Business Appl Support ITS	85,000	8,500	2,080
032080	Spec Business Appl Support ITS	85,000	8,500	2,080
032080	Spec Business Appl Support ITS	85,000	8,500	2,080
032080	Spec Business Appl Support ITS	85,000	8,500	2,080
032080	Spec Business Appl Support ITS	85,000	8,500	2,080
032081	Analyst QA ITS	53,000	5,300	2,080
032081	Analyst QA ITS	55,000	5,500	2,080
032081	Analyst QA ITS	60,000	6,000	2,080
032081	Analyst QA ITS	60,000	6,000	2,080
032081	Analyst QA ITS	62,000	6,200	2,080
032081	Analyst QA ITS	62,000	6,200	2,080
032081	Lead Analyst QA ITS	80,000	12,000	2,080
032082	Sr. Data Architect	86,000	12,900	2,080
032082	Data Warehouse Architect	85,000	12,750	2,080
032082	Sr. Data Architect	85,000	12,750	2,080
032082	Sr. Data Architect	85,000	12,750	2,080
032083	Director-Strategy&Governance	130,000	26,000	2,080
036531	Support Specialist	67,000	6,700	2,080
Total		2,099,468	259,413	58,240
Total Grossed up for Benefits		3,149,202		58,240
LIAW allocation		70,227	5,785	1,299
Total Labor and Benefits		<u>\$76,012</u>		

Known and Measurable Changes as of 9/12/2006 to Assets

	Cost	2006 Dep	Int. Rate	Interest	
Power Plant	\$4,727,818	\$675,403	6.3%	\$297,853	032074 ITS
ITS Core System & Server Upgrade	4,376,000	625,143	6.3%	275,688	032074 ITS
Regulatory Complaint Database	428,605	61,229	6.3%	27,002	032074 ITS
Divestiture Critical Projects	883,246	126,178	6.3%	55,644	032074 ITS
SOX Compliance	881,000	125,857	6.3%	55,503	032074 ITS
HR Employee Benefit Changes	249,976	35,711	6.3%	15,748	032074 ITS
EAI Vendor Gateway	610,000	87,143	6.3%	38,430	032074 ITS
Mobile Metering Upgrade	486,000	69,429	6.3%	30,618	032074 ITS
Applicant Tracking System	74,000	10,571	6.3%	4,662	032074 ITS
Total		\$1,816,664		\$801,149	Total
		<u>2.23%</u>		<u>2.23%</u>	
		<u>\$40,512</u>		<u>\$17,866</u>	<u>\$58,378</u>

Long Island American Water
Insurance Other Than Group As Of 05/01/07

Insurance	12 Month Ended			
	2007(From Prepaid Actual)	2008	2009	3/31/2009
Workers Compensation	537,186	562,162	588,330	568,704
Percent Chargeable To Capital and Other	11.85%	11.85%	11.85%	11.85%
Amount Chargeable To Capital and Other	(63,657)	(66,616)	(69,717)	(67,391)
Pro Forma Workers Compensation	<u>473,529</u>	<u>495,546</u>	<u>518,613</u>	<u>501,313</u>
Property Insurance	42,925	49,363	54,299	50,597
GL/PR	567,782	596,171	625,980	603,623
Excess Liability	120,516	132,568	145,825	135,882
Consultation Fees	5,969	6,149	6,333	6,195
Executive Risk(Includes D&O & E&O Estimates)	12,456	14,702	16,172	15,070
Auto Insurance	33,401	36,741	40,415	37,660
Retro Insurance Charges(5 Yr Average)	33,729	33,729	33,729	33,729
Total Pro forma	<u>1,290,308</u>	<u>1,364,969</u>	<u>1,441,366</u>	<u>1,384,068</u>
Actual Test Year Expense	929,100	1,290,308	1,364,969	1,308,974
Increase/(Decrease)	<u>\$361,208</u>	<u>\$74,661</u>	<u>\$76,397</u>	<u>\$75,095</u>

Note**

The 2006 base year amount for Insurance Other Than Group is artificially low due to an accounting anomaly. The base year amount of \$709,110 has been normalized to \$929,100. The normalized amount is an average of 3 years Insurance Other Than Group actuals of \$830,032, \$980,923, and \$976,351 from 2003, 2004, and 2005 respectively.

LONG ISLAND AMERICAN WATER
 2007 RATE CASE
 Uncollectible Expense

Exhibit 12
 Tab 17

Year	Uncollectible Expense	Reserve Balance Beginning of Yr	Reserve Balance End of Yr	Net Write-Offs
2002	\$264,668	(\$43,177)	(\$35,485)	\$272,360
2003	229,218	(35,485)	(82,373)	182,330
2004	251,221	(82,373)	(90,269)	243,325
2005	795,677	(90,269)	(593,256)	292,690
2006	236,006	(593,256)	(513,500)	315,762

Year	Net Write-Offs	Billed Water Revenues	Percent of Billings
2002	\$272,360	\$36,434,194	0.75%
2003	182,330	32,077,786	0.57%
2004	243,325	34,121,424	0.71%
2005	292,690	39,623,482	0.74%
2006	315,762	42,044,549	0.75%
	<u>\$1,306,467</u>	<u>\$184,301,435</u>	<u>0.71%</u>

Pro Forma Revenues - Present Rates - YE 12/31/2007	\$39,431,073
Less: Other Water Revenues	274,222
Net Pro Forma Revenues - Present Rates	<u>39,156,851</u>
Average Write-Off Ratio	0.7100%
Pro Forma Uncollectible Expense at Present Rates - YE 12/31/2007	278,014
Less: Amount Charged To Expense During Test Year	236,006
PRO FORMA ADJUSTMENT AT PRESENT RATES - YE 12/31/2007	<u>\$42,008</u>

Pro Forma Revenues - Present Rates YE 12/31/2008	\$43,313,924
Less: Other Water Revenues	274,222
Net Pro Forma Revenues - Present Rates	<u>43,039,702</u>
Average Write-Off Ratio	0.7100%
Pro Forma Uncollectible Expense at Present Rates - YE 12/31/2008	305,582
Less: Pro Forma Present Rates Uncollectibles - YE 12/31/2007	42,008
PRO FORMA ADJUSTMENT AT PRESENT RATES - YE 12/31/2008	<u>\$278,014</u>

Pro Forma Revenues - Present Rates - 12 Months Ended 3/31/2009	\$42,127,650
Less: Other Water Revenues	274,222
Net Pro Forma Revenues - Present Rates	<u>41,853,428</u>
Average Write-Off Ratio	0.7100%
Pro Forma Uncollectible Expense at Present Rates	297,159
Less: Pro Forma Present Rates Uncollectibles - YE 12/31/2008	305,582
PRO FORMA ADJUSTMENT AT PROPOSED RATES	<u>(\$8,423)</u>

