

LARGE FILING SEPARATOR SHEET

CASE NUMBER *11-4161-WS-AIR*

FILE DATE *AUG 01 2011*

SECTION *2 of 2*

NUMBER OF PAGES *192*

DESCRIPTION OF DOCUMENT

APPLICATION-(CONT.)

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

4th 5th Revised Sheet No. 1
Replaces 3rd 4th Revised Sheet No. 1

GENERAL WATER SERVICE

Available For

All general water service Customers EXCEPT FOR FRANKLIN COUNTY AND PORTAGE COUNTY DISTRICT CUSTOMERS.

Meter Rates

The following shall be the rates for consumption:

	100 Cubic Feet Per Month	Rate Per 100 Cubic Feet	1,000 Gallons Per Month	Rate Per 1,000 Gallons	
For the first	20	\$5.7412 \$7.2290	15	\$7.6549 \$9.6644	(I)
For the next	1,980	\$3.9705 \$5.0837	1,485	\$5.2940 \$6.7964	(I)
For all over	2,000	\$2.4445 \$3.0900	1,500	\$2.8153 \$4.1310	(I)

	100 Cubic Feet Bi-Monthly	Rate Per 100 Cubic Feet	1,000 Gallons Bi-Monthly	Rate Per 1,000 Gallons	
For the first	40	\$5.7412 \$7.2290	30	\$7.6549 \$9.6644	(I)
For the next	3,960	\$3.9705 \$5.0837	2,970	\$5.2940 \$6.7964	(I)
For all over	4,000	\$2.4445 \$3.0900	3,000	\$2.8153 \$4.1310	(I)

Unmetered Rates \$84.75 \$104.75 BI-MONTHLY (I)

The Company, at its discretion, may install meters for customers on the unmetered rates. Once meters are installed, the Customers will be charged the appropriate metered rates.

Service Charges

These metered general water service Customers shall pay a service charge monthly, or bi-monthly, at the option of the Company, based on the size of meter installed, according to the rates set forth below:

Size of Meter	Service Charge		
	Monthly	Bi-Monthly	
5/8"	\$9.54 \$11.50	\$19.02 \$23.00	(I)
3/4"	\$12.05 \$14.57	\$24.10 \$29.14	(I)
1"	\$17.90 \$21.65	\$35.80 \$43.30	(I)
1-1/2"	\$32.53 \$39.34	\$65.06 \$78.68	(I)
2"	\$50.09 \$60.57	\$100.18 \$121.14	(I)
3"	\$91.04 \$110.09	\$182.08 \$220.18	(I)
4"	\$149.56 \$180.86	\$299.12 \$361.72	(I)
6"	\$295.84 \$357.75	\$591.68 \$715.50	(I)
8"	\$471.38 \$570.02	\$942.76 \$1140.04	(I)

Surcharge

The metered general water service Customers served by the Marion District-Marion County and Morrow County shall pay a surcharge for water softening costs. This surcharge shall be at the rate set forth below:

Surcharge per 100 cubic feet	\$0.3415 \$0.4289	(I)
or per 1,000 gallons	\$0.4553 \$0.5734	(I)

Issued:

Effective:

Filed under authority in
Case No. ~~10-980-WS-ATA~~ 11-4161-WS-AIR
ISSUED BY: DAVID K. LITTLE, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY P.U.C.O. No. 15

4th-5th Revised Sheet No. 1A
Replaces 3rd 4th Revised Sheet No. 1A

GENERAL WATER SERVICE

System Improvement Charge

All water service Customers EXCEPT FOR FRANKLIN COUNTY AND PORTAGE COUNTY DISTRICT CUSTOMERS will pay a System Infrastructure Improvement Charge surcharge of ~~3.000.00%~~ (R) to be assessed upon the total charges for water service shown on each monthly or bi-monthly bill.

Issued:

Effective:

Filed under authority in
Case No. ~~Case No. 11-151-WW-SIC 11-4161-WS-AIR~~

ISSUED BY: DAVID K. LITTLE, PRESIDENT
Ohio American Water Company 365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

4th-5th Revised Sheet No. 2
Replaces 3rd 4th Revised Sheet 2

**GENERAL WATER SERVICE
RATES AND CHARGES FOR FRANKLIN COUNTY AND PORTAGE COUNTY DISTRICTS**

1. DOMESTIC SERVICE

Water Customer Charge

For 5/8" meter	\$9.51 \$11.50	per Month	(I)
For 3/4" meter	\$12.05 \$14.57	per Month	(I)
For 1" meter	\$17.90 \$21.65	per Month	(I)
For 1 1/2" meter	\$32.53 \$39.34	per Month	(I)
For 2" meter	\$50.09 \$60.57	per Month	(I)
For 3" meter	\$91.04 \$110.09	per Month	(I)
For 4" meter	\$149.56 \$180.86	per Month	(I)
For 6" meter	\$295.84 \$357.75	per Month	(I)
For 8" meter	\$471.38 \$570.02	per Month	(I)

Water Consumption Charge - Basic Water Service (applies to all customers):

First 20 Ccf	\$5.7412 \$7.2290 per Ccf*	or per 1,000 gallons \$7.6549 \$9.6644	(I)
Next 1,980 Ccf	\$3.9111 \$5.08378 per Ccf*	or per 1,000 gallons \$5.2157 \$6.7964	(I)
All over 2000 Ccf	\$2.1115 \$3.0900 per Ccf*	or per 1,000 gallons \$2.8153 \$4.1310	(I)

Softening Surcharge (Only applies to the Lake Darby and Worthington Hills Service Areas) ~~\$0.5745~~ \$0.80060 per Ccf* (I)

Reverse Osmosis Surcharge (Huber Ridge) ~~\$1.4994~~ \$1.4179 per Ccf* (I)

2. NON-DOMESTIC SERVICE:

Water Customer Charge

For 5/8" meter	\$9.51 \$11.50	per Month	(I)
For 3/4" meter	\$12.05 \$14.57	per Month	(I)
For 1" meter	\$17.90 \$21.65	per Month	(I)
For 1 1/2" meter	\$32.53 \$39.34	per Month	(I)
For 2" meter	\$50.09 \$60.57	per Month	(I)
For 3" meter	\$91.04 \$110.09	per Month	(I)
For 4" meter	\$149.56 \$180.86	per Month	(I)
For 6" meter	\$295.84 \$357.75	per Month	(I)
For 8" meter	\$471.38 \$570.02	per Month	(I)

Water Consumption Charge - Basic Water Service:

First 20 Ccf	\$5.7412 \$7.2290 per Ccf*	or per 1,000 gallons \$7.6549 \$9.6644	(I)
Next 1,980 Ccf	\$3.9111 \$5.0837 per Ccf*	or per 1,000 gallons \$5.2157 \$6.7964	(I)
All over 2000 Ccf	\$2.1115 \$3.0900 per Ccf*	or per 1,000 gallons \$2.8153 \$4.1310	(I)

Softening Surcharge (Only applies to the Lake Darby and Worthington Hills Service Areas) ~~\$0.5745~~ \$0.80060 per Ccf* (I)

Reverse Osmosis Surcharge (Huber Ridge) ~~1.4994~~ \$1.4179 per Ccf* (R)

Charges for water service will be comprised of the applicable Water Customer Charge plus the Water Consumption Charge calculated on the number of metered or estimated units at the appropriate rate block for non softened water (basic water service), plus any surcharges for softened water, reverse osmosis treated water or purchased water in Portage County.

*1 Ccf = 100 cubic feet

Issued.

Effective:

Filed under authority in
Case No. 40-980-WS-ATA 11-4161-WS-AIR
ISSUED BY: DAVID K. LITTLE, PRESIDENT
Ohio American Water Company 365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

4th Revised Sheet No. 3
Replaces 3rd Revised Sheet No. 3

**GENERAL SEWER SERVICE
RATES AND CHARGES FOR FRANKLIN AND PORTAGE COUNTY DISTRICTS**

1. DOMESTIC AND NON-DOMESTIC SERVICE

Sewer Customer Charge - Applicable to Customers
who only receive Sewer Service:

For 5/8" meter	\$9.51 \$11.50	per Month	(I)
For 3/4" meter	\$12.05 \$14.57	per Month	(I)
For 1" meter	\$17.90 \$21.65	per Month	(I)
For 1 1/2" meter	\$32.53 \$39.34	per Month	(I)
For 2" meter	\$50.09 \$60.57	per Month	(I)
For 3" meter	\$91.04 \$110.09	per Month	(I)
For 4" meter	\$149.56 \$180.86	per Month	(I)
For 6" meter	\$295.84 \$357.75	per Month	(I)
For 8" meter	\$471.38 \$570.02	per Month	(I)

Sewer Consumption Charge:

First 13.33 cubic feet	\$8.8358 \$9.8610	per Ccf*	(I)
or per 1,000 gallons	\$11.7811 \$13.1832		(I)
Next 586.67 cubic feet	\$5.8920 \$7.1000	per Ccf *	(I)
or per 1,000 gallons	\$7.8560 \$9.4920		(I)
Over 600 cubic feet	\$2.3000 \$2.7720	per Ccf *	(I)
or per 1,000 gallons	\$3.0667 \$3.7059		(I)

Domestic Customers without Ohio American Water Service	\$52.54 \$58.63	per Month	(I)
--	----------------------------	-----------	-----

Charges for sewer service will be comprised of the applicable Sewer Customer Charge and the Sewer Consumption Charge calculated on the number of metered or estimated units at the appropriate rate block in accordance with the Summer/Winter Usage Formula.

*1 Ccf = 100 cubic feet

Issued:

Effective:

Filed under authority in
Case No. ~~10-980-WS-ATA~~ 11-4161-WS-AIR
ISSUED BY: DAVID K. LITTLE, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

3rd Revised Sheet No. 6
Replaces 2nd Revised Sheet No. 6

GENERAL WATER SERVICE LARGE QUANTITY USERS

Available For

All new and existing general water service customers (1) whose average consumption exceeds 1,200,000 cubic feet (9,000,000 gallons) per month, regardless of meter size, (2) are located adjacent to a water distribution main that is adequate and suitable for supplying the requested service, and (3) who agree to be bound by the terms of this tariff sheet for an initial period of twelve months.

Special Terms and Conditions

In order to qualify for the water rates provided on this sheet, the customer agrees:

- 1) To establishment of an Annual Base Period water usage level for one-year pricing purposes that is equal to the average of the customer's most recent two calendar years' total water purchases, or for new customers, from estimates agreed to by the customer and the company;
- 2) To guarantee to purchase, or pay for, on a monthly basis and as a Minimum Monthly, an amount of water equal to 6% per month of the Annual Base Period water usage level, as determined above;
- 3) That the cost of Minimum Monthly purchases shall be determined as of the date service commences under this tariff, and shall be priced at the current General Water Service volumetric rates for such purchase levels;
- 4) That water purchases under this tariff shall be for an initial period of twelve months, but may be continued under this tariff (with annual review and reestablishment, when appropriate, of the customer's Annual Base Period water usage level) unless terminated by either party after thirty days' advance written notice. Water purchases under this tariff may be adjusted for succeeding tariff pricing changes; however, all such tariff pricing changes will only be changed under direction of the Public Utilities Commission of Ohio;
- 5) When a customer elects to avail itself of this tariff, such customer shall remain so classified for a period of at least twelve months. Should such customer elect to leave this tariff, it shall not again be permitted to avail itself of this tariff until at least twelve months have elapsed but, during such period, such customer shall obtain service under the regular tariff for General Water Service; and
- 6) That other general terms and conditions of water service in effect shall also be effective for service under this tariff sheet.

Water Rates

Monthly water purchases in excess of the Minimum Monthly purchase levels described in item (2) above, which do not exceed the monthly average usage of the Annual Base Period water usage level by more than two times, will be priced at a rate of ~~\$4.90~~ \$2.30 per hundred cubic feet. The softening surcharge set forth in the General Water Service tariffs for customers in the Marion District-Marion County will be added to the rate per hundred cubic foot previously stated, for customers in that District. (1)

Monthly water purchases, which exceed the monthly average usage of the Annual Base Period water usage, level, as described in item (1) above, by more than two times, will be paid for at the volumetric rates applicable for General Water Service.

Issued:

Effective:

ISSUED BY: Filed under authority in
Case No. 09-394-WS-AIR 11-4161-WS-AIR
DAVID K. LITTLE, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

4th Revised Sheet No. 7
Replaces 3rd Revised Sheet No. 7

PRIVATE FIRE SERVICE

The rates for private fire service are based upon the size of the service, and no additional charges will be made for fire hydrants, hose connections, sprinkler systems, or standpipes connected to and supplied by such private fire services.

<u>Size of Service</u>	<u>Rate Per Month</u>	<u>Rate Per Annum</u>	
2" Diameter & smaller	\$8.78 \$10.14	\$105.36 \$121.68	(I)
2-1/2" Diameter	\$13.77 \$15.90	\$165.24 \$190.80	(I)
3" Diameter	\$19.76 \$22.82	\$237.12 \$273.84	(I)
4" Diameter	\$35.10 \$40.54	\$421.20 \$486.48	(I)
6" Diameter	\$79.04 \$91.29	\$948.48 \$1,095.48	(I)
8" Diameter	\$140.56 \$162.35	\$1,686.72 \$1,948.20	(I)
10" Diameter	\$219.60 \$253.64	\$2,635.20 \$3,043.68	(I)
12" Diameter	\$316.21 \$365.22	\$3,794.52 \$4,382.64	(I)

This Private Fire Service rate applies to all Ohio American Water Company Customers. At the inception of this revised tariff provision, current Private Fire Service customers in Franklin and Portage Counties will remain on the grandfathered sprinkler head rate of ~~\$1.0700~~ \$1.24 per month if the service line rate would produce a higher rate to the customer than the sprinkler head rate. Customers will be entitled to receive the grandfathered rate only as long as the customer receives the same private fire service as received at the time the sprinkler head rate was grandfathered. Eligible customers in Franklin and Portage Counties will continue to pay the grandfathered rate of ~~\$1.0700~~ \$1.24 per sprinkler head until the Commission sets a different rate or the rate is eliminated. (I)

Issued:

Effective:

Filed under authority in
Case No. ~~09-391-WS-AIR~~ 11-4161-WS-AIR
ISSUED BY: DAVID K. LITTLE, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

4th 2nd Revised Sheet No. 37

Cancels 1st Revised Original Sheet No. 37

7. SERVICES INSTALLED IN ADVANCE OF PAVING

If any governmental unit should require owners of vacant lots to install service pipes to the curb in advance of paving, and if such owners will pay the Company the cost of installing such service pipes, the company will install such pipes and will refund such cost, without interest thereon, when improvements are made that require the use of such pipes; provided, however, that in case title to the premises is later transferred through sale or otherwise, all or any part of the deposit not then refunded shall automatically become a credit to the account of the succeeding owner or owners, to be refunded in like manner.

8. METERS

- (A) Water will be sold by meter measurement only, except for flat service customers in the Mansfield District and except that Customers having special connections and receiving service under an "Application for Private Fire Protection Service" shall pay for such service in accordance with the applicable Schedule of Rates.

Ohio American shall read each customer's meter at least once each three-month period unless access to the meter is unobtainable. If access is unobtainable on a quarterly basis, Ohio American shall read each customer's meter at least once per year pursuant to Rule 4901:1-15-19(A).

(T)

- (B) All meters, except detector devices and/or fire service line meters, or except as otherwise elsewhere provided in these tariff provisions, shall be furnished, installed, maintained, tested, repaired, removed and replaced only by and at the expense of the Company and shall remain its property; but in case of damage to any such meter by reason of any act, neglect or omission on the part of the Customer (such as damages occasioned by fire, frost, hot water, accident or misuse) the customer shall pay to the Company the cost of its repair on presentation of bill therefore.

- (C) No meter may be used to service more than one premises. Meters will be furnished and placed by the Company. The Company shall make the initial determination of the size of the meter but will not install the meter until notice and an opportunity to object is given to the Customer. The meter size shall be mutually agreed upon at the time of application for water and/or sewer service.

Issued: March 7, 2007

Effective: March 7, 2007

Filed under authority in
Case No. 06-43311-4161-WS-AIR

ISSUED BY: DAVID K. LITTLE TERRY L. GLORIO, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

~~2nd~~ ^{3rd} Revised Sheet No. 39
Cancels ~~1st~~ ^{2nd} Revised Sheet No. 39

8. METERS (Cont.)

- (G) Separate premises shall be separately metered and billed. As a general rule, only one premises shall be supplied through one meter or meter setting. For good cause, the Company may permit more than one service line meter or meter setting.
- (H) The Company will, at its own cost and expense, make a test of the accuracy of registration of a meter upon request of a Customer, provided that such Customer does not make request for tests more frequently than once in three (3) years. In the event that a Customer should request a meter test more frequently than once in three (3) years, the Customer will be billed for such additional test or tests at the actual cost thereof to the Company; provided, however, that if the test shows the meter to be more than one and one-half per cent (1-1/2%) fast or slow, no charge shall be made to the Customer for such test or tests. A report giving the results of such tests will be made to the Customer, and a complete record of the same will be kept on file in the office of the Company for a period of not less than three (3) years.
1. The Company shall test the meter within thirty (30) days following the Customer's request.
 2. The Customer has the right to be notified of the scheduled test date.
 3. The Customer or the Customer's representative may be present when the meter test is performed.
 4. The Company shall provide the Customer the on-site test results at the time of the test and any associated billing adjustments in writing.
- (I) Meter readings in units of hundred cubic feet are converted to units of thousand gallons for billing purposes if the existing schedule of charges is stated in gallon units. The factor used for making the conversion from hundred cubic feet to thousand gallons is based on the use of one cubic foot as being equivalent to seven and one half (7.4805) gallons.
- (J) The Company reserves the right to put seals on any meter, or on its couplings in and for any premises, and may discontinue service if such seals are found broken or removed in accordance with Section 13.
- (K) No Customer shall remove or cause or permit the removal of a meter by his agents once it has been placed, and any change in location of the meter desired by the Customer shall first be approved by the Company in writing, but shall be made by the Customer at his own cost and expense.

(T)

Issued: May 19, 2010

Effective: May 19, 2010

Filed under authority in
Case No. Case No. 09-39411-4161-WS-AIR
ISSUED BY: DAVID K. LITTLE, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

1st Revised Sheet No. 42A
Cancels Original Sheet No. 42A

11. CUSTOMERS' GUARANTEE DEPOSITS (Cont.)

(A) (Cont.)

Ohio American may use a credit check, pursuant to (B)(2) below, as the first criterion by which an applicant may establish financial responsibility. If the results of the credit check, at the time of the application do not establish financial responsibility for the applicant or the applicant refuses to provide his/her social security number, Ohio American will then advise the applicant of each of the remaining criteria available under section (B) below to establish financial responsibility.

(T)
(T)
(T)
(T)
(T)
(T)

(B) Pursuant to Rule 4901:1-17-03(A) of the Ohio Administrative Code, a Customer's financial responsibility will be deemed established if the Customer meets one of the following criteria:

- (1) The Customer is the owner of the premises to be served or of other real estate within the territory served by Ohio American and has demonstrated financial responsibility, under either of the following conditions:
 - (a) With respect to that property, if the applicant owns only the premises to be served.
 - (b) With respect to any other real estate within the service territory served by Ohio American, if the applicant owns multiple properties.
- (2) The Customer demonstrates that he/she is a satisfactory credit risk by means that may be quickly and inexpensively checked by the Company. ~~In determining whether the Customer is a financially responsible person, Ohio American may request from the Customer's social security number in order to obtain credit information and to establish identity. Ohio American may not refuse to provide service if the Customer elects not to provide his/her social security number. If the customer declines Ohio American's request for a social security number, Ohio American shall inform the Customer of other options for establishing creditworthiness, and shall consider information including, but not limited to, the following: name of employer, place of employment, position held, length of service, letters of reference, and names of credit cards possessed by the applicant.~~
- (3) The Customer demonstrates that he/she has had the same class and a similar type of utility service within a period of twenty-four consecutive months preceding the date of application, unless utility company records indicate that the applicant's service was disconnected for nonpayment during the last twelve consecutive months of service, or the applicant had received two consecutive bills with past due balances during that twelve-month period and provided further that the financial responsibility of the Customer is not otherwise impaired.
- (4) The Customer makes a cash deposit to secure payment of bills for Ohio American's service as set forth in Section 11(A) above.

(T)
(T)
(T)
(T)
(T)
(T)
(T)
(T)
(T)
(T)

Schedule E-2.1
Page 10 of 15

Filed under authority in
Case No. Case No. ~~0611-4161433~~-WS-AIR

ISSUED BY: ~~TERRY L. GLORIO~~ DAVID K. LITTLE, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

Original Sheet No. 42C

11. CUSTOMERS' GUARANTEE DEPOSITS (Cont.)

- (d) When a guarantor's utility service is subject to disconnection or if the guarantor submits a written request to Ohio American for release of financial responsibility of the Customer's account, Ohio American will: (T)
- i. advise the Customer who provided the guarantor, within 10 calendar days, that the guarantor's responsibility to the customer's account will end by a specific date (30 days from the date of the notice to the guaranteed customer); and (T)
- ii. advise the Customer that, prior to the specific end date stated in the notice, he/she must reestablish credit through one of the alternative means set forth in this paragraph (B), or be subject to disconnection in accordance with Chapter 4901:1-15, Administrative Code. (T)
- (C6) The establishment of credit under this provision shall not relieve the applicant or customer from compliance with the regulations of Ohio American regarding advance payments and payment of bills by the due date, and shall not modify any regulations of the Company as to the discontinuance of service for nonpayment.
- (D) Upon default by a customer who has furnished a guarantor as provided in paragraph (B)(5) of this provision, Ohio American may pursue collection actions against the defaulting Customer and the guarantor in the appropriate court, or Ohio American may transfer the defaulting Customer's bill to the guarantor's account. The defaulted amount transferred to the guarantor's account shall not be greater than the amount billed to the defaulting customer for sixty days of service or two monthly bills. After thirty days from the transfer, Ohio American may make the guarantor subject to disconnection procedures, if the amount transferred still remains unpaid. (T)
- (E) An applicant who owes an unpaid bill for previous residential service, whether the bill is owed as a result of service provided to that applicant or is owed under a guarantor agreement, shall not have satisfactorily established or reestablished his/her financial responsibility as long as the bill remains unpaid. (T)

Issued:

Effective:

Filed under authority in
Case No. 11-4161-WS-AIR

ISSUED BY: DAVID K. LITTLE, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

4th-2nd Revised Sheet No. 45

~~Cancels 1st Revised Original Sheet No. 45~~

13. DISCONTINUANCE OF WATER AND/OR SEWER SERVICE (Cont'd)

- (C) The Company may disconnect service to a Customer after at least twenty-four (24) hours prior written notice, personally delivered to the customers premise or, if personal delivery cannot be accomplished, securely attached to the premises in a conspicuous manner, for any of the following reasons: (T)
(T)
- I. For the use of water and/or sewer for any purpose not stated in the Customer's application, or for the use of service upon any premises not stated in such application; or
 - II. To prevent waste or reasonably avoidable loss of water.
- (D) In all other instances the Company will not discontinue the service of any Customer, unless written notice of at least fifteen (15) days is given following twenty-two (22) days from the submission of any bill, mailed to such Customer at his address, or personally delivered to the customer's premise, advising the Customer of the reason for disconnection and recommending that the customer call the company regarding a deferred payment plan. If personal service cannot be accomplished at that time, then the notice shall be securely attached to the premises in a conspicuous manner. Subject to the foregoing provisions, service rendered under any application, contract, or agreement may be discontinued by the Company for any of the following reasons:
- I. For non-payment of any tariffed charges when due or within any additional period for payment permitted by the Company or for not making a deposit as required;
 - II. For any violation of, or failure to comply with the provisions of the Company's tariff other than stated in Section 13 (B);
 - III. For misrepresentation in the application as to any material fact;
 - IV. For denial to the Company of reasonable access to the premises for the purpose of reading, inspection, replacement, or maintenance of the meter; or (T)
 - V. For violation of federal, state, or local laws or ordinances where such violation affects the provision of utility service by the Company.

Issued: ~~November 12, 2008~~

Effective: ~~November 13, 2008~~

Filed under authority in
Case No. 0711-4161-112-WS-AIR
ISSUED BY: DAVID K. LITTLE, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

4th-2nd Revised Sheet No. 46

Cancels Original 1st Revised Sheet No. 46

13. DISCONTINUANCE OF WATER AND/OR SEWER SERVICE (Cont.)

- (GF) In cases where plumbing has been installed prior to adoption of and not in accordance with these provisions, and water is being taken through a single service pipe to supply two or more premises, the party making application shall be responsible for all water bills and other proper charges. Any violation of the Company's tariff provisions with reference to either or any of the said premises or for the supply of water thereto, shall be deemed a violation as to all, and the Company may enforce compliance with these provisions by shutting off the entire service; except that such action will not be taken until the Customer who is not in the violation of the Company's tariff provisions, has been given written notice of at least fifteen (15) days and opportunity to attach his pipes to a separately controlled curb stop cock or meter setting to be provided by and at the expense of the Company. (T)
- (HG) Discontinuing water and/or sewer service to a premises for any reason shall not prevent the Company from pursuing any lawful remedy by action at law or otherwise for the collection of moneys due from the Customer. (T)
- (IH) Pursuant to Rule 4901:1-15-27 Ohio Administrative Code, the disconnect notice will clearly state all of the following: (T)
- (1) The earliest date when disconnection could occur.
 - (2) The reason(s) for disconnection.
 - (3) The action the customer must take in order to avoid the disconnection.
 - (4) The total amount required to be paid, which shall not be greater than the past due balance.
 - (5) The address and local or toll-free telephone number of the office of the Company that the customer may contact in reference to his or her account.
 - (6) The current address and local or toll-free telephone number of the public interest center of the commission and a statement that commission staff is available to render assistance with unresolved complaints, as well as the contact information for the Ohio Consumers' Counsel and a statement that it is available to render assistance with unresolved complaints of residential customers. (T)
(T)
(T)
 - (7) A statement that failure to pay the amount required by the date specified on the notice may result in an additional charge for reconnection.
- (J4) If a landlord is responsible for payment of the bill, notice of disconnection of service shall be given to the consumer at least ten days before disconnection could occur. In a multiunit dwelling, written notice shall be placed in a conspicuous place.

Issued: March 7, 2007

Effective: March 7, 2007

Filed under authority in
Case No. 0611-4161433-WS-AIR

ISSUED BY: ~~TERRY L. GLORIO~~ DAVID K. LITTLE, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

OHIO AMERICAN WATER COMPANY

P.U.C.O. No. 15

1st Revised Sheet No. 46A
Cancels Original Sheet No. 46A

13. DISCONTINUANCE OF WATER AND/OR SEWER SERVICE (Cont.)

- (KJ) The Company shall provide disconnection of service notice to one additional consenting party, with the customer's written authorization, for those customers desiring such additional notification. (T)
- (LK) The Company will comply with the conditions set forth in this tariff, may disconnect service during its normal business hours as stated in its tariff; however, no disconnection for past due bills or for not making a deposit as required may be made after twelve thirty p.m. on the day preceding a day that all services necessary for reconnection are not regularly performed or available. (T)
- (ML) On the day of disconnection of service, the Company will provide the Customer with personal notice. If the Customer is not at home, the Company shall provide personal notice to an adult consumer. If neither the Customer nor an adult consumer is at home, the Company shall attach written notice to the premises in a conspicuous location prior to disconnecting service. Those Company employees or agents who disconnect service at the premises may or may not, at the discretion of the Company, be authorized to make extended payment arrangements. Company employees or agents who disconnect service shall be authorized to complete one of the following: normally perform the termination of service will be authorized to either: (T)
(T)
(T)
(T)
(T)
(T)
(T)
(T)
- (1) Accept payment in lieu of termination.
- (2) ~~Be able to d~~Dispatch an employee to the premises to accept payment. (T)
- (3) ~~Be otherwise able to m~~Make available to the customer a means to avoid disconnection. (T)
- (4) ~~Such employees at the premises may or may not be authorized to make extended payment arrangements at the discretion of the company.~~ (T)
(T)
- (NM) Disconnection of service for nonpayment is prohibited if the disconnection of service would be especially dangerous to health as certified pursuant to the certification provisions contained in Chapter 4901:1-15-27(I) of the Ohio Administrative Code. (T)

Issued: March 7, 2007

Effective: March 7, 2007

Filed under authority in
Case No. 0611-4161433-WS-AIR

ISSUED BY: TERRY L. GLORIO DAVID K. LITTLE, PRESIDENT
Ohio American Water Company
365 East Center Street, Marion, Ohio 43302

Personal delivery of the notice to the customer's premise shall first be attempted and, only if personal service cannot be accomplished at that time, the notice shall be securely attached to the premises in a conspicuous manner.

We may disconnect your service upon 14 days written notice for any of the following reasons:

1. For non-payment of any tarified charges when due or within any additional period for payment permitted by the Company, or for not making a deposit as required. Disconnection of service for non-payment may not occur prior to fourteen days after the due date;
2. For any violation of, or failure to comply with, the Company's tariff other than for those reasons where no notice is required;
3. For misrepresentation in the application as to any material fact;
4. For denial to the company of reasonable access to the premises for the purpose of reading, inspection, replacement, or maintenance of the meter; or (T)
(T)
5. For violation of federal, state, or local laws or ordinances where such violation affects the provision of utility service.

Disconnection of service for nonpayment is prohibited if the disconnection of service would be especially dangerous to health. You must have a form, which can be obtained from the Company, signed by a licensed physician, physician assistant, clinical nurse specialist, certified nurse practitioner, certified midwife, or local board of health physician stating that a special danger exists to the health of the customer or permanent resident of the household.

If service has been disconnected prior to receipt of the medical certification, service shall be restored upon receipt of the medical certification form.

The medical certification shall prohibit the disconnection for thirty (30) days. Certification may be renewed two additional times (thirty days each) by a licensed physician, physician assistant, clinical nurse specialist, certified nurse practitioner, certified midwife, or local board of health physician. The total certification period is not to exceed ninety days in any 12 month period.

RECONNECTION OF SERVICE

The Company may require a customer to make a deposit or an additional deposit on an account, as set forth in Chapter 4901:1-17 of the Ohio Administrative Code, to reestablish creditworthiness. The customer may also reestablish creditworthiness by providing a guarantor, as set forth in Rule 4901:1-15-28 and Chapter 4901:1-17 of the Ohio Administrative Code. If service has been discontinued, there will be a service reconnection charge of \$61.00.

When water and/or sewer service to a premises has been terminated for any reason, other than for temporary vacancy, it will be renewed only upon the acceptance of a new application and after the conditions, circumstances or practices which caused the water and/or sewer service to be discontinued are corrected to the satisfaction of the Company, and upon payment, or provision for payment under a deferred payment plan agreement, of all charges due and payable by the Customer.

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-W5-AIR
Narrative Rationale for Tariff Changes

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): No Workpapers

Schedule E-3
Page 1 of 2
Witness Responsible: D.J. Petry

Line No.	Rate	Type	Explanation of Change	Rationale for Change	Date Reference
1					
2	Metered Rates	General Water Service	Increased all metered rates based on the results of the cost of service study.	Used Cost of service study to design the metered rates. Metered rates were set to recover revenues using the cost of service study as a guide. Water A and C metered rates have been merged.	Schedule E-1A Page 10 of 31
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14	Service Charges	General Water Service	Increased service charges to reflect the results of the cost of service study. Refer to Schedule E of Section E-3.2.	Calculated the variable and fixed components of the service charge utilizing the PUCO Staff methodology.	Schedule E-1A Page 10 of 31
15					
16					
17					
18					
19					
20	Flat Rates	Residential Commercial	Based on the overall percent increase.	Historically flat rate customers have increased to the average residential bill.	Schedule E-1A Page 10 of 31
21					
22					
23					
24					
25	System Improvement Charge	General Water Service	Case 11-151-WW-SIC set the current rate at 3%. The rate will be reset to zero when this case is completed.	Rate will be reset to zero at conclusion of this case.	Schedule E-1A Page 11 of 31
26					
27					
28					
29					
30					
31					
32	Metered Rates	General Sewer Service	Increased all metered rates based on the results of the cost of service study.	Used Cost of service study to design the metered rates. Metered rates were set to recover sewer revenues based on the cost of service study as a guide.	Schedule E-1A Page 13 of 31
33					
34					
35					
36					
37	Service Charges	General Sewer Service	Service charges kept at zero for the wastewater customers	No change being proposed	Schedule E-1A Page 13 of 31
38					
39					
40					
41					
42					
43					
44					
45					

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Narrative Rationale for Tariff Changes

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): No Workpapers

Schedule E-3
Page 2 of 2
Witness Responsible: D. J. Petry

Line No.	Rate	Type	Explanation of Change	Rationale for Change	Date Reference
1					
2	Softening Surcharge	General Water Service	Adjusted softening surcharge for Marion and Franklin County (Huber Ridge, Lake Darby and Worthington Hills) districts to reflect actual costs.	Using methodology from previous rate cases, detailed schedules were built to calculate the proposed softening surcharges. See Workpaper E-4.	Schedule E-1A Pages 10 and 12 of 31
3					
4					
5					
6					
7					
8	Purchased Water Surcharge	General Water Service	Eliminated in case 07-1112-WS-AIR	No change from last case.	Schedule E-1A Page 12 of 31
9					
10					
11					
12					
13					
14					
15					
16	Private Fire Service Rates	Private Fire Service	Based on cost of service study	Used Cost of service study to design the fire service rates to reflect cost of service.	Schedule E-1A Page 17 of 31
17					
18					
19					
20					
21					
22	Production Cost and Monthly Minimum	Large Quantity User	No customers currently on this rate.		Schedule E-1A Page 16 of 31
23					
24					
25					
26					
27					
28	Reconnection Charges	Miscellaneous Fees	No change from last case.	No change from last case.	Schedule E-1A Page 15 of 31
29					
30					
31					
32	Activations Charges	Miscellaneous Fees	No change from last case.	No change from last case.	Schedule E-1A Page 15 of 31
33					
34					
35					
36	Returned Check Charge	Miscellaneous Fees	No change from last case.	No change from last case.	Schedule E-1A Page 15 of 31
37					
38					
39					
40	Late Payment Charges	Miscellaneous Fees	No change from last case.	No change from last case.	Schedule E-1A Page 15 of 31
41					
42					
43					
44					
45					

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Customer Charge/Minimum Bill Rationale - Summary

Schedule E-3.1
Page 1 of 3
Witness Responsible: D. J. Petry

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): W/P E-3.1

Line No.	Rate	Type	Explanation of Change	Rationale for Change						Date Reference
1				Increased for Cost Study. See workpapers.						Schedule E-1
2	\$	Service Charge	Increased for cost study.							Page 1 of 5 and calculation
3										
4										
5										
6										
7										
8		Category		Total Monthly Meters	Average Monthly Meters	Total Bi-Monthly Meters	Average Bi-Monthly Meters	Total Number of Average Meters	Total Equivalent Meters	Percentage
9										
10		Residential		102,140.5	8,511.7	229,350.6	38,225.1	46,736.7	47,056.7	564,680.2 79.33%
11										
12		Commercial Plus Miscellaneous		10,246.2	853.9	15,538.0	2,589.7	3,443.1	8,512.3	102,148.1 14.35%
13										
14		Industrial		1,694.5	141.2	132.0	22.0	163.3	1,566.2	18,794.8 2.64%
15										
16		Public Authority		2,231.9	186.0	676.2	112.7	298.7	2,179.9	26,159.2 3.68%
17										
18		Consumers/Aqua		0.0	0.0	0.0	0.0	0.0	0.0	0.00%
19										
20		Private Fire Service		6,294.1	543.5	0.0	0.0	543.5	0.0	0.00%
21										
22		Grand Totals:		122,607.2	10,236.3	245,696.8	40,949.5	51,185.3	59,315.1	711,782.3 100.00%
23										
24										
25										
26										
27										
28			Revenues allocated to customer costs							
29		(1)	Variable Expense for Test Year Ended 12/31/11 (a)			\$	4,656,330	per Total Annual Equivalent	715,332.00	\$6,5093
30										
31		(2)	Fixed Expenses for Test Year Ended 12/31/11 (a)			\$	1,877,093	per Total Bi-/Monthly Meters	370,521.00	\$5,0661
32										
33		(3)	Service Charge - 5/8" Monthly Meter							\$11,5754
34										
35		(4)	Calculated Service Charge							\$11,58
36										
37		(5)	Recommended Service Charge (b)							\$11,50

(a) Refer to cost of service study

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): W/P E-3.1

[illegible]

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Customer Charge/Minimum Bill Rationale

Line No.	Category	Meter Size	Total Monthly Meters	Average Monthly Meters	Total Bi-Monthly Meters	Average Bi-Monthly Meters	Total Number of Meters	Equivalent Meter Ratio	Total Equivalent Meters	Percentage
1										
2										
3		6-inch	0.0	0.0	0.0	0.0	0.0	50.0	0.0	
4	Consumers/Aqua	Total	0.0	0.0	0.0	0.0	0.0		0.0	0.00%
5										
6										
7										
8										
9										
10										
11										
12										
13										
14		2-inch	425.8	46.5	0.0	0.0	46.5	0.0	0.0	
15	Private Fire Service	2 1/2-inch	48.0	4.0	0.0	0.0	4.0	0.0	0.0	
16		3-inch	36.0	3.0	0.0	0.0	3.0	0.0	0.0	
17		4-inch	834.4	73.5	0.0	0.0	73.5	0.0	0.0	
18		6-inch	2,636.3	223.7	0.0	0.0	223.7	0.0	0.0	
19		8-inch	1,957.6	163.1	0.0	0.0	163.1	0.0	0.0	
20		10-inch	228.0	19.0	0.0	0.0	19.0	0.0	0.0	
21		12-inch	128.0	10.7	0.0	0.0	10.7	0.0	0.0	
22		Total	6,294.1	543.5	0.0	0.0	543.5		0.0	0.00%
23										
24										
25	Grand Total:		122,607.2	10,236.3	245,696.8	40,949.5	51,185.3		59,315.1	100.00%

Ohio American Water Company

Rate Case No. 11-4161-WS-AIR

Standard Filing Information

Rates and Tariffs

Section E-3.2 Cost of Service Study

Water and Wastewater Divisions



Gannett Fleming
Valuation and Rate Division

Harrisburg, Pennsylvania

Calgary, Alberta

Valley Forge, Pennsylvania

Ohio American Water Company
Rate Case No. 11-4161-WS-AIR

Standard Filing Information

Rates and Tariffs

Section E-3.2
Cost of Service Study

Water Division

Schedule A

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDING DECEMBER 31, 2011

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 27,339,771	65.5%	\$ 22,478,695	66.1%	\$ 27,571,108	65.9%	\$ 5,092,413	22.7%
Commercial	6,275,720	15.0%	5,528,804	16.3%	6,814,319	16.3%	1,285,515	23.3%
Industrial	1,976,138	4.7%	1,774,008	5.2%	2,239,807	5.4%	465,799	26.3%
Special Contracts - Industrial	1,058,713	2.5%	442,231	1.3%	442,231	1.1%	-	-
Public Authority	2,568,616	6.1%	1,811,890	5.3%	2,348,832	5.6%	536,942	29.6%
Special Contracts - Sales for Resale	1,865,317	4.5%	1,356,682	4.0%	1,666,205	4.0%	309,523	22.8%
Private Fire Service	700,742	1.7%	626,742	1.8%	702,805	1.7%	76,063	12.1%
Total Sales	41,785,017	100.0%	34,019,051	100.0%	41,785,307	100.0%	7,766,256	22.8%
Other Revenues	863,670		863,670		863,670		-	0.0%
Total	\$ 42,648,687		\$ 34,882,721		\$ 42,648,977		\$ 7,766,256	22.3%