Pro Forma Revenues - Proposed Rates - 12 Months Ended 3/31/2009	\$51,709,066
Less: Other Water Revenues	316,702
Net Pro Forma Revenues - Proposed Rates	<u>51,392,364</u>
Average Write-Off Ratio	0.7100%
Pro Forma Uncollectible Expense at Proposed Rates	364,886
Less: Pro Forma Present Rates Uncollectibles - YE 3/31/2009	297,159
PRO FORMA ADJUSTMENT AT PROPOSED RATES	<u>\$67,727</u>

Long Island American Water
 2007 Rate Case
 Rate Case Expense As Of 05/01/07

2007 Rate Case Charges Estimate

	<u>Pro Forma Rate Case Expenses</u>
Legal	\$450,000
Consultant - Cost of Capital	60,000
Service Company Study	60,000
Revenue Requirement	300,000
Miscellaneous	<u>10,000</u>
Total	880,000
Amortization Period (Months)	<u>36</u>
Per Month	24,444
Annual	<u>\$293,328</u>

2004 Rate Case Charges Actuals(Settled)

Amortization Period 04/01/05 - 03/31/08

	<u>Rate Case Expenses</u>
Total	\$400,000
Amortization Period (Months)	<u>36</u>
Per Month	11,111
Annual	<u>\$133,332</u>

LONG ISLAND AMERICAN WATER
Rents Spreadsheet by Cost Breakdown

Components of Rent Expense:	2006	Increase	2007	Increase	2008	Increase	12 Mos. 3/31/09	2009
Real Estate Rental - allocation of Woodcrest rental cost	\$5,587	\$24,613	\$30,200	\$719	\$30,919	\$180	\$31,099	\$31,638
LI Railroad	1,716	707	2,423		2,423		2,423	
Copiers, Fax	14,215	498	14,713	515	15,228	533	15,361	15,761
Computers and related equipment	54,336	1,902	56,238	1,968	58,206	2,037	58,715	60,243
Total	\$75,854	\$27,720	\$103,574	\$3,202	\$106,776	\$2,750	\$107,598	\$107,642

Rent for Woodcrest office

	2006 (1)	2007	2008	2009
Jan	\$0.00	\$2,516.64	\$2,576.56	\$2,636.48
Feb	0.00	2,516.64	2,576.56	2,636.48
Mar	1,534.91	2,516.64	2,576.56	2,636.48
Apr	2,457.21	2,516.64	2,576.56	2,636.48
May	2,457.21	2,516.64	2,576.56	2,636.48
Jun	2,457.21	2,516.64	2,576.56	2,636.48
Jul	2,457.21	2,516.64	2,576.56	2,636.48
Aug	2,457.21	2,516.64	2,576.56	2,636.48
Sep	2,457.21	2,516.64	2,576.56	2,636.48
Oct	2,457.21	2,516.64	2,576.56	2,636.48
Nov	2,457.21	2,516.64	2,576.56	2,636.48
Dec	2,457.21	2,516.64	2,576.56	2,636.48
Total	\$23,649.82	\$30,199.68	\$30,918.72	\$31,637.76

Note (1): 2006 was booked through the Service Company bill.

Year	Sq Feet	Cost Per Sq Foot	Rent	LIAW Allocation
2006	1,137	\$20.50	\$23,313.20	10.54%
Mar-06	1,137	\$20.50	14,562.76	10.54%
2007	1,137	\$21.00	23,877.00	10.54%
2008	1,137	\$21.50	24,445.50	10.54%
2009	1,137	\$22.00	25,014.00	10.54%

Long Island American Water
Leased Vehicle, Fuel and Maintenance

Exhibit 12
Tab 20

	2006	Increase	2007	Increase	2008	Increase	12 mo ended 3/31/2009
Leased Vehicle	\$101,508	\$161,766	\$263,274	\$142,719	\$405,993	\$4,206	\$410,199
Capital (1)	(43,083)	43,083	0		0		0
Registration		9,121	9,121	0	9,121	0	9,121
Fuel	158,206	6,154	164,360	6,394	170,754	6,642	177,396
Maintenance (2)	119,043	4,297	123,340	4,453	127,793	4,613	132,406
Mileage (3)	3,442	(3,442)	0		0		0
Total	\$339,116	\$220,979	\$560,095	\$153,566	\$713,661	\$15,461	\$729,122

Note (1): Capital will be taken care of on Exhibit 9, page 30.

(2): Maintenance has been increased by inflation per Exhibit 9, Page 17.

(3): Mileage is adjusted on the labor workpaper.

Long Island American Water

Vehicle Type	Current		IN SERVICE DATE	Proposed Leases		Regist Cost	Jan-09	Feb-09	Mar-09	12 Mo Ended 3/31/09
	Make	Model		Make	Model					
Equipment	Equipment	590L Backhoe/loader	01/01/1996	N/A		\$40.00	\$0.00	\$0.00	\$0.00	\$0.00
Equipment	Equipment	590L Backhoe/loader	01/01/1997	Case	580 sup	40.00	0.00	0.00	0.00	0.00
Truck	Chevrolet	BLAZER - 4X4	01/01/2002	Chevrolet	Equinox	100.00	497.00	497.00	497.00	5,964.00
Truck	Chevrolet	Cavalier	01/01/2001	Chevrolet	Cobalt	65.00	330.00	330.00	330.00	3,960.00
Truck	Chevrolet	Cavalier	01/01/2002	Chevrolet	Cobalt	65.00	330.00	330.00	330.00	3,960.00
Truck	Chevrolet	Cavalier	01/01/2002	Chevrolet	Cobalt	65.00	330.00	330.00	330.00	3,960.00
Truck	GMC	Dump Truck	01/01/1995	GMC	TC7500 Dump	500.00	1,200.00	1,200.00	1,200.00	14,400.00
Truck	GMC	Jimmy - 4X4	01/01/2001	Chevrolet	Equinox	100.00	497.00	497.00	497.00	5,964.00
Truck	GMC	Jimmy - 4X4	01/01/2001	Chevrolet	Equinox	100.00	497.00	497.00	497.00	5,964.00
Truck	GMC	Jimmy - 4X4	01/01/2001	Chevrolet	Equinox	100.00	497.00	497.00	497.00	5,964.00
Truck	GMC	Jimmy - 4X4	01/01/2002	Chevrolet	Equinox	100.00	497.00	497.00	497.00	5,964.00
Truck	GMC	Malibu	01/01/2001	Chevrolet	Malibu	85.00	375.00	375.00	375.00	4,500.00
Truck	GMC	1 1/2 T Cab w/Utility	01/01/2002	Chevrolet	K3500 Utility	160.00	750.00	750.00	750.00	9,000.00
Truck	GMC	1 1/2 T Cab w/Utility		Chevrolet	K2500 4x4	140.00	585.00	585.00	585.00	7,020.00
Truck	GMC	1 Ton Cab w/Utility	01/01/2002	GMC	TC6500 Crew Truck	150.00	1,200.00	1,200.00	1,200.00	14,400.00
Truck	Chevrolet	1 1/2 Ton Pickup	01/01/1998	Chevrolet	K2500 4x4	140.00	585.00	585.00	585.00	7,020.00
Truck	GMC	3/4 Ton Pickup	01/01/2001	GMC	TC4500 utility	200.00	825.00	825.00	825.00	9,900.00
Truck	Chevrolet	S-10 Pickup	01/01/2002	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	Chevrolet	S-10 Pickup	01/01/2002	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Series 60	01/01/1997	GMC	TC6500 Tank truck	500.00	1,675.00	1,675.00	1,675.00	20,100.00
Truck	GMC	Sierra 1/2 Ton Picku	01/01/2001	Chevrolet	K2500 4x4	140.00	585.00	585.00	585.00	7,020.00
Truck	GMC	Sonoma - 4X4	01/01/1996	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/1996	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/1996	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/1999	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/1999	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/2001	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/2001	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/2001	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/2001	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/2001	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/2001	Chevrolet	Colorado 4x4	120.00	565.00	565.00	565.00	6,780.00
Truck	GMC	Sonoma - 4X4	01/01/1984	N/A		120.00	0.00	0.00	0.00	0.00
Truck	Trailer	3/4 Ton Van -	01/01/1985	N/A		160.00	0.00	0.00	0.00	0.00
Truck	Chevrolet	1 TON UTILITY	01/01/1987	Chevrolet	3500 Van	160.00	562.00	562.00	562.00	6,744.00
Truck	GMC	3 TON CAB FLATBED TK	01/01/1997	GMC	F450 Utility	150.00	0.00	0.00	0.00	0.00
Equipment	Miscellaneous	IR250-Trailer MOUNT	01/01/1997	N/A		400.00	0.00	0.00	0.00	0.00
Equipment	Miscellaneous	IR175-Trailer MOUNT	01/01/1995	N/A		0.00	0.00	0.00	0.00	0.00
Equipment	Miscellaneous	SULL 20'006'JD TRAILER	01/01/1998	N/A		0.00	0.00	0.00	0.00	0.00
Equipment	Miscellaneous	ATLAS 185-Trailer MO	01/01/1996	N/A		0.00	0.00	0.00	0.00	0.00
Equipment	Miscellaneous	IN260 -Trailer MOUNT	01/01/2002	N/A		0.00	0.00	0.00	0.00	0.00
Equipment	Miscellaneous	IR185 -Trailer MOUNT	01/01/1996	N/A		140.00	0.00	0.00	0.00	0.00
Equipment	Miscellaneous	IR175 Trailer MOUNT	01/01/2000	N/A		0.00	0.00	0.00	0.00	0.00
Equipment	Trailer	TOW - DIG IT	01/01/1983	Excor Beaver	Trailer	40.00	275.00	275.00	275.00	3,300.00
Equipment	Trailer	TRLR BECK Trailer	01/01/1983	Excor Beaver	Trailer	40.00	275.00	275.00	275.00	3,300.00
Car	Chevrolet	Cavalier BASE 1 UC69	12/22/2003	Chevrolet	Cobalt	65.00	330.00	330.00	330.00	3,960.00
Car	Chevrolet	Cavalier BASE 1 UC69	12/22/2003	Chevrolet	Cobalt	65.00	330.00	330.00	330.00	3,960.00
Truck	Chevrolet	CC1580 SILVERADO 15	02/10/2004	Chevrolet	K1500 4x4	120.00	487.00	487.00	487.00	5,844.00
Truck	Chevrolet	CC1590 SILVERADO 15	02/10/2004	Chevrolet	K1500 4x4	120.00	487.00	487.00	487.00	5,844.00
Truck	Chevrolet	CC2590 SILVERADO 25	02/10/2004	Chevrolet	K2500 4x4	140.00	585.00	585.00	585.00	7,020.00
Truck	Chevrolet	CC2590 SILVERADO 25	02/10/2004	Chevrolet	K2500 4x4	140.00	585.00	585.00	585.00	7,020.00
Equipment	Case	580 SUP 580	01/30/2004	Case	580 sup	50.00	1,275.00	1,275.00	1,275.00	15,300.00
Equipment	Case	580 SUP 580	03/16/2004	Case	580 sup	50.00	1,275.00	1,275.00	1,275.00	15,300.00
Truck	GMC	TC6500 CREW TRUCK	06/06/2005	GMC	TC6500 Crew Truck	400.00	1,090.89	1,090.89	1,090.89	13,089.88
Truck	GMC	TC6500 CREW TRUCK	05/01/2005	GMC	TC6500 Crew Truck	400.00	1,087.74	1,087.74	1,087.74	13,052.88
Car	Chevrolet	Malibu	03/13/2005	Chevrolet	Malibu	85.00	402.00	402.00	402.00	4,824.00
Car	Chevrolet	Malibu	03/13/2005	Chevrolet	Malibu	85.00	402.00	402.00	402.00	4,824.00
Truck	Chevrolet	7500 Dump Truck	07/21/2005	Chevrolet	K2500 4x4	140.00	450.97	450.97	450.97	5,411.64
Truck	GMC	7500 Dump Truck	07/21/2005	GMC	TC7500 Dump	500.00	1,000.00	1,000.00	1,000.00	12,000.00
Truck	GMC	7500 Dump Truck	07/21/2005	GMC	TC7500 Dump	500.00	1,000.00	1,000.00	1,000.00	12,000.00
Equipment	INGERSOLL RAND COMPRESSOR		01/17/2006	GMC	TC1560 Dump	500.00	1,000.00	1,000.00	1,000.00	12,000.00
Equipment	humanair		12/29/2006			221.00	1,636.00	1,636.00	1,636.00	19,632.00
Equipment	ford		09/28/2006			255.00	1,146.00	1,146.00	1,146.00	13,752.00
Car	Chevrolet	MALIBU	11/29/2006			107.00	347.00	347.00	347.00	4,164.00
Van	Chevrolet	Express Van	10/9/2006			183.00	576.00	576.00	576.00	6,912.00
						\$9,121.00	\$35,234.60	\$35,234.60	\$35,234.60	\$410,198.64