Schedule B

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Special Contracts Industrial (7)	Public Authorities (8)	Special Contracts Resale (9)	Private Fire Protection (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Oper. Super. And Eng'ng - Labor	2	7,839	4,236	1,277	488	381	512	940	5
SS Operating Expense	2	0	0	0	0	0	0	0	0
SS Operating Labor	2	1,212,641	668,165	243,862	102,589	79,792	116,899	0	1,334
Purchased Water	1A	1,220,580	672,401	245,133	103,078	80,173	117,511	940	1,339
TOTAL SS EXPENSE - OPERATION									
Purchased Power SS	2	960,485	512,515	154,446	59,070	46,103	74,053	113,721	576
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Transport Maint SS	2	0	0	0	0	0	0	0	0
Maint Super & Eng SS - Labor	2	7,926	4,223	1,275	487	380	611	938	5
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Maint. Of Intakes - Maint	2	5,551	2,962	893	341	266	428	657	3
Maint of Wells	2	0	0	0	0	0	0	0	0
Infil Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS - Maint	2	157,782	84,192	25,371	9,704	7,574	12,165	18,681	95
Misc Plant Maint SS - Labor	2	9	5	2	1	0	1	1	0
TOTAL SS EXPENSE - MAINTENANCE									
		1,131,753	603,904	181,986	69,603	54,324	87,258	134,000	679
TOTAL SS EXPENSE		2,352,333	1,276,305	427,125	172,681	134,497	204,769	134,940	2,018
POWER AND PUMPING EXPENSES									
Oper Super and Eng - Labor	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	233,757	109,726	40,019	16,831	13,114	19,191	34,668	210
Pumping Labor	6	468,647	271,675	80,560	29,478	17,481	37,914	27,744	3,796
Pumping Expense	6	0	0	0	0	0	0	0	0
Misc Pumping Exp - Oper	6	839	486	144	53	31	68	50	7
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		703,243	381,887	120,724	46,361	30,626	57,173	62,460	4,013
Maint super and Eng - Labor	6	0	0	0	0	0	0	0	0
Maint of Structures - Maint	6	0	0	0	0	0	0	0	0
Maint of Structures - Labor	6	23,053	13,367	3,970	1,453	861	1,868	1,367	187
Maint of Power Prod Eq - Maint	6	0	0	0	0	0	0	0	0
Maint of Power Prod Eq - Labor	6	11,876	6,885	2,041	747	443	961	703	96
Maint of Pumping Eq - Maint	6	50,019	28,986	8,598	3,146	1,866	4,047	2,931	403
Maint of Pumping Eq - Labor	6	54,988	49,258	14,609	5,346	3,170	6,876	5,031	688
TOTAL PUMPING EXPENSES - MAINTENANCE									
		788,232	431,154	135,333	51,707	33,796	64,048	67,491	4,702

Schedule B

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Special Contracts Industrial (7)	Public Authorities (8)	Special Contracts Resale (9)	Private Fire Protection (10)
WATER TREATMENT									
Oper Super & Eng - Labor	2	58,158	31,033	9,352	3,577	2,792	4,484	6,886	35
Chemicals - WT	1	1,434,276	673,249	245,548	103,268	80,463	117,754	212,703	1,291
Softening Chemicals									
Gen'l WT Labor	2	840,057	448,254	135,081	51,565	40,323	64,768	99,463	504
Softening Labor									
Gen'l WT Exp	2	114,408	61,048	18,397	7,036	5,492	8,821	13,546	69
Heat - Oil/Gas WT Exp	1	58,762	27,583	10,060	4,231	3,287	4,824	8,714	53
Lab Supplies	2	104,252	55,629	16,764	6,411	5,004	8,038	12,343	63
Softening Expenses									
Purchased Power WT	2	0	0	0	0	0	0	0	0
Waste Disposal Exp	1	181,854	85,362	31,133	13,093	10,202	14,930	26,998	164
Amort Waste Disposal Exp	2	0	0	0	0	0	0	0	0
M & S Oper WT	2	55,957	29,805	8,962	3,435	2,681	4,307	6,613	34
Trans Oper WT	2	0	0	0	0	0	0	0	0
Misc Oper WT	2	789	421	127	49	38	61	93	0
WT Rents	2	1,930	1,030	310	119	93	149	229	1
Contract Services WT	2	0	0	0	0	0	0	0	0
Contract Services Lab Testing	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		2,850,342	1,413,414	475,784	192,882	150,383	228,136	387,560	2,213
Maint Super & Eng - Labor	2	67,670	36,109	10,881	4,182	3,248	5,217	8,012	41
Maint of Structures - Mat	2	17,679	9,434	2,843	1,087	849	1,363	2,093	11
Maint of Structures - Labor	2	67,221	35,869	10,809	4,134	3,227	5,189	7,959	40
Maint. Of Treat Eq - Mat	2	130,091	69,416	20,919	8,001	6,244	10,030	15,403	78
Maint. Of Treat Eq - Labor	2	47,901	25,560	7,702	2,946	2,299	3,683	5,571	29
Maint of Softening Eq - Labor									
TOTAL WT EXPENSE - MAINTENANCE		330,562	175,986	53,154	20,330	15,867	25,486	39,199	188
TOTAL WATER TREATMENT EXPENSE		3,180,904	1,589,402	528,938	213,212	166,250	253,622	426,698	2,411
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD - Labor	11	101,983	79,444	12,034	1,978	275	2,937	112	5,201
Storage Facility Exp - Mat	5	0	0	0	0	0	0	0	0
Storage Facility Exp - Labor	5	17	10	3	1	1	1	0	0
TD Lines Exp - Mat	7	12,436	7,914	2,286	772	177	1,045	0	243
TD Lines Exp - Labor	7	66,479	42,308	12,319	4,128	944	5,584	0	1,296
Misc Meter Expense	9	0	0	0	0	0	0	0	0
Misc Meter Labor	9	157,062	123,969	22,570	3,832	424	5,733	504	0

Schedule B

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Special Contracts Industrial (7)	Public Authorities (8)	Special Contracts Resale (9)	Private Fire Protection (10)
Customer Install Exp	10		0	0	0	0	0	0	0
Meter Installation - Labor	10	410,377	329,328	39,191	3,775	205	6,279	205	31,394
Purchased Power T&D	11	5,834	4,545	688	113	16	168	6	298
Misc T&D Oper Labor	11	291,390	226,985	34,383	5,853	787	8,392	321	14,860
Misc T&D Exp	11	273,961	213,337	33,316	5,313	739	7,887	301	13,987
Rents Oper TD	11	93,855	73,113	11,075	1,821	253	2,703	103	4,787
TOTAL T & D EXPENSE OPERATION		1,413,284	1,100,954	186,764	27,386	3,821	40,729	1,583	72,045
Super & Eng Maint TD - Labor	12	31,962	23,224	4,500	1,109	221	1,553	10	1,346
Maint of Structures - Mat'l	12	528	384	74	18	4	26	0	22
Maint of Structures - Labor	12	13,049	9,492	1,837	453	90	634	4	549
Maint of Dist Res - Mat'l	5		0	0	0	0	0	0	0
Misc Maint of Mains - Mat'l	7	81,095	57,973	16,743	5,657	1,294	7,652	0	1,776
Paving/Backfill T&D	7	136,517	86,880	23,092	8,478	1,939	11,467	0	2,862
Misc Maint of Mains - Labor	10	140,189	112,501	13,388	1,290	70	2,145	70	10,724
Fire Main Maint TD	8		0	0	0	0	0	0	0
Fire Main Maint TD	8		0	0	0	0	0	0	0
Maint of Services - Mat'l	10	25,366	20,356	2,422	233	13	388	13	1,940
Maint of Services - Labor	10	55,652	44,660	5,315	512	28	851	28	4,257
Maint of Meters - Mat'l	9	5,050	3,886	726	123	14	184	17	0
Maint of Meters - Labor	9	318	251	40	8	1	12	1	0
Maint of Hydrants - Labor	8	22,577	17,861	3,256	553	60	828	0	0
Maint of Hydrants - Mat'l	8	30,837	24,265	4,418	750	81	1,123	0	0
Maint Other T&D - Labor	12	104,760	76,118	14,750	3,635	723	5,091	31	4,410
Maint Other T&D - Mat'l	12	165,645	120,358	23,323	5,748	1,143	8,050	50	6,974
Misc Maint T&D	12	17,155	12,465	2,415	595	118	834	5	722
Arropt Del Maint	12	889,988	646,872	125,312	30,863	6,141	43,254	267	37,469
Transport Maint T&D	12		0	0	0	0	0	0	0
Contract Svc - Other Maint T&D	12		0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		1,730,497	1,257,455	243,817	80,045	11,938	84,093	496	72,853
TOTAL T & D EXPENSE		3,143,781	2,358,409	430,581	87,432	15,759	124,822	2,079	144,899
CUSTOMER ACCOUNTS									
Supervision Labor	13		18,582	1,445	97	4	163	2	353
Meter Reading Exp	14	20,647	0	0	0	0	0	0	0
Meter Reading Labor	14	239,560	197,469	31,742	4,204	48	5,989	48	0
Meter Reading Exp CA	14	49	40	6	1	0	1	0	0
Customer Records Labor	13	245,899	221,309	17,213	1,156	49	1,943	25	4,205
Cust Act Supplies, Uniforms, Misc	13	67,992	60,814	4,738	318	318	535	7	1,157
Collection Agency Expense	13	113,459	102,113	7,942	533	23	696	11	1,940
Bank Service Charges	13	42,627	38,365	2,984	200	9	337	4	729
Postage	13	150,387	135,348	10,527	707	30	1,188	15	2,572
Uncollectible Accts	20	739,877	676,174	49,424	2,294	74	4,291	74	7,547

Schedule B

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Special Contracts Industrial (7)	Public Utilities (8)	Special Contracts Resale (9)	Private Fire Protection (10)
Customer Accounting Labor	13	51,624	46,461	3,614	243	10	408	5	383
Misc Expenses	13	2,531	2,278	177	12	1	20	0	43
Wireless Service	13	26,284	23,656	1,840	124	5	208	3	449
Misc Customer Service	13	929	636	65	4	0	7	0	16
TOTAL CUSTOMER ACCOUNTING EXPENSE		1,701,555	1,523,546	131,717	9,952	266	15,986	194	19,894
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	1,411,122	1,013,327	181,470	47,414	23,948	63,359	48,119	33,585
Pearn Undistributed	15		0	0	0	0	0	0	0
Purchased Power AG	15	36,338	26,094	4,673	1,221	614	1,632	1,238	865
Misc General Exp	15	533,740	383,279	68,639	17,934	9,020	23,965	18,201	12,703
Other Supplies & Exp AG	15	21,233	15,247	2,731	713	359	953	724	505
Management Fees									
Customer Related	20	738,278	674,712	49,317	2,289	74	4,282	74	7,530
Employee Related	16	151,299	105,425	20,198	5,477	3,028	7,247	6,355	3,571
Water Quality Related	1	78,579	36,865	13,453	5,653	4,408	6,451	11,653	71
Other	15	2,619,272	1,880,899	336,838	88,008	44,266	117,605	89,317	62,339
Accounting Services	15	41,989	30,152	5,400	1,411	710	1,885	1,432	999
Legal Services	15	150,815	108,300	19,395	5,057	2,549	6,772	5,143	3,588
Other Services	13	120,424	108,382	8,430	566	24	951	12	2,059
Insurance Other	15	132,042	94,820	16,961	4,437	2,232	5,929	4,503	3,143
Ins Gen Lab Oper AG	15	203,787	146,325	26,204	6,847	3,444	9,149	6,948	4,850
Ins Work Comp AG	16	104,327	72,895	13,928	3,777	2,087	4,997	2,462	2,462
Ins Other Oper AG	15	(98,834)	(71,044)	(12,723)	(3,324)	(1,672)	(4,442)	(3,374)	(2,355)
Vehicle and Other Insurance	15	17,980	12,911	2,312	604	304	807	613	428
Injuries & Damages	16		0	0	0	0	0	0	0
Employee Pension & Benefits	16	2,269,447	1,581,350	302,971	82,154	45,389	108,706	95,317	53,559
Reg Commission Exp	19	443,504	291,870	66,215	20,667	11,043	26,921	19,435	7,362
Rents AG	15	29,906	21,476	3,846	1,005	505	1,343	1,020	712
Advertising Exp	15	25,647	18,417	3,298	862	433	1,152	875	610
Misc General Expenses	15	815,922	585,913	104,928	27,415	13,789	36,635	27,823	18,419
Research & Development	15	4,535	3,293	590	154	77	206	156	109
TOTAL A & G OPERATIONS		9,951,281	7,140,728	1,239,093	320,353	166,529	426,506	339,957	218,115
General Plant Maint AG - Labor	15	556	471	84	22	11	29	22	16
General Plant Maint AG	15	49,763	35,017	6,271	1,638	824	2,189	1,663	1,161
TOTAL A & G EXPENSE - MAINTENANCE		49,419	35,488	6,355	1,660	835	2,219	1,885	1,176
TOTAL A & G EXPENSE		9,900,700	7,176,216	1,245,448	322,014	167,364	428,725	341,842	219,292
Total Operation & Maintenance Expenses		21,067,504	14,355,432	2,878,913	856,998	517,932	1,091,972	973,043	393,215

Schedule B

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Special Contracts Industrial (7)	Public Authorities (8)	Special Contracts Retail (9)	Private Fire Protection (10)
DEPRECIATION EXPENSE									
Comprehensive Planning Study	15	102,648	73,712	13,201	3,448	1,735	4,608	3,500	2,443
Struct & Imp SS	2	36,779	19,625	5,914	2,262	1,765	2,836	4,395	22
Struct & Imp P	5	70,793	41,039	12,169	4,453	2,461	5,727	4,191	573
Struct & Imp WT	2	254,555	135,831	40,932	15,665	12,219	19,626	30,139	153
Struct & Imp TD	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	93,481	67,129	12,022	3,141	1,590	4,197	3,188	2,225
Struct & Imp Store Shop Gar	15	0	0	0	0	0	0	0	0
Struct & Imp General Plant	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	5	2	1	0	0	0	1	0
Lake, River & Other Intakes	2	95,064	50,737	15,290	5,848	4,564	7,331	11,258	57
Infiltration Galleries & Tunnels	2	417	223	67	26	20	32	49	0
Wells & Springs	2	43,622	23,277	7,014	2,693	2,094	3,363	5,165	28
Supply Mains	2	10,103	5,391	1,625	621	485	779	1,196	6
Power Generation Equip Other	6	92,823	53,809	15,956	5,839	3,462	7,509	5,495	752
Pump Equip Electric	6	214,978	124,448	36,903	13,503	8,007	17,367	12,709	1,739
Pump Equip Diesel	5	1,952	1,132	336	123	73	158	118	16
Hydraulic Pumping Equipment	6	304	176	52	19	11	25	18	2
Pump Equip Other	6	560	325	96	35	21	45	33	5
WT Equip Non-Media	2	329,930	176,051	53,053	20,291	15,837	25,438	39,064	198
WT Equip Filter Media	2	0	0	0	0	0	0	0	0
Dist Reservoirs & Standpipe	5	108,577	66,775	19,750	6,569	4,984	9,218	0	1,281
TD Mains	7	841,187	535,331	154,610	52,238	11,945	70,660	0	16,403
Services	10	448,534	358,344	42,644	4,108	223	6,832	223	34,160
Meters	9	236,154	186,396	33,935	5,762	638	8,620	803	0
Meter Installations	9	61,170	48,281	8,790	1,483	165	2,233	206	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	70,515	55,848	10,168	1,726	188	2,585	0	0
Other P/E Intangible	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	43	27	8	3	1	4	0	1
Other P/E CPS	15	0	0	0	0	0	0	0	0
Limited term Utility Plant Leasehold	15	2,864	2,057	368	96	48	129	96	68

Schedule B

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Special Contracts Industrial (7)	Public Authorities (8)	Special Contracts Resale (9)	Private Fire Protection (10)
Office Furniture & Equip	15	8,343	5,991	1,073	280	141	375	284	199
Comp & Periph Equip	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	4,204	3,019	541	141	71	189	143	100
Trans Equip	15	0	0	0	0	0	0	0	0
Stores Equipment	15	1,440	1,034	185	48	24	65	49	34
Tools Shop Garage Equip	15	41,176	29,568	5,295	1,384	696	1,949	1,404	980
Laboratory Equipment	2	15,172	8,096	2,440	933	728	1,170	1,766	9
Power Operated Equipment	15	6,792	4,877	873	228	115	305	232	162
Comm Equip Non-Telephone	15	27,506	19,752	3,537	924	465	1,235	938	655
Misc Equipment	15	20,930	15,030	2,692	703	354	940	714	498
Amortization of Deferred Depreciable	15	5,607	4,026	721	188	95	252	191	133
Other Tangible Property	15	0	0	0	0	0	0	0	0
AFUDC	15	0	0	0	0	0	0	0	0
Total Depreciation Expense		3,245,946	2,117,359	502,262	154,772	75,993	205,701	127,560	62,900
Amortization of Regulatory Asset	19	27,618	18,176	4,123	1,287	588	1,676	1,210	458
Amort-Ltd Term Pnt	2	2,864	1,528	461	176	137	221	339	2
Amortization of Intangibles	15	2,333	1,675	300	78	39	105	80	56
Taxes Other Than Income									
Utility Reg Assessment Fee	19	61,907	40,741	9,243	2,885	1,541	3,758	2,712	1,028
Property Taxes	18	5,575,176	3,487,830	928,037	306,635	144,397	405,315	233,042	71,920
Payroll Taxes	15	391,191	272,362	52,224	14,161	7,824	16,736	16,435	9,232
Other Taxes & Licenses	15	474,403	340,669	61,008	15,940	8,017	21,301	16,177	11,291
Gross Receipts Tax	19	1,559,315	1,026,185	232,806	72,684	38,827	94,650	68,298	25,885
Total Taxes, Other Than Income		8,061,991	5,198,007	1,281,317	412,285	200,607	543,762	338,659	118,355
Income Taxes	18	2,834,074	1,772,997	470,740	155,874	73,403	206,037	118,464	36,580
Utility Income Available for Return	18	7,406,355	4,633,416	1,230,196	407,350	191,825	538,442	309,586	85,542
Total Cost of Service		42,643,687	28,068,569	6,368,311	1,988,820	1,060,024	2,567,916	1,866,941	708,087
Less: Other Water Revenues									
Late Payment Fee	13	\$ 411,134	370,021	26,779	1,932	82	3,248	41	7,030
NSF Fees	13	15,509	13,956	1,086	73	3	123	2	265
Activation Fee	9	212,358	187,614	30,516	5,182	573	7,751	722	0
Usage Data Readings	14	8,193	6,753	1,086	146	2	205	2	0
Reconnection Charges	9	208,315	164,423	29,935	5,083	562	7,603	708	0
Frozen Meters	9	5,165	4,077	742	126	14	189	18	0
Temporary Service	19	0	0	0	0	0	0	0	0
Other	19	2,996	1,972	447	140	75	182	131	50
Total Other Water Revenues		863,670	728,818	92,591	12,681	1,311	19,300	1,623	7,345
Total Cost of Service Related to Sales of Water		\$ 41,785,017	\$ 27,339,771	\$ 6,275,720	\$ 1,976,139	\$ 1,058,713	\$ 2,568,616	\$ 1,865,317	\$ 700,742

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1 and 1A. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification. Factor 1 includes Special Contracts - Resale, and Factor 1A excludes Special Contracts - Resale.

Customer Classification (1)	Average Daily Consumption, CCF (2)	Factor 1 Allocation Factor (3)	Factor 1A Allocation Factor (4)
Residential*	7,740.9	0.4694	0.5510
Commercial *	2,824.5	0.1712	0.2011
Industrial	1,188.2	0.0720	0.0846
Special Contracts - Industrial	925.0	0.0561	0.0658
Other Public Authority	1,354.8	0.0821	0.0964
Special Contracts - Resale	2,446.7	0.1483	0.0000
Private Fire Protection	15.0	0.0009	0.0011
Total	16,495.1	1.0000	1.0000

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification (1)	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor (6)=(3)+(5)
	Allocation Factor 1 (2)	Weighted Factor (3)=(2)x 0.7143	Allocation Factor (4)	Weighted Factor (5)=(4)x 0.2857	
Residential	0.4694	0.3354	0.6935	0.1982	0.5336
Commercial	0.1712	0.1223	0.1349	0.0385	0.1608
Industrial	0.0720	0.0514	0.0355	0.0101	0.0615
Special Contracts - Industrial	0.0561	0.0401	0.0276	0.0079	0.0480
Other Public Authority	0.0821	0.0586	0.0647	0.0185	0.0771
Special Contracts - Resale	0.1483	0.1059	0.0438	0.0125	0.1184
Private Fire Protection	0.0009	0.0006			0.0006
Total	1.0000	0.7143	1.0000	0.2857	1.0000

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

* Includes estimated usage for unmetered customers.

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.

Customer Classification	Average Daily Consumption, CCF	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, CCF	Allocation Factor
(1)	(2)	(3)	Per Day (4)=(2)x(3)	(5)
Residential	7,740.9	1.5	11,611.3	0.6935
Commercial	2,824.5	0.8	2,259.6	0.1349
Industrial	1,188.2	0.5	594.1	0.0355
Special Contracts - Industrial	925.0	0.5	462.5	0.0276
Other Public Authority	1,354.8	0.8	1,083.8	0.0647
Special Contracts - Sales for Resale	2,446.7	0.3	734.0	0.0438
Total	16,480.1		16,745.3	1.0000

The weighting of the factors is based on the maximum day ratio of 1.40, based on a review of maximum day ratios experienced during the period 2002 through 2010.

	Maximum Day Ratio	Weight
Average Day	1.00	0.7143
Maximum Day Extra Capacity	0.40	0.2857
Total	1.40	1.0000

* Ratio of maximum day to average day minus 1.0.

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification (1)	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor (8)=(3)+(5)+(7)
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.6798	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.2719	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0483	
Residential	0.5510	0.3747	0.7252	0.1971	0.6867	0.0333	0.6051
Commercial	0.2011	0.1367	0.1411	0.0384	0.1250	0.0060	0.1811
Industrial	0.0846	0.0575	0.0371	0.0101	0.0212	0.0010	0.0686
Special Contracts - Industrial	0.0658	0.0447	0.0289	0.0079	0.0023	0.0001	0.0527
Other Public Authority	0.0964	0.0655	0.0677	0.0184	0.0318	0.0015	0.0854
Private Fire Protection	0.0011	0.0007			0.1330	0.0064	0.0071
Total	1.0000	0.6798	1.0000	0.2719	1.0000	0.0483	1.0000

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM
DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.40 and the average daily system sendout for 2010 of 16.896 MGD. The system demand for fire protection is 5000 Gallons per minute for 4 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	16,896,413	0.6798
Maximum Day Extra Capacity	<u>0.40</u>	<u>6,758,565</u>	<u>0.2719</u>
Subtotal	<u>1.40</u>	23,654,978	0.9517
Fire Protection		<u>1,200,000</u>	<u>0.0483</u>
Total		<u>24,854,978</u>	<u>1.0000</u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule D).

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification (1)	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		
	CCF (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.4122	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.4122	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.1756	Allocation Factor (9)=(4)+(6)+(8)	
Residential	322.54	0.5899	0.2432	0.6890	0.2840	0.6867	0.1205	0.6477	
Commercial	117.69	0.2152	0.0887	0.1796	0.0740	0.1250	0.0220	0.1847	
Industrial	49.51	0.0905	0.0373	0.0453	0.0187	0.0212	0.0037	0.0597	
Special Contracts - Industrial	0.00	0.0000	0.0000	0.0000	0.0000	0.0023	0.0004	0.0004	
Other Public Authority	56.45	0.1032	0.0425	0.0861	0.0355	0.0318	0.0056	0.0836	
Private Fire Protection	0.63	0.0012	0.0005			0.1330	0.0234	0.0239	
Total	546.82	1.0000	0.4122	1.0000	0.4122	1.0000	0.1756	1.0000	

The maximum hour extra capacity factors in column 5 are determined on the next page.

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.00 and the average daily system sendout for 2010 of 16.896 MGD. The system demand for fire protection is 5000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	11,734	0.4122
Maximum Hour Extra Capacity	1.00	11,734	0.4122
Subtotal	2.00	23,468	0.8244
Fire Protection		5,000	0.1756
Total		28,468	1.0000

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption CCF	Maximum Hour Extra Capacity		
		Factor*	CCF Per Hour (4)=(2)x(3)	Allocation Factor (5)
(1)	(2)	(3)	(4)	(5)
Residential	322.54	3.5	1,128.89	0.6890
Commercial	117.69	2.5	294.23	0.1796
Industrial	49.51	1.5	74.27	0.0453
Special Contracts - Industrial	0.00	1.5	0.00	0.0000
Other Public Authority	56.45	2.5	141.13	0.0861
Total	546.19		1,638.52	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule D).

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification (1)	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		
	CCF (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.4575	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.4576		Allocation Factor (7)	Weighted Factor (8)=(7) X 0.0849	Allocation Factor (9)=(4)+(6)+(8)
Residential	322.5	0.5511	0.2521	0.6655	0.3046		0.6867	0.0583	0.6150
Commercial	117.7	0.2011	0.0920	0.1734	0.0793		0.1250	0.0106	0.1819
Industrial	49.5	0.0846	0.0387	0.0438	0.0200		0.0212	0.0018	0.0605
Special Contracts - Industrial	38.5	0.0658	0.0301	0.0341	0.0156		0.0023	0.0002	0.0459
Other Public Authority	56.4	0.0964	0.0441	0.0832	0.0381		0.0318	0.0027	0.0849
Private Fire Protection	0.6	0.0010	0.0005				0.1330	0.0113	0.0118
Total	585.2	1.0000	0.4575	1.0000	0.4576		1.0000	0.0849	1.0000

The weighting of the factors is based on the ratio of the capacity required for a 4 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5 ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 4 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{5,000 \text{ GPM} \times 60 \text{ Min.} \times 4 \text{ Hrs.}}{14,128,500 \text{ Gallons}} = 0.0849$$

$$\text{General Service Weight} = 1.0000 - 0.0849 = 0.9151$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	50.00	0.4575
Extra Capacity Maximum Hour	1.00	50.00	0.4576
Total	2.00	100.00	0.9151

Customer Classification (1)	Average Hourly Consumption CCF (2)	Factor* (3)	Maximum Hour Extra Capacity	
			CCF Per Hour (4)=(2)x(3)	Allocation Factor (5)
Residential	322.54	3.5	1,128.88	0.6655
Commercial	117.69	2.5	294.22	0.1734
Industrial	49.51	1.5	74.26	0.0438
Special Contracts - Industrial	38.54	1.5	57.81	0.0341
Other Public Authority	56.45	2.5	141.12	0.0832
Total	584.73		1,696.29	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.5000	(4)	(5)=(4)X 0.2500	(6)	(7)=(6)X 0.2500	(8)=(3)+ (5)+(7)
Residential	0.5336	0.2667	0.6051	0.1511	0.6477	0.1619	0.5797
Commercial	0.1608	0.0804	0.1811	0.0453	0.1847	0.0462	0.1719
Industrial	0.0615	0.0308	0.0686	0.0172	0.0597	0.0149	0.0629
Special Contracts - Industrial	0.0480	0.0240	0.0527	0.0132	0.0004	0.0001	0.0373
Other Public Authority	0.0771	0.0386	0.0854	0.0214	0.0836	0.0209	0.0809
Special Contracts - Sales for Resale	0.1184	0.0592	0.0000	0.0000			0.0592
Private Fire Protection	0.0006	0.0003	0.0071	0.0018	0.0239	0.0060	0.0081
Total	1.0000	0.5000	1.0000	0.2500	1.0000	0.2500	1.0000

The weighting of the factors is based on the estimated percentage of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	Weight
Associated with Maximum Day	0.5000
Associated with Maximum Day and Fire	0.2500
Associated with Maximum Hour	0.2500
Total	1.0000

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X	(4)	(5)=(4)X	(6)=(3)+(5)
		0.2638		0.7362	
Residential	0.6051	0.1596	0.6477	0.4768	0.6364
Commercial	0.1811	0.0478	0.1847	0.1360	0.1838
Industrial	0.0686	0.0181	0.0597	0.0440	0.0621
Special Contracts - Industrial	0.0527	0.0139	0.0004	0.0003	0.0142
Other Public Authority	0.0854	0.0225	0.0836	0.0615	0.0840
Private Fire Protection	0.0071	0.0019	0.0239	0.0176	0.0195
Total	1.0000	0.2638	1.0000	0.7362	1.0000

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains	946,163	0.2638
Distribution Mains	2,639,878	0.7362
Total	3,586,041	1.0000

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Factors are based on the relative capacity of meters by size and customer classification, as developed on the following page and summarized below, with the exception of Special Contracts - Resale.

Customer Classification	5/8" Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	47,054	0.7920
Commercial	8,567	0.1442
Industrial	1,454	0.0245
Special Contracts - Industrial	158	0.0027
Other Public Authority	2,178	0.0367
Total	59,411	1.0000

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative capacity of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification	5/8" Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	47,054	0.7893
Commercial	8,567	0.1437
Industrial	1,454	0.0244
Special Contracts - Industrial	158	0.0027
Other Public Authority	2,178	0.0365
Special Contracts - Sales for Resale	200	0.0034
Private Fire	0	0.0000
Total	59,611	1.0000

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Equivalent (2)	Residential		Commercial		Industrial		Special Contracts - Industrial		Other Public Authority		Special Contracts - Sales for Resale		Total	
		Number of Meters (3)	Weighting (4)=(2)(3)	Number of Meters (5)	Weighting (6)=(2)(5)	Number of Meters (7)	Weighting (8)=(2)(7)	Number of Meters (9)	Weighting (10)=(2)(9)	Number of Meters (11)	Weighting (12)=(2)(11)	Number of Meters (13)	Weighting (14)=(2)(13)	Number of Meters (15)	Weighting (16)
5/8	1.0	46,520	46,520	2,291	2,291	28	28		0	70	70	0	0	48,909	48,909
3/4	1.5	72	108	49	74	1	2		0	10	15	0	0	132	199
1	2.5	128	315	493	1,233	22	55		0	40	100	0	0	681	1,703
1-1/2	5.0	11	55	177	885	10	50		0	19	95	0	0	217	1,065
2	8.0	7	56	393	3,144	73	584	1	8	121	968	0	0	585	4,760
3	15.0	0	0	28	390	4	60		0	12	180	0	0	42	630
4	25.0	0	0	10	250	15	375	2	50	24	600	0	0	51	1,275
6	50.0	0	0	6	300	6	300	2	100	3	150	4	200	21	1,050
8	80.0	0	0	0	0	0	0		0	0	0	0	0	0	0
Total		46,736	47,054	3,435	8,567	156	1,454	5	158	298	2,178	4	200	50,848	59,611

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative capacity of services by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	3/4" Equivalents (2)	Allocation Factor (3)
Residential	46,902	0.8025
Commercial	5,581	0.0955
Industrial	536	0.0092
Special Contracts - Industrial	31	0.0005
Other Public Authority	894	0.0153
Special Contracts - Sales for Resale	32	0.0005
Private Fire Protection	4,472	0.0765
Total	58,448	1.0000

Schedule C

OHIO AMERICAN WATER COMPANY

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Site (1)	34* Equivalent Size (2)	Residential		Commercial		Industrial		Special Contracts - Industrial		Other Public Authority		Special Contracts - Sales for Resale		Private Fire Protection		Total	
		Number of Services (3)	Weighting (4)=(2)X(3)	Number of Services (5)	Weighting (6)=(2)X(5)	Number of Services (7)	Weighting (8)=(2)X(7)	Number of Services (9)	Weighting (10)=(2)X(9)	Number of Services (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(13)	Number of Services (15)	Weighting (16)=(2)X(15)	Number of Services (17)	Weighting (18)
3/4	1.00	46,592	46,592	2,340	2,340	29	29	0	0	80	80	0	0	0	0	49,041	49,041
1	2.00	126	252	453	906	22	44	0	0	40	80	0	0	0	0	681	1,362
1-1/2	2.70	11	30	177	478	10	27	0	0	19	51	0	0	0	0	217	586
2	4.00	7	28	353	1,572	73	292	1	4	121	484	0	0	36	156	634	2,538
3	4.00	0	0	26	104	4	16	0	0	12	48	0	0	3	12	45	180
4	5.00	0	0	10	50	15	80	2	11	24	127	0	0	70	371	121	642
6	8.00	0	0	6	48	6	48	2	18	3	24	4	32	220	1,760	241	1,928
8	10.70	0	0	0	0	0	0	0	0	0	0	0	0	163	1,744	163	1,744
10	13.30	0	0	0	0	0	0	0	0	0	0	0	0	19	253	19	253
12	16.00	0	0	0	0	0	0	0	0	0	0	0	0	11	176	11	176
Total		46,738	46,802	3,445	5,581	159	538	5	31	299	894	4	32	529	4,472	51,173	59,448

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11. ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION SUPERVISION
AND ENGINEERING AND MISCELLANEOUS EXPENSES.

Factors are based on transmission and distribution operation expenses other than those being allocated,
as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 503,529	0.7790
Commercial	76,268	0.1180
Industrial	12,509	0.0194
Special Contracts - Industrial	1,751	0.0027
Other Public Authority	18,642	0.0288
Special Contracts - Sales for Resale	739	0.0011
Private Fire Protection	32,933	0.0510
Total	<u>646,371</u>	<u>1.0000</u>

FACTOR 12. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVEMENTS, AND OTHER EXPENSES.

Factors are based on transmission and distribution maintenance expenses other than those being
allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 368,753	0.7266
Commercial	71,405	0.1408
Industrial	17,603	0.0347
Special Contracts - Industrial	3,499	0.0069
Other Public Authority	24,651	0.0486
Special Contracts - Sales for Resale	129	0.0003
Private Fire Protection	21,361	0.0421
Total	<u>\$507,400</u>	<u>1.0000</u>

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of bills

Customer Classification	Total Bills	Allocation Factor
(1)	(2)	(3)
Residential (includes unmetered customers)	331,491	0.9000
Commercial (included unmetered customers)	25,784	0.0700
Industrial	1,778	0.0047
Special Contracts Industrial	48	0.0002
Other Public Authority	2,908	0.0079
Special Contracts - Sales for Resale	48	0.0001
Private Fire Protection	6,294	0.0171
Total	368,352	1.0000

FACTOR 14. ALLOCATION OF METER READING COSTS.

Factors are based on the annual man-days required to read meters.

Customer Classification	Number of Annual Man-days	Allocation Factor
(1)	(2)	(3)
Residential	1,055.0	0.8243
Commercial	169.8	0.1325
Industrial	22.8	0.0178
Special Contracts - Industrial	0.3	0.0002
Other Public Authority	32.0	0.0250
Special Contracts - Resale	0.3	0.0002
Total	1,280	1.0000

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.

Factors are based on the allocation of all other operation and maintenance expenses excluding
purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$5,130,199	0.7181
Commercial	918,455	0.1286
Industrial	240,133	0.0336
Special Contracts - Industrial	120,895	0.0169
Other Public Authority	320,420	0.0449
Special Contracts - Sales for Resale	243,342	0.0341
Private Fire Protection	170,348	0.0238
Total	<u>\$7,143,791</u>	<u>1.0000</u>

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$3,481,053	0.6968
Commercial	667,178	0.1335
Industrial	180,879	0.0362
Special Contracts - Industrial	99,917	0.0200
Other Public Authority	239,402	0.0479
Special Contracts - Sales for Resale	209,602	0.0420
Private Fire Protection	118,117	0.0236
Total	<u>\$4,996,147</u>	<u>1.0000</u>

FACTOR 17. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISCELLANEOUS INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$55,395,567	0.6253
Commercial	14,729,730	0.1664
Industrial	4,874,674	0.0550
Special Contracts - Industrial	2,315,265	0.0261
Other Public Authority	6,452,735	0.0729
Special Contracts - Sales for Resale	3,666,309	0.0414
Private Fire Protection	1,140,920	0.0129
Total	<u>\$88,575,199</u>	<u>1.0000</u>

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18. ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$51,659,296	0.6256
Commercial	13,713,294	0.1661
Industrial	4,537,266	0.0550
Special Contracts - Industrial	2,142,036	0.0259
Other Public Authority	6,001,935	0.0727
Special Contracts - Sales for Resale	3,448,546	0.0418
Private Fire Protection	1,065,691	0.0129
Total	<u>\$82,568,064</u>	<u>1.0000</u>

FACTOR 19. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS AND OTHER WATER REVENUES.