Earning Sharing
ROE Calculation

Exhibit 12
Tab 21

Line No.	Twelve Months Ended		
	3/31/2006	3/31/2007	3/31/2008
1			
2			
3	\$38,930,000	\$38,930,000	\$45,930,000
4			
5	8,698,378	2,962,880	0
6			
7	47,628,378	41,892,880	45,930,000
8			
9	1,125,000	1,125,000	1,125,000
10			
11	26,997,162	36,260,914	44,497,172
12			
13	\$75,750,540	\$79,278,794	\$91,552,172
14			
15	51.4%	49.1%	50.1%
16			
17	11.5%	3.7%	0.0%
18			
19	62.9%	52.8%	50.1%
20			
21	1.5%	1.4%	1.2%
22			
23	35.7%	45.7%	48.6%
24			
25	100.1%	99.9%	99.9%
26			
27	638,673	733,490	733,490
28			
29	26,358,489	35,527,424	43,763,682
30			
31	785,866	(894,321)	(3,728,580)
32			
33	1,125,281	1,055,510	1,055,510
34			
35	1,911,147	161,189	(2,673,070)
36			
37	7.25%	0.45%	-6.11%
38			
39		0.53%	

Assumptions:

2.5% of the Residential customer base will qualify for the program

Approximate average Residential Customer's yearly bill is equal to \$500 a year

Number of Residential Customers	67,533
Present Rate Revenue	<u>\$32,906,900</u>
Revenue Per Customer	\$487

15% reduction of rates for customers who qualify

Old Rates	PIECES CARRIER		3-DIGIT		MIXED AADC		PERSORTED		SINGLE		REGULAR		TOTAL LARGE METER		TOTAL SMALL METER		TOTAL POSTAGE EXPENSE	
	0	\$0.290	5-DIGIT	\$0.308	AADC	\$0.317	AADC	\$0.326	\$0.371	\$0.390	REGULAR	\$0.530	0	38,219	0	1,005.42	11,641.12	\$12,646.54
Jan-06	0	29,948	2,734	2,066	40	2,066	0	3,431	0	0	0	0	38,219	0	1,005.42	11,641.12	\$12,646.54	
Feb-06	0	27,352	2,529	2,298	163	2,298	0	4,276	0	0	0	0	36,618	0	1,227.33	11,261.53	12,488.86	
Mar-06	0	28,007	2,402	1,660	156	1,660	0	5,046	0	0	0	0	37,271	0	1,207.44	11,504.42	12,711.86	
Apr-06	0	15,237	1,652	1,796	2	1,796	0	3,768	0	0	0	0	22,455	0	766.74	7,028.91	7,795.65	
May-06	0	27,582	2,479	1,801	159	1,801	0	4,804	0	0	1	36,826	0	0.00	11,356.68	11,356.68		
Jun-06	0	31,943	2,415	2,296	3	2,296	0	4,972	0	0	1	41,630	0	0.00	12,792.18	12,792.18		
Jul-06	0	21,575	2,574	2,416	4	2,416	0	6,178	0	0	0	32,747	0	0.00	10,312.57	10,312.57		
Aug-06	0	23,095	1,580	1,723	3	1,723	0	3,848	0	0	0	30,249	0	0.00	9,316.84	9,316.84		
Sep-06	0	25,308	2,527	1,732	4	1,732	0	3,824	0	0	1	33,396	0	0.00	10,251.35	10,251.35		
Oct-06	0	23,404	2,702	1,878	2	1,878	0	4,441	0	0	0	32,427	0	5.46	10,034.44	10,039.90		
Nov-06	0	35,014	3,841	2,321	3	2,321	0	2,539	0	2	43,720	0	43,720	0	5.07	13,191.00	13,196.07	
Dec-06	0	28,851	3,602	1,590	2	1,590	0	1,092	0	0	0	35,137	0	5.94	10,507.61	10,513.55		
Bills	0	317,316	31,037	23,577	541	23,577	0	48,219	0	5	420,695	0	420,695	0	\$4,223.40	\$129,198.64	\$133,422.04	
Rate	\$0.290	\$0.293	\$0.308	\$0.317	\$0.326	\$0.371	\$0.390	\$0.530										
Total using Old Rates	\$0	\$92,974	\$9,559	\$171	\$7,686	\$0	\$18,805	\$3								\$129,198	\$4,223.40	\$133,421.40

New Rates	PIECES CARRIER		3-DIGIT		MIXED AADC		PERSORTED		SINGLE		REGULAR		TOTAL LARGE METER		TOTAL SMALL METER		TOTAL POSTAGE EXPENSE	
	0	\$0.305	5-DIGIT	\$0.324	AADC	\$0.333	AADC	\$0.343	\$0.390	\$0.410	REGULAR	\$0.580	0 <td>38,219</td> <td>0</td> <td>1,056.98</td> <td>12,238.47</td> <td>\$13,295.45</td>	38,219	0	1,056.98	12,238.47	\$13,295.45
Jan-06	0	29,948	2,734	2,066	40	2,066	0	3,431	0	0	0	0	38,219	0	1,056.98	12,238.47	\$13,295.45	
Feb-06	0	27,352	2,529	2,298	163	2,298	0	4,276	0	0	0	0	36,618	0	1,290.27	11,839.47	13,129.74	
Mar-06	0	28,007	2,402	1,660	156	1,660	0	5,046	0	0	0	0	37,271	0	1,269.36	12,094.59	13,363.95	
Apr-06	0	15,237	1,652	1,796	2	1,796	0	3,768	0	0	0	0	22,455	0	806.06	7,389.82	8,195.88	
May-06	0	27,582	2,479	1,801	159	1,801	0	4,804	0	0	1	36,826	0	0.00	11,939.36	11,939.36		
Jun-06	0	31,943	2,415	2,296	3	2,296	0	4,972	0	0	1	41,630	0	0.00	13,448.53	13,448.53		
Jul-06	0	21,575	2,574	2,416	4	2,416	0	6,178	0	0	0	32,747	0	0.00	10,842.08	10,842.08		
Aug-06	0	23,095	1,580	1,723	3	1,723	0	3,848	0	0	0	30,249	0	0.00	9,794.85	9,794.85		
Sep-06	0	25,308	2,527	1,732	4	1,732	0	3,824	0	0	1	33,396	0	0.00	10,777.44	10,777.44		
Oct-06	0	23,404	2,702	1,878	2	1,878	0	4,441	0	0	0	32,427	0	5.74	10,549.51	10,555.25		
Nov-06	0	35,014	3,841	2,321	3	2,321	0	2,539	0	2	43,720	0	43,720	0	5.33	13,868.05	13,873.38	
Dec-06	0	28,851	3,602	1,590	2	1,590	0	1,092	0	0	0	35,137	0	6.20	11,046.91	11,053.11		
Bills	0	317,316	31,037	23,577	541	23,577	0	48,219	0	5	420,695	0	420,695	0	\$4,439.94	\$135,829.07	\$140,269.01	
Rate	\$0.305	\$0.308	\$0.324	\$0.333	\$0.343	\$0.390	\$0.410	\$0.580										
Total Pro Forma Postage	\$0	\$97,733	\$10,056	\$180	\$8,087	\$0	\$19,770	\$3								\$135,829	\$4,439.94	\$140,268.94
Increase	\$0	\$4,759	\$497	\$9	\$401	\$0	\$965	\$0								\$6,631	\$217	\$6,847

Long Island American Water
Postal Rates

Date	PIECES		MIXED		SINGLE	REGULAR 2oz
	CARRIER	5-DIGIT	3-DIGIT	AADC		
Current Rates	\$0.275	\$0.278	\$0.292	\$0.301	\$0.352	\$0.370
New Rates	\$0.290	\$0.293	\$0.308	\$0.317	\$0.371	\$0.530
Increase	\$0.015	\$0.015	\$0.016	\$0.016	\$0.019	\$0.020
New Rates	\$0.305	\$0.308	\$0.324	\$0.333	\$0.390	\$0.580

Long Island American Water
Estimated Asbestos Removal Cast

Exhibit 12
Tab 24

Scope of Work:

Contractor	\$130,000
Engineering Consulting	20,000
Records & Waste Removal	15,000
Overhead	30,000
Total Cost	<u><u>\$195,000</u></u>

**LONG ISLAND AMERICAN WATER
2007 RATE CASE**

Exhibit 12
Tab 25

Target Levels	Awards (2007)				Awards (2008)				Awards (2009)			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
No lost time cases	\$15	\$20	\$35	\$50	\$15	\$20	\$35	\$60	\$15	\$20	\$35	\$70
No lost time cases, no OSHA Recordables, no chargeable motor vehicle incidents and no safety code violation	\$25	\$50	\$75	\$100	\$25	\$50	\$75	\$120	\$25	\$50	\$75	\$140
Eligible Permanent FTEs	FTEs											
Union FTEs	68.0											
Non-Union FTEs	24.5											
	<u>92.5</u>											
Period Total	\$2,313	\$4,625	\$6,938	\$9,250	\$2,313	\$4,625	\$6,938	\$11,100	\$2,313	\$4,625	\$6,938	\$12,950
	<u>2007</u>				<u>2008</u>				<u>12 Mo 3/09</u>			
	\$23,126				\$24,976				\$24,976			

LONG ISLAND AMERICAN WATER
 SUMMARY OF REVENUE ADJUSTMENT CLAUSE AND PROPERTY TAX
 RECONCILIATION FOR THE PERIOD 4/1/07 - 3/31/08 (Rate Case Proposal)

	Amount	Surcharge (Credit) Per Customer	Amortize in Rate Case Over 3 Years
Revenue Adjustment Clause calculation before property tax reconciliation	\$5,206,711	\$70.84	
Property Tax Reconciliation Clause Taxes in excess of PSC target per settlement agreement with PSC	(2,072,234)	(28.20)	
Property Tax Refund with interest through 3/31/08	<u>(3,219,999)</u>	<u>(43.81)</u>	
Total due Company	<u>(\$85,522)</u>	<u>(\$1.16)</u>	<u>(\$28,507)</u>
Number of customers	73,495		

LONG ISLAND AMERICAN FIRE
SUMMARY OF REVENUE STABILIZATION
THREE YEAR ROLLING AVERAGE CALCULATION

	Rate Year			Total
	4/00-3/01	4/01-3/02	4/02-3/03	
Revenue Stabilization balance at 4/1/04 (as reflected in staff workpapers)	(\$147,692)	(\$1,251,785)	(\$1,642,225)	(\$2,124,525)
Interest for year 4/1/03-3/31/04 ($\frac{3}{4} \times 5.6\% (2003) + \frac{1}{4} \times 4.2\% (2004) = 5.25\%$)	(7,754)	(65,719)	(86,217)	(159,689)
Subtotal	(155,446)	(1,317,504)	(1,728,442)	(2,284,214)
Interest for year 4/1/04-3/31/05 at 4.2%	(6,529)	(55,335)	(72,595)	(95,937)
Total	(161,974)	(1,372,838)	(1,801,037)	(\$2,380,151)
Property Tax Reconciliation				
4/1/02-3/31/03 (with interest as of end of fiscal year)				\$526,885
Interest on balance of 3/31/03 for year ending 3/31/04				27,661
4/1/03-3/31/04 (with interest as of end of fiscal year)				1,207,489
Subtotal				1,762,035
Interest on combined balances at 4.2%				74,005
Total Property Tax Reconciliation				\$1,836,040
Net of RAC and Property Tax Reconciliation				(\$544,111)
3 Year Amortization				(\$181,370)
Reflected in rate case	(161,974)	(1,372,838)	(1,801,037)	(\$544,111)
Balance at 3/31/05 per Staff workpaper	\$0	\$0	\$0	\$0
			Property Tax	
			955,698	1,836,040

LONG ISLAND AMERICAN V₁ -R
SUMMARY OF REVENUE STABILIZATION
THREE YEAR ROLLING AVERAGE CALCULATION

	Rate Year			
	4/04-3/05	4/05-3/06	4/06-3/07	Total
Revenue Stabilization balance at 4/1/06 (with Interest)	\$2,540,218	\$689,780	\$1,432,772	\$4,662,770
Amounts Refunded for 4/1/06-3/31/07	0	0	0	0
Revenue Stabilization balance at 4/1/07	2,540,218	689,780	1,432,772	4,662,770
Fraction to have been refunded (4/1/07-3/31/08)	100%	67%	33%	
Amount of surcharge 4/1/07-3/31/08	\$2,540,218	\$462,153	\$472,815	\$3,475,186
Amount awaiting surcharge	<u>\$0</u>	<u>\$227,627</u>	<u>\$959,957</u>	<u>\$1,187,584</u>
Interest for year 4/1/05-3/31/06 ($\frac{3}{4} \times 4.35\%$ (2005) + $\frac{1}{4} \times 4.75\%$ (2006) = 4.45%)	113,040			113,040
Interest for year 4/1/06-3/31/07 compounded annually ($\frac{3}{4} \times 4.75\%$ (2006) + $\frac{1}{4} \times 5.40\%$ (2007) = 4.91%)	130,275	33,868		164,143
Interest for year 4/1/07-3/31/08 at 5.4% compounded annua	150,311	39,077	77,370	266,758
Total Interest	393,626	72,945	77,370	543,941
Principal & Interest to have been surcharged 4/1/07-3/31/08	<u>\$2,933,844</u>	<u>\$535,098</u>	<u>\$550,185</u>	<u>\$4,019,127</u>
Balance for 3/31/08 RAC Reconciliation to be surcharged immediately				1,187,584
Total surcharge for RAC				<u>\$5,206,711</u>
	Rate Year			
	4/04-3/05	4/05-3/06	4/06-3/07	Total
Property Tax Reconciliation				(\$2,128,127)
Property Tax Balance as of 4/1/06 (with Interest)	\$2,362,339	(\$1,307,845)	(\$3,182,621)	
Interest for year 4/1/05-3/31/06 ($\frac{3}{4} \times 4.35\%$ (2005) + $\frac{1}{4} \times 4.75\%$ (2006) = 4.45%)	105,124			105,124
Interest for year 4/1/06-3/31/07 compounded annually ($\frac{3}{4} \times 4.75\%$ (2006) + $\frac{1}{4} \times 5.40\%$ (2007) = 4.91%)	121,152	(64,215)		56,937
Interest for year 4/1/07-3/31/08 at 5.4% compounded annua	139,785	(74,091)	(171,862)	(106,168)
Total Interest	366,061	(138,306)	(171,862)	55,893
Principal & Interest to have been refunded 4/1/07-3/31/08	<u>\$2,728,400</u>	<u>(\$1,446,151)</u>	<u>(\$3,354,483)</u>	<u>(\$2,072,234)</u>
Net of RAC and Property Tax Reconciliation				\$3,134,477
3 Year Amortization				<u>\$1,044,826</u>