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$26,709,793	0.6581
Commercial	6,060,047	0.1493
Industrial	1,892,603	0.0466
Special Contracts - Industrial	1,008,612	0.0249
Other Public Authority	2,462,587	0.0607
Special Contracts - Sales for Resale	1,776,506	0.0438
Private Fire Protection	673,813	0.0166
Total	<u>\$40,583,961</u>	<u>1.0000</u>

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Special Contracts Industrial (7)	Public Authorities (8)	Special Contracts Resale (9)	Private Fire Protection (10)
RATE BASE									
Organization	17	\$ 127,954	\$ 80,009	\$ 21,291	\$ 7,037	\$ 3,340	\$ 9,328	\$ 5,297	\$ 1,851
Franchises	17	11,180	6,991	1,860	615	292	815	463	144
Miscellaneous	17	48,478	30,312	8,066	2,668	1,265	3,534	2,007	625
Comprehensive Planning Study	17	372,591	232,981	61,999	20,493	9,725	27,162	15,425	4,806
Land & Ld Rights SS	2	358,612	191,356	57,665	22,085	17,213	27,548	42,480	215
Land & Ld Rights P	5	52,660	30,544	9,057	3,314	1,985	4,263	3,119	427
Land & Ld Rights WT	6	84,767	45,232	13,631	5,213	4,059	6,536	10,096	51
Land & Ld Rights TD	7	361,724	230,201	66,485	22,463	5,136	30,365	0	7,054
Land & Ld Rights AG	15	41,034	29,466	5,277	1,379	693	1,842	1,399	977
Struct & Imp SS	2	983,423	524,754	158,134	60,481	47,204	75,822	116,437	590
Struct & Imp P	6	929,610	538,895	159,800	58,472	34,674	75,205	55,033	7,590
Struct & Imp WT	2	5,748,954	3,067,642	924,432	353,561	275,950	443,244	680,676	3,449
Struct & Imp TD	7	129,197	82,221	23,746	8,023	10,853	0	0	2,519
Struct & Imp Store Shop, Gar	15	3,119,306	2,239,974	401,143	104,809	52,716	140,057	106,368	74,339
Limited Term Utility Plant	15	144,426	103,713	18,573	4,653	2,441	6,495	4,925	3,437
Collect & Impounding	1	167	78	29	12	9	14	25	0
Lake, River & Other Intakes	2	1,288,025	687,290	207,114	79,214	61,825	99,307	152,502	773
Infiltration Galleries & Tunnels	2	25,522	13,619	4,104	1,570	1,225	1,568	3,022	15
Wells & Springs	2	1,141,227	608,969	183,509	70,185	54,779	87,989	135,121	685
Supply Mains	2	358,546	191,320	57,854	22,051	17,210	27,644	42,482	215
Power Generation Equip Other	6	2,877,525	1,608,101	484,647	180,996	107,332	232,792	170,349	23,308
Pump Equip Electric	6	5,103,490	2,938,493	877,290	321,010	190,360	412,872	302,127	41,338
Pump Equip Diesel	6	44,387	25,731	7,630	2,792	1,656	3,591	2,828	360
Pump Equip Hydraulic	6	9,825	5,696	1,869	618	366	795	582	80
Pump Equip Other	6	19,524	11,318	3,356	1,228	728	1,580	1,156	158
WT Equip Non-Media	2	14,712,678	7,850,685	2,385,798	904,830	706,209	1,134,347	1,741,981	8,828
Dist Reservoirs & Standpipe	5	4,171,482	2,555,462	786,793	252,375	191,471	354,189	0	49,223
TD Mains	7	33,746,147	21,476,048	6,202,542	2,095,636	479,195	2,834,576	0	658,050
Services	10	2,863,588	2,298,030	273,473	26,345	1,432	43,813	1,432	219,065
Meters	9	4,114,824	3,247,831	591,300	100,402	11,110	150,191	13,990	0
Meier Installations	8	1,454,700	1,148,195	209,040	35,495	3,928	53,097	4,946	0
Hydrants	8	2,524,802	2,316,467	421,753	71,580	7,778	107,223	0	0
Other P/E TD	7	(225)	(143)	(41)	(14)	(3)	(19)	0	(4)
Office Furniture & Equip	15	146,087	104,905	18,787	4,909	2,469	6,559	4,982	3,477
Comp & Periph Equip	15	(446,399)	(320,559)	(97,407)	(14,999)	(7,544)	(20,043)	(15,222)	(10,624)
Office Machines and Equipment	15	22,779	16,358	2,928	765	385	1,023	777	542
Trans Equip	15	249,138	178,906	32,039	8,371	4,210	11,186	8,496	5,929
Stores Equip	15	13,940	10,011	1,793	468	236	626	475	332
Tools Shop Garage Equip	15	809,064	580,989	104,046	27,185	13,673	36,327	27,583	19,256
Laboratory Equipment	2	158,344	84,492	25,462	9,738	7,601	12,208	18,748	85
Power Operated Equipment	15	191,290	137,365	24,800	6,427	3,233	8,589	6,523	4,553
Comm Equip Non-Telephone	15	342,216	245,745	44,009	11,499	5,783	15,365	11,670	8,145
Misc Equipment	15	278,760	200,177	35,848	9,386	4,711	12,516	9,606	6,634
Other Tangible Property	17	(60,500)	(38,100)	(10,139)	(3,351)	(1,590)	(4,442)	(2,523)	(786)
Total Utility Plant in Service		99,074,470	55,707,761	14,812,808	4,902,134	2,328,296	6,499,131	3,686,979	1,147,360
Other Rate Base Items									
Add:	17		0	0	0	0	0	0	0
Other Utility Plant Adjustments	15	129,945	93,313	16,711	4,366	2,196	5,835	4,431	3,093
Deferred Depreciation									

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Defined Debt	15	0	0	0	0	0	0	0	0	0	0
Cash Working Capital	15	0	0	0	0	0	0	0	0	0	0
Deferred Pension and OPEB	16										
Deferred Pension Reserve	5	(770,082)	(473,601)	(140,078)	(46,590)	(35,347)	(65,300)	(242,364)	(500)	(8,087)	(75,519)
Less:		(5,854,195)	(3,850,628)	(974,138)	(321,981)	(152,794)	(426,771)	(500)	(500)	(198)	0
Tank Painting Reserve	17	(12,073)	(7,548)	(2,009)	(664)	(315)	(880)	0	0	0	0
Deferred Income Taxes	17	0	0	0	0	0	0	0	0	0	0
Overheads and AFUDC	16										
Pensions											
Total Other Rate Base Elements		(6,506,406)	(4,048,465)	(1,099,514)	(364,889)	(168,260)	(487,196)	(238,432)	(500)	(81,899)	(1,065,691)
Total Original Cost Measure of Value		\$ 82,559,064	\$ 51,659,296	\$ 13,713,294	\$ 4,537,256	\$ 2,142,036	\$ 6,001,935	\$ 3,448,548	\$ 1,065,691		

Schedule C

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 20. ALLOCATION OF UNCOLLECTIBLE ACCOUNTS AND
CUSTOMER RELATED MANAGEMENT FEE

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	47,106	0.9139
Commercial	3,446	0.0668
Industrial	159	0.0031
Special Contracts - Industrial	5	0.0001
Other Public Authority	299	0.0058
Special Contracts - Sales for Resale	4	0.0001
Private Fire Protection	525	0.0102
Public Fire Protection	0	0.0000
Total	51,543	1.0000

Schedule D

OHIO AMERICAN WATER COMPANY
WATER OPERATIONS

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	39	156	
3 -inch	9.00	3	27	
4 -inch	16.00	70	1,120	
6 -inch	36.00	220	7,920	
8 -inch	64.00	163	10,432	
10 -inch	100.00	19	1,900	
12 -inch	144.00	11	1,584	
Private Hydrants	32.75	0	0	
Total Private Fire Protection		525	23,139	0.1330
<u>PUBLIC FIRE PROTECTION</u>				
	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1 - 4.5"	32.75	4,607	150,879
Total Public Fire Protection		4,607	150,879	0.8670
Total Fire Protection		5,132	174,018	1.0000

<u>REALLOCATE PUBLIC FIRE</u>			
	Meter Equivalents	Factor 8, Allocation of Public Fire	Allocation of Public Fire Using Factor
Residential	47,054	0.7920	0.6867
Commercial	8,567	0.1442	0.125
Industrial	1,454	0.0245	0.0212
Special Contracts - Industrial	158	0.0027	0.0023
Other Public Authority	2,178	0.0367	0.0318
	59,411	1.0000	0.8670

Schedule E

OHIO AMERICAN WATER COMPANY

Calculation of Customer Charge - Water Only
Using PUCO Staff Methodology

<u>Account Description</u>	
<u>Variable Costs per Meter Size</u>	
<u>Plant Accounts</u>	
345 Services	\$ 10,759,866
346 Meters	6,523,600
347 Meter installations	2,216,306
389 Land and land rights	41,034
390 Office Structures and Improvements	4,262,527
391 Office Furniture and Equipment	1,891,488
348 Hydrants	<u>3,874,436</u>
Total Customer Plant	29,569,257
<u>Less Related Depreciation Reserve</u>	
345 Services	7,930,456
346 Meters	2,408,776
347 Meter installations	761,607
389 Land and land rights	0
390 Office Structures and Improvements	998,794
391 Office Furniture and Equipment	2,169,021
348 Hydrants	<u>957,267</u>
Total Customer Depreciation Reserve	15,225,920
Total "Customer Rate Base"	\$ 14,343,337
Rate of Return	8.97%
(1) Return on "Customer Rate Base"	\$ 1,286,597
Operation and Maintenance Expense Accounts:	
<u>Transmission & Distribution</u>	
663 Meter Expense	\$ 157,062
664 Meter Installation Expense	410,377
675 Service Maintenance	81,018
676 Meter & Meter Installation Expense	5,368
677 Hydrant Expense	<u>53,214</u>
(2) Total Operation & Maintenance Expense Accounts	\$ 707,039

Schedule E

OHIO AMERICAN WATER COMPANY

Calculation of Customer Charge - Water Only
Using PUCO Staff Methodology

<u>Account Description</u>			
<u>Variable Taxes Per Meter Size</u>			
Property Taxes			\$ 5,575,176
Gross Receipts Taxes			1,559,315
PUCO & OCC Taxes			61,907
Federal Income Taxes			<u>2,834,074</u>
Total Variable Taxes			\$ 10,030,472
Multiplied by Customer Conversion Factor			
"Customer Rate Base"/Total Rate Base =	\$ 14,343,337 /	\$ 82,568,064	17.37%
(3) Total Customer Variable Taxes			\$ 1,742,293
<u>Depreciation Expense Accounts</u>			
<u>Plant Accounts</u>			
345 Services			\$ 446,534
346 Meters			236,154
347 Meter Installations			61,170
389 A&G Land			0
390 Office Structures and Improvements			93,481
391 Office Furniture & Equipment			12,547
348 Hydrants			<u>70,515</u>
(4) Total Customer Plant Depreciation Expense			\$ 920,401
<u>Summary of Variable Expenses Per Meter Size</u>			
(1) Return on "Customer Rate Base"			\$ 1,286,597
(2) Total Operation & Maintenance Expense Accounts			707,039
(3) Total Customer Variable Taxes			1,742,293
(4) Total Customer Plant Depreciation Expense			<u>920,401</u>
Total Variable Expenses			\$ 4,656,330
Total Equivalent Monthly Meters	59,611 X	12	715,332
(a) Monthly Customer Variable Cost			\$ 6.5093

Schedule E

OHIO AMERICAN WATER COMPANY

Calculation of Customer Charge - Water Only
Using PUCO Staff Methodology

<u>Account Description</u>	
<u>Fixed Costs Per Meter Size</u>	
<u>Customer Accounting Expenses</u>	
901 Supervision	\$ 20,647
902 Meter Reading Expenses	239,609
903 Customer Charges	620,055
905 Miscellaneous Customer Expense	80,439
Management Fees - Customer Related	738,278
Amort of Reg Asset	<u>138,438</u>
(5) Total Customer Accounting Expenses	\$ 1,837,465
<u>Customer Payroll Related Costs</u>	
Payroll Related Taxes	\$ 391,191
Multiplied by Customer Conversion Factor	
Customer Acct. Payroll/Total O&M Payroll = \$ 506,105 / \$ 4,996,147 10.13%	
(6) Total Customer Payroll Taxes	\$ 39,628
<u>Summary of Customer Fixed Expense</u>	
(5) Total Customer Accounting Expenses	\$ 1,837,465
(6) Total Customer Payroll Taxes	<u>39,628</u>
Total Fixed Expense	\$ 1,877,093
Divide by Total Annual Customer Bills	370,521
(b) Monthly Customer Fixed Costs	\$ 5.0661
<u>Summary of Fixed and Variable Costs</u>	
(a) Monthly Customer Variable Costs	\$ 6.5093
(b) Monthly Customer Fixed Costs	<u>5.0661</u>
Total Monthly Customer Costs	\$ 11.5754
Recommended Monthly Customer Charge	\$ 11.50

Ohio American Water Company
Rate Case No. 11-4161-WS-AIR

Standard Filing Information

Rates and Tariffs

Section E-3.2
Cost of Service Study

Wastewater Division

Schedule A

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule 2) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 4,068,863	88.7%	\$ 3,640,252	89.2%	\$ 4,067,064	88.7%	\$ 426,812	11.7%
Commercial/Public	516,840	11.3%	439,251	10.8%	518,694	11.3%	79,443	18.1%
Total Sales	4,585,703	100.0%	4,079,502	100.0%	4,585,758	100.0%	506,256	12.4%
Other Revenues	27,284		27,284		27,284		0	0.0%
Total	\$ 4,612,987		\$ 4,106,786		\$ 4,613,042		\$ 506,256	12.3%

Schedule B

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS

ALLOCATION OF COST OF SERVICE BY FUNCTION TO CUSTOMER CLASSIFICATIONS

Description (1)	Flow (2)	Extra Capacity		Infiltration & Inflow (5)	Customer Facilities (6)	Customer Accounting (7)	Total (8)
		Max Day (3)	Max Hour (4)				
Total Cost of Service	\$ 1,733,391	\$ 1,053,936	\$ 304,294	\$ 1,216,382	\$ 25,769	\$ 251,932	\$ 4,585,704
Factor Reference	A	B	C	F	D	E	
Residential Factor	0.8510	0.8955	0.8835	0.9135	0.9334	0.9760	
Cost of Service	\$ 1,475,116	943,800	268,844	1,111,165	24,053	245,885	4,068,863
Commercial/Public Factor	0.1490	0.1045	0.1165	0.0865	0.0666	0.0240	
Cost of Service	\$ 258,275	\$ 110,136	\$ 35,450	\$ 105,217	\$ 1,716	\$ 6,046	\$ 516,840
Total	1,733,391	1,053,936	304,294	1,216,382	25,769	251,931	4,585,703

Schedule C

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
FACTORS FOR ALLOCATING COSTS BY FUNCTION TO CUSTOMER CLASSIFICATIONS

FACTOR A. ALLOCATION OF FLOW COSTS.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Classification (1)	Average Daily Consumption, CCF (2)	Allocation Factor (3)
Residential	1,137	0.8510
Commercial/Public	199	0.1490
Total	1,336	1.0000

FACTOR B. ALLOCATION OF MAXIMUM DAY EXTRA CAPACITY COSTS.

Factors are based on the maximum day extra capacity demand for each customer classification.

Customer Classification (1)	Average Daily Consumption, CCF (2)	Factor* (3)	Rate of Flow, Thousand Gal. Per Day (4)=(2)x(3)	Allocation Factor (5)
Residential	1,137	1.5	1,706	0.8955
Commercial/Public	199	1.0	199	0.1045
Total	1,336		1,905	1.0000

* Ratio of Maximum Day To Average Day Minus 1.0.

Schedule C

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
FACTORS FOR ALLOCATING COSTS BY FUNCTION TO CUSTOMER CLASSIFICATIONS

FACTOR C. ALLOCATION OF MAXIMUM HOUR EXTRA CAPACITY COSTS.

Factors are based on the maximum hour extra capacity demand for each customer classification.

Customer Classification (1)	Average Hourly Consumption, CCF (2)	Factor* (3)	Rate of Flow, Thousand Gal. Per Hour (4)=(2)x(3)	Allocation Factor (5)
Residential	47.4	2.0	94.8	0.8835
Commercial/Public	8.3	1.5	12.5	0.1165
Total	<u>55.7</u>		<u>107.3</u>	<u>1.0000</u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

FACTOR D. ALLOCATION OF COSTS ASSOCIATED WITH CUSTOMER FACILITIES.

Factors are based on the estimated relative cost of customer facilities, as follows:

Customer Classification (1)	Service Equivalents (2)	Allocation Factor (3)
Residential	6,386	0.9334
Commercial/Public	455	0.0666
Industrial	-	0.0000
Total	<u>6,841</u>	<u>1.0000</u>

FACTOR E. ALLOCATION OF COSTS ASSOCIATED WITH BILLING AND COLLECTING.

Factors are based on the number of customers.

Customer Classification (1)	Number of Customers (2)	Allocation Factor (3)
Residential	6,386	0.9760
Commercial/Public	157	0.0240
Total	<u>6,543</u>	<u>1.0000</u>

Schedule C

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
FACTORS FOR ALLOCATING COSTS BY FUNCTION TO CUSTOMER CLASSIFICATIONS
FACTOR F. ALLOCATION OF COSTS ASSOCIATED WITH INFILTRATION AND INFLOW.

Factors are based on a 50/50 weighting of flow and number of customers.

Customer Classification (1)	Average Daily Flow		Number of Customers		Allocation Factor (6)=(3)+(5)
	Factor A (2)	Weight (3)=(2) x 0.50	Factor E (4)	Weight (5)=(4) x 0.50	
Residential	0.8510	0.4255	0.9760	0.4880	0.9135
Commercial/Public	0.1490	0.0745	0.0240	0.0120	0.0865
Total	1.0000	0.5000	1.0000	0.5000	1.0000

Schedule D

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO COST FUNCTIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Flow (4)	Max Day (5)	Extra Capacity Max Hour (6)	Infiltration & Inflow (7)	Customer Facilities (8)	Customer Accounting (9)
OPERATION AND MAINTENANCE EXPENSES								
COLLECTION								
600 Oper Super. And Engng - Labor	3							
601 Labor & Exp Oper SS	3	384	154	0	154	77	0	0
601 Labor & Exp Oper SS	3							
602 Purchased Water	3		0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		384	154	0	154	77	0	0
603 Purchased Power SS	1	62,842	43,989	0	0	18,853	0	0
603 Misc Exp Oper SS	3	24	10	0	10	5	0	0
601 Transport Maint SS	3							
610 Maint Super & Eng SS - Labor	3		0	0	0	0	0	0
611 Struct & Improve Maint SS	3	1,434	574	0	574	287	0	0
613 Maint. Of Inlets - Mat'l	3		0	0	0	0	0	0
614 Maint of Wells	3		0	0	0	0	0	0
615 Infil Gail & Tunnels Maint SS	3		0	0	0	0	0	0
616 Supply Mains Maint SS	3		0	0	0	0	0	0
617 Misc Plant Maint SS - Mat'l	3	10,119	4,048	0	4,048	2,024	0	0
617 Misc Plant Maint SS - Labor	3		0	0	0	0	0	0
923 Contract Svc - Other Maint SS	3		0	0	0	0	0	0
TOTAL SS EXPENSE - MAINTENANCE		74,419	48,620	0	4,631	21,168	0	0
TOTAL SS EXPENSE		74,803	48,774	0	4,785	21,245	0	0
POWER AND PUMPING EXPENSES								
620 Oper Super and Eng - Labor	2		0	0	0	0	0	0
621 Fuel for Power Prod	1		0	0	0	0	0	0
622 Labor & Exp Oper Pwr Prod	2		0	0	0	0	0	0
623 Purch Fuel/Power for Pump	1	(1,999)	(1,400)	0	0	(600)	0	0
624 Pumping Labor	2		0	0	0	0	0	0
624 Pumping Expense	2		0	0	0	0	0	0
626 Misc Pumping Exp - Oper	2		0	0	0	0	0	0
627 Rents Oper P	2		0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		(1,999)	(1,400)	0	0	(600)	0	0

Schedule D

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO COST FUNCTIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Flow (4)	Extra Capacity Max Day (5)	Max Hour (6)	Infiltration & Inflow (7)	Customer Facilities (8)	Customer Accounting (9)
630 Maint super and Eng - Labor	2		0	0	0	0	0	0
631 Maint of Structures - Mat'l	2		0	0	0	0	0	0
632 Maint of Structures - Labor	2		0	0	0	0	0	0
632 Maint of Power Prod Eq - Maint	2		0	0	0	0	0	0
632 Maint of Power Prod Eq - Labor	2		0	0	0	0	0	0
633 Maint of Pumping Eq - Mat'l	2	740	259	259	0	222	0	0
633 Maint of Pumping Eq - Labor	2		0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		740	259	259	0	222	0	0
TOTAL PUMPING EXPENSES		(1,259)	(1,141)	259	0	(378)	0	0
SEWAGE TREATMENT								
640 Oper Super and Eng - Labor	2		0	0	0	0	0	0
641.1 Chemicals	1	27,022	18,946	0	0	8,107	0	0
642 Gen'l Labor	2	137,078	47,977	47,977	0	41,123	0	0
642 Gen'l Exp	2	30,107	10,537	10,537	0	9,032	0	0
642 Heat - Oil/Gas WT Exp	1	10,215	7,151	0	0	3,065	0	0
642 Lab Supplies	2	35,364	12,378	12,378	0	10,808	0	0
642.4 Softening Expenses	2		0	0	0	0	0	0
643 Purchased Power	1	173,115	121,181	0	0	51,935	0	0
643 Waste Disposal Exp	1	238,569	166,998	0	0	71,571	0	0
643 Amort Waste Disposal Exp	1		0	0	0	0	0	0
643 M & S Oper	2	24,604	8,611	8,611	0	7,381	0	0
643 Trans Oper	2		0	0	0	0	0	0
643 Misc Oper	2		0	0	0	0	0	0
644 Rents	2		0	0	0	0	0	0
923 Contract Services	2		0	0	0	0	0	0
923 Contract Services Lab Testing	2		0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		676,074	393,748	79,504	0	202,822	0	0
650 Maint Super & Eng - Labor	2		19,417	19,417	0	16,643	0	0
651 Maint of Structures - Mat'l	2	55,477	2,927	2,927	0	2,509	0	0
651 Maint of Structures - Labor	2	8,364	0	0	0	0	0	0
652 Maint. Of Treat Eq - Labor	2	27,572	9,650	9,650	0	8,272	0	0
652 Maint. Of Treat Eq - Mat'l	2		0	0	0	0	0	0
652.4								
TOTAL WT EXPENSE - MAINTENANCE		91,413	31,995	31,995	0	27,424	0	0
TOTAL WT EXPENSE		767,487	425,743	111,498	0	230,246	0	0

Schedule D

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO COST FUNCTIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Flow (4)	Extra Capacity Max Day (5)	Max Hour (6)	Infiltration & Inflow (7)	Customer Facilities (8)	Customer Accounting (9)
TRANSMISSION								
660 Super & Eng Oper TD - Labor	3		0	0	0	0	0	0
661 Storage Facility Exp - Mat'l	3		0	0	0	0	0	0
661 Storage Facility Exp - Labor	3		0	0	0	0	0	0
662 TD Lines Exp - Mat'l	3		0	0	0	0	0	0
662 TD Lines Exp - Labor	3		0	0	0	0	0	0
663 Misc Meter Expense	3		0	0	0	0	0	0
663 Misc Meter Labor	3		0	0	0	0	0	0
664 Customer Install Exp	3		0	0	0	0	0	0
664 Meter Installation - Labor	3		0	0	0	0	0	0
665 Purchased Power T&D	1		0	0	0	0	0	0
665 Misc T&D Oper Labor	3	5,083	2,433	0	2,433	1,217	0	0
665 Misc T&D Exp	3	7,299	2,920	0	2,920	1,460	0	0
666 Rents Oper TD	3		0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		13,382	5,353	0	5,353	2,676	0	0
670 Super & Eng Maint TD - Labor								
671 Maint of Structures - Mat'l	3	872	349	0	349	174	0	0
671 Maint of Structures - Labor	3		0	0	0	0	0	0
672 Maint of Dist Res - Mat'l	3		0	0	0	0	0	0
673 Misc Maint of Mains - Mat'l's	3	6,668	2,667	0	2,667	1,334	0	0
673 Paving/Backfill T&D	3	(23,098)	(9,239)	0	(9,239)	(4,620)	0	0
673 Misc Maint of Mains - Labor	3	4,259	1,704	0	1,704	852	0	0
674 Fire Main Maint TD	3		0	0	0	0	0	0
674 Fire Main Maint TD	3		0	0	0	0	0	0
675 Maint of Services - Mat'l	3	43	17	0	17	9	0	0
675 Maint of Services - Labor	3		0	0	0	0	0	0
676 Maint of Meters - Mat'l	3		0	0	0	0	0	0
676 Maint of Meters - Labor	3		0	0	0	0	0	0
677 Maint of Hydrants - Mat'l	3		0	0	0	0	0	0
677 Maint of Hydrants - Labor	3		0	0	0	0	0	0
678 Maint Other T&D - Labor	3	23,292	9,317	0	9,317	4,658	0	0
678 Maint Other T&D - Mat'l	3	2,960	1,184	0	1,184	592	0	0
678 Misc Maint T&D	3		0	0	0	0	0	0
678 Amort Def Maint Tank Painting	3	99,271	39,708	0	39,708	19,854	0	0
682 Transport Maint T&D	3		0	0	0	0	0	0
923 Contract Svc - Other Maint T&D	3		0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		114,266	45,706	0	45,706	22,853	0	0
TOTAL T & D EXPENSE		127,648	51,059	0	51,059	25,530	0	0

Schedule D

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO COST FUNCTIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Flow (4)	Max Day (5)	Extra Capacity Max Hour (6)	Infiltration & Inflow (7)	Customer Facilities (8)	Customer Accounting (9)
CUSTOMER ACCOUNTS								
901 Supervision Labor	5		0	0	0	0	0	0
902 Meter Reading Exp	5		0	0	0	0	0	0
902 Meter Reading Labor	5		0	0	0	0	0	0
902 Meter Reading Exp C.A.	5		0	0	0	0	0	0
903 Customer Records Labor	5	0	0	0	0	0	0	0
903 Cust Act Supplies, Uniforms, Misc	5	5,166	0	0	0	0	0	5,166
903 Collection Agency Expense	5	8,680	0	0	0	0	0	8,680
903 Bank Service Charges	5	1,229	0	0	0	0	0	1,229
903 Postage	5	11,505	0	0	0	0	0	11,505
904 Uncollectible Accts	5	54,781	0	0	0	0	0	54,781
905 Customer Accounting Labor	5	911	0	0	0	0	0	911
905 Misc Expenses	5	71	0	0	0	0	0	71
905 Telephone	5		0	0	0	0	0	0
907 Misc Customer Service	5		0	0	0	0	0	0
923 Management & Contract Svc Cust Acctg	5		0	0	0	0	0	0
931 Rents - Equip Cust Acctg	5	309	0	0	0	0	0	309
TOTAL CUSTOMER ACCOUNTING EXPENSE		82,651	0	0	0	0	0	82,651
ADMINISTRATIVE AND GENERAL EXPENSES								
920 Salaries AG	6	104,137	32,230	21,494	10,737	23,785	0	15,891
901 Pcard Undisbursed	6		0	0	0	0	0	0
921 Misc. General Exp	6	35,236	10,906	7,273	3,633	8,048	0	5,377
923 Management Fees	5	56,480	0	0	0	0	0	56,480
Customer Related	7	0	0	0	0	0	0	0
Employee Related	1	6,011	4,208	0	0	1,803	0	0
Water Quality Related	6	213,886	66,198	44,146	22,052	48,852	0	32,639
Other	6	3,212	994	663	331	734	0	490
923 Accounting Services	6	11,551	3,575	2,384	1,191	2,638	0	1,763
923 Legal Services	6	6,839	2,117	1,412	705	1,562	0	1,044
923 Other Services	6		0	0	0	0	0	0
924 Property Insurance	6	31,196	9,655	6,439	3,216	7,125	0	4,761
924 Ins Gen Liab Oper AG	6	3,161	978	653	326	722	0	482
924 Ins Work Comp AG	6	10,102	3,126	2,085	1,041	2,307	0	1,541
924 Ins Other Oper AG	6	2,227	689	460	230	509	0	340
924 Vehicle and Other Insurance	7		0	0	0	0	0	0
925 Injuries & Damages	7		0	0	0	0	0	0
926 Employee Pension & Benefits	7	104,841	35,803	28,129	7,653	27,940	0	5,315
928 Reg Commission Exp	6	40,665	12,586	8,393	4,193	9,288	0	6,206
931 Rents AG	6		0	0	0	0	0	0
9301 Goodwill Advertising Exp	6	1,752	542	362	181	400	0	267

Schedule D

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO COST FUNCTIONS

Account (1)	Factor Ref. (2)	Cost of Service (5)	Flow (4)	Max Day (5)	Extra Capacity Max Hour (6)	Infiltration & Inflow (7)	Customer Facilities (8)	Customer Accounting (9)
930 Misc General Expenses	6		0	0	0	0	0	0
9302 Trans Oper AG	6	18,462	5,714	3,810	1,903	4,217	0	2,817
9303 Research & Development	6	351	109	72	38	80	0	54
TOTAL A & G OPERATIONS		650,110	189,431	127,774	57,428	140,010	0	135,467
932 General Plant Maint AG - Labor	6	19	6	4	2	4	0	3
932 General Plant Maint AG	6	3,622	1,121	748	373	827	0	553
TOTAL A & G EXPENSE - MAINTENANCE		3,641	1,127	752	375	832	0	556
TOTAL A & G EXPENSE		653,752	190,558	128,526	57,803	140,842	0	136,023
Total Operation & Maintenance Expenses		1,705,082	714,994	240,283	113,647	417,485	0	218,674
DEPRECIATION EXPENSE								
351 Structures and Improvements	2	3,829	1,340	1,340	0	1,149	0	0
352 Collection Sewers	3	132,048	52,819	0	52,819	26,410	0	0
352.1 Collection Sewers-Force	3	1,055	422	0	422	211	0	0
353 Services to Customers	4	3,903	0	0	0	0	3,903	0
354 Flow Measuring Devices	3	814	326	0	326	163	0	0
356 Other Collection Plant Facilities	3	700	280	0	280	140	0	0
361 Structures and Improvements	2	26,209	9,173	9,173	0	7,863	0	0
363 Electric Pumping Equipment	2	28,100	9,835	9,835	0	8,430	0	0
365 Other Pumping Equipment	2	7,523	2,633	2,633	0	2,257	0	0
371 Structures and Improvements	2	5,865	2,053	2,053	0	1,760	0	0
372 Treatment and Disposal Equipment	2	285,006	99,752	99,752	0	85,502	0	0
373 Plant Sewers	2	17,352	6,073	6,073	0	5,206	0	0
390 Structures and Improvements	2	99	35	35	0	30	0	0
391.1 Office Furniture	6	28,138	6,709	5,806	2,901	6,427	0	4,294
391.2 Office Furniture and Equipment	6	780	241	161	80	178	0	119
391.3 Office Machines and Equipment	6	0	0	0	0	0	0	0
392 Transportation equipment	6	0	0	0	0	0	0	0
393 Stores equipment	2	0	0	0	0	0	0	0
394 Tools, shop, and garage equipment	6	50	15	10	5	11	0	8
395 Laboratory equipment	6	6,071	1,879	1,253	626	1,387	0	926
396 Power operated equipment	6	544	168	112	56	124	0	83
397 Communication equipment	6	235	73	49	24	54	0	36
398 Miscellaneous equipment	6	1,044	323	215	108	238	0	159
AFUDC	6	0	0	0	0	0	0	0
Total Depreciation Expense		549,365	196,150	138,502	57,647	147,538	3,903	5,625

Schedule D

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO COST FUNCTIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Flow (4)	Extra Capacity Max Day (5)	Max Hour (6)	Infiltration & Inflow (7)	Customer Facilities (8)	Customer Accounting (9)
Taxes Other Than Income								
685100 Utility Reg Assessment Fee	9	6,929	2,619	1,592	460	1,838	39	380
685200 Property Taxes	8	915,276	321,079	269,732	51,347	256,918	8,970	7,231
685300 Payroll Taxes	7	26,151	8,931	7,016	1,909	8,969	0	1,326
685430 Other Taxes & Licenses	8	38,816	12,915	10,850	2,065	10,334	361	291
685440 Gross Receipts Tax	9	192,627	72,813	44,266	12,790	51,104	1,079	10,575
Total Taxes, Other Than Income		1,177,799	418,357	333,456	68,572	327,164	10,448	19,803
4091 Income Taxes	10	305,257	107,084	89,959	17,125	85,886	2,992	2,412
Utility Income Available for Return	10	875,486	307,120	258,006	49,115	245,749	8,580	6,916
Total Cost of Service		4,612,988	1,743,704	1,060,206	306,106	1,223,620	25,922	253,430
Less: Other Water Revenues	9	(27,284)	(10,313)	(6,270)	(1,812)	(7,238)	(153)	(1,498)
Total Cost of Service Related to Sales of Wastewater Services		4,585,704	1,733,391	1,053,936	304,294	1,216,382	25,769	251,932

Schedule E

OHIO AMERICAN WATER
WASTEWATER OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO COST FUNCTIONS

Reference	Flow	Extra Capacity		Infiltration & Inflow	Customer Facilities	Customer Accounting	Total
		Max Day	Max Hour				
Factor 1 - Flow and I&I	0.7000			0.3000			1.0000
Factor 2 - Flow, I&I and Max Day	0.3500	0.3500		0.3000			1.0000
Factor 3 - Flow, I&I and Max Hour	0.4000		0.4000	0.2000			1.0000
Factor 4 - Customer Facilities					1.0000		1.0000
Factor 5 - Customer Accounting						1.0000	1.0000
Factor 6 - O&M Exp less Power and Chemicals							
Cost	167.601	111.757	55.844	123.714	0	82.651	541.566
Factor	0.3095	0.2064	0.1031	0.2284	0.0000	0.1526	1.0000
Factor 7 - Labor Expense							
Cost	113.084	88.892	24.192	88.282	0	16.805	331.255
Factor	0.3415	0.2683	0.0730	0.2665	0.0000	0.0507	1.0000
Factor 8 - Plant in Service							
Cost	3,688,970	3,099,437	589,533	2,951,391	103,228	83,188	10,515,746
Factor	0.3508	0.2947	0.0561	0.2807	0.0098	0.0079	1.0000
Factor 9 - Total Cost of Service							
Cost	1,668,272	1,014,348	292,855	1,170,678	24,805	242,474	4,413,432
Factor	0.3780	0.2298	0.0664	0.2653	0.0056	0.0549	1.0000
Factor 10 - Rate Base							
Cost	3,423,906	2,876,762	547,144	2,739,295	95,823	77,219	9,760,149
Factor	0.3508	0.2947	0.0561	0.2807	0.0098	0.0079	1.0000

Schedule E

OHIO AMERICAN WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2011 ALLOCATED TO COST FUNCTIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Flow (4)	Extra Capacity Max Day (5)	Max Hour (6)	Infiltration & Inflow (7)	Customer Facilities (8)	Customer Accounting (9)
RATE BASE								
301.00 Organization	8	4,543	1,594	1,339	255	1,275	45	36
302.00 Franchises and consents	8	2,190	768	645	123	615	21	17
303.99 Comprehensive Plan Study	8	6,576	2,307	1,938	369	1,846	64	52
351.00 Structures and improvements	2	131,734	46,107	46,107	0	39,520	0	0
352.00 Collection Sewers	3	1,275,171	510,068	0	510,068	255,034	0	0
352.10 Collection Sewers-Force	3	41,375	16,550	0	16,550	8,275	0	0
353.00 Services to Customers	4	103,228	0	0	0	0	103,228	0
354.00 Flow Measuring Devices	3	16,777	6,711	0	6,711	3,355	0	0
356.00 Other Collection Plant, Facilities	2	14,430	5,051	5,051	0	4,329	0	0
361.00 Structures and improvements	2	791,366	276,978	276,978	0	237,410	0	0
363.00 Electric Pumping Equipment	2	338,598	118,859	118,859	0	101,879	0	0
365.00 Other Pumping Equipment	2	27,093	9,483	9,483	0	8,128	0	0
370.00 Land and land rights	2	(275)	(96)	(96)	0	(83)	0	0
370.20 Other Land and Land Rights	2	144,465	50,563	50,563	0	43,339	0	0
371.00 Structures and improvements	2	267,105	93,487	93,487	0	80,131	0	0
372.00 Treatment and Disposal Equipment	2	5,839,381	2,043,783	2,043,783	0	1,751,814	0	0
373.00 Plant Sewers	2	368,862	129,102	129,102	0	110,558	0	0
389.00 Land and land rights	6	985	305	203	102	225	0	150
390.00 Structures and improvements	2	525,054	183,769	183,769	0	157,516	0	0
391.00 Office Furniture and Equipment	6	30,091	9,313	6,211	3,102	6,873	0	4,592
392.00 Transportation Equipment	6	(14,293)	(4,424)	(2,950)	(1,474)	(3,265)	0	(2,181)
393.00 Stores Equipment	6	(426)	(132)	(88)	(44)	(97)	0	(65)
394.00 Tools, Shop and Garage Equipment	6	89,751	27,778	18,525	9,253	20,499	0	13,696
395.00 Laboratory Equipment	2	85,247	29,837	29,837	0	25,574	0	0
396.00 Power Operated Equipment	6	466	144	96	48	106	0	71
397.00 Communications Equipment	6	18,192	5,630	3,755	1,876	4,155	0	2,776
398.00 Miscellaneous equipment	6	420,371	130,105	86,765	43,340	96,013	0	64,149
TOTAL UTILITY PLANT IN SERVICE SEWER		10,529,054	3,693,638	3,103,359	590,280	2,355,127	103,358	83,293
Other Rate Base Items:								
Overheads and AFUDC	8	(13,877)	(4,868)	(4,090)	(778)	(3,895)	(136)	(110)
Deferred Pension and OPEB	7	0	0	0	0	0	0	0
Deferred Taxes	8	(755,028)	(264,864)	(222,507)	(42,357)	(211,936)	(7,399)	(5,965)
Total Other Rate Base Elements		(768,905)	(269,732)	(226,596)	(43,136)	(215,832)	(7,535)	(6,074)
Total Original Cost Measure of Value		9,760,149	3,423,906	2,876,762	547,144	2,739,295	95,823	77,219

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): W/P C-3.3

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Test Year Revenues at Proposed vs. Current Rates Water A

Schedule E-4 Wtr A
Page 1 of 1
Witness Responsible: D. J. Petry

[illegible]

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR

Test Year Revenues at Proposed vs. Current Rates - Water A

Date: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): W/P E-4.1
Schedule E-4.1 Wtr A
Page 1 of 6
Witness Responsible: D. J. Peiry

Line No.	Rate Code	Class/Description	Customer Meter Billings	Proposed Sales CCF	Current Sales CCF	Proposed Rates	Proposed Revenue	Percent of Revenue to Total	Current Rates	Current Revenue	Percent of Revenue to Total	Dollar Increase	Percent Increase
1	(A) Residential												
2	Service Charges:												
3	Monthly:	5/8 inch	12.0			\$ 11.50	\$ 138	0.00%	9.51	\$ 114	0.00%	\$ 24	21.05%
4		3/4 inch	-			14.57	-	0.00%	12.05	-	0.00%	-	0.00%
5		1 inch	-			21.65	-	0.00%	17.90	-	0.00%	-	0.00%
6		1-1/2 inch	-			39.34	-	0.00%	32.53	-	0.00%	-	0.00%
7		2 inch	-			60.57	-	0.00%	50.09	-	0.00%	-	0.00%
8													
9													
10													
11	8-Monthly:	5/8 inch	228,183.8			23.00	5,248,227	24.24%	19.02	4,340,055	24.53%	908,172	20.93%
12		3/4 inch	354.3			29.14	10,324	0.05%	24.10	8,539	0.05%	1,785	20.90%
13		1 inch	703.1			43.30	30,442	0.14%	35.80	25,169	0.14%	5,273	20.95%
14		1-1/2 inch	66.0			78.68	5,193	0.02%	65.06	4,294	0.02%	899	20.94%
15		2 inch	43.4			121.14	5,264	0.02%	100.18	4,353	0.02%	911	20.93%
16													
17		Flat Rate	2,217.0			104.75	232,231	1.07%	-	-	0.00%	232,231	0.00%
18													
19													
20	Consumption Charges:												
21	Monthly:	1st 20 ccf	1	1	1	7.2290	7	0.00%	5.7412	6	0.00%	1	16.67%
22		Next 1,980 ccf	-	-	-	5.0837	-	0.00%	3.9705	-	0.00%	-	0.00%
23		All over 2,000 ccf	-	-	-	3.0900	-	0.00%	2.1115	-	0.00%	-	0.00%
24	8-Monthly:	1st 40 ccf	2,145,446	2,145,446	2,145,446	7.2290	15,509,432	71.64%	5.7412	12,317,437	69.61%	3,191,995	25.91%
25		Next 3,960 ccf	54,323	54,323	54,323	5.0837	276,160	1.28%	3.9705	215,688	1.22%	60,472	28.04%
26		All over 4,000 ccf	0	0	0	3.0900	-	0.00%	2.1115	-	0.00%	-	0.00%
27													
28													
29	Softening Surcharge (1)												
30		Marion ccf	910,635	910,635	910,635	0.4289	390,571	1.80%	0.3415	310,982	1.76%	79,589	25.59%
31													
32													
33	Infrastructure (ISC) Surcharge												
34													
35	Reconciling Items:												
36		FAL's and Credits	(5,565)	(5,565)	(5,565)	0.0000%	-	0.00%	3.0000%	515,357	2.91%	(515,367)	-100.00%
37													
38	Total Residential		228,363	2,193,205	2,193,205		21,647,822	99.98%		(47,746)	-0.27%	(12,421)	26.01%
39													
40													

(1) Softening usage not included in usage totals

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): W/P E-4.1

OHIO AMERICAN WATER COMPANY

Rate Case No. 11-4161-WS-AIR

Test Year Revenues at Proposed vs. Current Rates - Water A

Data: 4 Months Actual and 8 Months Estimated

Type of Filing:	X	Original	Updated	Revised
-----------------	---	----------	---------	---------

Work Paper Reference No(s): W/p E-4.1

Schedule E-4.1 Wtr A

Page 2 of 6

Witness Responsible: D. J. Petry

Line No.	Rate Code	Class/Description	Customer Meter Billings	Proposed Sales CCF	Current Sales CCF	Proposed Rates	Proposed Revenue	Percent of Revenue to Total	Current Rates	Current Revenue	Percent of Revenue to Total	Dollar Increase	Percent Increase
1	(b) Commercial												
2	Service Charges:												
3	Monthly:	5/8 inch	1,346.0			\$ 11.50	\$ 15,479	0.25%	\$ 9.51	\$ 12,800	0.25%	\$ 2,679	20.93%
4		3/4 inch	115.2			14.57	1,679	0.03%	12.05	1,388	0.03%	291	20.97%
5		1 inch	1,477.7			21.65	31,992	0.52%	17.30	26,451	0.53%	5,541	20.95%
6		1-1/2 inch	883.2			39.34	34,745	0.57%	32.53	28,730	0.58%	6,015	20.94%
7		2 inch	3,032.9			60.57	183,703	2.99%	50.09	151,918	3.09%	31,785	20.92%
8		3 inch	231.5			110.09	25,486	0.47%	91.04	21,076	0.47%	4,410	20.92%
9		4 inch	81.0			180.86	14,650	0.24%	149.56	12,114	0.24%	2,536	20.93%
10		6 inch	60.0			357.75	21,465	0.35%	295.84	17,750	0.36%	3,715	20.93%
11													
12	8-Monthly:	5/8 inch	12,127.5			23.00	278,931	4.55%	19.02	230,664	4.64%	48,267	20.93%
13		3/4 inch	218.8			29.14	6,377	0.10%	24.10	5,274	0.11%	1,103	20.91%
14		1 inch	2,008.1			43.30	86,949	1.47%	35.80	77,888	1.44%	15,061	20.95%
15		1-1/2 inch	468.0			78.68	36,826	0.60%	65.06	30,451	0.61%	6,375	20.94%
16		2 inch	715.6			121.14	86,682	1.41%	100.18	71,684	1.44%	14,998	20.93%
17		3 inch				220.18	-	0.00%	182.08	-	0.00%	-	0.00%
18		4 inch				361.72	-	0.00%	299.12	-	0.00%	-	0.00%
19		Flat Rate	3.0			104.75	314	0.01%	591.68	1,775	0.04%	(1,461)	-82.31%
20													
21	Consumption Charges:												
22	Monthly:	1st 20 ccf		75,156		7.2290	543,300	8.86%	5.7412	431,484	8.67%	111,816	25.91%
23		Next 1,980 ccf		483,339		5.0837	2,457,153	40.05%	3.9705	1,919,097	38.56%	538,056	28.04%
24		All over 2,000 ccf		86,747		3.0900	268,049	4.37%	2.1115	183,167	3.68%	84,882	46.34%
25													
26	8-Monthly:	1st 40 ccf		180,501		7.2290	1,304,838	21.27%	5.7412	1,036,290	20.82%	268,548	25.91%
27		Next 3,960 ccf		113,455		5.0837	576,770	9.40%	3.9705	450,472	9.05%	126,298	28.04%
28		All over 4,000 ccf				3.0900	-	0.00%	2.1115	-	0.00%	-	0.00%
29													
30	Softening Surcharge (1)												
31		Marion ccf		397,029		0.4289	170,286	2.78%	0.3415	135,585	2.72%	34,701	25.59%
32													
33	Infrastructure (SIC) Surcharge						-	0.00%	3.0000%	144,945	2.91%	(144,945)	-100.00%
34													
35	Reconciling Items:												
36		FAL's and Credits											
37													
38	Total Commercial		22,765	937,728	937,728		\$ 6,134,823	100.01%		\$ 4,976,457	99.99%	\$ 1,158,366	23.28%