LONG ISLAND AMERICAN WATER
SUMMARY OF REVENUE STABILIZATION COMPONENTS
GENERAL METERED CUSTOMERS
APRIL 2004 TO MARCH 2005

RATE YEAR		PSC LEVEL				Actual	FUELS	PRODUCTION	# OF DAYS OUTSTANDING DIVIDED BY 365 DAYS (BASED ON MID MONTH)			
		Power	Chemical	Fuels	Production				4 200%	4 350%	2004	2005
APR	04	1,855,467	26,312	7,231	107,761	106,634	31,763	145,452	53,074	0.712	0.247	2,157
MAY	04	1,908,041	35,805	9,480	132,583	125,129	39,279	170,739	595,100	0.630	0.247	22,133
JUN	04	2,855,241	45,375	11,671	202,336	128,489	42,915	183,726	546,895	0.545	0.247	18,389
JUL	04	2,788,108	171,362	11,703	232,910	189,625	61,870	251,495	599,870	0.463	0.247	18,100
AUG	04	2,773,309	156,325	49,777	217,568	144,818	55,144	199,962	(568,981)	0.378	0.247	(15,138)
SEP	04	3,813,329	142,020	45,015	197,284	212,368	52,843	282,426	366,560	0.293	0.247	8,445
OCT	04	2,666,310	87,274	36,897	131,465	258,501	47,658	316,522	94,406	0.211	0.247	1,849
NOV	04	2,660,338	75,646	4,740	110,492	150,923	37,100	188,023	569,738	0.126	0.247	9,127
DEC	04	3,066,631	81,698	29,777	116,939	125,616	38,376	191,455	453,962	0.044	0.247	5,705
JAN	05	2,241,317	77,090	27,145	5,988	142,756	19,968	159,666	(365,702)	0.205	0.205	(3,269)
FEB	05	2,039,946	68,033	26,028	5,837	33,184	27,609	60,793	(287,054)	0.123	0.123	(1,539)
MAR	05	2,187,342	73,050	7,232	101,514	183,180	47,719	230,899	415,599	0.044	0.044	792
RATE YEAR		30,855,379	1,237,304	425,314	98,355	1,801,223	502,244	77,690	2,473,467			66,751

* REVENUE USED ON TARIFF SHEET

Revenue	29,002,097
Interest	66,751
2,473,467	

LONG ISLAND AMERICAN WATER
SUMMARY OF REVENUE STABILIZATION COMPONENTS
GENERAL METERED CUSTOMERS
APRIL 2005 TO MARCH 2006

RATE YEAR		PSC LEVEL				Actual	FUELS	PRODUCTION	# OF DAYS OUTSTANDING DIVIDED BY 365 DAYS (BASED ON MID MONTH)			
		Power	Chemical	Fuels	Production				4 350%	4 750%	2005	2006
APR	05	2,262,318	107,584	35,383	151,971	64,319	37,382	7,903	394,533	0.712	0.247	16,846
MAY	05	2,634,268	130,049	44,748	186,602	204,503	48,520	12,731	748,208	0.630	0.247	29,272
JUN	05	3,007,986	216,440	56,708	287,681	88,432	75,056	19,008	349,443	0.545	0.247	12,380
JUL	05	3,755,421	255,280	62,294	332,147	190,776	79,788	11,886	170,897	0.463	0.247	5,444
AUG	05	3,755,421	232,879	62,209	309,366	251,436	71,113	21,080	106,240	0.378	0.247	2,992
SEP	05	4,129,138	211,569	56,258	280,589	274,492	75,155	0	(445,332)	0.293	0.247	(10,895)
OCT	05	3,755,421	130,013	46,112	185,208	225,338	77,816	25,753	465,343	0.211	0.247	9,721
NOV	05	3,381,703	112,691	37,625	156,218	205,427	21,818	13,367	(832,470)	0.126	0.247	(14,314)
DEC	05	3,007,986	121,707	37,214	6,804	180,288	22,537	13,826	(214,937)	0.044	0.044	(2,927)
JAN	06	2,631,396	114,842	33,925	156,223	195,088	44,166	(1,058)	(930,719)	0.205	0.205	(9,084)
FEB	06	2,396,618	101,350	32,529	7,268	152,769	53,038	3,597	617,349	0.123	0.123	3,615
MAR	06	2,568,467	108,824	26,535	144,365	173,109	33,830	8,801	217,722	0.044	0.044	453
RATE YEAR		37,286,143	1,843,228	531,540	122,474	2,205,977	640,219	136,894	646,277			43,503

* REVENUE USED ON TARIFF SHEET

Revenue	37,125,714
Interest	43,503
646,277	

LONG ISLAND AMERICAN WATER
SUMMARY OF REVENUE STABILIZATION COMPONENTS
GENERAL METERED CUSTOMERS
APRIL 2004 TO MARCH 2005

RATE YEAR		PSC LEVEL				Actual	FUELS	PRODUCTION	# OF DAYS OUTSTANDING DIVIDED BY 365 DAYS (BASED ON MID MONTH)			
		Power	Chemical	Fuels	Production				4 200%	4 350%	2004	2005
APR	04	1,855,467	26,312	7,231	107,761	106,634	31,763	145,452	53,074	0.712	0.247	2,157
MAY	04	1,908,041	35,805	9,480	132,583	125,129	39,279	170,739	595,100	0.630	0.247	22,133
JUN	04	2,855,241	45,375	11,671	202,336	128,489	42,915	183,726	546,895	0.545	0.247	18,389
JUL	04	2,788,108	171,362	11,703	232,910	189,625	61,870	251,495	599,870	0.463	0.247	18,100
AUG	04	2,773,309	156,325	49,777	217,568	144,818	55,144	199,962	(568,981)	0.378	0.247	(15,138)
SEP	04	3,813,329	142,020	45,015	197,284	212,368	52,843	282,426	366,560	0.293	0.247	8,445
OCT	04	2,666,310	87,274	36,897	131,465	258,501	47,658	316,522	94,406	0.211	0.247	1,849
NOV	04	2,660,338	75,646	4,740	110,492	150,923	37,100	188,023	569,738	0.126	0.247	9,127
DEC	04	3,066,631	81,698	29,777	116,939	125,616	38,376	191,455	453,962	0.044	0.247	5,705
JAN	05	2,241,317	77,090	27,145	5,988	142,756	19,968	159,666	(365,702)	0.205	0.205	(3,269)
FEB	05	2,039,946	68,033	26,028	5,837	33,184	27,609	60,793	(287,054)	0.123	0.123	(1,539)
MAR	05	2,187,342	73,050	7,232	101,514	183,180	47,719	230,899	415,599	0.044	0.044	792
RATE YEAR		30,855,379	1,237,304	425,314	98,355	1,801,223	502,244	77,690	2,473,467			66,751