(1) Softening usage not included in usage totals

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR

Test Year Revenues at Proposed vs. Current Rates - Water A

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): W/P E-4.1
Schedule E-4.1 Wtr A
Page 3 of 6
Witness Responsible: D. J. Petry

Line No.	Rate Code	Class/Description	Customer Meter Billings	Proposed Sales CCF	Current Sales CCF	Proposed Rates	Proposed Revenue	Percent of Revenue to Total	Current Rates	Current Revenue	Percent of Revenue to Total	Dollar Increase	Percent Increase
1	(C) Industrial												
2	Service Charges:												
3	Monthly:	5/8 inch	202.9			\$	2,333	0.10%	9.51	1,930	0.11%	\$ 403	20.88%
4		3/4 inch	12.0				175	0.01%	12.05	145	0.01%	30	20.69%
5		1 inch	204.0				4,417	0.20%	17.90	3,652	0.21%	765	20.95%
6		1-1/2 inch	108.0				4,249	0.19%	32.53	3,513	0.20%	736	20.95%
7		2 inch	821.0				49,728	2.22%	50.09	41,124	2.32%	8,604	20.92%
8		3 inch	48.0				5,284	0.24%	91.04	4,370	0.25%	914	20.92%
9		4 inch	180.6				32,663	1.46%	149.56	27,011	1.52%	5,652	20.92%
10		6 inch	70.0				25,037	1.12%	295.84	20,705	1.17%	4,332	20.92%
11	Bi-Monthly:	5/8 inch	66.0				1,518	0.07%	19.02	1,255	0.07%	263	20.96%
12		3/4 inch					29.14	0.00%	34.10	-	0.00%	-	0.00%
13		1 inch	30.0				1,299	0.06%	35.80	1,074	0.06%	225	20.95%
14		1-1/2 inch	6.0				472	0.02%	65.06	390	0.02%	82	21.03%
15		2 inch	30.0				3,634	0.16%	100.18	3,005	0.17%	629	20.93%
16		3 inch					-	0.00%	182.08	-	0.00%	-	0.00%
17													
18													
19	Consumption Charges:												
20	Monthly:	1st 20 ccf		17,256	17,256		124,740	5.57%	5,7412	99,068	5.58%	25,672	25.91%
21		Next 1,880 ccf		290,483	290,483		1,476,730	65.93%	3,9705	1,153,362	65.01%	323,368	28.04%
22		All over 2,000 ccf		120,264	120,264		371,616	16.59%	2,1115	253,937	14.31%	117,679	46.34%
23													
24	Bi-Monthly:	1st 40 ccf		2,971	2,971		21,479	0.96%	5,7412	17,058	0.96%	4,421	25.93%
25		Next 3,960 ccf		2,891	2,891		14,699	0.66%	3,9705	11,480	0.65%	3,219	28.04%
26		All over 4,000 ccf		-	-		-	0.00%	2,1115	-	0.00%	-	0.00%
27													
28	Softening Surcharge (1)												
29		Marion ccf		225,210	225,210		96,593	4.31%	0.3415	76,909	4.34%	19,684	25.59%
30													
31	Infrastructure (SIC) Surcharge						-	0.00%	3,0000%	51,670	2.91%	(51,670)	-100.00%
32													
33	Recycling Items:												
34		FAL's and Credits		(163)	(163)		3,056	0.14%		2,350	0.13%	706	30.04%
35													
36	Total Industrial		1,778	433,702	433,702		2,239,712	100.03%		1,774,008	100.00%	465,714	26.25%
37													
38													
39													
40													

(1) Softening usage not included in usage totals

OHIO AMERICAN WATER COMPANY

Rate Case No. 11-4161-WS-AIR

Test Year Revenues at Proposed vs. Current Rates - Water A

Date: 4 Months Actual and 8 Months Estimated

Type of Filing: ☒ Original ☐ Updated ☐ Revised

Work Paper Reference No(s): W/P E-4.1

Schedule E-4.1 Wtr A

Page 4 of 6

Witness Responsible: D. J. Petry

Line No.	Rate Code	Class/Description	Customer Meter Billings	Proposed Sales CCF	Current Sales CCF	Proposed Rates	Proposed Revenue	Percent of Revenue to Total	Current Rates	Current Revenue	Percent of Revenue to Total	Dollar Increase	Percent Increase
1		10) Other Public Authority											
2		Service Charges:											
3	Monthly:	5/8 inch	383.7			\$ 11.50	\$ 4,413	0.19%	\$ 9.51	\$ 3,649	0.20%	\$ 764	20.94%
4		3/4 inch	81.0			14.57	1,180	0.05%	12.05	976	0.05%	204	20.90%
5		1 inch	237.3			21.65	5,137	0.22%	17.90	4,247	0.24%	890	20.96%
6		1-1/2 inch	136.0			39.34	5,351	0.23%	32.53	4,424	0.25%	927	20.95%
7		2 inch	911.0			60.57	55,179	2.38%	50.09	45,632	2.55%	9,547	20.92%
8		3 inch	144.0			110.09	15,853	0.68%	91.04	13,110	0.73%	2,743	20.92%
9		4 inch	279.6			180.86	50,562	2.18%	149.56	41,812	2.34%	8,750	20.93%
10		6 inch	35.3			357.75	12,636	0.55%	295.84	10,449	0.58%	2,187	20.93%
11		Bi-Monthly:	228.5			23.00	\$ 5,256	0.23%	19.02	\$ 4,347	0.24%	\$ 909	20.91%
12		5/8 inch	12.0			20.14	350	0.03%	24.10	289	0.02%	61	21.11%
13		3/4 inch	121.1			43.40	5,242	0.23%	35.80	4,334	0.24%	908	20.95%
14		1 inch	45.6			78.68	3,585	0.15%	65.06	2,964	0.17%	621	20.95%
15		1-1/2 inch	269.0			121.14	32,587	1.41%	100.18	26,948	1.51%	5,639	20.93%
16		2 inch											
17													
18		Consumption Charges:											
19	Monthly:	1st 20 ccf	22,197	22,197		7,2290	\$ 160,465	6.93%	\$ 5,7412	\$ 127,440	7.13%	\$ 33,025	25.91%
20		Next 1,980 ccf	150,198	150,198		5,0837	761,563	32.96%	3,9705	596,361	33.35%	167,202	28.04%
21		All over 2,000 ccf	291,935	291,935		3,0900	902,078	38.94%	2,1115	616,420	34.47%	285,658	46.34%
22													
23	Bi-Monthly:	1st 40 ccf	12,354	12,354		7,2290	\$ 89,307	3.86%	\$ 5,7412	\$ 70,927	3.97%	\$ 18,380	25.91%
24		Next 3,960 ccf	7,250	7,250		5,0837	36,858	1.59%	3,9705	28,787	1.61%	8,071	28.04%
25		All over 4,000 ccf	-	-		3,0900	-	0.00%	2,1115	-	0.00%	-	0.00%
26													
27		Softening Surcharge: (1)											
28		Marion ccf	390,031	390,031		0.4289	\$ 167,284	7.22%	\$ 0.3415	\$ 133,196	7.45%	\$ 34,088	25.59%
29													
30		Infrastructure (ISC) Surcharge											
31													
32		Reconciling Items:											
33		FAL's and Credits	(50)	(50)									
34													
35		Total Other Public Authority	2,884.0	483,884	483,884		\$ 2,316,411	100.00%		\$ 1,788,035	99.99%	\$ 528,376	29.55%
36													
37													
38													
39													
40													

(1) Softening usage not included in usage totals.

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR

Test Year Revenues at Proposed vs. Current Rates - Water A

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): W/P E-4.1
Schedule E-4.1 Wtr A
Page 5 of 6
Witness Responsible: D. J. Petry

Line No.	Rate Code	Class/Description	Customer Meter Billings	Proposed Sales CCF	Current Sales CCF	Proposed Rates	Proposed Revenue	Percent of Revenue to Total	Current Rates	Current Revenue	Percent of Revenue to Total	Dollar Increase	Percent Increase
1	(E) Special Contracts												
2													
3	Whirlpool	Industrial											
4	Service Charges:												
5	Monthly:	2 inch	12.0										
6		6 inch	24.0										
7	Consumption Charges:												
8	Monthly:	1st 13,555 ccf		7,244	7,244	\$ 295.84	\$ 3,550	\$		3,550	\$		
9		Next 1,445 ccf		77,403	77,403	\$ 1,398.2	\$ 10,129	\$		10,129	\$		
10		Next 17,000 ccf		1,193	1,193	2,050.6	158,516			158,516			
11		All over 32,000				2,027.4	2,419			2,419			
12				85,740	85,740		\$ 174,614	9.71%		\$ 174,614	9.71%		0.00%
13													
14	Pest	Industrial											
15	Consumption Charges:												
16	Monthly:	1st 2,533 33 ccf		2,612	2,612	\$ 0.9978	\$ 2,607	\$		2,607	\$		0.00%
17		Next 20,800 ccf		16,639	16,639	0.9978	16,592			16,592			0.00%
18		Next 100,000 ccf		32,060	32,060	1.0678	34,233			34,233			0.00%
19		All over 123,333 33 ccf		200,584	200,584	1.0678	214,185			214,185			0.00%
20				251,885	251,885		\$ 267,617	14.88%		\$ 267,617	14.88%		0.00%
21													
22													
23	US Yachimo	Industrial											
24	Service Charges:												
25	Monthly:	2 inch	12.0										
26	Credits												
27													
28													
29	Consumers' Ohio Water	Sales for Resale											
30	Service Charges:												
31	Monthly:	6 inch											
32	Consumption Charges:												
33	Monthly:	CCF		893,055	893,055								
34		M Gals		668,005	668,005	\$ 2,494.3	\$ 1,666,205	\$		1,666,205	\$		
35	Infrastructure (SIC) Surcharge												
36				893,055	893,055								
37													
38													
39													
40	Total Special Contracts		48.0	1,230,680	1,230,680		\$ 2,108,436	100.00%		\$ 1,798,913	100.01%	\$ 309,523	17.21%

41 Total Miscellaneous Metered

42 (1) Softening usage not included in usage totals.

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Test Year Revenues at Proposed vs. Current Rates - Water C

[illegible]

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): W/P E-4.1

Schedule E-4.1 Wtr C
Page 1 of 3
Witness Responsible: D. J. Petry

[illegible]

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Test Year Revenues at Proposed vs. Current Rates - Water C

Data: Service Charges: Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): W/P E-4.1
Schedule E-4.1 Wtr C
Page 3 of 3
Witness Responsible: D. J. Petry

Line No.	Rate Code	Class/Description	Customer Meter Billings	Proposed Sales CCF	Current Sales CCF	Proposed Rates	Proposed Revenue	Percent of Revenue to Total	Current Rates	Current Revenue	Percent of Revenue to Total	Dollar Increase	Percent Increase
1		(D) Other Public Authority											
2		Service Charges:											
3	Monthly:	5/8 inch	-			\$ 11.50	\$ -	0.00%	9.51	\$ -	0.00%	\$ -	0.00%
4		3/4 inch	12.0			14.57	175	0.54%	12.05	145	0.61%	30	20.69%
5		1 inch	-			21.65	-	0.00%	17.90	-	0.00%	-	0.00%
6		1-1/2 inch	-			39.34	-	0.00%	32.53	-	0.00%	-	0.00%
7		2 inch	-			60.57	-	0.00%	50.09	-	0.00%	-	0.00%
8		3"	-			110.09	-	0.00%	91.04	-	0.00%	-	0.00%
9		4"	12.0			180.86	2,170	6.70%	149.56	1,795	7.52%	375	20.89%
10													
11													
12													
13		Consumption Charges:											
14		Present											
15	Monthly:	1st 20 ccf				247	\$ 1,783	5.51%	5,741.2	\$ 1,416	5.94%	\$ 367	25.92%
16		Next 1,980 ccf				4,223	\$ 21,470	66.32%	3,911.8	16,520	69.25%	4,950	29.96%
17		All over 2,000 ccf				6,132	\$ 18,947	58.53%	2,111.5	12,947	54.27%	6,000	46.34%
18													
19													
20		Purchase Water Surcharge - Usage CCF				-	\$ -	0.00%	-	\$ -	0.00%	\$ -	0.00%
21													
22		Huber Ridge (Reverse Osmosis)				-	\$ 1,417.9	0.00%	1,499.4	\$ -	0.00%	\$ -	0.00%
23													
24		Lake Darby & Worthington - Softening				-	\$ 0.8006	0.00%	0.5745	\$ -	0.00%	\$ -	0.00%
25													
26		Reconciling Items:											
27		FAL's and Credits		(942)	(942)		\$ (12,171)	-37.59%		\$ (8,968)	-37.60%	\$ (3,203)	35.71%
28													
29													
30		Total Other Public Authority	24.0	10,602			\$ 32,374	100.01%		\$ 23,855	99.99%	\$ 8,519	35.71%
31													
32													
33		Private Fire Protection											
34													
35		Sprinkler Heads				\$ 1,240.0	\$ -	0.00%	1,070.0	\$ -	0.00%	\$ -	0.00%
36													
37													
38		Total Private Fire					\$ -	0.00%		\$ -	0.00%	\$ -	0.00%

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): W/P E-4.1

Schedule E-4 WW
Page 1 of 1
Witness Responsible: D. J. Petry

[illegible]

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): W/P E-4.1

Schedule E-4.1 WW
Page 2 of 2
Witness Responsible: D. J. Petry

Line No.	Rate Code	Class/Description	Customer Meter Billings	Proposed Sales CCF	Current Sales CCF	Proposed Rates	Proposed Revenue	Percent of Revenue to Total	Current Rates	Current Revenue	Percent of Revenue to Total	Dollar Increase	Percent Increase
1	(B) Commercial												
2	<u>Service Charges</u>												
3	Monthly:	5/8 inch	-	-	-	\$	\$	0.00%	\$	-	0.00%	\$	0.00%
4		3/4 inch	-	-	-	-	-	0.00%	-	-	0.00%	-	0.00%
5		1 inch	-	-	-	-	-	0.00%	-	-	0.00%	-	0.00%
6		1-1/2 inch	-	-	-	-	-	0.00%	-	-	0.00%	-	0.00%
7		2 inch	-	-	-	-	-	0.00%	-	-	0.00%	-	0.00%
8		3"	-	-	-	-	-	0.00%	-	-	0.00%	-	0.00%
9		4"	-	-	-	-	-	0.00%	-	-	0.00%	-	0.00%
10													
11													
12													
13													
14	<u>Consumption Charges:</u>												
15	Monthly:	1st 13.33 ccf	13,653	13,653	13,653	\$	9,8510	\$	8,8358	\$	120,634	27,46%	\$
16		Next 586.67 ccf	51,886	51,886	51,886	7,1300	368,392	71.02%	5,8920	305,714	69.60%	62,678	11.60%
17		All over 600 ccf	7,743	7,743	7,743	2,7720	21,463	4.14%	2,3000	17,808	4.05%	3,655	20.50%
18													20.52%
19													
20													
21													
22													
23													
24													
25													
26	<u>Reconciling items:</u>												
27		FAL's and Credits	(773)	(773)	(773)		(5,7992)	-1.12%		(4,905)	-1.12%	(887)	18.08%
28													
29													
30	<u>Total Commercial</u>												
31				72,508	72,508		\$ 518,694	100.00%		\$ 439,251	90.99%	\$ 79,443	18.09%

OHIO AMERICAN WATER COMPANY

Rate Case No. 11-4161-WS-AIR

Detail Other Service Rates (telephone utilities only)

Schedule E-4.2

Page 1 of 1

Witness Responsible: D.J. Petry

Data:
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): W/P E-4.3

Line
No.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35
- 36
- 37
- 38
- 39
- 40
- 41
- 42
- 43
- 44
- 45

Applies to telephone utilities only

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Actual Test Year Revenue at Actual Rates

Schedule E-4.3
Page 1 of 1
Witness Responsible: D. J. Petry

Data:
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): W/P E-4.3

Line No.	Rate Code (A)	Schedule/Description (B)	Customer Bills (C)	Actual Sales CCF/Gal (D)	Test Year Revenue (E)	Average Rate (F=E/D)	% of Revenue To Total (G)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45							

To be completed within 3 months after end of test year

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-W5-AIR
Typical Monthly Bill Comparison - Water A

Date: 4 Months Actual and 8 Months Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): No Workpapers
Schedule E-5 Wtr A
Page 1 of 5
Witness Responsible: D. J. Petry

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
1	Ashtabula, Lake White, Lawrence County, Marion, Mansfield (metered) and Tiffin Districts				
2	Monthly				
3	1st 20 ccf	\$ 5,741.2	\$ 7,219.0	\$ 1,487.8	25.91%
4	21 - 2,000 ccf	\$ 3,970.5	\$ 5,083.7	\$ 1,113.2	28.04%
5	over 2,000 ccf	\$ 2,111.5	\$ 3,090.0	\$ 978.5	46.34%
6	SIC Surcharge	3.0%	0.0%		
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					

Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
0	\$ 9.80	\$ 11.50	\$ 1.70	17.40%
1	16.06	19.16	3.10	19.29%
2	22.33	26.82	4.49	20.11%
3	28.59	34.47	5.88	20.58%
4	34.86	42.13	7.28	20.87%
5	41.12	49.79	8.67	21.08%
6	47.39	57.45	10.06	21.23%
7	53.65	65.11	11.45	21.35%
8	59.92	72.76	12.85	21.44%
9	66.18	80.42	14.24	21.52%
10	72.45	88.08	15.63	21.56%
20	135.10	164.66	29.56	21.88%
50	268.34	330.04	61.70	22.99%
100	490.41	605.67	115.26	23.50%
200	934.54	1,156.93	222.38	23.80%
500	1,266.95	1,810.71	543.76	23.99%
1,000	4,487.63	5,567.01	1,079.38	24.05%

Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
0	\$ 9.80	\$ 11.50	\$ 1.70	17.40%
1	16.06	19.16	3.10	19.29%
2	22.33	26.82	4.49	20.11%
3	28.59	34.47	5.88	20.58%
4	34.86	42.13	7.28	20.87%
5	41.12	49.79	8.67	21.08%
6	47.39	57.45	10.06	21.23%
7	53.65	65.11	11.45	21.35%
8	59.92	72.76	12.85	21.44%
9	66.18	80.42	14.24	21.52%
10	72.45	88.08	15.63	21.56%
20	135.10	164.66	29.56	21.88%
50	268.34	330.04	61.70	22.99%
100	490.41	605.67	115.26	23.50%
200	934.54	1,156.93	222.38	23.80%
500	1,266.95	1,810.71	543.76	23.99%
1,000	4,487.63	5,567.01	1,079.38	24.05%

Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
0	\$ 9.80	\$ 11.50	\$ 1.70	17.40%
1	16.06	19.16	3.10	19.29%
2	22.33	26.82	4.49	20.11%
3	28.59	34.47	5.88	20.58%
4	34.86	42.13	7.28	20.87%
5	41.12	49.79	8.67	21.08%
6	47.39	57.45	10.06	21.23%
7	53.65	65.11	11.45	21.35%
8	59.92	72.76	12.85	21.44%
9	66.18	80.42	14.24	21.52%
10	72.45	88.08	15.63	21.56%
20	135.10	164.66	29.56	21.88%
50	268.34	330.04	61.70	22.99%
100	490.41	605.67	115.26	23.50%
200	934.54	1,156.93	222.38	23.80%
500	1,266.95	1,810.71	543.76	23.99%
1,000	4,487.63	5,567.01	1,079.38	24.05%

Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
0	\$ 9.80	\$ 11.50	\$ 1.70	17.40%
1	16.06	19.16	3.10	19.29%
2	22.33	26.82	4.49	20.11%
3	28.59	34.47	5.88	20.58%
4	34.86	42.13	7.28	20.87%
5	41.12	49.79	8.67	21.08%
6	47.39	57.45	10.06	21.23%
7	53.65	65.11	11.45	21.35%
8	59.92	72.76	12.85	21.44%
9	66.18	80.42	14.24	21.52%
10	72.45	88.08	15.63	21.56%
20	135.10	164.66	29.56	21.88%
50	268.34	330.04	61.70	22.99%
100	490.41	605.67	115.26	23.50%
200	934.54	1,156.93	222.38	23.80%
500	1,266.95	1,810.71	543.76	23.99%
1,000	4,487.63	5,567.01	1,079.38	24.05%

Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
0	\$ 9.80	\$ 11.50	\$ 1.70	17.40%
1	16.06	19.16	3.10	19.29%
2	22.33	26.82	4.49	20.11%
3	28.59	34.47	5.88	20.58%
4	34.86	42.13	7.28	20.87%
5	41.12	49.79	8.67	21.08%
6	47.39	57.45	10.06	21.23%
7	53.65	65.11	11.45	21.35%
8	59.92	72.76	12.85	21.44%
9	66.18	80.42	14.24	21.52%
10	72.45	88.08	15.63	21.56%
20	135.10	164.66	29.56	21.88%
50	268.34	330.04	61.70	22.99%
100	490.41	605.67	115.26	23.50%
200	934.54	1,156.93	222.38	23.80%
500	1,266.95	1,810.71	543.76	23.99%
1,000	4,487.63	5,567.01	1,079.38	24.05%

Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
0	\$ 9.80	\$ 11.50	\$ 1.70	17.40%
1	16.06	19.16	3.10	19.29%
2	22.33	26.82	4.49	20.11%
3	28.59	34.47	5.88	20.58%
4	34.86	42.13	7.28	20.87%
5	41.12	49.79	8.67	21.08%
6	47.39	57.45	10.06	21.23%
7	53.65	65.11	11.45	21.35%
8	59.92	72.76	12.85	21.44%
9	66.18	80.42	14.24	21.52%
10	72.45	88.08	15.63	21.56%
20	135.10	164.66	29.56	21.88%
50	268.34	330.04	61.70	22.99%
100	490.41	605.67	115.26	23.50%
200	934.54	1,156.93	222.38	23.80%
500	1,266.95	1,810.71	543.76	23.99%
1,000	4,487.63	5,567.01	1,079.38	24.05%

Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
0	\$ 9.80	\$ 11.50	\$ 1.70	17.40%
1	16.06	19.16	3.10	19.29%
2	22.33	26.82	4.49	20.11%
3	28.59	34.47	5.88	20.58%
4	34.86	42.13	7.28	20.87%
5	41.12	49.79	8.67	21.08%
6	47.39	57.45	10.06	21.23%
7	53.65	65.11	11.45	21.35%
8	59.92	72.76	12.85	21.44%
9	66.18	80.42	14.24	21.52%
10	72.45	88.08	15.63	21.56%
20	135.10	164.66	29.56	21.88%
50	268.34	330.04	61.70	22.99%
100	490.41	605.67	115.26	23.50%
200	934.54	1,156.93	222.38	23.80%
500	1,266.95	1,810.71	543.76	23.99%
1,000	4,487.63	5,567.01	1,079.38	24.05%

Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
0	\$ 9.80	\$ 11.50	\$ 1.70	17.40%
1	16.06	19.16	3.10	19.29%
2	22.33	26.82	4.49	20.11%
3	28.59	34.47	5.88	20.58%
4	34.86	42.13	7.28	20.87%
5	41.12	49.79	8.67	21.08%
6	47.39	57.45	10.06	21.23%
7	53.65	65.11	11.45	21.35%
8	59.92	72.76	12.85	21.44%
9	66.18	80.42	14.24	21.52%
10	72.45	88.08	15.63	21.56%
20	135.10	164.66	29.56	21.88%
50	268.34	330.04	61.70	22.99%
100	490.41	605.67	115.26	23.50%
200	934.54	1,156.93	222.38	23.80%
500	1,266.95	1,810.71	543.76	23.99%
1,000	4,487.63	5,567.01	1,079.38	24.05%

Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
0	\$ 9.80	\$ 11.50	\$ 1.70	17.40%
1	16.06	19.16	3.10	19.29%
2	22.33	26.82	4.49	20.11%
3	28.59	34.47	5.88	20.58%
4	34.86	42.13	7.28	20.87%
5	41.12	49.79	8.67	21.08%
6	47.39	57.45	10.06	21.23%
7	53.65	65.11	11.45	21.35%
8	59.92	72.76	12.85	21.44%
9	66.18	80.42	14.24	21.52%
10	72.45	88.08	15.63	21.56%
20	135.10	164.66	29.56	21.88%
50	268.34	330.04	61.70	22.99%
100	490.41	605.67	115.26	23.50%
200	934.54	1,156.93	222.38	23.80%
500	1,266.95	1,810.71	543.76	23.99%
1,000	4,487.63	5,567.01	1,079.38	24.05%

Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
0	\$ 9.80	\$ 11.50	\$ 1.70	17.40%
1	16.06	19.16	3.10	19.29%
2	22.33	26.82	4.49	20.11%
3	28.59	34.47	5.88	20.58%
4	34.86	42.13	7.28	20.87%
5	41.12	49.79	8.67	21.08%
6	47.39	57.45	10.06	21.23%
7	53.65	65.11	11.45	21.35%
8	59.92	72.76	12.85	21.44%
9	66.18	80.42	14.24	21.52%
10	72.45	88.08	15.63	21.56%
20	135.10	164.66	29.56	21.88%
50	268.34	330.04	61.70	22.99%
100	490.41	605.67	115.26	23.50%
200	934.54	1,156.93	222.38	23.80%
500	1,266.95	1,810.71	543.76	23.99%
1,000	4,487.63	5,567.01	1,079.38	24.05%

32																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
----	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

[illegible]

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-W5-AIR
Typical Bill Comparison - Water A

Schedule E-5 Wtr A
Page 3 of 5
Witness Responsible: D. J. Petry

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): No Workpapers

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
Marion County within Marion District (including softening surcharge)					
1					
2					
3	Monthly				
4	1st 20 ccf	\$ 5,741.2	\$ 7,229.0	\$ 1,487.8	25.91%
5	21 - 2,000 ccf	3,970.5	5,083.7	1,113.2	28.04%
6	over 2,000 ccf	2,111.5	3,090.0	0.9785	46.34%
7					
8	SIC Surcharge	3.0%	0.0%		
9					
10					
Bill Data - Single 2" Meter					
	Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
Marion County within Marion District (including softening surcharge)					
11					
12					
13					
14					
15	0	\$ 51.59	\$ 60.57	\$ 8.98	17.40%
16	10	110.73	132.86	22.13	19.99%
17	20	169.86	205.15	35.29	20.77%
18	50	292.55	357.66	65.11	22.26%
19	100	497.03	611.85	114.82	23.10%
20	500	2,132.88	2,645.31	512.45	24.03%
21	1,000	4,177.68	5,187.18	1,009.50	24.16%
22	2,000	8,267.30	10,270.89	2,003.59	24.24%
23	3,000	10,442.14	13,360.89	2,918.75	27.95%
24	5,000	14,791.83	19,540.89	4,749.06	32.11%
25	6,000	16,966.68	22,630.89	5,664.21	33.38%
26	7,000	19,141.52	25,720.89	6,579.37	34.37%
27	8,000	21,316.37	28,810.89	7,494.52	35.16%
28	9,000	23,491.21	31,900.89	8,409.68	35.80%
29	10,000	25,666.06	34,990.89	9,324.83	36.33%
30	11,000	27,840.90	38,080.89	10,249.99	36.78%
31	12,000	30,015.75	41,170.89	11,155.14	37.16%

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Typical Bill Comparison - Water A

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): No Worksheets
Schedule E-5 Wtr A
Page 4 of 5
Witness Responsible: D. J. Petry

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
Marion County within Marion District (including softening surcharge)										
1										
2	Ashtabula, Lake White, Lawrence County, Marion, Mansfield (metered) and Tiffin Districts									
3	Monthly									
4	1st 20 ccf	\$ 5,741.2	\$ 7,229.0	\$ 1,487.8	25.91%	All usage ccf	\$ 0.3415	\$ 0.4289	\$ 0.0874	25.59%
5	21 - 2,000 ccf	3,970.5	5,083.7	1,113.2	28.04%					
6	over 2,000 ccf	2,111.5	3,090.0	0,978.5	46.34%					
7										
8	SIC Surcharge	3.0%	0.0%							
9										
Bill Data - Single or Meter										
10										
11	Level of Usage	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change	Level of Usage	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
12	ccf					ccf				
13										
Marion County within Marion District (including softening surcharge)										
14										
15	0	\$ 154.05	\$ 180.86	\$ 26.81	17.41%	0	\$ 154.05	\$ 180.86	\$ 26.81	17.41%
16	10	213.18	253.15	39.97	18.75%	10	216.70	257.44	40.74	18.80%
17	20	272.32	325.44	53.12	19.51%	20	279.35	334.02	54.67	19.57%
18	50	395.00	472.95	82.95	21.00%	50	412.59	499.40	86.80	21.04%
19	100	599.48	732.14	132.65	22.13%	100	634.66	775.03	140.37	22.12%
20	500	2,235.33	2,765.62	530.29	23.72%	500	2,411.20	2,980.07	568.87	23.59%
21	1,000	4,280.14	5,307.47	1,027.33	24.00%	1,000	4,631.88	5,736.37	1,104.49	23.85%
22	2,000	8,369.75	10,391.18	2,021.43	24.15%	2,000	9,073.24	11,248.98	2,175.74	23.98%
23	5,000	14,894.29	19,661.18	4,766.89	32.00%	5,000	16,653.01	21,805.68	5,152.67	30.94%
24	10,000	25,768.51	35,111.18	9,342.67	36.26%	10,000	29,285.96	39,400.18	10,114.22	34.54%
25	15,000	36,642.74	50,561.18	13,918.44	37.98%	15,000	41,918.91	56,994.68	15,075.77	35.96%
26	20,000	47,516.96	66,011.18	18,494.22	38.97%	20,000	54,551.86	74,589.18	20,037.32	36.73%
27	25,000	58,391.19	81,461.18	23,069.99	39.51%	25,000	67,184.81	92,183.68	24,998.87	37.21%
28	30,000	69,265.41	96,911.18	27,645.77	39.91%	30,000	79,817.76	109,778.18	29,960.42	37.54%
29	40,000	91,013.86	127,811.18	36,797.32	40.43%	40,000	105,083.66	144,967.18	39,883.52	37.95%
30	50,000	112,762.31	158,711.18	45,948.87	40.75%	50,000	130,349.56	180,156.18	49,806.62	38.21%
31	60,000	134,510.76	189,611.18	55,100.42	40.96%	60,000	155,615.46	215,345.18	59,729.72	38.38%

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
1					
2	Marion County within Marion District (including softening surcharge)				
3	Ashtrubia, Lake White, Lawrence County, Marion, Mansfield (metered) and Tiffin Districts				
4	Monthly				
5	1st 20 ccf	\$ 5,741.2	\$ 7,250	\$ 1,487.8	25.91%
6	21 - 2,000 ccf	3,970.5	5,083.7	1,113.2	28.04%
7	over 2,000 ccf	2,111.5	3,090.0	0.978.5	46.34%
8	SIC Surcharge	3.0%	0.0%		
9					
10					
11	Bill Data - Single 6" Meter				
12	Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
13					
14	Marion County within Marion District (including softening surcharge)				
15	0	\$ 304.72	\$ 357.75	\$ 53.03	17.40%
16	10	367.37	434.33	66.96	18.23%
17	20	430.02	510.91	80.89	18.81%
18	30	563.26	676.29	113.03	20.07%
19	100	785.33	951.92	166.59	21.21%
20	500	2,561.87	3,156.96	595.09	23.23%
21	1,000	4,782.55	5,933.25	1,130.71	23.64%
22	2,000	9,223.91	11,425.87	2,201.96	23.87%
23	5,000	16,803.68	21,982.57	5,178.89	30.82%
24	10,000	29,435.63	39,577.07	10,140.44	34.45%
25	15,000	42,069.58	57,171.57	15,101.99	35.90%
26	20,000	54,702.53	74,766.07	20,063.54	36.68%
27	25,000	67,335.48	91,360.57	25,025.09	37.16%
28	30,000	79,968.43	109,955.07	29,986.64	37.50%
29	40,000	105,234.33	145,144.07	39,909.74	37.92%
30	50,000	130,500.23	180,333.07	49,832.84	38.19%
31	60,000	155,766.13	215,522.07	59,755.94	38.36%

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Typical Bill Comparison - Water C

Data: 4 Months Actual and 8 Months Estimated
Type of filing: X Original Updated Revised
Work Paper Reference No(s): No Worksheets
Schedule E-5 Wtr C
Page 1 of 6
Witness Responsible: D. J. Petry

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
Franklin County District					
1	Monthly ccf				
2	Current				
3	0-1333: 1st 20	\$ 5,741.2	\$ 7,229.0	\$ 1,487.8	25.91%
4	1334-600: 21-2,000	3,911.8	5,083.7	1,171.9	29.96%
5	over 600: over 2,000	2,111.5	3,090.0	0.9785	46.34%
6	Reverse Osmosis Surcharge - Huber Ridge in Franklin County District				
7	1.4994 \$	1,417.9	\$ (0.0815)		-5.44%
8	Softening Surcharge - Lake Darby and Worthington Hills in Franklin County District				
9	0.5745 \$	0.8006	\$ 0.2261		39.36%
10	SIC Surcharge	0.0%	0.0%		

Portage District					
Purchased Water Surcharge - Portage District					
All usage ccf \$ - \$ - \$ - \$ - \$ - 0.00%					

Bill Data - Single 5/8" Meter					
Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change	
19					
20					
Franklin County (no surcharges)					Portage District

Franklin County (no surcharges)				
0	\$ 9.51	\$ 11.50	\$ 1.99	20.93%
1	15.25	18.73	3.48	22.80%
2	20.99	25.96	4.97	23.65%
3	26.73	33.19	6.45	24.14%
4	32.47	40.42	7.94	24.45%
5	38.22	47.65	9.43	24.67%
6	43.96	54.87	10.92	24.84%
7	49.70	62.10	12.40	24.96%
8	55.44	69.33	13.89	25.06%
9	61.18	76.56	15.38	25.14%
10	66.92	83.79	16.87	25.21%
20	124.33	156.08	31.75	25.53%
50	241.69	308.59	66.90	27.68%
100	437.28	562.78	125.50	28.70%
200	838.45	1,071.15	242.69	29.29%
500	2,002.00	2,596.26	594.26	29.68%
1,000	3,263.87	5,138.11	1,874.24	57.42%

Portage District				
0	\$ 9.51	\$ 11.50	\$ 1.99	20.93%
1	15.25	18.73	3.48	22.80%
2	20.99	25.96	4.97	23.65%
3	26.73	33.19	6.45	24.14%
4	32.47	40.42	7.94	24.45%
5	38.22	47.65	9.43	24.67%
6	43.96	54.87	10.92	24.84%
7	49.70	62.10	12.40	24.96%
8	55.44	69.33	13.89	25.06%
9	61.18	76.56	15.38	25.14%
10	66.92	83.79	16.87	25.21%
20	124.33	156.08	31.75	25.53%
50	241.69	308.59	66.90	27.68%
100	437.28	562.78	125.50	28.70%
200	838.45	1,071.15	242.69	29.29%
500	2,002.00	2,596.26	594.26	29.68%
1,000	3,263.87	5,138.11	1,874.24	57.42%

21	0	\$ 9.51	\$ 11.50	\$ 1.99	20.93%
22	1	15.25	18.73	3.48	22.80%
23	2	20.99	25.96	4.97	23.65%
24	3	26.73	33.19	6.45	24.14%
25	4	32.47	40.42	7.94	24.45%
26	5	38.22	47.65	9.43	24.67%
27	6	43.96	54.87	10.92	24.84%
28	7	49.70	62.10	12.40	24.96%
29	8	55.44	69.33	13.89	25.06%
30	9	61.18	76.56	15.38	25.14%
31	10	66.92	83.79	16.87	25.21%
32	20	124.33	156.08	31.75	25.53%
33	50	241.69	308.59	66.90	27.68%
34	100	437.28	562.78	125.50	28.70%
35	200	838.45	1,071.15	242.69	29.29%
36	500	2,002.00	2,596.26	594.26	29.68%
37	1,000	3,263.87	5,138.11	1,874.24	57.42%
38					
39					
40					
41					
42					
43					
44					
45					

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Typical Bill Comparison - Water C

Date: 4 Months Actual and 8 Months Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): No Workpapers
Schedule E-5 Wtr C
Page 2 of 6
Witness Responsible: D. J. Petry

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
Franklin County District					
1					
2	Monthly ccf				
3	Current				
4	0 - 13.33	\$ 5,741.2	\$ 7,229.0	\$ 1,487.8	25.91%
5	13.34 - 600	\$ 3,911.8	\$ 5,083.7	\$ 1,171.9	29.96%
6	over 600	\$ 2,111.5	\$ 3,090.0	\$ 978.5	46.34%
7					
8					
9	Reverse Osmosis Surcharge - Huber Ridge in Franklin County District				
10	\$ 1,499.4	\$ 1,417.9	\$ (0.0815)		-5.44%
11					
12					
13					
14	SIC Surcharge	0.0%	0.0%		
15					
16					
17	Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
18					
19					

Franklin County - Lake Darby & Worthington Hills - Softening Surcharge					
0	\$ 9.51	\$ 11.50	\$ 1.99		20.93%
1	15.83	19.53	3.70		23.40%
2	22.14	27.56	5.42		24.47%
3	28.46	35.59	7.13		25.05%
4	34.77	43.62	8.85		25.44%
5	41.09	51.65	10.56		25.70%
6	47.40	59.68	12.27		25.89%
7	53.72	67.71	13.99		26.04%
8	60.04	75.74	15.70		26.15%
9	66.35	83.77	17.42		26.25%
10	72.67	91.80	19.13		26.32%
20	135.82	172.09	36.27		26.70%
50	270.41	348.62	78.21		28.92%
100	494.73	642.84	148.11		29.94%
200	943.36	1,231.27	287.91		30.52%
500	2,280.25	2,996.56	707.31		30.90%
1,000	3,838.37	5,938.71	2,100.34		54.72%

Franklin County - Huber Ridge - Reverse Osmosis Surcharge					
0	\$ 9.51	\$ 11.50	\$ 1.99		20.93%
1	16.75	20.15	3.40		20.28%
2	23.99	28.79	4.80		20.02%
3	31.23	37.44	6.21		19.88%
4	38.47	46.09	7.62		19.79%
5	45.71	54.73	9.02		19.74%
5	52.95	63.38	10.43		19.69%
7	60.19	72.03	11.83		19.65%
8	67.43	80.68	13.24		19.63%
9	74.68	89.32	14.65		19.61%
10	81.92	97.97	16.05		19.60%
20	154.32	184.44	30.12		19.52%
50	316.66	379.49	62.83		19.84%
100	587.22	704.57	117.35		19.98%
200	1,128.34	1,354.73	226.39		20.06%
500	2,751.70	3,305.21	553.51		20.12%
1,000	4,763.27	6,556.01	1,792.74		37.64%

Franklin County - Lake Darby & Worthington Hills - Softening Surcharge					
0	\$ 9.51	\$ 11.50	\$ 1.99		20.93%
1	15.83	19.53	3.70		23.40%
2	22.14	27.56	5.42		24.47%
3	28.46	35.59	7.13		25.05%
4	34.77	43.62	8.85		25.44%
5	41.09	51.65	10.56		25.70%
6	47.40	59.68	12.27		25.89%
7	53.72	67.71	13.99		26.04%
8	60.04	75.74	15.70		26.15%
9	66.35	83.77	17.42		26.25%
10	72.67	91.80	19.13		26.32%
20	135.82	172.09	36.27		26.70%
50	270.41	348.62	78.21		28.92%
100	494.73	642.84	148.11		29.94%
200	943.36	1,231.27	287.91		30.52%
500	2,280.25	2,996.56	707.31		30.90%
1,000	3,838.37	5,938.71	2,100.34		54.72%

Franklin County - Huber Ridge - Reverse Osmosis Surcharge					
0	\$ 9.51	\$ 11.50	\$ 1.99		20.93%
1	16.75	20.15	3.40		20.28%
2	23.99	28.79	4.80		20.02%
3	31.23	37.44	6.21		19.88%
4	38.47	46.09	7.62		19.79%
5	45.71	54.73	9.02		19.74%
5	52.95	63.38	10.43		19.69%
7	60.19	72.03	11.83		19.65%
8	67.43	80.68	13.24		19.63%
9	74.68	89.32	14.65		19.61%
10	81.92	97.97	16.05		19.60%
20	154.32	184.44	30.12		19.52%
50	316.66	379.49	62.83		19.84%
100	587.22	704.57	117.35		19.98%
200	1,128.34	1,354.73	226.39		20.06%
500	2,751.70	3,305.21	553.51		20.12%
1,000	4,763.27	6,556.01	1,792.74		37.64%