LONG ISLAND AMERICAN WATER
SUMMARY OF REVENUE STABILIZATION COMPONENTS
GENERAL METERED CUSTOMERS
APRIL 2006 to MARCH 2007

OF DAYS OUTSTANDING
DIVIDED BY 365 DAYS
(BASED ON MID MONTH)

RATE YEAR		PSC LEVEL			BILLED REV	POWER	CHEMICAL	FUELS	PRODUCTION	Actual	FUELS	PRODUCTION	Surcharge (Credit)	# OF DAYS OUTSTANDING DIVIDED BY 365 DAYS (BASED ON MID MONTH)		INTEREST
		Revenue	Power	Chemical										4 750% 2006	5 400% 2007	
APR	06	2,317,745	107,584	35,383	9,004	151,971	178,317	44,783	2,209,099	178,317	223,100	179,775	0 712	0 247	8,477	
MAY	06	2,698,808	130,049	44,748	11,805	186,602	85,022	58,695	2,715,968	85,022	157,655	(46,107)	0 630	0 247	(1,994)	
JUN	06	3,081,682	216,440	56,708	14,533	287,681	28,721	86,553	2,917,931	28,721	115,274	(8,656)	0 545	0 247	(339)	
JUL	06	3,847,429	255,280	62,294	14,573	332,147	293,946	69,700	3,243,144	293,946	400,666	672,804	0 463	0 247	23,756	
AUG	06	3,847,429	232,879	62,209	14,278	309,366	287,773	70,896	4,761,668	287,773	358,669	(864,936)	0 378	0 247	(27,050)	
SEP	06	4,230,302	211,569	56,258	12,762	280,589	360,781	60,030	3,682,249	360,781	420,811	688,275	0 293	0 247	18,748	
OCT	06	3,847,429	130,013	46,112	9,083	185,208	4,079,385	24,652	4,079,385	158,461	350,964	(16,200)	0 211	0 247	(378)	
NOV	06	3,464,555	112,691	37,625	5,902	156,218	140,034	117,225	4,355,382	140,034	285,366	(761,679)	0 126	0 247	(14,701)	
DEC	06	3,081,682	121,707	37,214	6,804	165,725	129,622	33,354	2,746,011	129,622	177,881	347,827	0 044	0 247	5,356	
JAN	07	2,695,865	114,842	33,925	7,456	156,223	148,600	42,053	2,325,568	148,600	199,939	414,013	0 205	0 205	4,594	
FEB	07	2,455,335	101,350	32,529	7,288	141,147	135,005	24,889	2,323,243	135,005	162,928	153,873	0 123	0 123	1,024	
MAR	07	2,631,394	108,824	26,535	9,006	144,365	166,625	40,879	2,039,792	166,625	207,504	654,741	0 044	0 044	1,550	
		38,199,654	1,843,228	531,540	122,474	2,497,242	37,349,440	2,112,907	673,709	274,141	3,060,757	1,413,729			19,043	

Revenue
Interest

Refund Adj
Interest

1,413,729
19,043

REV STABILIZATION REFUND

37,349,440
19,043

37,330,397

1,432,772

* REVENUE USED ON TARIFF SHEET

Long Island American Water
Revenue Stabilization for Operating Taxes
Fiscal Year 2004 - 2005

	PSC Level			Actuals			85% OF DIFF.	4.200% 4.350%			Accrued Rev & Int
	Village	Town	School	Village	Town	School		2004	2005	Interest	
APR 04	75,816	406,844	508,931	93,933	580,500	486,272	143,747	0.712	0.247	5,842	149,589
MAY 04	75,816	406,844	508,931	93,933	580,500	486,272	143,747	0.630	0.247	5,346	149,093
JUN 04	75,816	406,844	508,931	97,350	580,500	486,272	146,651	0.545	0.247	4,931	151,582
JUL 04	75,816	406,844	508,931	97,350	580,500	560,710	209,923	0.463	0.247	6,334	216,257
AUG 04	75,816	406,844	508,931	97,349	580,500	560,710	209,922	0.378	0.247	5,585	215,507
SEP 04	75,816	406,844	508,931	97,349	580,500	560,710	209,922	0.293	0.247	4,836	214,758
OCT 04	75,816	406,844	508,931	97,349	580,500	560,710	209,922	0.211	0.247	4,112	214,034
NOV 04	75,816	406,844	508,931	97,349	580,500	560,710	209,922	0.126	0.247	3,363	213,285
DEC 04	75,816	406,844	508,931	97,349	580,500	560,710	209,922	0.044	0.247	2,638	212,560
JAN 05	77,432	415,502	518,858	97,349	597,756	560,710	207,419	0.205	0.205	1,854	209,273
FEB 05	77,432	415,502	518,858	97,349	597,756	560,709	207,419	0.123	0.123	1,112	208,531
MAR 05	77,432	415,502	518,858	97,413	597,757	560,709	207,474	0.044	0.044	396	207,870
RY04	914,640	4,908,102	6,136,953	1,161,422	7,017,767	6,505,204	2,315,990			46,349	2,362,339

Long Island American Water
Revenue Stabilization for Operating Taxes
Fiscal Year 2005 - 2006