Franklin County - Lake Darby & Worthington Hills - Softening Surcharge					
0	\$ 9.51	\$ 11.50	\$ 1.99		20.93%
1	15.83	19.53	3.70		23.40%
2	22.14	27.56	5.42		24.47%
3	28.46	35.59	7.13		25.05%
4	34.77	43.62	8.85		25.44%
5	41.09	51.65	10.56		25.70%
6	47.40	59.68	12.27		25.89%
7	53.72	67.71	13.99		26.04%
8	60.04	75.74	15.70		26.15%
9	66.35	83.77	17.42		26.25%
10	72.67	91.80	19.13		26.32%
20	135.82	172.09	36.27		26.70%
50	270.41	348.62	78.21		28.92%
100	494.73	642.84	148.11		29.94%
200	943.36	1,231.27	287.91		30.52%
500	2,280.25	2,996.56	707.31		30.90%
1,000	3,838.37	5,938.71	2,100.34		54.72%

Franklin County - Huber Ridge - Reverse Osmosis Surcharge					
0	\$ 9.51	\$ 11.50	\$ 1.99		20.93%
1	16.75	20.15	3.40		20.28%
2	23.99	28.79	4.80		20.02%
3	31.23	37.44	6.21		19.88%
4	38.47	46.09	7.62		19.79%
5	45.71	54.73	9.02		19.74%
5	52.95	63.38	10.43		19.69%
7	60.19	72.03	11.83		19.65%
8	67.43	80.68	13.24		19.63%
9	74.68	89.32	14.65		19.61%
10	81.92	97.97	16.05		19.60%
20	154.32	184.44	30.12		19.52%
50	316.66	379.49	62.83		19.84%
100	587.22	704.57	117.35		19.98%
200	1,128.34	1,354.73	226.39		20.06%
500	2,751.70	3,305.21	553.51		20.12%
1,000	4,763.27	6,556.01	1,792.74		37.64%

Franklin County - Lake Darby & Worthington Hills - Softening Surcharge					
0	\$ 9.51	\$ 11.50	\$ 1.99		20.93%
1	15.83	19.53	3.70		23.40%
2	22.14	27.56	5.42		24.47%
3	28.46	35.59	7.13		25.05%
4	34.77	43.62	8.85		25.44%
5	41.09	51.65	10.56		25.70%
6	47.40	59.68	12.27		25.89%
7	53.72	67.71	13.99		26.04%
8	60.04	75.74	15.70		26.15%
9	66.35	83.77	17.42		26.25%
10	72.67	91.80	19.13		26.32%
20	135.82	172.09	36.27		26.70%
50	270.41	348.62	78.21		28.92%
100	494.73	642.84	148.11		29.94%
200	943.36	1,231.27	287.91		30.52%
500	2,280.25	2,996.56	707.31		30.90%
1,000	3,838.37	5,938.71	2,100.34		54.72%

Franklin County - Huber Ridge - Reverse Osmosis Surcharge					
0	\$ 9.51	\$ 11.50	\$ 1.99		20.93%
1	16.75	20.15	3.40		20.28%
2	23.99	28.79	4.80		20.02%
3	31.23	37.44	6.21		19.88%
4	38.47	46.09	7.62		19.79%
5	45.71	54.73	9.02		19.74%
5	52.95	63.38	10.43		19.69%
7	60.19	72.03	11.83		19.65%
8	67.43	80.68	13.24		19.63%
9	74.68	89.32	14.65		19.61%
10	81.92	97.97	16.05		19.60%
20	154.32	184.44	30.12		19.52%
50	316.66	379.49	62.83		19.84%
100	587.22	704.57	117.35		19.98%
200	1,128.34	1,354.73	226.39		20.06%
500	2,751.70	3,305.21	553.51		20.12%
1,000	4,763.27	6,556.01	1,792.74		37.64%

Franklin County - Lake Darby & Worthington Hills - Softening Surcharge					
0	\$ 9.51	\$ 11.50	\$ 1.99		20.93%
1	15.83	19.53	3.70		23.40%
2	22.14	27.56	5.42		24.47%
3	28.46	35.59	7.13		25.05%
4	34.77	43.62	8.85		25.44%
5	41.09	51.65	10.56		25.70%
6	47.40	59.68	12.27		25.89%
7	53.72	67.71	13.99		26.04%
8	60.04	75.74	15.70		26.15%
9	66.35	83.77	17.42		26.25%
10	72.67	91.80	19.13		26.32%
20	135.82	172.09	36.27		26.70%
50	270.41	348.62	78.21		28.92%
100	494.73	642.84	148.11		29.94%
200	943.36	1,231.27	287.91		30.52%
500	2,280.25	2,996.56	707.31		30.90%
1,000	3,838.37	5,938.71	2,100.34		54.72%

Franklin County - Huber Ridge - Reverse Osmosis Surcharge					
0	\$ 9.51	\$ 11.50	\$ 1.99		20.93%
1	16.75	20.15	3.40		20.28%
2	23.99	28.79	4.80		20.02%
3	31.23	37.44	6.21		19.88%
4	38.47	46.09	7.62		19.79%
5	45.71	54.73	9.02		19.74%
5	52.95	63.38	10.43		19.69%
7	60.19	72.03	11.83		19.65%
8	67.43	80.68	13.24		19.63%
9	74.68	89.32	14.65		19.61%
10	81.92	97.97	16.05		19.60%
20	154.32	184.44	30.12		19.52%
50	316.66	379.49	62.83		19.84%
100	587.22	704.57	117.35		19.98%
200	1,128.34	1,354.73	226.39		20.06%
500	2,751.70	3,305.21	553.51		20.12%
1,000	4,763.27	6,556.01	1,792.74		37.64%

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Typical Bill Comparison - Water C

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): No Workpapers

Schedule E-5 Wtr C
Page 3 of 6
Witness Responsible: D. J. Petry

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
Franklin County District										
Monthly ccf										
Current	Proposed					Purchased Water Surcharge - Portage District				
0 - 13.33; 1st 20		\$ 5,741.2	\$ 7,229.0	\$ 1,487.8	25.91%	All usage ccf	\$ -	\$ -	\$ -	0.00%
13.34 - 600; 21 - 2,000		3,911.8	5,083.7	1,171.9	29.96%					
over 600; over 2,000		2,111.5	3,090.0	0,978.5	0.4634					
Reverse Osmosis Surcharge - Huber Ridge in Franklin County District		\$ 1,499.4	\$ 1,417.9	\$ (0.0815)	-5.44%					
Softening Surcharge - Lake Darby and Worthington Hills in Franklin County District		\$ 0.5745	\$ 0.8006	\$ 0.2261	39.36%					
SIC Surcharge		0.0%	0.0%							
Bill Data - Single 1" Meter										
Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change	Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change	
Franklin County (no surcharges)										Portage District (including Purchased Water Surcharge)
0	\$ 17,90	\$ 21.65	\$ 3.75	20.95%	0	\$ 17,90	\$ 21.65	\$ 3.75	20.95%	
10	75.31	93.94	18.63	24.73%	10	75.31	93.94	18.63	24.73%	
20	132.72	166.23	33.51	25.24%	20	132.72	166.23	33.51	25.24%	
50	250.08	318.74	68.66	27.46%	50	250.08	318.74	68.66	27.46%	
100	445.67	572.93	127.26	28.55%	100	445.67	572.93	127.26	28.55%	
500	2,010.39	2,606.41	596.02	29.65%	500	2,010.39	2,606.41	596.02	29.65%	
1,000	3,272.26	5,148.26	1,876.00	57.33%	1,000	3,272.26	5,148.26	1,876.00	57.33%	
1,100	3,483.41	5,556.63	2,173.22	62.39%	1,100	3,483.41	5,556.63	2,173.22	62.39%	
1,200	3,694.56	6,165.00	2,470.44	66.87%	1,200	3,694.56	6,165.00	2,470.44	66.87%	
1,400	4,116.86	7,181.75	3,064.89	74.45%	1,400	4,116.86	7,181.75	3,064.89	74.45%	
1,500	4,328.01	7,690.12	3,362.11	77.68%	1,500	4,328.01	7,690.12	3,362.11	77.68%	
1,600	4,539.16	8,198.49	3,659.33	80.62%	1,600	4,539.16	8,198.49	3,659.33	80.62%	
1,700	4,750.31	8,706.86	3,956.55	83.29%	1,700	4,750.31	8,706.86	3,956.55	83.29%	
1,800	4,961.46	9,215.23	4,253.77	85.74%	1,800	4,961.46	9,215.23	4,253.77	85.74%	
1,900	5,172.61	9,723.60	4,550.99	87.98%	1,900	5,172.61	9,723.60	4,550.99	87.98%	
2,000	5,383.76	10,231.97	4,848.21	90.05%	2,000	5,383.76	10,231.97	4,848.21	90.05%	
2,500	6,439.51	11,776.97	5,337.46	82.89%	2,500	6,439.51	11,776.97	5,337.46	82.89%	

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Typical Bill Comparison - Water C

Date: 4 Months Actual and 8 Months Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): No Workpapers
Schedule E-5 Wtr C
Page 4 of 6
Witness Responsible: D. J. Petry

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
Franklin County District					
1	Monthly ccf				
2					
3					
4	Current				
5	0 - 13.33: 1st 20	\$ 5,741.2	\$ 7,229.0	\$ 1,487.8	25.91%
6	13.34 - 600: 21 - 2,000	3,911.8	5,083.7	1,171.9	29.96%
7	over 600: over 2,000	2,111.5	3,090.0	0,978.5	46.34%
8					
9	Reverse Osmosis Surcharge - Huber Ridge in Franklin County District				
10	\$	1,499.4	\$ 1,417.9	\$ (0.0815)	-5.44%
11					
12					
13					
14	SIC Surcharge	0.0%	0.0%		
15					
16					
17	Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
18					
19					
20					
Franklin County - Huber Ridge - Reverse Osmosis Surcharge					
21	0	\$ 17.90	\$ 21.65	\$ 3.75	20.95%
22	10	90.31	108.12	17.81	19.73%
23	20	162.71	194.59	31.88	19.59%
24	50	325.05	389.64	64.59	19.87%
25	100	595.61	714.72	119.11	20.00%
26	500	2,760.09	3,315.36	555.27	20.12%
27	1,000	4,771.66	6,565.16	1,793.50	37.61%
28	1,100	5,132.75	7,216.32	2,083.57	40.59%
29	1,200	5,493.84	7,866.48	2,372.64	43.19%
30	1,400	6,216.02	9,166.81	2,950.79	47.47%
31	1,500	6,577.11	9,816.97	3,239.86	49.26%
32	1,600	6,938.20	10,467.13	3,528.93	50.86%
33	1,700	7,299.29	11,117.29	3,818.00	52.31%
34	1,800	7,660.38	11,767.45	4,107.07	53.61%
35	1,900	8,021.47	12,417.61	4,396.14	54.86%
36	2,000	8,382.56	13,067.77	4,685.21	55.89%
37	2,500	10,188.01	15,321.72	5,133.71	50.39%
38					
39					
40					
41					
42					
43					
44					
45					
Franklin County - Lake Darby & Worthington Hills Softening Surcharge					
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17	Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
18					
19					
20					
Franklin County - Lake Darby & Worthington Hills Softening Surcharge					
21	0	\$ 17.90	\$ 21.65	\$ 3.75	20.95%
22	10	81.05	101.95	20.89	25.77%
23	20	144.21	182.24	38.03	26.37%
24	50	278.80	358.77	79.97	28.68%
25	100	503.12	652.99	149.87	29.79%
26	500	2,297.64	3,006.71	709.07	30.86%
27	1,000	3,845.76	5,948.86	2,103.10	54.65%
28	1,100	4,115.36	6,537.29	2,421.93	58.85%
29	1,200	4,383.96	7,125.72	2,741.76	62.54%
30	1,400	4,921.16	8,302.59	3,381.43	68.71%
31	1,500	5,189.76	8,891.02	3,701.26	71.32%
32	1,600	5,458.36	9,479.45	4,021.09	73.67%
33	1,700	5,726.96	10,067.88	4,340.92	75.80%
34	1,800	5,995.56	10,656.31	4,660.75	77.74%
35	1,900	6,264.16	11,244.74	4,980.58	79.51%
36	2,000	6,532.76	11,833.17	5,300.41	81.14%
37	2,500	7,875.76	13,778.47	5,902.71	74.95%

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
1					
2					
3					
4	Current Proposed Monthly ccf				
5	0 - 13.33, 1st 20	\$ 5.7412	\$ 7.2290	\$ 1.4878	25.91%
6	13.34 - 600; 21 - 2,000	\$ 3.9118	\$ 5.0837	\$ 1.1719	29.96%
7	over 600; over 2,000	\$ 2.1115	\$ 3.0900	\$ 0.9785	46.34%
8					
9	Reverse Osmosis Surcharge - Huber Ridge in Franklin County District				
10		\$ 1.4994	\$ 1.4179	\$ (0.0815)	-5.44%
11	Softening Surcharge - Lake Darby and Worthington Hills in Franklin County District				
12		\$ 0.5745	\$ 0.8006	\$ 0.2261	39.36%
13					
14	5/C Surcharge	0.0%	0.0%		
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
1						Franklin County District				
2						Monthly ccf				
3						Franklin County - Lake Darby & Worthing Hills Softening Surcharge				
4	Current	Proposed				Softening Surcharge - Lake Darby and Worthington Hills in Franklin County District				
5	0 - 13.33;	1st 20	\$	5.7412	\$	7.4290	\$	1.4878	\$	25.91%
6	13.34 - 600;	21 - 2,000		3.9118		5.0837		1.1719		29.96%
7	over 600;	over 2,000		2.1115		3.0900		0.9785		0.4634
8						Reverse Demos Surcharge - Huoez Ridge in Franklin County District				
9										
10							\$	1.4994	\$	{0.0815}
11										-5.44%
12										
13										
14	SIC Surcharge			0.0%				0.0%		
15										
16						Bill Data - Single 2" Meter				
17						Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change
18						Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change

	Franklin County - Huber Ridge - Reverse Osmosis Surcharge				Franklin County - Lake Derby & Worthington Hills - Softening Surcharge			
	0	\$	50.09	\$	0	\$	50.09	\$
21	21	10.48	20.92%		10.48	60.57	10.48	20.92%
22	22	24.54	20.04%		24.54	140.87	27.62	24.39%
23	23	38.61	19.81%		38.61	221.16	44.76	25.37%
24	24	52.68	19.96%		52.68	339.69	86.70	27.88%
25	25	66.75	20.04%		66.75	458.21	156.60	29.25%
26	26	80.82	20.13%		80.82	576.73	215.80	30.72%
27	27	94.89	37.50%		94.89	695.25	235.03	54.37%
28	28	108.96	55.76%		108.96	813.77	274.34	80.84%
29	29	123.03	46.48%		123.03	932.29	313.65	70.39%
30	30	137.10	38.36%		137.10	1050.81	352.95	61.01%
31	31	151.17	36.22%		151.17	1169.33	392.26	58.50%
32	32	165.24	34.67%		165.24	1287.85	431.57	56.67%
33	33	179.31	33.49%		179.31	1406.37	470.88	55.27%
34	34	193.38	32.56%		193.38	1524.89	510.19	54.16%
35	35	207.45	31.82%		207.45	1643.41	549.50	53.27%
36	36	221.52	31.20%		221.52	1761.93	588.81	52.53%
37	37	235.59	30.68%		235.59	1880.45	628.12	51.92%

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Typical Bill Comparison - Wastewater

Schedule E-5 WW
Page 1 of 3
Witness Responsible: D. J. Petry

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): No Workpapers

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
1										
2										
3	Monthly									
4	0 - 12.33 ccf	\$	8.8358 \$	9.8610 \$	1.0252					11.60%
5	13.34 - 600 ccf		5.8920	7.1000	1.2080					20.50%
6	over 600 ccf		2.3000	2.7720	0.4720					20.52%
7										
8	SIC Surcharge		0.0%	0.0%						
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										
33										
34										
35										
36										
37										
38										
39										
40										
41										
42										
43										
44										
45										

Bill Data - Single 5/8" Meter			
Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change

0	\$	\$	\$
1	8.84	9.86	1.03
2	17.67	19.72	2.05
3	26.51	29.58	3.08
4	35.34	39.44	4.10
5	44.18	49.31	5.13
6	53.01	59.17	6.15
7	61.85	69.03	7.18
8	70.69	78.89	8.20
9	79.52	88.75	9.23
10	88.36	98.61	10.25
20	157.08	178.80	21.72
50	333.84	391.80	57.96
100	628.44	746.80	118.36
200	1,217.64	1,456.80	239.16
500	2,985.24	3,586.80	601.56
1,000	4,494.44	5,405.60	911.16

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-WS-AIR
Typical Bill Comparison - Wastewater

Schedule E-S WW
Page 2 of 3
Witness Responsible: D. J. Petry

Data: 4 Months Actual and 8 Months Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): No Workpapers

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
1										
2										
3										
4	Monthly									
5	0 - 13.33 ccf	\$	8.8358	\$	9.8610	\$	1.0252			11.60%
6	13.34 - 600 ccf		5.8920		7.1000		1.2080			20.50%
7	over 600 ccf		2.3000		2.7720		0.4720			20.52%
8	SIC Surcharge		0.0%		0.0%					
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										
33										
34										
35										
36										
37										
38										
39										
40										
41										
42										
43										
44										
45										

Bill Data - Single 1" Meter				
Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change

	0	\$	\$	
	10	88.36	98.61	10.25
	20	157.08	178.80	21.72
	50	333.84	391.80	57.96
	100	628.44	746.80	118.36
	500	2,985.24	3,586.80	601.56
	1,000	4,494.44	5,405.80	911.36
	1,100	4,724.44	5,682.80	958.36
	1,200	4,954.44	5,960.00	1,005.56
	1,400	5,414.44	6,514.40	1,099.96
	1,500	5,644.44	6,791.60	1,147.16
	1,600	5,874.44	7,068.80	1,194.36
	1,700	6,104.44	7,346.00	1,241.56
	1,800	6,334.44	7,623.20	1,288.76
	1,900	6,564.44	7,900.40	1,335.96
	2,000	6,794.44	8,177.60	1,383.16
	2,500	7,944.44	9,563.60	1,619.16

OHIO AMERICAN WATER COMPANY
Rate Case No. 11-4161-W5-AIR
Typical Bill Comparison - Wastewater

Date: 4 Months Actual and 8 Months Estimated
Type of Filing: X Original Updated Revised
Work Paper Reference No(s): No Workpapers
Schedule E-5 WW
Page 3 of 3
Witness Responsible: D. J. Petry

Line No.	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change	Rate Block Limits	Current rate per ccf	Proposed rate per ccf	Dollar Change	Percent Change
1										
2						Franklin County District				
3	Monthly									
4	0 - 13.33 ccf	\$ 8,835.8	\$ 9,861.0	\$ 1,025.2	11.60%					
5	13.34 - 600 ccf	5,892.0	7,100.0	1,208.0	20.50%					
6	over 600 ccf	2,300.0	2,772.0	0,472.0	20.52%					
7										
8	SIC Surcharge	0.0%	0.0%							
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21		0 \$								
22	10	88.36	98.61	10.25	11.60%					
23	20	157.08	178.80	21.72	13.83%					
24	50	333.84	391.80	57.96	17.36%					
25	100	628.44	746.80	118.36	18.83%					
26	500	2,985.24	3,586.80	601.56	20.15%					
27	1,000	4,494.44	5,405.60	911.16	20.27%					
28	2,000	6,794.44	8,177.60	1,383.16	20.36%					
29	3,000	9,094.44	10,949.60	1,855.16	20.40%					
30	5,000	13,694.44	16,493.60	2,799.16	20.44%					
31	6,000	15,994.44	19,265.60	3,271.16	20.45%					
32	7,000	18,294.44	22,037.60	3,743.16	20.46%					
33	8,000	20,594.44	24,809.60	4,215.16	20.47%					
34	9,000	22,894.44	27,581.60	4,687.16	20.47%					
35	10,000	25,194.44	30,353.60	5,159.16	20.48%					
36	11,000	27,494.44	33,125.60	5,631.16	20.48%					
37	12,000	29,794.44	35,897.60	6,103.16	20.48%					
38										
39										
40										
41										
42										
43										
44										
45										

Bill Data - Single 2" Meter				
Level of Usage ccf	Current Monthly Bill	Proposed Monthly Bill	Dollar Change	Percent Change

Franklin County

Section S

Supplemental Filing Requirements

Company: Ohio-American Water Company

Case No.: Rate Case No. 11-4161-WS-AIR

Test Year: For the Twelve Months Ended December 31, 2011

Date Certain: As of April 30, 2011

Table of Contents

<u>Schedule</u>	<u>Description</u>
S-1	Three-year Projection of Construction
S-2.1	Three-year Projection of Revenue Requirement
S-2.2A	Three-Year Projection of Rate Base
S-2.2B	Three-year Projection of Capital Structure
S-2.3	Three-Year Projection of Changes in Financial Position
S-3	Proposed newspaper notice for rate increase
S-4.1	Executive Summary of corporate process
S-4.2	Executive Summary of management's policies

Ohio American Water Company
Rate Case No. 11-4161-WS-AIR
Three-year Projection of Construction

Data: Three Years Projected
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference: WP S-1
Schedule S-1
Page 1 of 1
Witness Responsible: G. M. VerDouw

Line No.	Description	2011	2012	2013	Projected AFUDC
1					
2	Normal, recurring construction	\$ 2,835,217	\$ 2,819,216	\$ 2,819,216	
3					
4	Process Plant Facilities and Equipment	730,180	730,180	730,180	
5	Capitalized Tank Rehabilitation/Painting	30,000	30,000	30,000	
6					
7	Total RP Projects	\$ 3,595,397	\$ 3,579,396	\$ 3,579,396	\$ 5,176
8					
9	Projects Funded By Others	\$ 162,801	\$ 161,396	\$ 141,440	-
10					
11	Backwash Treatment Improvements	-	-	198,722	
12	Sludge & Quarry Disposal Impr	-	-	5,422	
13	UV Disinfection	134,714	1,354,659	-	
14	Tiffin - Wellfield Improvements	460,812	-	-	
15	Main-Melmore-Fulton,Rosa,Hedges St	-	84,556	578,440	
16	Main In Prospect and Kain	-	63,486	444,023	
17	Ashtabula Phase II WTP Improvements	2,190,141	2,424,301	-	
18	Cook Rd. Pump Station Improvements	-	-	98,221	
19	Main in US 20	-	-	108,890	
20					
21	Total IP Projects	\$ 2,785,667	\$ 3,827,002	\$ 1,433,718	685,742
22					
23	Business Transformation	1,183,741	1,684,970	1,081,608	385,373
24					
25		\$ 7,564,805	\$ 9,091,368	\$ 6,094,722	\$ 1,076,291
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					

Note: Normal, recurring construction contains items such as meter, man, service/lateral and hydrant/valve/manhole replacements, purchases of office furniture and equipment, IT and security equipment and systems, vehicles and general equipment. Multiple year projects are usually placed into service in the last year of construction.

Ohio American Water Company
Rate Case No. 11-4161-WS-AIR
Three-year Projection of Revenue Requirement

Schedule S-2.1
Page 1 of 1
Witness Responsible: G. M. Verdouw

Data: Three Years Projected
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference: WP S-2

Line No.	Description	2011	Adjustments	2012	Adjustments	2013
1	Operating Revenues	\$ 38,989,508	\$ 8,272,169	\$ 47,261,677	\$ -	\$ 47,261,677
2						
3	Operating Expenses:					
4	Operation and Maintenance	\$ 21,514,288	\$ 1,357,712	\$ 22,872,000	\$ 330,000	\$ 23,202,000
5	Depreciation and Amortization	4,736,991	380,009	5,117,000	574,000	5,691,000
6	Taxes other than income	7,880,301	1,252,699	9,133,000	616,000	9,749,000
7	Income Taxes	762,241	2,281,777	3,044,018	(759,647)	2,284,371
8	Total Operating Expenses	\$ 34,893,821	\$ 5,272,197	\$ 40,166,018	\$ 780,353	\$ 40,946,371
9						
10	Operating Income	\$ 4,095,687	\$ 2,995,972	\$ 7,095,659	\$ (750,353)	\$ 6,335,306
11	AFUDC - Equity	425,000	210,000	635,000	(263,000)	372,000
12	Other income	12,000	-	12,000	-	12,000
13	Income available for fixed charges	\$ 4,532,687	\$ 3,205,972	\$ 7,741,659	\$ (1,023,353)	\$ 6,719,306
14						
15	Interest Charges:					
16	Long-term debt	\$ 3,223,690	\$ 233,310	\$ 3,457,000	\$ (69,000)	\$ 3,388,000
17	Amortization of debt expense	25,000	-	25,000	-	25,000
18	Note interest	74,815	91,185	166,000	56,000	222,000
19	Other interest	-	-	-	-	-
20	Miscellaneous Amortization	3,000	-	3,000	-	3,000
21	Other Deductions and Taxes	2,000	-	2,000	-	2,000
22	AFUDC - Debt	(271,000)	(266,000)	(537,000)	146,000	(391,000)
23	Total interest charges & other deductions	\$ 3,057,505	\$ 58,495	\$ 3,116,000	\$ 133,000	\$ 3,249,000
24						
25	Net income	\$ 1,475,181	\$ 3,151,477	\$ 4,626,659	\$ (1,156,353)	\$ 3,470,306
26	Less: Preferred dividends	-	-	-	-	-
27	Balance available for common	\$ 1,475,181	\$ 3,151,477	\$ 4,626,659	\$ (1,156,353)	\$ 3,470,306
28						
29	Returns and coverages					
30	Rate Base - Schedule S 2.2A	\$ 93,494,000	\$ -	\$ 102,366,000	\$ -	\$ 102,326,000
31	Return on rate base	4.38%	-	6.93%	-	6.19%
32						
33	Common equity - Schedule S 2.2B	\$ 54,279,000	\$ -	\$ 55,040,000	\$ -	\$ 55,973,000
34	Return on common equity	2.72%	-	8.41%	-	6.20%
35						
36	Long-term debt interest coverages before income taxes	1.64	3.12	2.98	2.66	2.48
37						
38	Total interest coverages before income taxes	1.61	2.98	2.98	2.66	2.48
39						
40						
41						
42						
43						
44						
45						

Ohio American Water Company
Rate Case No. 11-4161-WS-AIR
Three-Year Projection of Rate Base

Data: Three Years Projected
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference: WP S-2
Schedule S-2.2A
Page 1 of 1
Witness Responsible: G. M. VerDouw

Line No.	Rate Base Component	@12/31/2011	@12/31/2012	@12/31/2013
1				
2				
3	Plant in Service	\$ 162,114,000	\$ 176,282,000	\$ 181,276,000
4				
5	Add: Capital Leases	-	-	-
6				
7	Less: Reserve for accumulated depreciation and amortization - utility plant	53,950,000	58,385,000	63,138,000
8				
9	Less: Reserve for accumulated amortization - capital leases	-	-	-
10				
11	Net plant in service	\$ 108,164,000	\$ 117,897,000	\$ 118,138,000
12				
13	Add: Construction work in progress seventy-five percent complete	-	-	-
14				
15	Add: Working Capital Allowance	-	-	-
16				
17	Less: Customer Advances for Construction	5,936,000	5,775,000	5,629,000
18				
19	Other Items (Net)	(8,734,000)	(9,756,000)	(10,183,000)
20				
21	Jurisdictional Rate Base	\$ 93,494,000	\$ 102,366,000	\$ 102,326,000
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				

Ohio American Water Company
Rate Case No. 11-4161-WS-AIR
Three-year Projection of Capital Structure

Schedule S-2.2B
Page 1 of 1
Witness Responsible: G. M. VerDouw

Data: Three Years Projected
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference: WP S-2

Line No.	Class of Capital	2011		2012		2013	
		Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
2	Debt	\$ 57,054,000	50.73%	\$ 59,332,000	51.37%	\$ 58,564,000	50.64%
5	Preferred Stock	1,139,000	1.01%	1,130,000	0.98%	1,121,000	0.97%
7	Common Equity	54,279,000	48.25%	55,040,000	47.65%	55,973,000	48.40%
8	Total Capital	\$ 112,472,000	100%	\$ 115,502,000	100%	\$ 115,658,000	100.01%

Ohio American Water Company
Rate Case No. 11-4161-WS-AIR
Three-year Projection of Changes in Financial Position

Schedule S-2.3
Page 1 of 1
Witness Responsible: G. M. VerDouw

Data: Three Years Projected
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference: WP S-2

Line No.	2011	2012	2013
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			

Source of Funds:

Net Income
Depreciation and Amortization
Deferred Taxes
Sale of Securities
Other

Total Source of Funds from Operations

Application of Funds:

Maturities and Sinking Funds
Cash Dividends
Utility Plant Construction
Other Applications

Total Application of Funds

Net Increase (Decrease) in Working Capital

\$	1,475,181	\$	4,626,659	\$	3,470,306
	4,736,991		5,117,000		5,691,000
	640,456		1,022,000		427,000
	-		-		-
	-		-		-
\$	6,852,628	\$	10,765,659	\$	9,588,306
\$	-	\$	-	\$	-
	1,106,386		3,469,994		2,602,730
	7,564,805		9,091,368		6,094,722
	-		-		-
\$	8,671,191	\$	12,561,362	\$	8,697,452
\$	(1,818,563)	\$	(1,795,703)	\$	890,855

PUBLIC NOTICE

Notice is hereby given that Ohio American Water Company has filed an Application with the Public Utilities Commission of Ohio (Case No. 11-4161-WS-AIR) seeking increases in, and adjustments to, its rates and charges in its entire service area that includes its seven districts located in the Ohio Counties of Ashtabula, Franklin, Lawrence, Marion, Morrow, Preble, Pike, Portage, Richland and Seneca.

In its Application, Ohio American Water Company is proposing the following **General Water Service** rates for all of Ohio American's tariffed customers **except for Franklin and Portage Counties.**

GENERAL WATER SERVICE

Customer Consumption	Monthly Water Consumption Charge per Ccf*
1 through 20 Ccf	\$ 7.2290
Next 1,980 Ccf	\$ 5.0837
All over 2,000 Ccf	\$ 3.0900

Meter type	Monthly Water Customer Charge
5/8" meter	\$ 11.50
3/4" meter	\$ 14.57
1" meter	\$ 21.65
1 1/2" meter	\$ 39.34
2" meter	\$ 60.57
3" meter	\$ 110.09
4" meter	\$ 180.86
6" meter	\$ 357.75
8" meter	\$ 570.02

Marion District-Marion County and Morrow County
Water Softening Surcharge (per Ccf*): \$ 0.4289

Mansfield District - Unmetered Flat Rate (bi-monthly): \$ 104.75

*1 Ccf = 100 cubic feet

Charges for water service will be comprised of the applicable Monthly Water Consumption Charge calculated on the number of metered or estimated units for non-softened water (basic water service), plus the Monthly Water Customer Charge and any surcharges for softened water. For customers receiving Unmetered Flat Rate service, bills will be sent bi-monthly at the flat rate.

REPRESENTATIVE BILL OF WATER CUSTOMERS

Under the Ohio American Water Company proposal, a representative customer in each of the following classes receiving **General Water Service, except in Franklin and Portage Counties**, would experience rate changes as shown below:

	Cubic Feet Consumption	Monthly Increase	Percentage Increase
Residential - 5/8" meter			
w/o softening surcharge	500	\$ 8.28	21.04%
w/ softening surcharge	500	\$ 8.67	21.08%
Commercial - 5/8" meter			
w/o softening surcharge	2,300	\$ 31.00	22.09%
w/ softening surcharge	2,300	\$ 32.77	22.08%
Industrial - 2" meter			
w/o softening surcharge	57,800	\$ 589.99	24.06%
w/ softening surcharge	57,800	\$ 634.59	23.90%

In its Application, the Company requested the Public Utilities Commission of Ohio to approve its proposed rates and charges and to grant Ohio American Water Company such other and further relief to which it may be entitled.

ANY PERSON, FIRM, CORPORATION OR ASSOCIATION MAY FILE, PURSUANT TO SECTION 4909.19 OF THE REVISED CODE, AN OBJECTION TO SUCH PROPOSED INCREASE RATES BY ALLEGING THAT SUCH PROPOSALS ARE UNJUST AND DISCRIMINATORY OR UNREASONABLE.

Recommendations which differ from the Application may be made by the Staff of the Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

A copy of the application is available for inspection at the office of Ohio American Water Company at 365 East Center Street, Marion, Ohio 43302, and at the offices of the Public Utilities Commission of Ohio at 180 East Broad Street, Columbus, Ohio 43215-3793. Additionally, you may view the application online by visiting the Commission's Web site at <http://www.puco.ohio.gov>, selecting DIS, inputting 11-4161-WS-AIR in the case lookup box, and selecting the date the application was filed. Ohio American also posted the Application on its Web site. To access the application, visit <http://www.amwater.com/ohaw>, select the "Customer Service" menu, and then "Rate Information."

PUBLIC NOTICE

Notice is hereby given that Ohio American Water Company has filed an Application with the Public Utilities Commission of Ohio (Case No. 11-4161-WS-AIR) seeking increases in, and adjustments to, its rates and charges in its entire service area that includes its seven districts located in the Ohio Counties of Ashtabula, Franklin, Lawrence, Marion, Morrow, Preble, Pike, Portage, Richland and Seneca.

In its Application, Ohio American Water Company is proposing the following **General Water Service** rates for Ohio American's **Domestic and Non-Domestic** tariffed customers in **Franklin County**.

**GENERAL WATER SERVICE
FRANKLIN COUNTY
DOMESTIC AND NON-DOMESTIC SERVICE**

Customer Consumption	Monthly Water Consumption Charge per Ccf*
1 through 20 Ccf	\$ 7.2290
Next 1,980 Ccf	\$ 5.0837
All over 2,000 Ccf	\$ 3.0900

Meter type	Monthly Water Customer Charge
5/8" meter	\$ 11.50
3/4" meter	\$ 14.57
1" meter	\$ 21.65
1½" meter	\$ 39.34
2" meter	\$ 60.57
3" meter	\$ 110.09
4" meter	\$ 180.86
6" meter	\$ 357.75
8" meter	\$ 570.02

**Lake Darby and Worthington Hills Service Area
Water Softening Surcharge (per Ccf*): \$ 0.80060**

**Blendon Township Service Area
Reverse Osmosis Surcharge (per Ccf*): \$ 1.4179**

*1 Ccf = 100 cubic feet

Charges for water service will be comprised of the applicable Monthly Water Consumption Charge calculated on the number of metered or estimated at the appropriate rate block for non-softened water (basic water service), plus the Monthly Water Customer Charge and any surcharges for softened water or reverse osmosis treated water.

REPRESENTATIVE BILL OF WATER CUSTOMERS

Under the Ohio American Water Company proposal, a representative customer in each of the following classes receiving **General Water Service** in **Franklin County** would experience rate changes as shown below:

	Cubic Feet Consumption	Monthly Increase	Percentage Increase
Residential - 5/8" meter			
w/o softening surcharge	500	\$ 9.43	24.67%
w/ softening surcharge	500	\$ 10.56	25.70%
w/ rev. osmosis surcharge	500	\$ 9.02	19.74%
Commercial - 5/8" meter			
w/o softening surcharge	2,300	\$ 35.26	25.91%
w/ softening surcharge	2,300	\$ 40.46	27.10%
w/ rev. osmosis surcharge	2,300	\$ 33.39	19.58%
Industrial - 2" meter			
w/o softening surcharge	57,800	\$ 694.16	29.57%
w/ softening surcharge	57,800	\$ 824.85	30.78%
w/ rev. osmosis surcharge	57,800	\$ 647.05	20.13%

Ohio American Water Company is also proposing the following **General Sewer Service** rates for Ohio American's **Domestic and Non-Domestic** tariffed customers in **Franklin County**.

**GENERAL SEWER SERVICE
FRANKLIN COUNTY
DOMESTIC AND NON-DOMESTIC SERVICE**

Customer Consumption	Monthly Sewer Consumption Charge per Ccf*
1 through 13.33 Ccf	\$ 9.8610
Next 586.67 Ccf	\$ 7.1000
All over 600 Ccf	\$ 2.7720

Meter type	Monthly Sewer Customer Charge
5/8" meter	\$ 11.50
3/4" meter	\$ 14.57
1" meter	\$ 21.65
1 1/2" meter	\$ 39.34
2" meter	\$ 60.57
3" meter	\$ 110.09
4" meter	\$ 180.86
6" meter	\$ 357.75
8" meter	\$ 570.02

Domestic Customers without Ohio American Water Service (per month): \$ 58.63

*1 Ccf = 100 cubic feet

Charges for sewer service will be comprised of the applicable Monthly Sewer Consumption Charge calculated on the number of metered or estimated units at the appropriate rate block in accordance with the Summer/Winter Usage Formula, plus the Monthly Sewer Customer Charge.

REPRESENTATIVE BILL OF SEWER CUSTOMERS

Under the Ohio American Water Company proposal, a representative customer in each of the following classes receiving **General Sewer Service** in **Franklin County** (who also takes water service) would experience rate changes as shown below:

	Cubic Feet Consumption	Monthly Increase	Percentage Increase
Domestic	500	\$ 5.13	11.60%

Non-Domestic – Small	2,300	\$ 25.35	14.50%
Non-Domestic – Large	57,800	\$ 695.79	20.20%

In its Application, the Company requested the Public Utilities Commission of Ohio to approve its proposed rates and charges and to grant Ohio American Water Company such other and further relief to which it may be entitled.

ANY PERSON, FIRM, CORPORATION OR ASSOCIATION MAY FILE, PURSUANT TO SECTION 4909.19 OF THE REVISED CODE, AN OBJECTION TO SUCH PROPOSED INCREASE RATES BY ALLEGING THAT SUCH PROPOSALS ARE UNJUST AND DISCRIMINATORY OR UNREASONABLE.

Recommendations which differ from the Application may be made by the Staff of the Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

A copy of the application is available for inspection at the office of Ohio American Water Company at 365 East Center Street, Marion, Ohio 43302, and at the offices of the Public Utilities Commission of Ohio at 180 East Broad Street, Columbus, Ohio 43215-3793. Additionally, you may view the application online by visiting the Commission's Web site at <http://www.puco.ohio.gov>, selecting DIS, inputting 11-4161-WS-AIR in the case lookup box, and selecting the date the application was filed. Ohio American also posted the Application on its Web site. To access the application, visit <http://www.amwater.com/ohaw>, select the "Customer Service" menu, and then "Rate Information."

PUBLIC NOTICE

Notice is hereby given that Ohio American Water Company has filed an Application with the Public Utilities Commission of Ohio (Case No. 11-4161-WS-AIR) seeking increases in, and adjustments to, its rates and charges in its entire service area that includes its seven districts located in the Ohio Counties of Ashtabula, Franklin, Lawrence, Marion, Morrow, Preble, Pike, Portage, Richland and Seneca.

In its Application, Ohio American Water Company is proposing the following **General Water Service** rates for Ohio American's **Domestic and Non-Domestic** tariffed customers in **Portage County**.

**GENERAL WATER SERVICE
PORTAGE COUNTY
DOMESTIC AND NON-DOMESTIC SERVICE**

Customer Consumption	Monthly Water Consumption Charge per Ccf*
1 through 20 Ccf	\$ 7.2290
Next 1,980 Ccf	\$ 5.0837
All over 2,000 Ccf	\$ 3.0900

Meter type	Monthly Water Customer Charge
5/8" meter	\$ 11.50
3/4" meter	\$ 14.57
1" meter	\$ 21.65
1½" meter	\$ 39.34
2" meter	\$ 60.57
3" meter	\$ 110.09
4" meter	\$ 180.86
6" meter	\$ 357.75
8" meter	\$ 570.02

*1 Ccf = 100 cubic feet

Charges for water service will be comprised of the applicable Monthly Water Consumption Charge calculated on the number of metered or estimated units at the appropriate rate block for non-softened water (basic water service), plus the Monthly Water Consumption Charge and any surcharges for purchased water.

REPRESENTATIVE BILL OF WATER CUSTOMERS

Under the Ohio American Water Company proposal, a representative customer in each of the following classes receiving **General Water Service** in **Portage County** would experience rate changes as shown below:

	Cubic Feet Consumption	Monthly Increase	Percentage Increase
Residential - 5/8" meter	500	\$ 9.43	24.67%
Commercial - 5/8" meter	2,300	\$ 35.26	25.91%
Industrial - 2" meter	57,800	\$ 694.16	29.57%

In its Application, the Company requested the Public Utilities Commission of Ohio to approve its proposed rates and charges and to grant Ohio American Water Company such other and further relief to which it may be entitled.

ANY PERSON, FIRM, CORPORATION OR ASSOCIATION MAY FILE, PURSUANT TO SECTION 4909.19 OF THE REVISED CODE, AN OBJECTION TO SUCH PROPOSED INCREASE RATES BY ALLEGING THAT SUCH PROPOSALS ARE UNJUST AND DISCRIMINATORY OR UNREASONABLE.

Recommendations which differ from the Application may be made by the Staff of the Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

A copy of the application is available for inspection at the office of Ohio American Water Company at 365 East Center Street, Marion, Ohio 43302, and at the offices of the Public Utilities Commission of Ohio at 180 East Broad Street, Columbus, Ohio 43215-3793. Additionally, you may view the application online by visiting the Commission's Web site at <http://www.puco.ohio.gov>, selecting DIS, inputting 11-4161-WS-AIR in the case lookup box, and selecting the date the application was filed. Ohio American also posted the Application on its Web site. To access the application, visit <http://www.amwater.com/ohaw>, select the "Customer Service" menu, and then "Rate Information."

Ohio American Water Company

Rate Case No. 11-4161-WS-AIR

**Schedule S-4.1
Executive Summary of
Ohio American Water
Corporate Process Utilized by
The Board of Directors and
Corporate Officers**

**Witnesses Responsible:
Gary M. VerDouw**

**Ohio American Water
Rate Case No. 11-4161-WS-AIR**

**Schedule S-4.1
Executive Summary of
Ohio American Water
Corporate Process Utilized by
The Board of Directors and
Corporate Officers**

Table of Contents

History and Overview of Ohio American Water.....	2
Integration of Ohio American Water into Corporate Structure	3
Policy and Goal Setting.....	4
Strategic and Long-Range Planning	4
Organization Structure, Decision Making, & Controlling Process	5
Internal Communications	6
External Communications	7
Employment of Qualified Personnel.....	8
Map of Territory (Exhibit 1, Schedule S-4.1).....	9
Organizational Charts (Exhibit 2, Schedule S-4.1).....	10
Number of Customers (Exhibit 3, Schedule S-4.1)	18
Board of Directors (Exhibit 4, Schedule S-4.1)	19

History and Overview of Ohio American Water

Ohio American Water Company ("Ohio American" or the "Company") is an Ohio corporation and a public utility operating water and wastewater systems in Ohio. Ohio American, formerly the Marion Water Company, was first incorporated in November 1923. Ohio American was formed by the merger of four companies that had long been a part of the American Water System: Ashtabula Water Works Company, Lawrence County Water Company, Marion Water Company and the Ohio Cities Water Company in Tiffin. The Mansfield and Lake White Districts were added in 1993 and 1999 respectively. Additionally, in 2002, Ohio American acquired the assets of Citizens Utilities Company of Ohio, which added water customers in Portage County, and both water and wastewater customers in Franklin County.

Ohio American is a subsidiary of American Water Works Company, Inc. ("American Water"). American Water is a corporation organized under the laws of the State of Delaware, with its principal office in Voorhees, New Jersey. American Water is the parent of 18 operating water company subsidiaries, including Ohio American, serving approximately 15 million people in 30 states. American Water also owns American Water Works Service Company, Inc. ("Service Company"). The Service Company is also a Delaware corporation with its principal office in Voorhees, New Jersey. Service Company provides support for American Water and necessary utility services for its subsidiaries in the areas of accounting, administration, business development, communications, community relations, legal matters, customer service, engineering and operations, regulatory practices, finance, human resources, investor relations, water quality, information systems, data processing, insurance, safety, and other general services necessary in the proper conduct of business.

Ohio American's service territory consists of seven districts: Ashtabula, Franklin County, Lawrence County, Mansfield, Marion (includes Lake White), Portage County, and Tiffin. Within these districts, Ohio American owns and operates twenty-two water systems and three wastewater systems. Ohio American also purchases some water for service to

Lawrence County, Portage County, and a portion of the Marion District. The Lawrence County district purchases all of its water from the Huntington District of West Virginia American Water Company, a subsidiary of American Water. The Preble County portion of the Marion District purchases all of its water from the Richmond District of Indiana American Water Company, a subsidiary of American Water. The Portage County district purchases all of its water from Portage County Water Resources. Purchases of water from West Virginia American Water for the Lawrence County District and purchases of water from Indiana American Water Company for the Preble County portion of the Marion District are made at the respective company's tariffed rates. The designation and location of each district is depicted on the map in Exhibit 1, Schedule S-4.1. The number of customers served by each district is shown on Exhibit 3, Schedule S-4.1.

As of April 2011, Ohio American's customer base was comprised of 92.45% residential, 6.04% commercial, 0.22% industrial, and 1.29% other. During 2010, Ohio American provided more than 4.6 billion gallons of water to consumers in Ohio, and collected and treated over 346 million gallons of wastewater.

Integration of Ohio American Water into Corporate Structure

Ohio American is a solely owned subsidiary of American Water, the largest publicly traded water and wastewater services company in the United States. American Water owns the common stock of Ohio American.

Ohio American is part of the American Water's Eastern Division. The President of Ohio American Water reports to the Senior Vice President of the Eastern Division, who in turn reports to the President of Regulated Operations. The President of Regulated Operations reports directly to the CEO and President of American Water.

Ohio American is also integrated into the corporate structure through its relationship with the Service Company. The Service Company provides support to Ohio American as discussed on page 2.

Policy and Goal Setting

Ohio American's management operates its systems in Ohio with a vision of being the trusted water resource company, dedicated to delivering innovative solutions for its service territory. This means providing excellent service focused on personalized solutions and being committed to our customers' health and welfare. In order to obtain that vision, Ohio American's districts establish goals as they relate to the operation of their individual system. The corporate officers and department leads set broader and long-term goals for the Company.

Ohio American, like all subsidiaries of American Water, utilizes the balanced scorecard approach to align these goals and objectives. From the field services personnel to Ohio American's President, each employee sets performance and development goals, based upon broader goals set by his / her supervisor. This balanced scorecard system aligns Ohio American's business objectives to provide excellent service, safeguard customers' health and welfare, and ensure delivery of reliable, affordable water and waste water services.

Strategic and Long-Range Planning

Ohio American establishes a five-year operating plan and a capital improvement plan that outline the projected needs of the Company to meet its goals related to equipment maintenance, facility upgrades, water quality, and any other existing or future customer needs. Officers and management review and revise each plan annually to prioritize the needs and goals for the upcoming year. The operating and capital plans become the budget for the following year, which is submitted to the Board of Directors for approval.

Organization Structure, Decision Making, And Controlling Process

Ohio American is governed by a Board of Directors. There are three inside directors who are elected by the shareholders at the annual meeting in May of each year. The directors are elected to serve for a term of one year or until successors are chosen. If a vacancy occurs during the year and the Company's Board wants to fill that vacancy, the remaining directors have the authority to fill the vacancy on an interim basis until the following May. The members of Ohio American's Board of Directors are shown on Exhibit 4, Schedule S-4.1. The Board of Directors conducts biannual meetings. In the interim, special meetings may be scheduled after proper notice by Ohio American's President. The Board of Directors reviews and approves annual budgets, approves sales and acquisitions of real estate, declares dividends, approves long-term financing, and elects Company officers.

Ohio American's President serves as the Director on the Board and chairs all Board meetings. The President has general executive supervision, direction, and control of the business and the affairs of the Company. He may execute all proxies, authorized deeds, mortgages, bonds, contracts and other obligations on behalf of Ohio American pursuant to the Delegations of Authority Policy. The President has the general powers and duties usually vested in the office of a corporate President, and has such other powers and duties as may be prescribed by the Board of Directors. The President is the liaison between Ohio American and its parent corporation, American Water.

The Board of Directors Vice Presidents perform the duties of the President during his or her absence, incapacity, or inability to act; along with all duties the Board may prescribe. Vice Presidents have the power to execute all proxies, authorized deeds, mortgages, bonds, contracts and other obligations on behalf of Ohio American that are allowed pursuant to the Delegations of Authority Policy. Vice Presidents report to the

President. The Vice President, Finance is responsible for the financial planning, organizing, directing, controlling and staffing necessary to ensure the Company of a continuously sound financial structure.

The President oversees Engineering, Production, Network, Operation, and District activities within the state. Each District operates with an Operations Superintendent, Operations Supervisor, or Operations Manager who reports to the President. Attached as Schedule S-4.1, Exhibit 2 are the organizational charts for Ohio American which identify functional responsibilities by area.

Officers and management also exercise oversight of Service Company charges to Ohio American. The President receives regular reports from the Service Company regarding Shared Services and Call Center functions, and Ohio American reviews Service Company labor charges on a routine basis to ensure accuracy and appropriateness. When a Service Company charge is found to be errant, the charges are reversed and the bill is reduced.

Communication between the President, district leads, functional leads, and Service Company is accomplished using a variety of methods. These include regular meetings within departments and management, telephone conferences, electronic mail, and written correspondence. There are regular top management meetings, financial meetings, and operational and network meetings. Management also regularly reviews engineering and business development. Additionally, management attends monthly Service Company Financial Review calls to review variances from budget. This level of communication allows an exchange of information and ideas among all of the managers and officers of Ohio American, and ensures that decisions and operations are consistent with the goals and vision of the Company.

Internal Communications

Ohio American and American Water internally communicate through various mechanisms:

- **Weekly Splash Points Meetings:** These present an opportunity for supervisors to share company and industry information with their staff. Other topics may include relevant local, state and national events and news.
- **Splash Newsletter:** This newsletter is published quarterly and includes information on all American Water subsidiaries, including Ohio American.
- **The Eastern Division Change Partner Network (CPN):** This group is comprised of American Water employees from Ohio, Indiana, Kentucky, West Virginia, Tennessee, and Virginia. These employees represent all facets of the company. CPN serves as an important link between management and employees. This group meets several times a year by conference call.
- **Day-to-Day Communications:** Similar to most businesses, Ohio American utilizes a company Intranet site, telephone conferences, overnight mail, electronic mail, weekly newsletters, and weekly departmental meetings to effectively communicate internal policies, procedures and initiatives to its personnel. Officers, directors, and managers periodically meet to discuss training projects, and business initiatives/

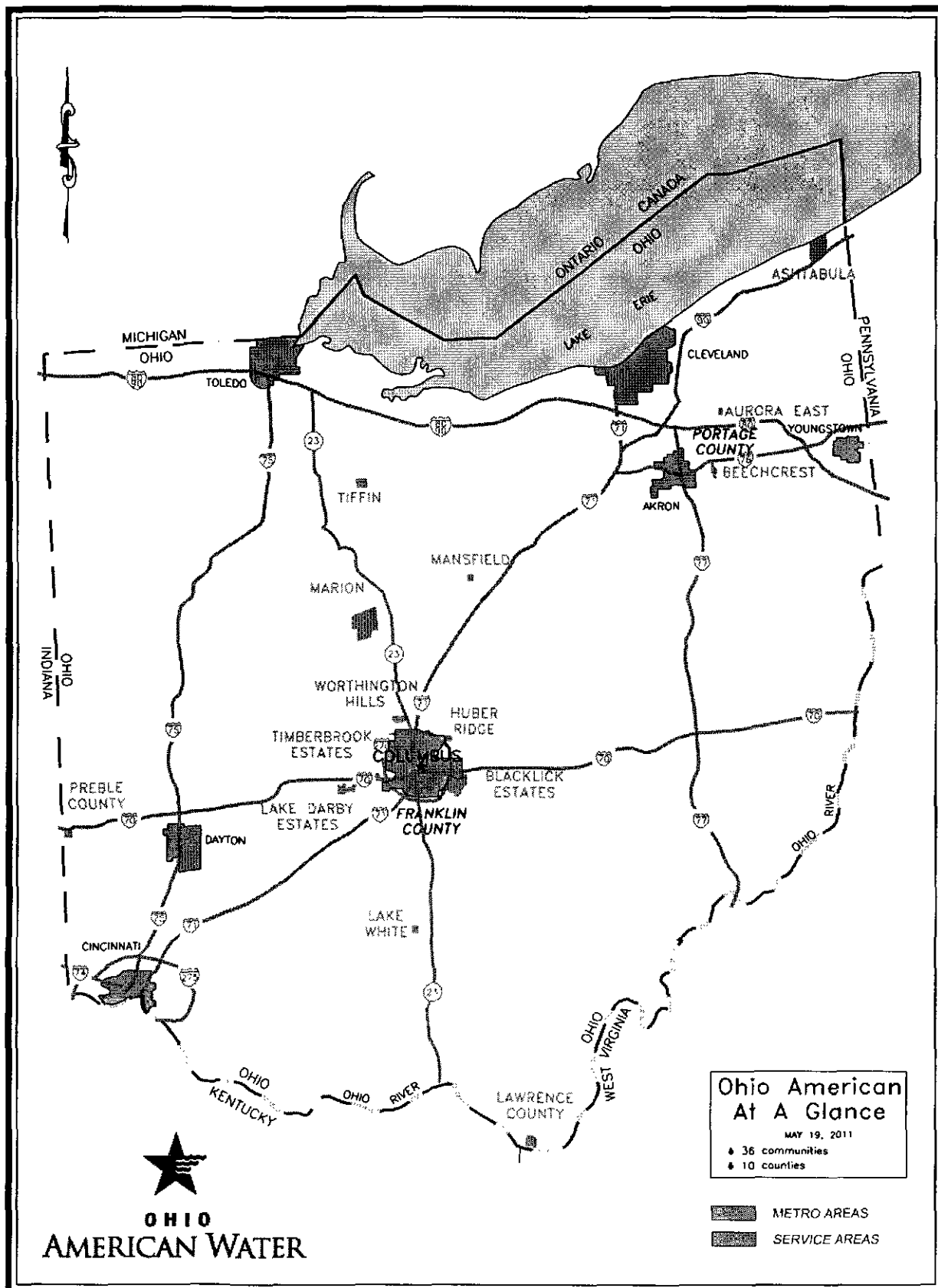
External Communications

External communications are maintained by American Water's External Affairs-Communications Department. However, the water industry is a local industry, therefore the company's state and district management are authorized and expected to respond to inquiries from local news media and customers, as well as to represent the company at local and statewide external events. The External Affairs Department assists local management in responding to news media and customer inquiries. In addition, Ohio American currently uses a part-time contractor to provide external communications support within the state.

Employment of Qualified Personnel

In order to achieve its vision of being a trusted water resource, Ohio American seeks to hire and retain the most qualified person for each position. This means that Ohio American seeks to be inclusive in its hiring process and actively solicits applications from a diverse group of potential candidates. To attract and retain qualified employees, Ohio American reviews its compensation package to ensure that it is consistent with the market. Ohio American seeks to develop and cross-train its employees to assist them in their position, and to train them for future positions and promotions.

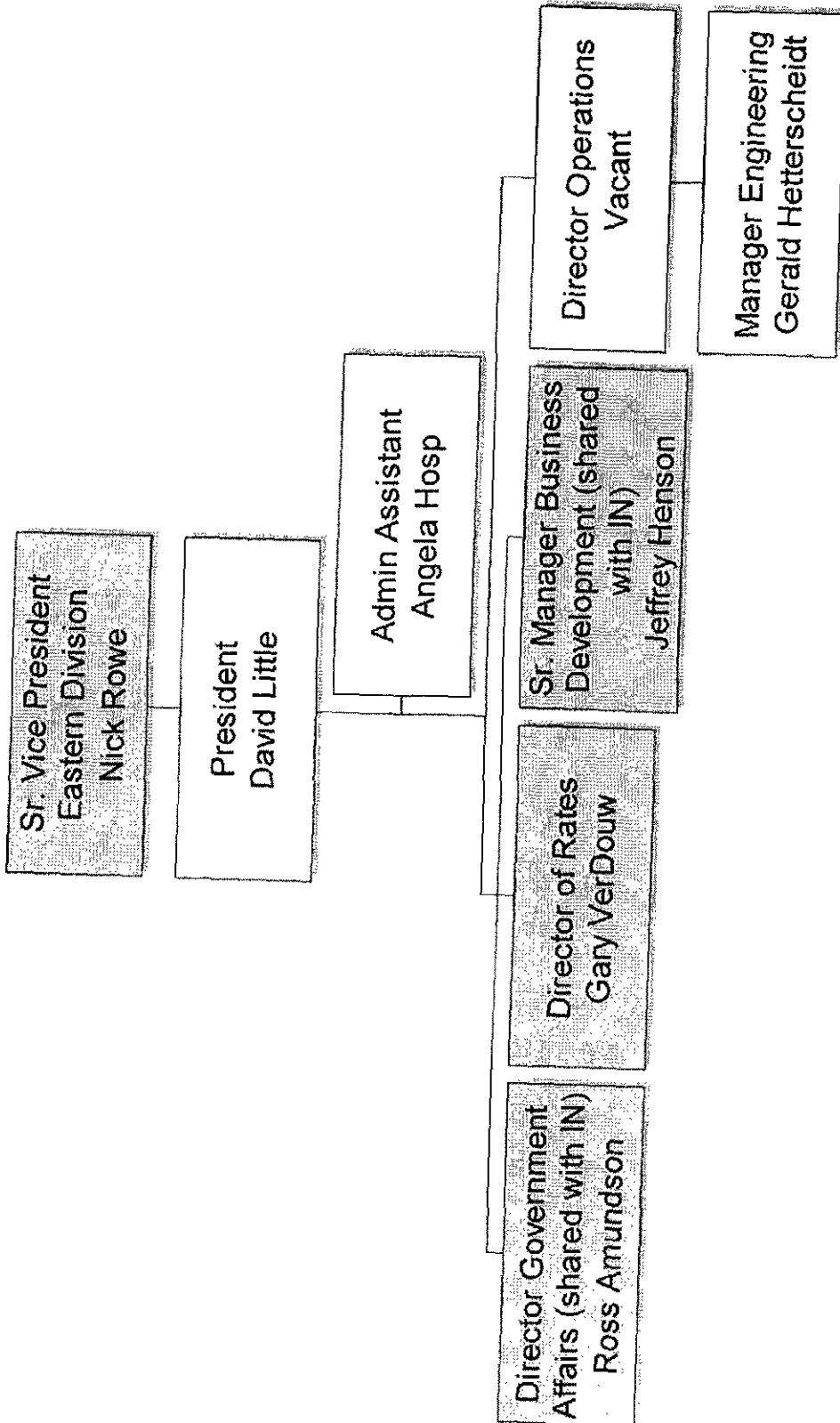
By employing the most qualified personnel, Ohio American is able to sustain its water quality, maintain its facilities and distribution system, and adequately respond to customer inquiries. Ohio American's corporate process efficiently manages its water and wastewater system and reduces the costs to the consumer.





Ohio American Water

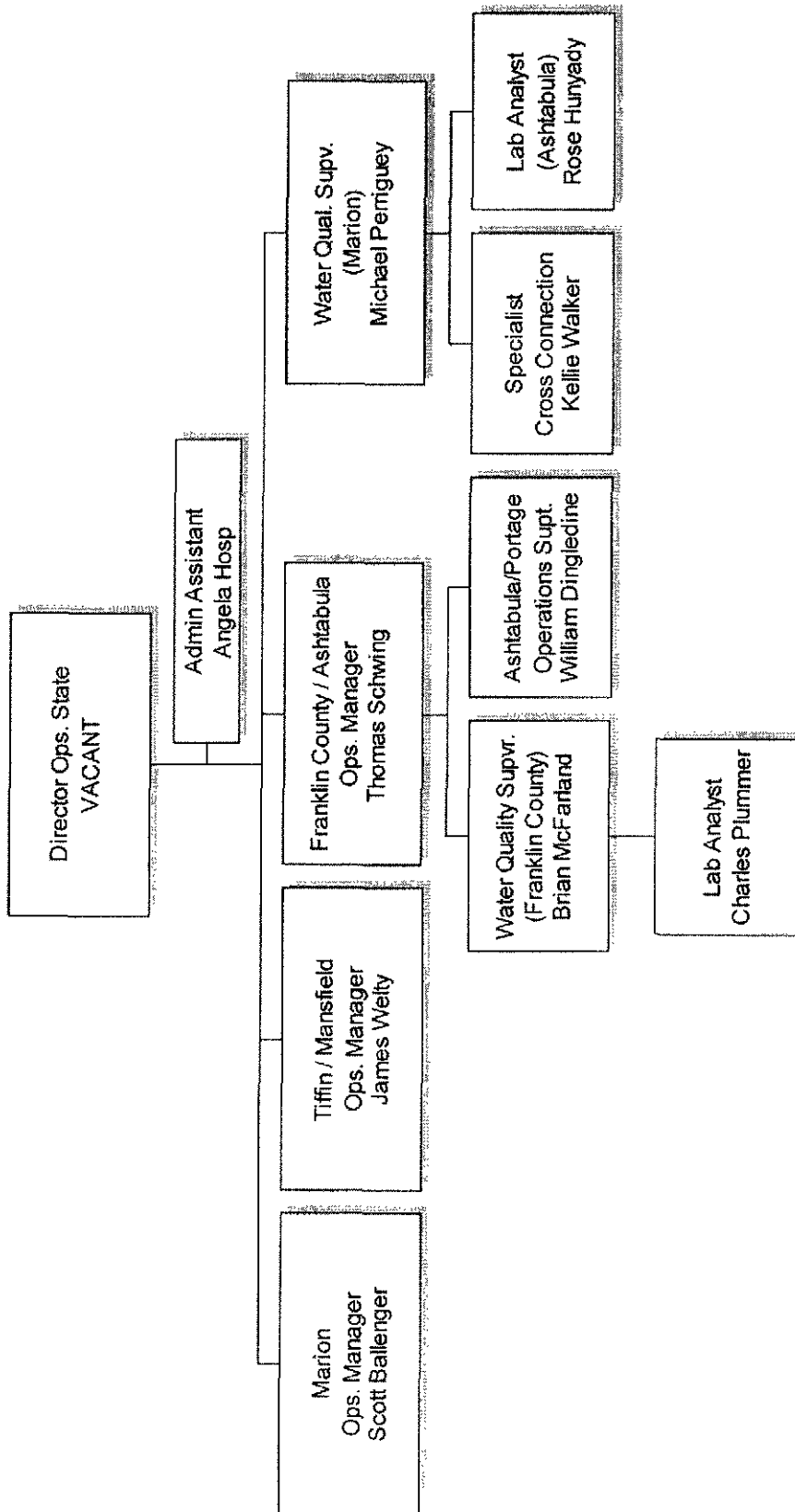
State
Service Company





Ohio American Water Field Operations

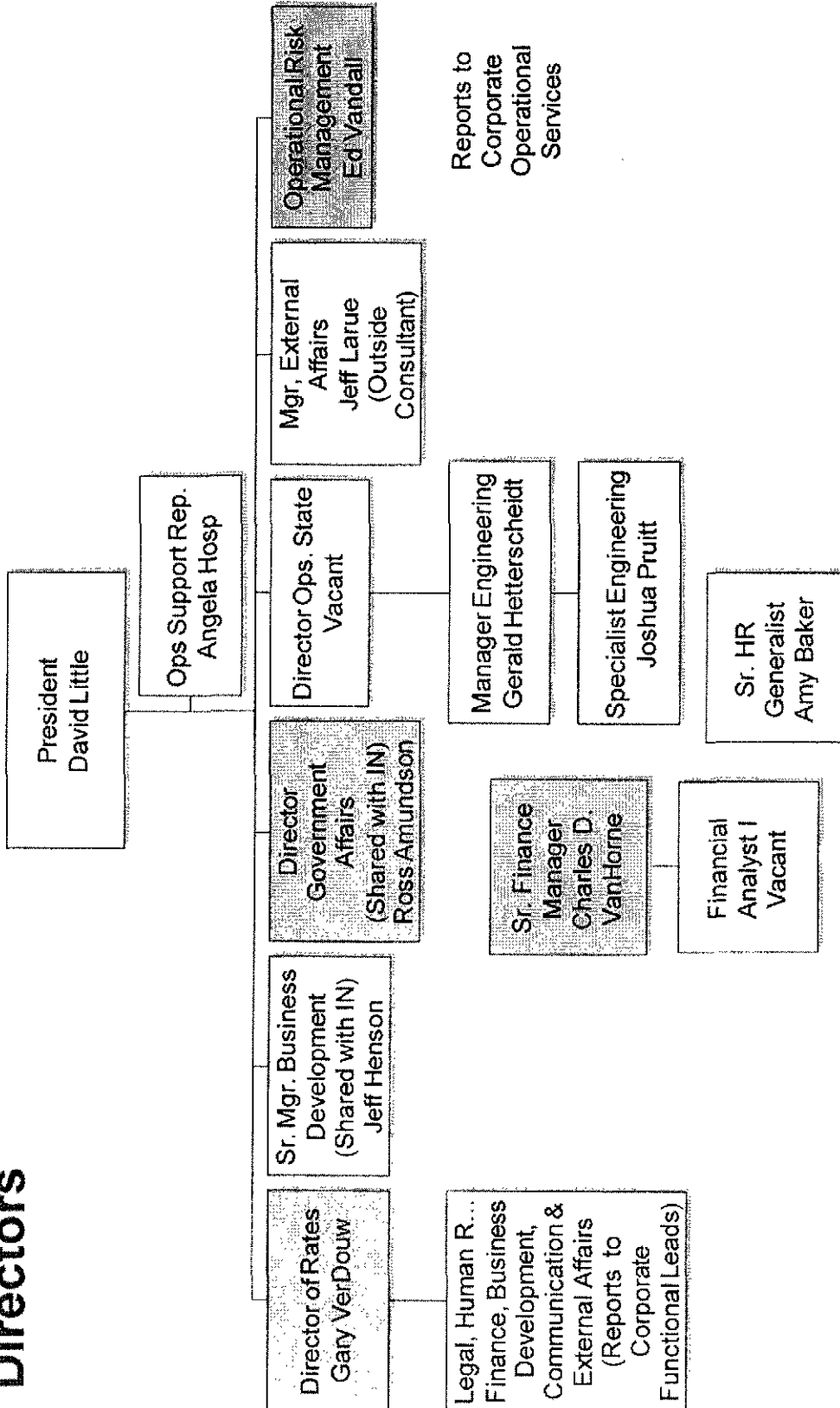
State
Service Company



Ohio American Water Directors



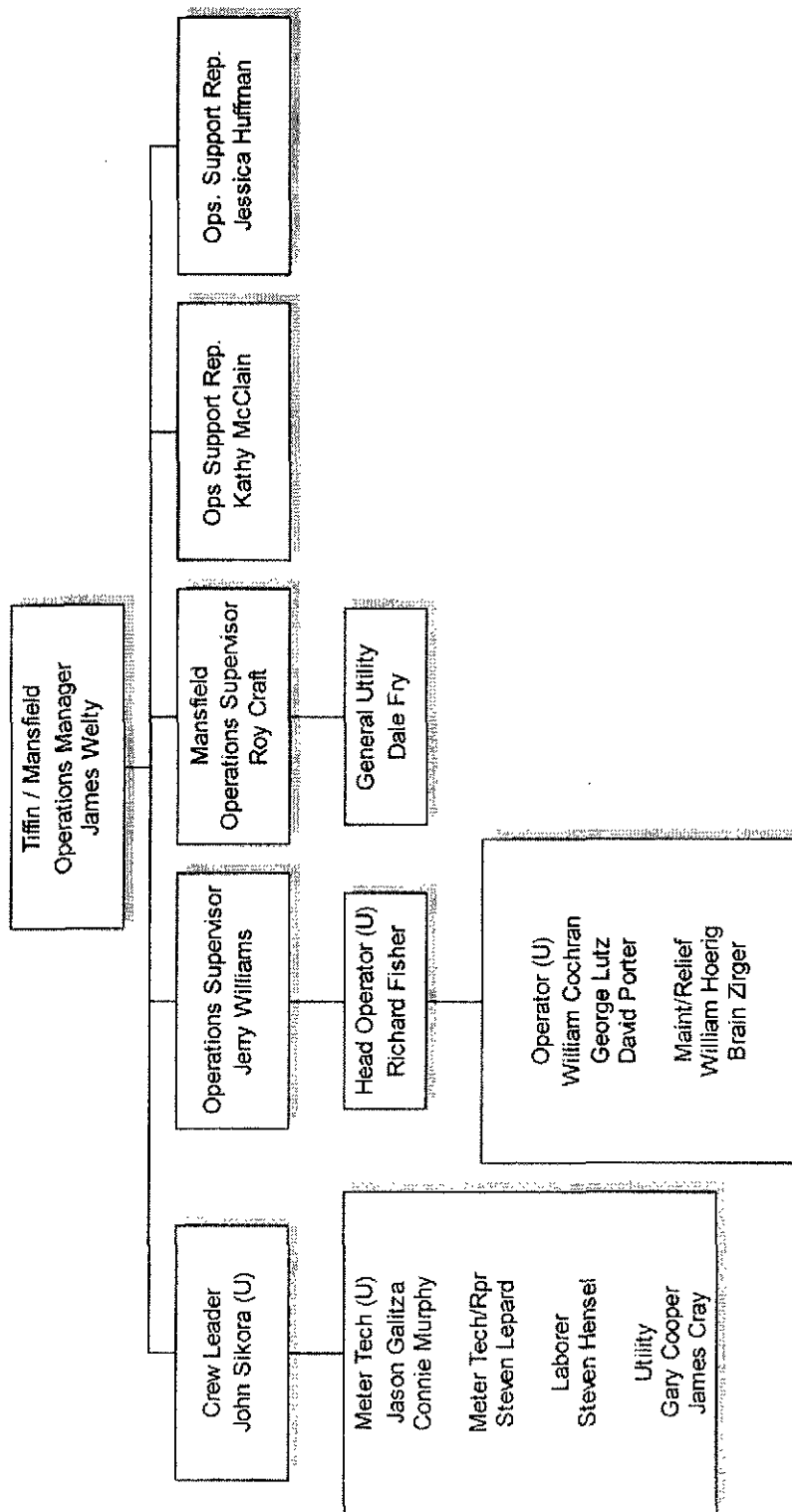
State
Service Company





Ohio American Water Field Operations – Tiffin / Mansfield

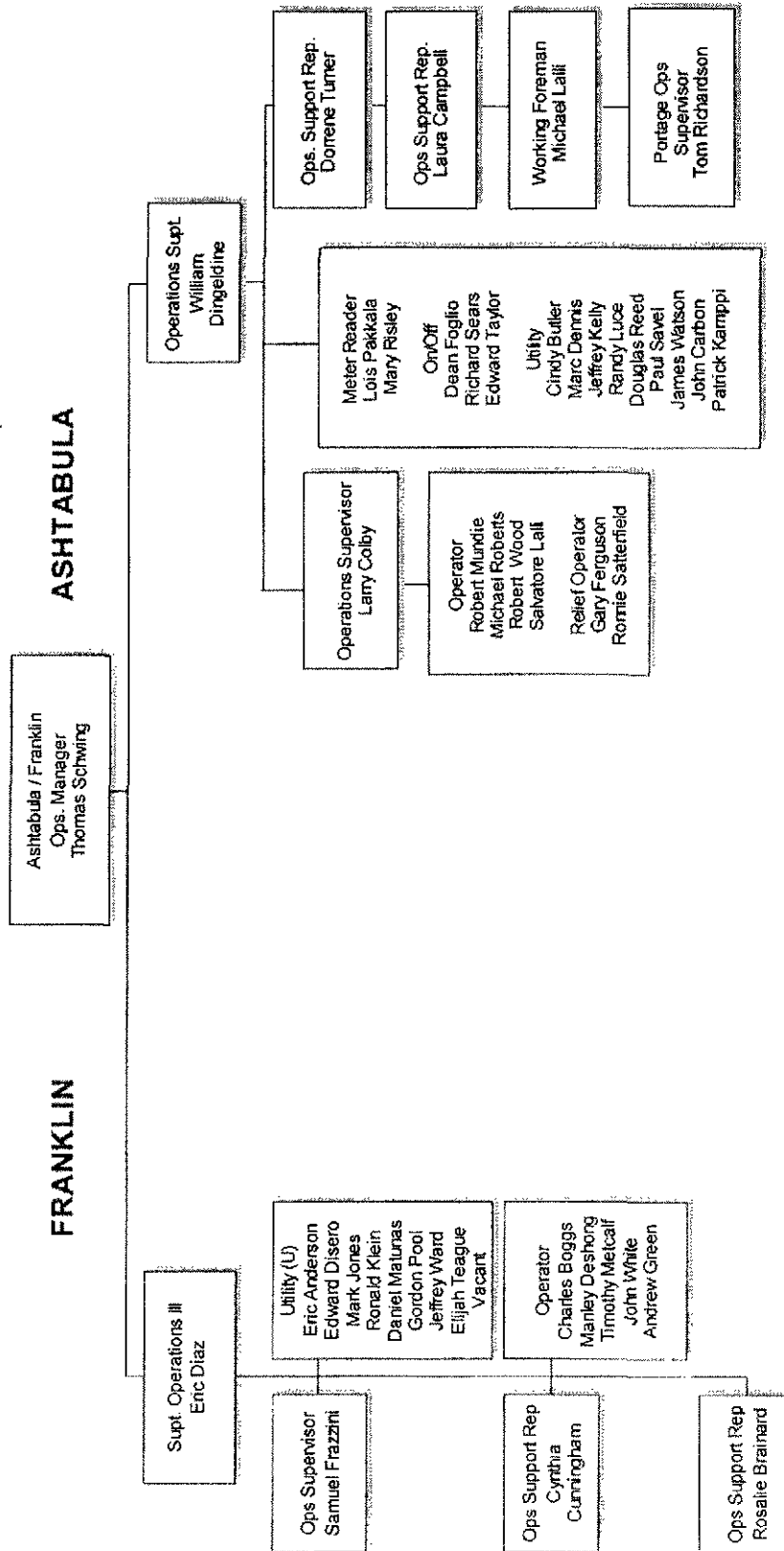
State
Service Company





State
Service Company

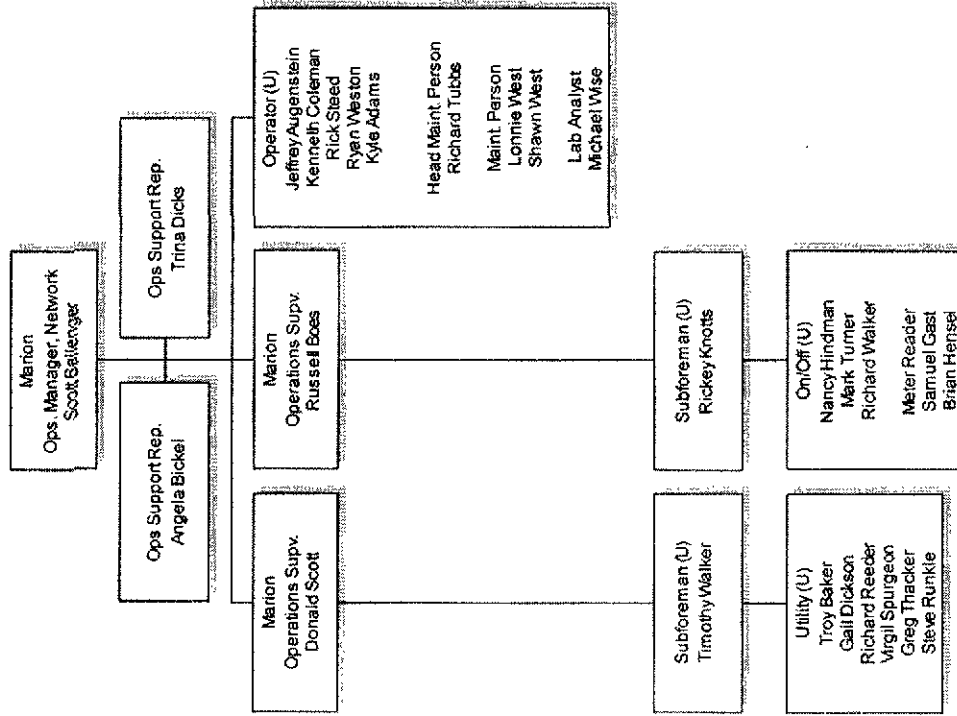
Ohio American Water Field Operations – Ashtabula / Franklin

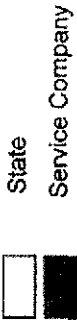


AMERICAN WATER

Ohio American Water Field Operations – Marion

State
Service Company





State

Service Company

Ohio American Water Field Operations – Lawrence County & Lake White

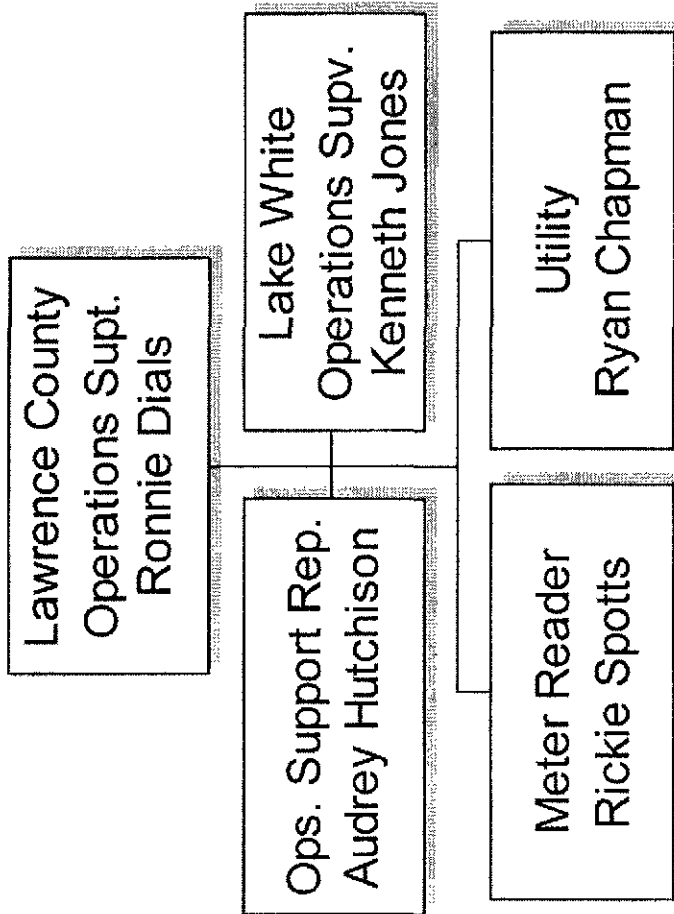


Exhibit 3
Schedule S-4.1

Ohio American Water Company

Number of Customers
as of April 30, 2011

ASHTABULA	12,457
LAWRENCE COUNTY	3,367
FRANKLIN COUNTY (WATER)	7,869
FRANKLIN COUNTY (SEWER)	6,544
MARION (includes LAKE WHITE)	17,123
TIFFIN	7,557
MANSFIELD	1,671
PORTAGE COUNTY	<u>889</u>
TOTAL	<u><u>57,477</u></u>

Exhibit 4
Schedule S-4.1

Ohio American Water Company
Board of Directors

Directors

Effective as of July 5, 2011

David Little
Deborah Degillio
Nick Rowe

Officers

Effective as of July 5, 2011

President David Little
Vice President – Finance Deborah Degillio
Vice President, General Counsel and Secretary..... Gerald Reynolds
Assistant Secretary Cristy Wheeler
Assistant Secretary Angela Bickel
Assistant Treasurer..... Charles Dean Van Horne
Assistant Treasurer.....Mark Chierici
Assistant Treasurer.....Okechukwu Azie
*Assistant Comptroller Doneen Hobbs
*Assistant Comptroller Chuck Gilbert
*Assistant Comptroller Susan Cole
*Assistant Comptroller Donna Grosser
*Assistant Comptroller Carl Meyers

* Limited signing authority

Ohio American Water Company

Rate Case No. 11-4161-WS-AIR

Schedule S-4.2 Executive Summary of Ohio American Water Management Policies, Practices And Organization

**Witnesses Responsible:
Gary M. VerDouw**

Ohio American Water Rate Case No. 11-4161-WS-AIR

Schedule S-4.2 Executive Summary of Management Policies

Table of Contents

Improving Service Quality	- 3 -
American Water's Vision.....	- 3 -
Operations and Maintenance Practices and Procedures.....	- 3 -
Plant Operations and Construction	- 5 -
Plant/Facilities Planning Process.....	- 5 -
Ohio American Water Distribution System:	- 9 -
Ohio American Waste Water Collection and Treatment System:	- 9 -
Ohio American Water Production Facilities:.....	- 10 -
Ohio American Water Quality:.....	- 10 -
Plant Productivity and Performance Evaluation	- 10 -
Customer and Usage Growth Forecasting.....	- 11 -
Demand and Capacity Load Forecasting.....	- 13 -
Construction Project Management and Control	- 14 -
Research and Development.....	- 15 -
Environmental Management	- 16 -
American Water Environmental Policy.....	- 17 -
Finance and Accounting	- 20 -
Cash Management.....	- 20 -
Accounting Systems and Financial Reporting.....	- 22 -
Budgeting and Forecasting	- 23 -
Financial Planning Process and Objectives.....	- 25 -
Materials and Inventory Management and Control	- 26 -
Internal Auditing	- 27 -
Rates and Tariffs	- 28 -
System or Program for Managing Rate Related Operations.....	- 28 -
Objectives of Rate Program.....	- 28 -
Process and Procedures.....	- 28 -
Organizational Structure and Available Resources.....	- 28 -
Rate Program Analytical Process	- 29 -
Planning	- 29 -
Operating Impact Evaluation.....	- 29 -
Cost Analysis	- 30 -
Benefit Analysis.....	- 30 -
Data Collection.....	- 30 -
Risk Assessment.....	- 31 -
Revenue and Earnings Stability.....	- 31 -
Implementation Management	- 31 -
Customer Involvement	- 32 -
Commission and Staff Reporting	- 33 -

Communication and Public Affairs	- 33 -
Customer Service and Information.....	- 33 -
Responsive Customer Service.....	- 33 -
Improved Customer Communications.....	- 35 -
Payment and Payment Assistance Options	- 35 -
Credit and Collections.....	- 36 -
Customer Conservation Programs.....	- 36 -
Marketing	- 37 -
External Relations	- 37 -
Administrative and Corporate Support Services	- 38 -
Legal	- 38 -
Insurance	- 39 -
Land Management	- 40 -
Records Management.....	- 41 -
Safety	- 42 -
Procurement / Supply Chain:	- 42 -
Information Technology & Information Systems	- 43 -
Transportation	- 49 -
Human Resources	- 50 -
Salary and Benefit Administration	- 50 -
Recruiting and Selection	- 50 -
Training and Career Development.....	- 51 -
Performance Evaluation and Appraisal.....	- 51 -
Work Force Productivity	- 51 -
Integrated Resource Planning	- 52 -

Improving Service Quality

American Water's Vision

"To be your trusted water resource company, dedicated to delivering innovative solutions."