	PSC Level			Actuals			85% of Inc 100% of Dec DIFF.	4.350% 4.750%			Accrued Rev & Int
	Village	Town	School	Village	Town	School		2005	2006	Interest	
APR 05	1,274,078	1,274,078	1,274,078	97,412.41	597,756.97	560,709.83	(18,198)	0.712	0.247	(777)	(18,975)
MAY 05	1,274,078	1,274,078	1,274,078	97,412.42	597,756.97	560,709.83	(18,198)	0.630	0.247	(712)	(18,910)
JUN 05	1,274,078	1,274,078	1,274,078	102,275.26	597,756.97	560,709.83	(13,336)	0.545	0.247	(472)	(13,808)
JUL 05	1,274,078	1,274,078	1,274,078	102,275.23	597,756.97	465,835.32	(108,210)	0.463	0.247	(3,447)	(111,657)
AUG 05	1,274,078	1,274,078	1,274,078	102,275.23	597,756.97	465,835.32	(108,210)	0.378	0.247	(3,047)	(111,257)
SEP 05	1,274,078	1,274,078	1,274,078	102,275.23	597,756.97	465,835.32	(108,210)	0.293	0.247	(2,647)	(110,857)
OCT 05	1,274,078	1,274,078	1,274,078	102,275.23	597,756.97	465,835.32	(108,210)	0.211	0.247	(2,260)	(110,470)
NOV 05	1,274,078	1,274,078	1,274,078	102,275.22	597,756.97	465,835.32	(108,210)	0.126	0.247	(1,861)	(110,071)
DEC 05	1,274,078	1,274,078	1,274,078	102,275.23	597,756.97	465,835.32	(108,210)	0.044	0.247	(1,474)	(109,684)
JAN 06	1,274,078	1,274,078	1,274,078	102,275.23	509,724.65	465,835.32	(196,242)	0.205	0.205	(1,915)	(198,157)
FEB 06	1,274,078	1,274,078	1,274,078	102,275.23	509,724.65	465,835.32	(196,242)	0.123	0.123	(1,149)	(197,391)
MAR 06	1,274,078	1,274,078	1,274,078	102,320.19	509,724.65	465,835.32	(196,197)	0.044	0.044	(409)	(196,606)
RY05	0	0	0	1,217,622.11	6,908,986.68	5,874,647.37	(1,287,675)			(20,170)	(1,307,845)

Long Island American Water
Revenue Stabilization for Operating Taxes
Fiscal Year 2006 - 2007

	PSC Level			Actuals			Total	85% of Inc 100% of Dec DIFF.	4.750% 2006	5.400% 2007	Interest	Accrued Rev & Int
	Village	Town	School	Village	Town	School						
APR 06		1,312,300		102,320.19	509,724.71	465,835.31	1,077,880.21	(234,420)	0.712	0.247	(11,053)	(245,473)
MAY 06		1,312,300		102,320.19	509,724.71	465,835.31	1,077,880.21	(234,420)	0.630	0.247	(10,138)	(244,558)
JUN 06		1,312,300		102,864.25	509,724.71	465,835.33	1,078,424.29	(233,876)	0.545	0.247	(9,171)	(243,047)
JUL 06		1,312,300		102,864.35	509,524.61	465,835.31	1,078,224.27	(234,076)	0.463	0.247	(8,265)	(242,341)
AUG 06		1,312,300		102,864.35	509,524.61	465,835.31	1,078,224.27	(234,076)	0.378	0.247	(7,320)	(241,396)
SEP 06		1,312,300		102,864.35	509,524.61	465,835.31	1,078,224.27	(234,076)	0.293	0.247	(6,376)	(240,452)
OCT 06		1,312,300		102,864.37	509,724.70	465,835.31	1,078,224.27	(234,076)	0.211	0.247	(5,462)	(239,538)
NOV 06		1,312,300		108,979.93	509,724.70	296,183.29	914,887.92	(397,412)	0.126	0.247	(7,671)	(405,083)
DEC 06		1,312,300		102,864.37	509,724.70	431,904.91	1,044,493.98	(267,806)	0.044	0.247	(4,123)	(271,929)
JAN 07		1,312,300		102,864.37	509,724.70	431,904.91	1,044,493.98	(267,806)		0.205	(2,972)	(270,778)
FEB 07		1,312,300		102,864.37	509,724.70	431,904.91	1,044,493.98	(267,806)		0.123	(1,783)	(269,589)
MAR 07		1,312,299		102,864.37	509,724.70	431,904.91	1,044,493.98	(267,805)		0.044	(634)	(268,439)
RY05	0	0	0	1,239,399.44	6,115,896.07	5,284,650.12	12,639,945.63	(3,107,653)			(74,968)	(3,182,621)

Long Island American Water
Property Tax Refund

Interest Rate Assumption
4.35% for 2005
4.75% for 2006
5.40% for 2007

	Distribution Received by Company	Expenses	Net Refund	Shareholders (15%)	Ratepayers Distribution (85%)	Distribution	Interest	
November 4, 2005	\$5,602,641.62	\$939,526.87	\$4,663,114.75	\$699,467.21	\$3,963,647.54		\$12,281.88	\$3,975,929.42
November 9, 2005	1,476,194.21		1,476,194.21	221,429.13	1,254,765.08		3,140.35	5,233,834.84
November 23, 2005	307,252.06		307,252.06	46,087.81	261,164.25		217.88	5,495,216.97
December 31, 2005							20,302.19	5,515,519.16
January 31, 2006							22,250.96	5,537,770.13
February 28, 2006							20,178.72	5,557,948.85
March 31, 2006							22,422.14	5,580,370.99
April 30, 2006							21,786.38	5,602,157.37
May 31, 2006							22,600.48	5,624,757.85
June 30, 2006							21,959.67	5,646,717.52
July 31, 2006							22,780.25	5,669,497.77
August 31, 2006							22,872.15	5,692,369.92
September 30, 2006							22,223.64	5,714,593.56
October 31, 2006							23,054.08	5,737,647.64
November 30, 2006							22,400.41	5,760,048.05
December 31, 2006							23,237.45	5,783,285.50
January 31, 2007							26,523.89	5,809,809.39
February 28, 2007							24,066.94	5,833,876.33
March 31, 2007							26,755.91	5,860,632.24
April 30, 2007						(2,822,452.81)	26,011.57	3,064,191.00
Subtotal	<u>\$7,386,087.89</u>	<u>\$939,526.87</u>	<u>\$6,446,561.02</u>	<u>\$966,984.15</u>	<u>\$5,479,576.87</u>	<u>(\$2,822,452.81)</u>	<u>\$407,066.95</u>	
May 31, 2007							14,053.30	3,078,244.30
June 30, 2007							13,662.34	3,091,906.65
July 31, 2007							14,180.42	3,106,087.06
August 31, 2007							14,245.45	3,120,332.52
September 30, 2007							13,849.15	3,134,181.66
October 31, 2007							14,374.30	3,148,555.96
November 30, 2007							13,974.41	3,162,530.38
December 31, 2007							14,504.32	3,177,034.69
January 31, 2008							14,570.84	3,191,605.53
February 29, 2008							13,693.30	3,205,298.83
March 31, 2008							14,700.47	3,219,999.30
Total	<u>7,386,087.89</u>	<u>939,526.87</u>	<u>6,446,561.02</u>	<u>966,984.15</u>	<u>5,479,576.87</u>	<u>(2,822,452.81)</u>	<u>562,875.25</u>	