This is Ohio American Water (the "Company") and the American Water's vision. It is referred to at employee meetings and it is the driving force behind the operations of Ohio American Water. In practice, this means providing excellent service, demonstrating commitment to our customers' health and well-being, and delivering reliable, affordable water and wastewater services. To deliver on this goal, Ohio American Water continues to focus on the basic operations and maintenance practices and procedures as defined by the Company and listed later herein.

Highlights of the Service Quality plan are:

Operations and Maintenance Practices and Procedures

Customer Focus

Representatives of the Company attended the rate case public hearings held in Marion, Mansfield, Tiffin, Blacklick, Galloway and Westerville, OH during the months of January and February, 2010. They took note of the issues raised during these meetings, followed up with every customer raising operational issues, and are including strategic processes directed toward alleviating or minimizing these concerns.

In the Lake Darby System, while fewer customers raised water quality issues than in the past, some customers expressed dissatisfaction with the finished water softness levels. While the Company is softening the water to a required level, Ohio American Water personnel have given this issue a high degree of attention and have added additional hardness monitoring equipment, enhanced softness reporting, and analyzed processes in order to improve the consistency of finished water hardness levels. The Company also petitioned for an expansion of the acceptable finished water softness level, dropping the lower limit to 90 milligrams per liter. This allowed the Company to provide softer finished water than allowed in the prior Stipulation. Company representatives have met with customers who raised issues concerning aggressive water. Findings from these meetings show that many of these customers have home softening units that are creating internal issues. Company personnel have attempted to address those issues with these individuals. The strategic plan that has been commenced, for continuing to seek operational excellence in this area is:

- Include information on softening practices in the annual mailing and any public meetings.
- Evaluate the existing softening equipment for potential improvements in order to further improve the process.

Customers in the Huber Ridge System raised fewer concerns with finished water quality color and staining than during previous rate case public meetings. In order to assure

continued progress, the Company remains firmly committed to delivering finished water with iron and manganese below the maximum contaminant levels as defined in the Ohio Administrative Code 3745-82-02. The Company also continues unidirectional flushing of the distribution system at a minimum of twice a year.

Customers in the Black Lick System raised issues with water quality. Most issues were associated with water hardness. Residents of the service territory had rejected the option of installing softening equipment in the existing treatment plant. The Company replaced the existing Aerolator unit with iron/manganese pressure filters in 2010. Piping was put in at that time to accommodate the addition of softening equipment should the community express an interest in the Company providing softened water. The Company is currently working with local residents to resurvey the community and determine if there is a renewed interest in softened water.

Customers in the Marion District conveyed their desire for more timely lawn repairs. In order to immediately respond to this problem and address reporting requirements, the Marion District developed a log to track every excavation and monitor the repair process. The Company also developed a handout that is left with customers, detailing the need to allow an excavation to settle prior to leveling/reseeding and giving the customer a contact phone number for questions. When faced with conditions that prevent rapid lawn repair (such as the cold wet weather in the Spring of 2011), Ohio American Water communicates with customers regarding the delay. This Spring that was accomplished through press release, Facebook, and on the Ohio American Water website.

Customers in the Franklin County District have expressed their desire for a local site to pay their bills and see Company representatives in person. While this is projected to increase customer cost, the Company opened a customer service counter at its Westerville site to evaluate the cost/benefit of such an option.

Government Relations

Mayors in Marion, Tiffin and Ashtabula stressed the need for fire hydrants to be painted regularly, as their appearance has an impact on the city's image. In accordance with the Opinion and Order, the Company includes fire hydrant painting in its summer activities. While this activity was performed by temporary labor in years past, the Company is currently using existing work force in order to control expenses. This has reduced labor costs but has also reduced the availability of labor to address other service related activity.

Government officials in the Marion District conveyed their desire for increased communications with the Company. Company representatives now reach out on a monthly basis to various Government officials to maintain a constant flow of information and address any concerns/issues/ suggestions either party might have.

Aging Infrastructure

One issue drawing an ever-increasing amount of attention is aging infrastructure. The Company will continue to track maintenance activity on mains, services, and treatment plants and prepare for replacements as needed.

Plant Operations and Construction

Plant/Facilities Planning Process

Introduction

The Comprehensive Planning Study (CPS) provides capital improvement recommendations which enable Ohio American Water to continue to provide safe, adequate and reliable service to its customers in order to meet their domestic, commercial, industrial, and fire protection needs. The criteria used for evaluating the various system components are summarized in the following subsections. In addition, water resource management, national, state and local trends, and their role in the planning process are discussed.

Planning Approach

This CPS provides an engineering analysis which management can utilize, among other tools, to assist in the long-term planning process. The Comprehensive Planning Process encompasses the following: developing and evaluating alternative planning scenarios, considering the goals of the regional water supply and waste water services plan developed by various local and state agencies, evaluating water demand and supply side and waste water load management options where such measures could potentially eliminate or defer capital projects and reduce operating costs, assessing the costs and benefits of energy management based projects, and considering various externalities. These planning aspects were considered as appropriate when developing the proposed solutions to the water and waste water system's long-term needs. For major projects recommended in the study, alternative planning scenarios are presented where applicable, which will allow for the flexibility to reevaluate project selection if regional and local input requires redirection of efforts.

The priorities and recommendations are based on conditions that are known as of the date of the report. They should not be construed as indicative of the appropriate management decision with regard to implementation of such recommendations or priorities at any particular time. Any such management decision must also consider a wide range of additional and then current factors, which are beyond the scope of this document, including, but not limited to, general economic conditions, changing regulatory and environmental requirements, and customer impacts.

It is beyond the scope of a CPS to attempt to identify the end of the useful life of each piece of Company equipment – for example, the many miles of pipeline within a distribution or collection system. It should be assumed that capital expenditures will occur over time due to normal aging and operational wear on existing equipment. For this and various other reasons, it is anticipated that the Company may encounter additional capital expenditures beyond those identified in the CPS.

Engineering Criteria

In planning the needed water facilities, accepted engineering standards and practice have been utilized to provide adequate capacity and an appropriate level of reliability to satisfy domestic, commercial, industrial and fire protection needs. In addition, all facilities were analyzed for the ability to comply with relevant regulatory requirements.

Customer and Demand and Load Projections

Demand and load projections provide the basis for evaluating future system needs. Projections of the total number of customers and their associated demands and loads are developed for the water system over a fifteen-year planning horizon.

Since each system is unique, the specific techniques used to project both customers and demand varies, as appropriate. In general, the projections are developed based on a review of population trends, historic customer and demand and load data, and local planning commission forecasts. The effects of water conservation are considered in the projection, along with the analysis of historic water consumption trends.

Sources of Supply

Company sources of supply should have the necessary quantity of water to meet the projected system demand. The quality of the water from source of supply is regularly monitored and should provide finished water after treatment that complies with all Federal, State, and local regulations. Sources of supply should also have sufficient allocation rights to permit average and maximum demands to be met.

The Company conducts water resource management activities and programs that are designed to protect, maintain and monitor the efficient use of supply sources and the finished product. These measures include managing water resources from both the supply and demand side. Continuation of these practices will assist in providing high quality service to the customer.

Water and Waste Water Treatment Facilities

The goal of the Company is to continue to produce high quality water that meets or surpasses federal and state water quality standards. Treatment facilities are designed to meet projected maximum day demands and loading events, and to comply with water quality regulations at all times. Individual components are sized with appropriate standby capacity that allows the facilities to meet maximum day demands and loading under varying operating conditions.

Recommendations for capital improvements are developed after evaluating the Company's ability to provide a reliable and high quality water supply as well as the ability to meet discharge limits. This ensures continued compliance with existing and anticipated federal and state water quality and environmental regulations, and the ability to meet projected customer demands and loads.

The ability to provide continuous service during a power outage is critical to a system's reliability and depends on several factors including: the nature of the electrical service (i.e., service from one vs. two substations), the presence of any floating storage within a pressure zone, standby electrical generating capacity, and the availability of pumps which can be driven by diesel fuel or natural gas.

Pumping, Water Distribution, Waste Water Collection and Storage

The analysis of Company facilities includes an evaluation of pipelines, storage tanks, booster stations and emergency power provisions. These distribution system components are analyzed to determine their ability to provide safe, adequate and reliable service to customers under forecasted conditions.

Pumping facilities are designed to meet projected maximum day demands and loading events with the largest single unit assumed out of service. This design standard provides an appropriate measure of reliability in the event of a mechanical failure, or if a pump is taken out of service for maintenance. Pumping facilities may also be an important component of the fire protection system.

The ability to provide continuous service during a power outage is critical to a system's reliability and depends on several factors including: the nature of the electrical service (i.e., service from one vs. two substations), the presence of any floating storage within a pressure zone, standby electrical generating capacity, and the availability of pumps which can be driven by diesel fuel or natural gas.

Water distribution storage facilities are designed to provide the recommended volume to equalize the plant's pumping rate on the projected maximum day, and to provide the effective volume necessary for fire fighting needs. The fire fighting volume criteria provides up to the maximum flow and duration addressed in the ISO Municipal Grading Schedule of 3,500 gpm for three hours. Additionally, on a site specific basis, storage facilities may need to provide a reserve volume for reliability purposes in the event of a power failure, main break, or other emergency.

Water pipelines are designed to meet two conditions of service. They are expected to deliver projected peak hour customer demands while maintaining system pressure at 35 psi or greater, and also to provide the needed fire flow identified by the International Organization for Standardization ("ISO") while maintaining distribution system pressure at 20 psi or greater. In this case and in the few commercial and industrial cases, the fire flow delivery needs impose the heaviest demand on the pipeline, and thus determine the sizing of pipelines.

Waste water collection systems are designed with consideration for acceptable levels of inflow and infiltration.

Consideration of National, State, and Local Trends

In developing a CPS, Ohio American reviewed national, state and local trends that can affect future planning. Nationally, there has been a strong trend toward increased and tougher regulations affecting water purveyors. Examples include: increased protection of sources of supply; more stringent water quality regulations of finished water and discharge limits; additional regulation of treatment plant residuals; increased frequency of required water quality monitoring; and more extensive environmental laws affecting new construction and source development.

Typically, these new regulations are passed down to the state level to supplement the federal laws. The Ohio Environmental Protection Agency (OEPA) has primary enforcement responsibility of the State's drinking water and waste water regulations. OEPA and US EPA recognize that the primary role of OEPA is in administering federal environmental programs delegated to the state under federal law and in carrying out state programs prescribed under state law. The role played by US EPA is in assisting the state, including: addressing multi-state or national issues directly; implementing programs not delegated to OEPA; and working on targeted sectors, watersheds, airsheds, or regions in conjunction with OEPA.

Water Resource Management

Water resource management has become an important part of the planning process. Water resource management refers to those activities and programs designed to protect, maintain, and monitor efficient use of water resources. These measures include managing water resources from both the supply and demand side. Such activities include meter maintenance and replacement programs, leak detection and repair, scheduled water main replacement, drought management, and customer education.

Metering provides accurate accounting of water flowing through the system, thereby helping to determine where losses and excess usage are occurring. Only a small number of customers are not metered. In some cases, commercial meters on apartment buildings or other multi-tenant facilities have been changed over to individual meters. New fire services are being equipped with flow indicators. Ohio American Water practices a meter replacement program whereby residential service meters are replaced after 15 years of service. Larger meters are tested and replaced more frequently. On the supply side, all source of supply meters are tested and calibrated at least once per year.

Replacement of aged facilities can conserve water through controlling system losses. For instance, old, unlined pipelines can be a source of leakage. Mains which have known leakage problems or which require frequent maintenance are given priority for replacement under this program. That program concentrates on mains 6 inches in diameter and smaller, usually unlined cast iron or steel.

All of these measures practiced by the Ohio American Water provide a water resource management program aimed at controlling water losses, protecting the Company's source of supply, and maintaining efficient and economical delivery and usage of its water resources. To continue to provide high quality service to its customers, Ohio American Water will need to continue these practices.

Operations and Maintenance Practices and Procedures

Ohio American Water continues to focus on basic operations and maintenance practices and procedures as defined by the Company. Documented practices and procedures of the Ohio American Water currently exist as follows:

Ohio American Water Distribution System:

- Disinfection of Tanks – New & Existing
- Distribution System Flushing
- Fire Hydrant - Installation, Operation, Inspection, & Maintenance
- Hydrant Flow Testing
- Hydrostatic Testing & leakage Testing of New Pipelines
- Polyethylene Encasement for Ductile Iron Pipe
- Water Loss Control & Leak Detection
- Facilities to Serve Multiple Occupancy of Individual Properties, such as Apartments, Condominiums, Shopping Centers, etc.
- Relocation or Repair of Company-Owned Facilities at Customers' Expense
- Corrosion Control
- Disinfection of Mains – New & Existing
- Inspection of Pipe and Fittings
- Relocation of Water Company Facilities in Connection with Highway Construction
- Steel Tank Maintenance
- Pipeline Bidding Procedures Contracts- Approval and Invoice Payment
- Developer Installed Water Main Extension Procedures
- Valves – Installation, Operation, Inspection, & Maintenance
- Distribution System Records
- Asbestos Cement Pipe – Work procedures
- Safety Program Administration
- Hazard Identification & Evaluation
- Hazard Control
- Medical Program

Ohio American Waste Water Collection and Treatment System:

- NPDES Permit Compliance & Requirements
- Asset Inventory Management
- Management of Industrial Waste Discharges
- Industrial Waste Pretreatment Program
- Collection Systems Design Standards
- New Construction Inspection
- New Construction Testing & Acceptance
- Response to Wastewater Overflow Events
- Manholes Inspection
- Sewer Line Testing & Inspection Program
- Sewer Line Cleaning Program
- Lift Station Design Standards

- Lift Station New Construction Inspection
- Lift Station New Construction Testing & Acceptance
- Lift Station Routine Operations/Maintenance
- Lift Station Emergency Operations
- Wastewater Treatment Plant Design Standards
- Unit Process Standard Operating Procedures
- Unit Process & Plant Performance Evaluations
- Process Control & Process Performance Monitoring Program
- Wet Weather Operating Practices
- Residual Management
- Protection of Potable Water Supply & Facility Contamination
- Calibration of Instrumentation Systems

Ohio American Water Production Facilities:

- Filter Operation, Inspection and Maintenance
- Calibration of Chemical Feeders
- Disposal of Treatment Plant Wastes
- Pumps and Motors – Inspection, Maintenance and Efficiency Testing
- Telemetry Systems – Operation and Maintenance
- Inspection and Maintenance of Electrical Facilities
- Plant and Station Water Metering

Ohio American Water Quality:

- Turbidity
- Fluoridation
- Testing of Treatment Chemicals
- Uninterrupted Chlorination and Chlorine Residual Maintenance
- Water Quality Goals
- Water Quality Monitoring Program
- Bacteria Monitoring
- Customer Complaint Log
- Uniform Reporting of Chemical Usage and Inventory
- Monthly Water Quality Summary Reports
- Assurance of Laboratory Results
- Storage and Disposal of Water Treatment Chemicals
- Corrosion Control
- Chloramine Treatment

Plant Productivity and Performance Evaluation

The CPS is the primary tool used by Ohio American Water to evaluate plant productivity and performance. The capital improvements necessary to enable the Company to continue to provide safe, adequate and reliable service to customers in its service territories, and to meet their domestic, commercial, industrial and fire protection needs are derived from this evaluation.

Production facilities are defined as those used in raw water acquisition and transmission, water and waste water treatment and pumping. Recommendations for capital improvements are developed after evaluating the Company's ability to provide a reliable and high quality water supply, to ensure continued compliance with existing and anticipated federal and state water quality and environmental regulations, meet current and anticipated federal and state waste water effluent standards and meet projected customer demands throughout a period of at least fifteen years.

The Company produces high quality water, which meets or surpasses USEPA and Ohio EPA water quality standards. The wide variation in the characteristics of the Company's various sources of supply requires a diversity of treatment techniques including disinfection, corrosion control, sequestration, pH adjustment and complete clarification/filtration. The Company also produces a high quality waste water effluent, meeting or surpassing USEPA and Ohio EPA standards. Due to discharging effluent to varying bodies of water, the Company must employ various waste water treatment techniques, including primary, secondary and tertiary processes, consisting of screening, aeration, clarification, filtration, disinfection and sludge dewatering.

The adequacy of water production facilities is evaluated based on the ability to provide an adequate, reliable finished water supply that will satisfy present and future demands while meeting all federal and state regulations. Waste water production facilities are, likewise, evaluated on their ability to provide an adequate and reliable treatment of effluent that will not degrade the body of water to which they discharge, plus, satisfy present and future demands, meeting all current and pending federal and state regulations. Treatment plants are evaluated to assure that loading rates for all components are sustainable under maximum demand conditions without compromising water quality. Plant hydraulics are evaluated to assure that adequate volumes of water and waste water can flow through the various components. Waste water treatment capacities are also evaluated to handle any infiltration or inflow that cannot be cost-effectively removed from the waste water collection system.

Each treatment process and chemical feed system at the plant is analyzed both as a separate entity and in conjunction with the facility's overall operations. Monitoring and control equipment must meet regulatory requirements and the Company's standards. Chemical feed and storage systems must be adequate in size to meet the full range of production rates while conforming to the Company's standards for safety, reliability and construction.

Consideration is also given to providing adequate redundancy of treatment plant components to ensure reliability of service during scheduled or unscheduled maintenance and during emergencies. Adequate auxiliary power and dual, independent electrical feeds should be provided to enable the plant to produce one hundred percent of the average daily demand.

Customer and Usage Growth Forecasting

The CPS is the primary tool used by Ohio American Water to evaluate customer and usage growth patterns. Capital improvements are then evaluated to enable the Company to continue to provide safe, adequate and reliable service to customers in its

service territories, and to meet their domestic, commercial, industrial and fire protection needs.

Population Projections using a time period of fifteen years are performed for the total number of customers. Then the associated demands are developed for each District. Each water and waste water system is unique, and the specific techniques used to project both customers and demand varies from system to system. In general, the projections are developed based on a review of population trends, local planning commission forecasts, historic customer and demand data, large customer data, and discussions with system personnel, either in conjunction with a field visit to the system or via telephone. The specific methods used to develop both customer and usage growth projections are discussed below.

Residential customer growth and water and waste water usage is projected based upon historic growth trends as well as population and housing forecasts developed for each service area by local planning agencies. The projections are developed to include potential growth, both in terms of new home construction, as well as connection of existing homes, on private water supplies and waste water systems, to the Company's water and waste water systems.

Per customer residential usage in gallons per customer per day (gpcd) is projected based upon historic use patterns, consideration of the impacts of both existing and future water conservation efforts, and any potential changes in the number of persons per household. Long term per customer water and waste water use is anticipated to be impacted by the passage of the federal Energy Policy Act in 1992, which established uniform standards for water efficiency for all toilets, showerheads, and faucets manufactured after January 1994. The end result will be uniformly lower inside residential water usage for all new homes and remodeled older homes. Values of usage per residential customer are based upon existing consumption values, expected changes resulting from the passage of the federal Energy Policy Act, and changes in the number of persons per household.

Commercial customer growth and water and waste water demand projection is based primarily on historic trends. Growth in commercial water and waste water demand generally follows the trend of residential growth, as commercial and residential development typically go hand in hand. One parameter that is considered in projecting commercial usage is the historic relationship between residential usage and commercial usage. Confirmed major changes in commercial activity, for example a large office complex or shopping center, is also identified and incorporated in the projections.

Industrial customer growth and water and waste water demand projections, as in the commercial category, are also dependent on historic usage trends. However, since there are typically far fewer industrial customers than commercial customers, it is easier to identify changes in water and waste water demands for the major industries, and thus forecast industrial demand. The projected water and waste water usage for key industrial customers is provided through interviews conducted by the Company's system personnel familiar with the service area.

Demand and Capacity Load Forecasting

The CPS is the primary tool used by Ohio American Water to predict current and future demands and capacity loads. From the CPS evaluation capital improvements are determined that are necessary to enable the Company to continue to provide safe, adequate and reliable service to customers in its service territories, and to meet their domestic, commercial, industrial and fire protection needs.

Demand Projections provide the basis for evaluating future system needs. Population projection data and an analysis of historic customer and usage trends are utilized to develop a projection of future water and waste water demands and capacity needs. Maximum day projections are based on a statistical analysis of the maximum day to average day ratios experienced in a specific District. The effects of water conservation are considered in the Demand Projections along with the analysis of historic water consumption trends.

Non-Revenue usage and **Unaccounted-for (UAF)** water usage is projected based on historic data and discussions with water system personnel regarding future activities in these areas and is added to projected residential, commercial and industrial usage, which is discussed under "Customer and Usage Growth Forecasting." Non-revenue usage includes water used in fire fighting, water main and waste water main flushing (for both existing water and waste water mains and disinfection of new water mains), and identifiable leakage where quantifiable. UAF water represents the difference between production of and the sum of all metered sales plus non-revenue usage. This category includes water lost due to meter inaccuracy, undetected leakage, illegally opened fire hydrants and theft. To control UAF, the Company maintains a leak detection program, a policy for routine calibration of plant meters, and a fifteen-year customer meter replacement program.

The average day demand projections are determined from the summation of the individual demand categories. The maximum day demand is projected based on the historic maximum day to average day ratio and the projected average day demand.

Future maximum day to average day demand ratios are estimated using a statistical analysis of historic data for the previous fifteen-year period. Both a point estimate and an interval estimate of this ratio are determined. The point estimate is the median value of the ratio for the past ten years and represents a value for which the past ratios were above this value 50% of the time, and at or below this value 50% of the time. While this level may be adequate to estimate annual operational parameters, the level is not adequate on which to base long-term capital planning decisions. Rather, the Company's long-range forecasting utilizes the criteria that facilities should be planned to meet projected maximum day customer demands with a 95% confidence level. Planning facilities for a higher confidence level will result in higher capital costs for small incremental gains in reliability.

To define the maximum day to average day demand ratio that will not be exceeded in a given number of years, an interval estimate around the mean value of this ratio is determined. The interval estimate defines the interval of values that the maximum to average day ratio will fall within for a certain degree of confidence. Several confidence

intervals, namely the 99%, 95%, 50% and 5% intervals, are evaluated to illustrate the probable variation in maximum day demands that will likely be experienced during the next fifteen-years. Each confidence interval is calculated based on the mean value plus or minus the standard deviation multiplied by a reliability coefficient.

The confidence level value of 95% is applied to the maximum to average demand ratio to develop the upper boundary for the maximum day projection. In this way, the maximum day projection represents a level that is not expected to be exceeded more than once in twenty years.

Construction Project Management and Control

Once a project is designed, the installation is competitively bid to prequalified contractors. Contractors are placed on a prequalified list upon completion of a prequalification questionnaire and a review by engineering personnel. Upon completion of the bid evaluation and the contract award, the following action items take place under the direction of the Project Manager (PM).

1. A Pre-Construction meeting is held. Attendees include the Contractor, PM, local representative(s) from Operations (Asset Owner), Construction Inspector, consultant, major subcontractors and suppliers, as appropriate, and any Governmental or Permitting Agencies.
2. Contractor physically starts the project after PM issues a Notice to Proceed. A Notice to Proceed will be issued after all permits are acquired, all contractor personnel receive background checks as required by contract requirements, and the contractor completes Safety Checklist as appropriate.
3. Throughout construction, regular meetings are held with the contractor and major subcontractors/ suppliers, as appropriate, to discuss any changes, problems, and bill of quantities performed.
4. Contractor payments are monitored and verified by Construction Inspector, Consultant and PM.
5. Any changes are managed in accordance with the contract documents.
6. The Construction Inspector observes all work and progress schedules to ensure compliance.
7. The PM is informed on a regular basis of progress and any issues that may arise, especially any financial or change issues that may affect the overall outcome of the project.
8. Any unsatisfactory performance during the course of the project is identified and managed. The Construction Inspector works with the PM to determine the best way to correct the unsatisfactory performance.
9. A review of contract performance is conducted as part of the Post Project review process.
10. As-builts and closeouts are checked to ensure compliance and accuracy in accordance with the standard.

Research and Development

American Water, the parent company of Ohio American Water, has a strong commitment to leadership in water research. This commitment to the science of water technology is evident by its involvement in many scientific and professional organizations. American Water researchers serve on numerous national committees, provide training and technical support for American Water utility subsidiaries, and are involved in the development of a number of drinking water regulations. Research efforts serve to advance the science of drinking water treatment, protect public health, and support regulatory initiatives. Research results are communicated to our subsidiary operations, the work is published in a variety of scientific venues, and researchers deliver numerous presentations at local, regional, national, and international conferences and seminars.

American Water's Innovation & Technology group is charged with research and development related to its water and wastewater operations. Innovation & Technology supports the Company's strategic plan with a coordinated Regional and Divisional research plan, with research projects chosen to support Company operations to add cost-effective value across multiple business units.

American Water's research program advances the science of drinking water. For example, American Water has conducted research to understand and control the risk of cryptosporidium, endocrine disrupters, and other potential source water contaminants. Maintaining and improving water quality amidst the challenges from newly discovered microbes and chemicals in water might require implementation of new technologies or the improved performance of existing technologies. The role of the research program is to evaluate these technologies and recommend appropriate applications.

Research projects are also underway that involve improving water utility operations. American Water is currently investigating leakage control, and is a pro-active technology stakeholder driving companies to create new technology that we can implement with pilot projects and supplemental research. Regarding buried infrastructure, American Water is monitoring technological developments in condition assessments and driving experts to development of useful tools. Security is critical to water systems, and American Water is an active researcher and an early adaptor of technology.

The research program also supports efforts to increase customer satisfaction with water quality. American Water constantly strives to improve the quality of service provided to its customers. Customers also rely on American Water professionals to be at the forefront of issues and technologies to keep their water supply safe and secure. Protection of public health is a central goal, and the research program is continually advancing in its study of effective monitoring techniques and water treatment processes.

Improvements in wastewater operations are also being investigated to increase efficiencies. Planned and on-going studies will evaluate existing biosolid disposal procedures, potential environmental risks, and determine best practices and options for cost reductions.

The reputation of American Water's research for high quality and integrity helps to allow us to work cooperatively with the USEPA in the development of new drinking water regulations. Ensuring regulations are based on sound science enable us to deliver the highest water quality possible to its customers. Innovation & Technology also partners with the American Water Works Association Research Foundation and collaborates with other organizations to conduct research and investigations to continually pursue advancements in water quality and treatment.

Environmental Management

Introduction

In its operations, American Water and Ohio American Water contribute to, and rely on, the quality of the physical environment, making environmental management a fundamental part of the operation of our business. American Water's environmental policy is the foundation of the Company's environmental management program, and states a firm commitment to continual improvement and carrying out day-to-day operations in a sustainable manner.

Each operating unit within Ohio American Water is expected to follow the principles of the American Water's environmental policy. The mission of the Environmental Management program, as stated in the environmental policy, is to sustain the environment through responsible business practices which promote environmental stewardship with a holistic approach to pollution prevention. This is accomplished by ensuring compliance with all relevant environmental laws, regulations, and standards, promoting the effective and efficient use of natural resources, and promoting stewardship of biodiversity in all areas that the Company may have an impact.

Organizational Structure

The Environmental Management and Compliance Department Staff of American Water possess extensive technical and regulatory knowledge, and are responsible for implementation, maintenance, and oversight of the environmental program. The Director of the Environmental Management and Compliance Department is responsible for American Water's environmental management and water quality programs. The Water Quality Supervisor has responsibility for water quality functions at Ohio American operations, and directs the management and operations of process facilities to continually meet all Safe Drinking Water, Clean Water Act, and other applicable regulatory requirements. Water Quality Supervisors oversee the day-to-day environmental responsibilities at treatment facilities, including the performance of water quality monitoring, recordkeeping, and reporting, and serves as a technical resource. Laboratory technicians monitor water continuously through comprehensive testing procedures. Additional Environmental Management staff is responsible for oversight of other environmental programs such as cross connection control, permitting, due diligence, underground storage tanks, and air pollution control.

Environmental Compliance

Compliance with all relevant environmental laws, regulations, and standards is integral to Ohio American Water's operations. The environmental management program has procedures in place to identify, track, implement and maintain regulatory requirements, including treatment, monitoring, reporting, and permitting activities. The Company's operations require compliance with the Safe Drinking Water, Clean Water Act, and other federal, state and local rules designed to protect both public health and the environment. Environmental Management Plans (EMPs) have been developed and implemented for all treatment facilities. The EMPs systematically identify regulatory and stewardship responsibilities related to managing our environmental activities. As regulations are promulgated, the EMP is revised to reflect new requirements, and the EMPs are reviewed and updated on a quarterly basis. Proposed regulations are evaluated to determine impact on operations and development of different approaches for ensuring compliance with the new requirements as well as planning for any necessary capital improvements in a timely manner.

Environmental Stewardship

In addition to ensuring compliance with regulatory requirements, the environmental management program also focuses on environmental stewardship. These activities are not directly related to achieving compliance, but result in increased public health protection and/or improved environmental conditions. This includes corporate responsibility programs, beneficial use of residuals, watershed protection, biodiversity, conservation of natural resources, waste minimization, and local community involvement.

Environmental Audits

To support efforts to continually improve the Company's environmental performance and to ensure that Environmental Management Plans that are in place are adequate and implemented properly, American Water implemented an internal audit process. The environmental audits provide a formal and systematic review of our environmental management program, with a focus on compliance with regulatory requirements.

American Water Environmental Policy

Business Objective:

As a company that provides water and wastewater utility services to customers in the United States and Canada, American Water contributes to, and relies on, the quality of the physical environment, making environmental management a fundamental part of our business. As such, it is imperative that each operating unit within American Water carry out its operations in a manner that limits the impact that American Water has on the environment. The objective of this policy is to clearly outline the roles and responsibilities of the different operating units to support this effort. American Water commits to:

1. Ensuring compliance with all relevant environmental laws, regulations, and standards.
 - 1.1. The requirements of all environmental laws, regulations, and standards pertaining to each operation or activity must be clearly understood and implemented. In addition, compliance with these requirements must be monitored and reported on a regular basis. Compliance with all new standards will be met by the required date as set by applicable regulations and regulatory agencies.
2. Sustaining the environment through responsible business practices which promote environmental stewardship with a holistic approach to the prevention of pollution.
 - 2.1. American Water operations and investments strive to promote environmental stewardship on American Water's owned land, where our operations, activities, or practices could impact the environment, and in our business offerings.
 - 2.2. American Water will expect and encourage similar standards to our own from our partners, suppliers, agents, and contractors.
 - 2.3. We will discuss our environmental performance and the implementation of this policy with our stakeholders.
3. Ensuring effective and efficient use of natural resources, including energy.
 - 3.1. Natural resources include water, energy, and land. Use of energy can contribute to climate change through the emission of greenhouse gases which could have serious implications for us and our customers, as it could affect the availability and quality of water resources. By working to achieve a high level of energy efficiency, promoting renewable energy generation, and utilizing transport in a sustainable manner, American Water can help to ensure that our contribution to climate change is minimized.
 - 3.2. Projects for capital investments strive to minimize the impact on resource consumption including water use, selection of environmentally compatible materials, waste production, and energy efficiency for both the construction of the facilities and within the facility itself.
 - 3.3. Sustainable water resource management is a central element of our business as well as our environmental strategy. This management includes watershed protection and partnering with communities in protection activities, development of sustainable water resources, and demand management programs including reducing leakage and promoting water conservation and use efficiency with our customers.
 - 3.4. Land resources are used both for the development of our operations and for the management of the wastes produced during our activities. Effective waste management is therefore essential. Recycling, reuse, incineration, or biodegradation with energy recovery are encouraged in our operating strategies.

Statement:

Given the above commitments, each operating unit is responsible for identifying and managing its environmental impacts in a systematic way through the implementation of an Environmental Management Plan that includes:

1. Establishing responsibility for environmental management within the business unit;
2. Establishing a register of applicable Federal, state, and local environmental requirements;
3. Establishing environmental objectives and training to meet regulatory requirements and enhance environmental stewardship;
4. Monitoring and reporting on performance and taking corrective action where necessary;
5. Establishing an internal audit mechanism; and
6. Undertaking an annual management review to ensure performance is continually improved.

For drinking water and wastewater systems, Environmental Management Plans are developed at the system level, but include specific facility level information regarding sampling requirements and the person(s) who will be responsible for ensuring required sampling occurs.

Environmental Management Plans are also developed at other operating centers as needed.

Monitoring

The State / American Water Enterprises Group Presidents or their designee are accountable for ensuring that the environmental management plans have been developed and are being implemented at all drinking water systems, wastewater systems, and, as needed, operating centers, and that the plans have been reviewed and updated at a minimum of once per year.

The Environmental Program Leads will be responsible for maintaining the Environmental Management Plans and reporting that each plan has been reviewed and updated at a minimum of once per year. However, each functional area is responsible for providing updates to the Environmental Management Plan highlighting new requirements / responsibilities, reporting progress against goals and indicating any changes in responsible parties.

Reporting Metrics

The Environmental Program Leads will certify annually that the operating unit has developed and is implementing appropriate Environmental Management Plans and that the plans have been reviewed within the past year.

Every American Water employee is responsible to immediately report incidents of noncompliance with the Environmental Management Plan through the Ethics Hotline (877 207- 4888). This includes, but is not limited to, failure to perform required sampling, notification of non-compliance from a regulatory agency, or an event that could have a substantial impact on public health or the environment. These issues must be elevated to appropriate management at the utility subsidiary and corporate levels.

American Water Works Service Company, Inc.
The Board of Directors
Adopted: May 30, 2008

Finance and Accounting

Cash Management

Overview

Ohio American ensures consistency in the area of banking (i.e. banking relationships, opening bank accounts and closing bank accounts). American Water Treasury personnel will conduct general banking with financial institutions that meet the specific guidelines outlined below. Ohio American's policy ensures all bank relationships are maintained, sufficient controls are in place to protect American Water assets, and appropriate management approval is obtained.

Banking Policy & Relationships

American Water Treasury personnel are responsible for controlling the opening, closing and maintenance of all company bank accounts. All bank accounts are opened, closed, and maintained in accordance with the corporate policy.

American Water Corporate Treasury establishes and maintains written policies and central control procedures related to opening, closing and maintaining bank accounts. Corporate Treasury also ensures all water operating company related banking policies are upheld. Compliance with the following procedures will help eliminate undue risk and will lower bank-related expenses.

American Water Treasury management is responsible for obtaining board authorization and assigning authorized signatories. American Water Treasury management must use reasonable judgment to identify the appropriate signatories based on operational needs and the ability to maintain an adequate level of internal control.

The American Water Corporate Treasurer is the company's primary representative in dealing with financial institutions. The Corporate Treasurer is responsible for meeting with personnel of the company's primary banks on a regular basis to provide consistent financial information reporting and updates on the company's operations to bank officials. The Corporate Treasurer is responsible for promoting a positive working relationship between the company and the banks. The Corporate Treasurer also provides bank officials of the company's anticipated capital needs or financial service requirements to provide bank officials adequate time to understand, approve and prepare for the company's needs.

The American Water Corporate Treasurer also performs an ongoing evaluation of the banks abilities to satisfy the needs of the company and will make appropriate changes whenever necessary. Criteria to be used in the evaluating banks can include:

- Bank size (appropriate size to meet company needs while being small enough to be responsive)
- Financial safety and capital structure
- Reputation
- Location

- Flexibility and lending philosophy/attitudes
- Operating efficiency and accuracy (computerization, employee training, etc.)

American Water Treasury personnel meets with banks which provide local services to ensure adequate levels of service and support. In addition, Treasury personnel meet with banks (identified by Corporate Treasurer) to explore future business relationships in detail. Treasury management is the key decision maker in choosing the right bank for cash management services whereas the Corporate Treasurer is the key decision maker in financing arrangements.

American Water Treasury personnel maintain bank account files to include correspondence and official documents relating to the opening, closing and maintenance of all company and subsidiary bank accounts.

The Banking Policy is reviewed on an annual basis to ensure that it remains consistent with the overall objectives of American Water and the Ohio-American Water Company.

Bank Account Reconciliations

Bank accounts are reconciled to the General Ledger on a monthly basis by SSC General Accounting.

Cash Receipts

Ohio American accepts payments for services in various ways: by mail (lockbox), over-the-counter (OTC), recurring direct debits to the customer bank account, one-time electronic payments received at the lockbox, and credit card or electronic payments initiated by phone or through the company web-site.

Only a minimal amount of cash is received at company locations. All OTC customers receive a system generated receipt from third party vendor data equipment. Each day, total collections at each company location are reconciled to system data reports, which is the basis for deposits at a local bank account. An end-of-month reconciliation is performed by the third party to ensure total cash and checks deposited at the bank agree to credits recorded by the system software.

Cash receipts are deposited in an approved Company bank account, generally within one day of receipt. All receipts received that have not been deposited are stored in a locked receptacle until deposited in the bank.

The SSC Cash Operations team reconciles all customer receipts by source type, e.g. lockbox, OTC and credit card to the daily bank statement and verifies that customer accounts are credited in a timely manner.

Accounting Systems and Financial Reporting

The goal of the Ohio American Water and American Water Accounting Systems and Financial Reporting is to provide management with the necessary information and tools in which to make timely and sound business decisions.

American Water and the Ohio-American Water Company use Hyperion Financial Management and J.D. Edwards enterprise system for financial, accounting, and operational reporting. Hyperion Financial Management is a comprehensive application that delivers financial consolidation, reporting and analysis. The data source from all other systems such as J.D. Edwards, Power Plant, Orcom, OPD and SCADA are fed into this Hyperion data repository which then produces both internal (i.e. Board packages) and external reports (i.e MD&A).

The accounting system used by American Water is governed by a system of internal controls, accounting policies and regulatory commission rules and oversight.

Ohio American Water and American Water maintain a system of internal controls in order to monitor compliance with policies and procedures established by management. Internal Controls are divided into two areas: Accounting controls and administrative controls. Accounting controls are to be designed to achieve four basic objectives: validation, accuracy, completeness, and physical security. The administrative controls include forms of organization (charts and span of control), policies, systems, procedures, instructions, plans, reports, records, internal auditing, and other considerations of the Company's business.

American Water and the Company have policies to guide employees to assure that the directives of management are followed and that the goals of the Company are met. Some of these policies include areas of the business such as the following:

- Account reconciliation
- Accounts Payable
- Allowance for Doubtful Account
- Allowance for Funds Used During Construction
- Capital Investment Management
- Commitment Reporting and Financial Review of Contracts
- Contract Administration
- Delegation of Authority
- Disclosure Controls and Procedure
- Financing
- General Accrual Policy
- Information Security
- Payroll
- Procurement Policy
- Regulatory Accounting Policy
- Subsidiary Month end Close

The Company is regulated by the Public Utilities Commission of Ohio. The Company is required to follow the Commission's rules and regulations outlined in the Ohio Revised Code, Title 49; Ohio Administrative Code, Chapter 4901:1-15; and the various orders

and entries under the Public Utilities Commission of Ohio. The Company also has its own rules and regulations that it must follow which have been approved by the Commission.

Ohio American Water follows a review process which is used to oversee the financial and operational performance of the Company.

There are two key activities associated with the review process:

- Business Performance Report
- Financial Reporting Package

The Business Performance Report includes the following areas:

- Operations – The Operational leads and their teams are responsible for achieving the operational service levels of their functional area. The Operations team includes Capital Program, Field Operations, Production, Environmental, Health & Safety, Human Resources and Customer Service Center. The Operations team works in conjunction with the other functional departments such as Finance to confirm business requirements are adhered to.
- Business Development – The Business Development lead and State teams are responsible for the growth expansion of the regulated business. The team includes business developers, finance, and proposal managers working together to initiate growth acquisition potentials.
- Finance - The Senior Manager of Finance and team are responsible for monitoring the financial performance of Ohio American. The finance team includes a Rates Manager and Financial Analysts. Teams are assigned to a specific state to completely understand the business needs and financial position.
- External Affairs – The Vice President of External Affairs and team are responsible for the internal and external communication, government affairs, and corporate social responsibility on behalf of the Company.
- Human Resources – The Human Resources Manager and team are responsible for the HR policies, labor relations, compensation/benefit management, leadership development and training, and diversity.
- Legal – The Divisional General Counsel and his team are responsible for contract negotiations, management of regional litigation and regulatory proceedings.

The Financial Reporting Package includes a review of Financial Statement comparative and interpretations.

Budgeting and Forecasting

Ohio American prepares annual operating and capital business plans. These plans are prepared in concert with a view of customer, operational, and financial issues. The purpose and advantage of a business plan is to provide management with a tool to manage the business with its limited resources—financial, information, and human.

The plans are prepared annually and look forward several years (in 2011, this will be a five year plan, in 2010 it was a three year plan). The first one to two years of this plan

are prepared in detail, by business unit, by month. Succeeding years are prepared on an annual basis. The plans are prepared for the following key areas:

Operating Plan

Water and Sewer Revenue – Projected using current tariffs and a normalized level of sales, based on current customer usage trends. Other revenues are based on historical information.

Labor and Benefits – Manpower requirements are evaluated based on operational and regulatory requirements. Based on operational needs and capital expenditure requirements, a level of labor expense is projected using current and projected wage rates. Benefits are calculated using actuarial reports, group insurance expense, pension/opeb expense, payroll tax expense, and defined contribution/401K expense.

Cost of Sales – Power, chemical, purchased water, and waste disposal expenses are projected using anticipated system delivery and costs per million gallons to pump, treat, or purchase water.

Other operating expenses – Projected based on recent history, known operational needs of the Company and/or Corporate Supply chain guidance. This includes regulatory expense, contract services, transportation, rents, maintenance, uncollectible expense, liability insurance, and management fees/shared business services.

Depreciation Expense – This expense is calculated based on projected Utility Plant in Service during year and applying current depreciation rates.

Taxes – Property taxes are based on the most current valuation, tax rates, and capital projections. PUCO and OCC fees are based on revenues and rates. Income taxes are based on the current effective tax rate.

Interest Expense – Interest on long-term debt based on existing debt plus any new debt issues. Short-term debt is calculated using existing outstanding line of credit used and the anticipated debt rate.

All Other Income Statement Items – The remaining income statement revenues and expenses are calculated using historical information and other pertinent information.

Capital Plans (Capex)

Recurring Capex – From each district of the Company, recurring capital needs are identified and evaluated.

Investment Projects (IPs) – Represents projects over \$100,000. (for further information see section titled “Plant Operations and Construction”)

Balance Sheet

Assets – Based on operating, capital, and cash flow movements, all asset balances are adjusted from historical actual levels. For example, the Utility Plant in Service (UPIS) balance is changed based on the movement created by the Capex plan and the projected level of retirements. Cash and short-term debt is changed based on the movement created in the SCF. Other asset balances are similarly

created by evaluating the movements of an asset category through the operating, capital, and SCF.

Liability and Capital – Current liabilities, deferred taxes, customer advances, CIACs, and other regulatory liabilities are adjusted in the balance sheet based on movements created in the operating, capital, and SCF plans. Permanent capital (i.e. common equity, preferred stock, and long term debt (LTD)) is adjusted in order to meet present capital structure ratios that are reviewed by management during the planning process.

Budget/Planning Assumptions

Below is a list of the assumptions that are considered when plans are prepared:

Customer counts, system delivery, water sales (based on current customer usage trends), and non-revenue water
Wage and benefit inflationary factor.
Consumer Price Index (CPI) and/or Commodity inflation factors.
Existing or renewal contract agreements.
Long term and short term debt balance and interest rates.
Debt/Equity ratios.
Working capital (Days Sales Outstanding (DSO), Days Payable Outstanding (DPO), Days Inventory Outstanding (DIO)).

Numerous reviews are held with the State representatives, Regional and Corporate Senior Management team before they are submitted to the Ohio American Water Board of Directors for final approval.

Financial Planning Process and Objectives

Objective

To accurately and timely report financial results and to assist Ohio American Water management in making knowledgeable business decisions based on finance trends and analysis

Shared Services Center (SSC)

American Water Finance personnel also interact with the American Water Shared Services Center ("SSC"), which provides financial services to the Company. The SSC was formed in 2001 when American Water consolidated a majority of its financial services. One benefit of the SSC is to support the financial planning process. These services include general accounting, payroll, cash management, fixed assets, procurement, accounts payable, general tax, income tax, and treasury.

Account Analysis

American Water Finance personnel are required to follow an internal checklist to review all financial statement accounts to verify accuracy of transactions and activities. During such time, Finance personnel interact with other operating units, including field service director, business process supervisors, production director, and others to verify information and understand details of the accounts. Finance personnel also work with American Water SSC and Corporate to verify data entering the Ohio American financials. Financial statements are analyzed, and any necessary adjustments are made before the books are finalized.

Materials and Inventory Management and Control

Ohio American Water maintains physical inventory as a current asset on the balance sheet. There are two major categories of physical inventory: direct materials (meters, fire hydrants, pipe, valves, fittings); and chemicals

Physical inventory is tracked through an integrated inventory module of the JD Edwards enterprise system for financial, accounting, and operational reporting. All inventory purchases and subsequent issuance of inventory are controlled and monitored using the inventory module of JD Edwards, which interfaces with the financial reporting module.

All inventory purchases are originated and supported by purchase orders requiring management approval at least one level above originator. Receipts of physical inventory are witnessed and documented by an independent receiver, with appropriate receipts documentation recorded in JD Edwards. The receiver's documentation supports and facilitates the payment process to the appropriate vendor.

Ohio American Water follows generally accepted accounting principles for annual counts of physical inventory. The annual physical inventory process includes a thorough review and search to identify all sites with inventory. A numbered tag system or itemized count sheet is used to document the count process. A review of physical inventory adjustments requires the approval of one manager and one reviewer, both of whom are independent of the counting process.

Other inventory management tools include monthly analysis of inventory turns ratios, which is a method commonly used to gauge and monitor inventory levels. Management's goal is to maintain inventory levels at reasonable levels without incurring risk of shortages. Periodic review of inventory includes a method of identifying slow moving inventory and repositioning that inventory to facilities where it will be better utilized. Also included in the periodic review of inventory is a search for obsolete and deteriorated inventory. This inventory is disposed of by sale or scrap, and written off the books and records.

Internal Auditing

Description & Objectives:

The American Water Internal Audit Department ("IAD") is a corporate function based in Cherry Hill, NJ that consists of seven to eight professional, full-time auditors led by a Vice President and supported by an Administrative Assistant. The IAD provides independent, objective assurance and consulting services designed to improve the company's operations and mitigate risk. It helps the company achieve its strategic goals and objectives by bringing a systematic, disciplined approach to identifying process improvements and evaluating risk exposures that could affect the company's governance, operations and information systems including

- reliability and integrity of financial and operational information
- effectiveness and efficiency of operations
- safeguarding of assets, and
- compliance with laws, regulations, contracts, policies and procedures

The professional credentials of the IAD management and staff include degrees in accounting, engineering, economics and English together with advanced degrees and certifications in accounting, information systems, internal auditing and other related fields. Supplemental staff requirements are met, as needed, through arrangements with professional services firms.

The independence of the IAD is authorized by the Board of Directors and the Vice President reports directly to the Audit Committee Chair.

Based on the results of the company-wide risk assessment, IAD staff establish audit scope, prepare plans and conduct procedures to objectively evaluate the adequacy, effectiveness and efficiency of risk mitigation activities and initiatives. In carrying out this work, the IAD also evaluates the control environment, fraud detection and prevention, the sufficiency of company policies and the extent to which operating results are consistent with intended objectives.

The IAD also conducts special reviews and investigations as requested by company management or the Board of Directors to help address specific concerns.

The IAD's observations and recommendations for improving the efficiency and effectiveness of operations and risk mitigation efforts are summarized in reports to management and the Audit Committee together with management's plans and timelines for corrective action. The IAD also reports to management and the Audit Committee the results of follow-up procedures to verify the adequate closure of findings and management action plans.

NYSE listing rules require that American Water maintain an Internal Audit function. The company satisfies this requirement with an objective and cost-effective function that provides audit and consulting services that address the critical risks and issues of the

business. The IAD functional reporting relationship to the Chair of the Audit Committee promotes objective evaluations of the company's financial, operational, compliance and fraud risks free of potential impacts due to management bias. While IA staff objectivity is critical to the success of the department, audit personnel perform their activities within a service culture that goes beyond identifying problems but aims to assist business units in remediating issues, improving processes and meeting company objectives.

Rates and Tariffs

System or Program for Managing Rate Related Operations and Rate Reform Projects

Objectives of Rate Program

Ohio American Water's goal is to have a rate structure that meets the needs of the customers, the Company, and the communities that they serve. The rate structure and pricing must support a community's social, economic, political, and environmental concerns, while providing the Company the opportunity to recover an appropriate revenue stream to pay for the costs of providing service to the customers.

Process and Procedures for Achieving Objectives

The process and procedure for achieving the objective of the rate program is to continually review and monitor the rates and charges of the Company. This is achieved through the timely filing of rate cases before the Public Utilities Commission of Ohio and performing the required cost of service studies. These studies are normally prepared by outside consultants who specialize in these types of studies. Prior to starting a study, the Company will consider a number of factors including prior Commission findings and a community's social, economic, political, and environmental concerns.

Organizational Structure and Available Resources

Please refer to the organizational structure shown as Exhibit 2 of S-4.1. Page 3 of this exhibit lists the position of Senior Finance Manager and Financial Analyst I who will assist in the review, analysis, and preparation of Ohio American financial statements, account analysis, budget projections and other analysis and reporting. The Senior Finance Manager will report to the President of Ohio American Water and will also be supported by Service Company personnel. The Ohio American Water Rates and Regulatory function is led by a Manager of Rates and Regulation, who has direct line reporting to the President of Ohio American Water for regulatory purposes as well as a direct line to the Director of Rates – Eastern Division, whom reports directly to the Vice President of Finance for the Eastern Division of American Water. The Manager of Rates

and Regulation is a Service Company employee and is supported by not only the Director of Rates – Eastern Division, but also by the Manager of Rates Support and the financial analysts who support Ohio American as well as all regulatory operations in the nine states with regulated water operation that comprise American Water's Eastern Division. The Manager Rates and Regulation is responsible for the rates and tariffs of Ohio American Water Company. Additional resources are available to Ohio American via the Company's Shared Service Center's rate team who provide additional regulatory support.

Rate Program Analytical Process

A description of performance of the following activities and describe how they contribute to the adequacy of the rate program and specific projects follows.

Planning

The Company discusses and reviews internally the current rate structure and fees of the Company. The Company reviews the following factors in determining whether a change to the current rate structure and fees are warranted:

- In the area of miscellaneous fees (i.e. discount, NSF, etc.), costs to provide the service may be reviewed and compared to other utilities.
- Rate structure history and current Commission direction.
- Customer classes and competitive pressures.
- Source of water availability.
- Customer concerns and prior response to rate structure concerns.
- Current and future costs of the Company.
- Legal issues.

The Company also evaluates what objectives the rate structure should achieve. Some of these are:

- Ease and understandability.
- Stable revenue stream.
- Rate stability.
- Promotion of fairness of revenue recovery between customer classes.
- Avoidance of discrimination.
- Compliance with PUCO laws and statutes.

Operating Impact Evaluation

In conjunction with the above review, the Company prepares five-year operating and investment plans. Within the context of this planning process, the Company reviews and analyzes its operations and capital needs in order to efficiently and effectively align resources. The result is to minimize the need for rate cases. If rate case or System

Investment Improvement Charge ("SIIC") filings are needed, resources are reallocated to align operations and capital expenditure with rate cases and a SIIC. Within the rate case process, rates and tariffs are reset to achieve the Company's stated goals.

Cost Analysis

Detailed cost of service studies are prepared to analyze costs to determine the amount of revenues required from each customer class in order to meet the Company's stated goals as discussed earlier under this section.

The Company currently uses the Base Extra Capacity Method to allocate costs. This method separates costs into four primary components: (1) base, (2) extra capacity, (3) customer, and (4) fire protection. The AWWA MI manual provides a detailed discussion of this method.

Benefit Analysis

The benefits derived from properly allocating costs via a cost of service study and rate design are continually monitored between rate cases. As stated earlier, a goal of setting rates is to have rates that not only meet the needs of the customer and the communities that they serve, but they must also provide the Company with the opportunity to recover an appropriate revenue stream to pay for the costs of providing service to the customers. Between rate cases, the Company reviews the revenue stream generated by each revenue class to determine if the rates continue to meet the intended goal set forth in the previous rate case. If the revenue stream is altered, a cost of service study in the next rate case will be used to alter the rate design to bring the rates back in line with the Company's goals for its rate program.

Data Collection

American Water Company and Ohio American Water's customer information system maintains billing information necessary to evaluate impacts on customer bills should a change in the rate structure be considered. Some of its data is as follows:

- Revenue and sales by customer class.
- Revenue and sales for special contract customers.
- Meter billings by size and class of customer.
- Consolidated factor information allowing for change in rate blocks.

While this data is not collected on a regular basis, it is available in Orcom (the customer information system) and can be used to develop varying rate structure analyses in a rate case.

Other data elements collected in the process of setting rates within the rate case model are financial data (revenues, expenses, taxes, depreciation, capital structure, and rate

base) and operational data (sales, customers, meter billings, system delivery, customer demand, etc.)

These records are maintained in the financial and operations system of American Water and the Company and are relied upon by the Company's Rates, Finance and Operations personnel to prepare rate cases and SIIC filings before the PUCO.

Risk Assessment

At the time the Company prepares a rate case, a cost of service study and rate design analysis, risk assessment evaluations are discussed by reviewing the impact of the proposed rates on specific customer classes and when necessary on specific customers.

This risk assessment, when performed, takes into consideration the local communities' economic, demographic, social, and political environments. While some adjustments can be made in the rate design, the rate structure should be based on sound cost of service principles.

Revenue and Earnings Stability

Rates should be designed to create revenue and earnings stability especially in companies with multiple districts that are not integrated or connected together in the distribution system network. Uniform rates (or single tariff pricing) can provide a degree of revenue stability in light of substantial capital expenditures for one of the districts in a multi-district Company such as Ohio American Water.

Currently, Ohio American Water has two sets of rates and tariffs for its water operations (more commonly known as Water A and Water C tariff groups) and a single uniform set of rates and tariffs for its wastewater customers. The Company has been taking step to move towards single tariff pricing over the past number of rate cases. In the Company's most recent rate case (Case No. 09-0391-WS-AIR), the PUCO granted a rate structure that moved the rates for Water A and Water C customers essentially to single tariff pricing with the exception of the second rate block rate in both groups. In this rate case filing, the Company has proposed to complete the move to single tariff pricing. The water rates and tariffs proposed in this case are the same for both Water A and Water C customers.

Implementation Management

Once a decision is reached on the rate structure the Company wants to implement, it will be fully or partially incorporated into the rate case filing. Should the rate structure deviate materially from the existing structure, the Company will request a meeting with the PUCO Staff and the Ohio Consumers' Counsel to discuss the issues and seek input into the process. In this case, the rate structure being proposed by the Company does not deviate materially from the existing rate structure and, as such, no meeting was proposed to discuss the issues.

Implementation management process for rate reform projects.

Once a rate reform project is identified, the process will consist of the following steps: research, analysis, and review. Over the years, the Company's basic water and sewer rate structure has not changed significantly other than the gradual move to single tariff pricing that has now been accomplished through the water rates proposed in this case. There has been some initiative to move certain customers to special contracts or special tariffs to either retain them or entice them to take water from the Company. Examples of large water users whom the Company has worked with to negotiate these special rates are Whirlpool and POET.

The research phase will involve reading industry literature and, if appropriate, discussion with other utilities. The analysis phase includes quantifying the impact of a change on both the existing customers and future customers of the Company. This phase also considers the local communities' economic, demographic, and political environment. The final phase is a review by senior management of the Company to make sure the change is aligned with the Company's overall strategic plan.

Description of the significant project in the program and the corresponding implementation timeframes.

The Company acquired the assets of Citizens in 2002. At the time of the acquisition, the rates of water customers of Citizens were lower than the existing rates of the original water customers of the Company. In Case Number 03-2390-WS-AIR, the Company agreed to evaluate and present a plan to move all water customers to a set of uniform rates (or single tariff pricing). The proposed rate structure that is part of Rate Case Number 11-4161-WS-AIR will complete the gradual move to single tariff pricing and thus will propose rates that place the former Citizens customers and the other water customers of the Company on a uniform, single tariff set of rates.

The above project results in uniform rates for all the water customers of the Company. Uniform rates are simple, easy to understand, equitable, and create revenue stability. These facets thus provide the means to meet the goal of the Company's rate structure program.

Description of how the projects are intended to meet the stated program objectives.

See above discussion.

Customer Involvement

The issue of customer involvement is critical because it will be the customer who will be impacted by a change in rate structure. However, the issue of rate design is complicated and involves numerous technical issues.

Once a firm decision is made to change a rate structure, detailed impacts on individual customer and customer classes should be tabulated and calculated. The Company's large customers (i.e. industrial, sales for resale and larger commercial and other public authority customers) should be contacted to discuss the impacts, if the changes are deemed to be material.

The residential and commercial class of customers should be informed of the changes through the normal rate case process and Q&A communications. The OCC and PUCO will also play a role in this communication and, while OCC and PUCO will not have agreed to the rate structure change, they can communicate their involvement in the rate case process and discuss the process that will be followed in the rate case.

Commission and Staff Reporting

Description of the process for reporting operations and rate reform programs to the Staff and Commission.

The Company uses the following vehicles to report rate reform projects to the Commission and to the Staff:

- Meetings with Staff
- Telephone conferences with, and e-mails of information to, Staff
- Rate cases and cost of service studies
- Annual reports

Communication and Public Affairs

Customer Service and Information

Ohio American Water's goal is to achieve continuous improvement in customer service satisfaction based upon three key objectives:

- 1) Enhancing customer service responsiveness
- 2) Improving customer communications,
- 3) Providing additional payment and payment assistance options.

Responsive Customer Service

Ohio American Water's toll-free customer service line is available 24 hours a day, seven days a week. In 2010, over 114,000 calls were placed to the Ohio toll-free service number.

Ohio American customers who contact the American Water Customer Service Center with billing or service issues will benefit from several programs:

Improved customer service process. In 2009 and 2010, the Customer Service Center made several changes to customer service operations to improve productivity, efficiency and customer satisfaction.

- **On-Line Customer Self-Service Options.** American Water's web self-service on-line tool was originally launched in September 2009 and actively promoted to increase enrollment and usage throughout 2010.

The web site, www.amwater.com/myh2o , is designed to allow customers to take care of some of their most common needs online. Customers can check their account balance, pay their bill, manage their account, and even schedule appointments to turn service on or off. They can also sign up for Electronic Funds Transfer, or EFT, which automatically pays their account balance in full, on time, directly from the customer's bank account.

- **Integrated Voice Response (IVR)** In January, 2010, an IVR upgrade was installed. The improved tool gives customers options for self-service or defaulting to a customer service representative (CSR), depending on their needs. The upgrade provides a better experience for customers because it is easier to navigate and call efficiency is improved. In addition, customers do not need to enter their account number to access some services. For example, customers can find a nearby payment location with just their zip code.

Improved service order process. The Company has an enhanced service order process called Service First, which transmits information to Field Service Representatives (FSR's) on a real time basis. To accomplish this, FSR's are outfitted with mobile computers ("tough books"), and service orders are electronically transmitted from a host system directly to the tough book. This allows FSR's to view new orders, to update order status in real time, and to reprioritize workload to better manage service needs as they arise.

Quality Control:

- **Measured customer service quality.** Ohio American Water conducts service quality surveys to understand customer satisfaction and to measure customer perception of service quality. The surveys are directed to a representative sample of customers who have had contact with Ohio American Water customer or field service representatives. These survey results provide guidance for training and process improvements.

The most recent survey data of our customers (Q1 2011) found that 80% of our customers were overall extremely satisfied or very satisfied with the outcome of their service contact, 81% were extremely satisfied or very satisfied with the customer service representative they spoke to on the telephone and 84% were

extremely satisfied or very satisfied with the service provided by our field personnel.

- **Monitoring and tracking complaint volume.** Ohio American Water operations and the Eastern Division Customer Relationship Services Teams are monitoring the volume of complaints received, to identify trends and determine if any process improvements are needed.

Improved Customer Communications

Ohio American Water has launched several new programs to strengthen connections with local communities and improve customer communications.

- **Brochures to Help Customers with In-Home Water Quality Management.** In early 2011, Ohio American Water partnered with PUCO staff to create a new informational brochure called "Maintaining Water Quality in Your Home", to offer remedies for common in-home sources of water degradation. This was distributed to customers through bill inserts and at public meetings. (See S-4.2 Exhibit 1)
- **Bill inserts to help customers manage their water service.** Ohio American Water distributed "Cold Weather Tips" and "Wise Water Use" information to customers in 2010. These communications are designed to help customers manage their water use and reduce the risk of winter service interruptions. (See S-4.2, Exhibit 2)
- **Ohio American Water's web site** is designed to address customers' needs by providing information and offering bill payment options and information about the new Help to Others (H₂O) Payment Assistance Program.
- **Point Person for Complaints & Inquiries.** Ohio American named a **point person**, who is located in Marion, Ohio, who responds to customer complaints or inquiries brought informally by Staff of the Commission or by the Office of the Ohio Consumers' Counsel.

Payment and Payment Assistance Options

- **Payment Assistance Program.** Ohio American Water has launched the Help to Others (H₂O) Program -- an emergency assistance program created by Ohio American Water in collaboration with local social service agencies. The program helps provide supplemental funding to Ohio American Water customers who are in danger of losing their water service and meet income guidelines developed for the program. Customers may support the program by adding an extra dollar to their water bill payments. Ohio American Water will match customer contributions up to \$5,000 per year. Ohio American Water has already made arrangements with social service agencies to administer the program, including: Community Action Agency (in Marion), First Call for Help / United Way of Seneca

County (in Tiffin), The Salvation Army (in Ashtabula and Mansfield), and the Lawrence County Department of Job and Family Services.

Payment options by phone, web or in person. Ohio American Water has added a full time clerk in the Franklin County office in Westerville. This gives customers an option to pay their bills with cash or a check at the district office. This clerk can also meet one on one with customers who may have questions about their bill or any other customer issues. Ohio American Water also uses its Website to remind customers about of the multiple payment options available to them, including – automatic payments, payments by return mail and at walk-in locations, plus credit card payment options by phone and online.

Credit and Collections

Ohio American strives to keep uncollectible and bad debt expenses low, by encouraging customers to make timely payments. Methods employed include customer notification, development and management of payment terms, first and third-party vendors for collection of past due accounts, timely disconnection and reconnection when necessary, investigation of accounts on hold, and analysis of exception accounts.

Customer Conservation Programs

Ohio American Water (OAW) provides water conservation information to its customers in the form of informational handouts, public presentations, web site information, and bill inserts.

OAW plays an active role in protecting precious water resources by partnering with several Ohio watershed groups and has developed an environmental grant program that helps fund watershed protection and environmental educational programs for local groups and organizations.

American Water is a promotional partner in the United States Environmental Protection Agency WaterSense Program. WaterSense is a water efficiency program launched by the USEPA meant to educate American consumers on making smart water choices that save money and maintain high environmental standards without compromising performance. It aims to raise awareness about the importance of water efficiency, ensure the performance of water-efficient products and provide good consumer information.

A wealth of information has also been placed on the Ohio American Water web site with links to several government and non-government web sites including the Public Utilities Commission of Ohio and the Environmental Protection Agency. Additionally, the Ohio Environmental Protection Agency has endorsed Source Water Protection plans for our Marion and Tiffin districts, and also developed source Water Assessments in 2003 for Ashtabula, Mansfield, Franklin County and Lake White districts.

Marketing

Ohio American Water does market the use of its water in a conservation friendly way by recommending the latest in water saving appliances, assisting in leak detection, and encouraging customers to plan landscapes to use water wisely. This is done through its Website, public meetings, handouts, newsletters, and more.

External Relations

Ohio American Water's programs are designed to strengthen connections with local communities and improve customer communications.

Ohio American Water uses a variety of methods to reach out to customers, including an improved web site, informational bill inserts, paid advertising, earned media, public events, neighborhood meetings and correspondence with individual customers who may be impacted by growth or other events that occur in our system. Additionally, the Company is seeking to utilize the popular social networking resources. The Company is using an active and growing Facebook presence to announce activities and notify customers about service changes, interruptions or advisories. With an eye to the future, the company hopes their developing Twitter network project will allow outreach to specific customer groups on their mobile devices. This would allow customers to opt-in for targeted updates based on service areas or personal interest.

Boil Advisories:

In addition to using the web site and press releases sent to local media, the company uses door hangers to relay boil advisory information to customers in instances where a relatively small number of customers are affected. These advisories inform customers of best practices when a boil advisory is in effect.

Flushing:

Ohio American Water uses press releases sent to local news outlets and paid media to notify customers of flushing activities. In smaller districts, flyers are left on customer doors advising customers when flushing is taking place, what they can expect when we flush and what they should and should not do.

Bill Inserts:

Ohio American Water has developed and distributed bill inserts to customers on topics which include cold weather tips, water quality, and worksite excavation and restoration. Additionally, every new customer receives a "Customer Rights and Responsibilities" bill insert, which covers a variety of topics including: how to read a bill, how to identify and read a meter, how to check for leaks, and rights regarding meter testing. (See Schedule S-4.2, Exhibits 1,2, and 3)

Customer messages on the web site:

The Ohio American Water web site provides vital customer information on a variety of topics; such as:

- How to contact customer service, 24 hours a day
- Billing and payment information

- How to turn service on and off
- How to read your meter
- Wise water use inside and outside the home
- Detecting and measuring leaks
- Water quality reports
- Rates information
- Customer rights and responsibilities
- Winter/summer sewer billing
- Information about water softening
- Information about the customer help program h20
- Alert information when there is a boil advisory
- Answers to frequently asked questions

Customer Assistance:

There is a Company point person located in Marion, Ohio, who responds to customer complaints or inquiries brought informally by Staff of the Commission or Ohio Consumers' Counsel.

Environmental Grants Program:

Ohio American Water sponsors a \$1,500 environmental grant program, which supports activities such as watershed cleanups, reforestation efforts, biodiversity projects, streamside buffer restoration projects, wellhead protection initiatives and hazardous waste collection efforts.

Setting an Example

Ohio American Water is planting the seeds of wise water use on the front lawn of its corporate offices in Marion, Ohio. The company, in cooperation with local businesses, has planted native and drought resistant plants and grasses in an effort to show customers viable planting alternatives that will give their lawns color year round with wise water use in mind. The landscaping also demonstrates planting methods that allows plants that need more water to take advantage of the existing natural drainage.

Administrative and Corporate Support Services

Legal

Ohio American Water receives legal services from the American Water Works Service Company's corporate counsel supporting Ohio, Indiana, and Michigan, located in Greenwood, Indiana. The corporate counsel is also an officer of Ohio American Water, Assistant Secretary. The legal services provided by corporate counsel include counsel and direction on all aspects of the business - regulatory, legislative, litigation (insured and non-insured), compliance, corporate governance, employment and labor, property matters, contracts, acquisitions, rates, communications, operations, data requests, and environmental and water quality matters. Local counsel is used when necessary and appropriate.

Insurance

The most recent summary of all property, and injuries and damages insurance coverage by American Water for all its operating subsidiaries has been presented in the following table. Included is the amount of coverage for each class of insurance carried, the property the policy covers, and all applicable limits.

Coverage	Effective Dates	Limit of Liability
Workers Comp-All States	1/1/11 - 1/1/12	Statutory
Employer's Liability	1/1/11 - 1/1/12	\$1 Mil.
Automobile	1/1/11 - 1/1/12	\$1 Mil.
General Liability	1/1/11 - 1/1/12	\$25 Mil. Agg./1 Mil. Each Occurrence
Travel Accident	4/13/11 - 4/13/14	\$500,000/\$400,000
Excess Liability	1/1/11 - 1/1/12	\$15 Mil. + \$15 Mil.
Employment Practices	4/22/11 - 4/22/12	\$5 Mil.
Fiduciary Liability - Primary	4/22/11 - 4/22/2012	\$10 Mil.
Blanket Comprehensive Crime	4/22/11 - 4/22/12	\$5 Mil.
Property	1/1/11 - 1/1/12	\$255 Mil.
Network Security & Cyber Risk	1/1/11 - 1/1/12	\$10 Mil.
Employment Practices	4/22/11 - 4/22/12	\$5 Mil.
Fiduciary Liability - Excess	4/22/11 - 4/22/12	\$10 Mil.
D&O Liability	4/22/11 - 4/22/12	\$50 Mil.
Employed Lawyers Liability	6/18/2010 - 6/18/11	\$5 Mil.

Claims management

The following is a brief discussion of claims investigation policies and settlement history for the last five years.

American Water and Company personnel investigate all claims. Department supervisors report all claims to the District Manager, the Operations Risk Management or the Loss Control Manager as soon as practical, but not later than the next business work day. Claims for bodily injury or property damage are immediately reported to the insurance carrier, who assigns a claim representative to investigate the claim. Legal action notifications are reported to Corporate Counsel and the property & casualty insurance broker.

Management of insurance costs

A brief discussion of alternative risk financing techniques that the utility has explored as a means of controlling the cost of insurance coverage is included below.

American Water's insurance broker solicits requests on an annual basis for alternative proposals from various insurers to ensure that its insurance is competitively priced with the broadest available coverage terms and conditions.

American Water has a prepaid deductible insurance for its general liability, workers compensation and automobile liability coverage. During each policy year it is billed on a quarterly basis for the estimated premiums for this coverage. These premiums are charged to the various companies on the basis of insurable values and loss experience. **The loss experience is based upon a five year average of historical loss experience. The Company enjoys a lower premium with an effective loss control and safety program which mitigates frequency and severity of claims.**

Land Management

The American Water Property Manager is responsible for overseeing transactions concerning the acquisition, disposal, material alteration, or leasing of property by Ohio American Water. The Property Manager is responsible for negotiating the terms of all contracts and leases involving property.

The Company only purchases property when it is needed to deliver water and waste water services to our customers. Examples include property needed for the installation or expansion of treatment plants, wells, storage tanks, offices, pump stations, etc. American Water does not speculate on purchasing property (to hold in anticipation of future gains).

Several steps are required prior to property purchase, including approval from the Company's Capital Investment Management process, completion of an appraisal, performance of a Phase 1 environmental report, and acquisition of a title commitment.

Terms of the purchase agreement are negotiated by the Property Manager, (certain contingencies may need to be included in the agreement such as zoning approval, or permits) Negotiated purchase agreements are submitted to the Legal and Finance Departments for review and approval through the Company's Sharepoint Contract Approval Process ("Sharepoint"). Upon receiving approval in Sharepoint, the agreement is submitted to an officer of the Company (typically the President) for signature. Finally, if required, the agreement is attested by the Secretary or Assistant Secretary of the Company. Closings are typically held at a Land Title Company.

The Company only sells property when it is determined that the Company no longer uses the property and has determined it will have no use for it in the future. The Property Manager must obtain approval from the Operations and Security Departments and then determine if any easements must be retained on the property that is to be sold. The Property Manager then hires an appraiser to determine the "market value" of the property and contacts the Legal Department to determine if a Phase 1 environmental assessment is required. The Property Manager also contacts the Finance Department to determine what the "book value" is of the property. After the Property Manager obtains

both the appraised value and book value of the property, a "listing agreement" is entered into with a Broker to advertise the property and place it on the market for sale. The Company does not want to sell the property below either the appraised or book value. The Property Manager is responsible for negotiating the terms of the sales contract and for submitting it to the Legal and Finance Departments for review and approval in Sharepoint. Upon receiving approval in Sharepoint, the sale price of the property is submitted to the Company's Board of Directors for their approval. Once the Board has approved the sale, an officer of the Company (typically the President) is given approval by the Board to sign the sales document, which, if required, is then attested by the Secretary or Assistant Secretary of the Company. All Closing Statements are reviewed by the Legal Department before being signed by an officer of the Company.

When a decision is made by the Company to lease property as opposed to purchasing it, the Property Manager contacts a Broker, if required, to assist the Company in looking at multiple properties that meet the Company's requirements. After taking into consideration the location of the property and the financial terms and conditions of the lease, a property is selected. The Property Manager negotiates the terms of the lease. The lease is then submitted to the Legal and Finance Departments for review and approval in Sharepoint. Upon receiving approval in Sharepoint, the lease is submitted to an officer of the company (typically the President) to sign. Finally, if required, the agreement is attested by the Secretary or Assistant Secretary of the Company.

On renewals of existing leases, the Property Manager reviews the terms and conditions of the existing lease and will negotiate any revisions that may be required. If an Amendment to the Lease is required, approval must be obtained by Legal and Finance in Sharepoint. Upon receiving approval in Sharepoint, the lease is submitted to an officer of the company to sign.

Records Management

Ohio American Water's strategic focus on Records Management for financial and operational data is in the key areas as outlined below:

- Adherence to the NARUC guidance on record retention.
- Identification of key data and information that must be maintained. This identification allows management to effectively and efficiently run the business, while allowing regulators the ability to properly monitor the business.
- Utilization of a local and reputable business record storage vendor to store records offsite in a manner that allow for easy access and, eventually, efficient destruction of records as needed.
- Utilization, where possible, of electronic versions of financial and other key records.

The focus on records management is an on-going process, with each functional area within Ohio American Water and the Region assuming responsibility for the maintenance of critical and key documents and records.

Safety

Ohio American Water Company believes strongly in providing its employees a safe and healthful work place. Safety is a primary measurement of a job well done and is a part of the Company's culture. The leadership from all levels is accountable for safety goals and these goals are written as a part of the Ohio American Water Company's performance appraisals. Ohio American shares a Safety Trainer with other American Water companies. The Safety Trainer develops and teaches curriculum that is designed and delivered specifically based on the water company's risk exposures, job tasks, and OSHA regulations.

Weekly Splash meetings which include all employees and all departments include safety topics.

Each Ohio American district (with exception of Lake White) has a Health and Safety Committee, consisting of both union and non union personnel. The committee meets regularly. Part of the agenda is to follow up from site visits and to detail corrective actions taken regarding safety findings.

Ohio American Water's Marion operations were recently awarded the John F. Lacey Memorial Safety Award by the Marion Area Safety Council.

The following table summarizes the safety performance of Ohio American Water since 2002.

Year	Number of First Aid Accidents	Number of Medical Accidents	Number of Lost-time Accidents	Number of Auto Accidents
2002	0	3	1	4
2003	0	7	1	1
2004	1	4	2	4
2005	1	2	3	6
2006	0	8	0	17
2007	0	9	1	8
2008	0	7	1	8
2009	0	5	0	6
2010	2	2	4	8

Procurement / Supply Chain:

The Service Company's Supply Chain Department engages in strategic sourcing on behalf of Ohio American and the other operating companies. Through strategic sourcing, the department procures on behalf of Ohio American goods and materials, such as chemicals, piping, meters and hydrants, directly from their manufacturers, thereby eliminating the mark-up from distributors and maintaining a direct vendor / management relationship with the manufacturer. For goods and materials that cannot be procured nationally, the Service Company's procurement professionals perform a similar function by working with regional suppliers to obtain beneficial pricing on items such as copper

tubing and other items which must be purchased regionally. Strategic sourcing also includes the sourcing of local contractors who perform duties such as street paving, residual removal/disposal, various facilities maintenance services, electrical services, meter testing services and distribution system routine replacement and repair. By consolidating the purchasing needs of all of American Water's operating companies, each operating company, including Ohio American, benefits from economies of scale that could not be obtained otherwise. In 2010, the Service Company's Supply Chain department managed over 739 vendor agreements covering approximately \$593M of external spends for the Service Company. Cost Avoidance savings are the difference between the average market price quoted to the Supply Chain Department and the price paid by the operating companies for the goods and materials procured. Through its efforts, the Service Company's Supply Chain achieved Cost Avoidance savings of approximately \$48M for American Water's operating companies. Of this amount, the savings realized by Ohio American were approximately \$630K. This is a conservative measure of the savings achieved through Supply Chain's strategic sourcing activities.

Within the Supply Chain Department, there also is an energy management group which works with Ohio American and the other operating companies' operations staff and third-party electric providers to enter into long-term contracts that lock-in rates for Ohio American's facilities and the other operating companies' large consumption facilities. The goals of this energy supply procurement process are to achieve lower pricing than would be possible without an agreement and to reduce price volatility. Where operating companies' facilities are served under a regulated tariff instead of by a competitive provider, Supply Chain takes steps to ensure that its facilities are served at the most appropriate and cost-effective rate schedule.

Information Technology & Information Systems

Information Technology Services (ITS) provides information technology support and delivery of innovative, flexible, scalable and secure solutions to meet business needs through standardized technology and processes in a cost effective and efficient manner.

ITS benefits Ohio American Water customers through the implementation and management of current technologies as a result of an ever-changing industry. These technologies are necessary to provide access to information for customer service, providing accurate and timely bills to customers, maintaining records regarding timely payment of customer bills, and providing computer technology for accurate financial reporting and information regarding daily operations.

Specific ITS services provided include:

- Product lifecycle management (hardware and software refreshes and upgrades)
- Primary and disaster recovery data centers
- Business and systems analysis
- Software development and adaptation
- Quality assurance
- Training

- Technology strategic planning
- Information Security
- Project management
- Help Desk support
- Procurement (technology hardware and software)
- Voice and data network communications (LAN/WAN, wireless, mobile, telephony)

As compared to a stand-alone operation for each state operating company, the Service Company ITS Function reduces the per-customer cost incurred for information technology services by taking advantage of economies of scale and scope, volume discounts where applicable, and by spreading ITS costs over the larger customer base of the combined state operating companies. For example, ITS is able to drive down the per customer cost of software licenses based on total volume purchases of the required licenses. Similarly, ITS is able to leverage the server infrastructure, purchasing fewer larger servers to house applications, instead of multiple smaller servers at each state operating company, all of which have to be monitored, patched, and maintained. With the ITS approach, fewer total servers can then be maintained by fewer individuals, with less time consumed. Similarly, applications can be developed and maintained centrally instead of at each state operating company. The individual state operating company approach, by contrast, would require application changes to be made multiple times, as well as more resources with more idle time, because of the number of skill-sets required and the lower volume of work in each of those skill-sets for a single state operating company.

The ability to efficiently employ the specialized skills of personnel is also a key benefit provided by ITS. The operation and maintenance of a single software application requires multiple people with specialized skills because most of the requisite skills are not found within a single individual. ITS provides the operating companies with direct access to a team of skilled technicians that directly support the operating companies on a regional basis to provide solutions based upon individual assessment of unique requirements.

In 2010, the following details some aspects of the support provided by the ITS functions:

System Applications

- Support of over 600 applications throughout the company
 - Including:
 - Customer service (Enterprise Customer Information System (E-CIS) is a software system that houses American Water's account, customer, and contact information. Capabilities include the creation and maintenance of service orders, meter readings, billing and payment processes, and credit and collection information. (Web Self Service (WSS) also known as My H2O Online, was designed to save customers time by allowing them to pay their bills, turn on water service or even have their water turned off)
 - The site is designed for our residential customers to help address the most common reasons people contact their water services company from the comfort of your home or office
 - Financial (Hyperion, PowerPlant)

- HR (JD Edwards)
 - Lotus Notes Email
- 9,800 enhancements, rate changes, application support requests, and report extracts are completed annually.
 - For example, enhancements are done to make improvements to applications such as:
 - The Ohio American Water website, which provides vital customer information
 - Web Self Service, which allows customers to check their account balances, make a payment on their accounts, update account information, such as the name or address on the account, turn service on to a new address, or turn service off when they are moving.

Field Operations

- Over 5,800 Computers
- 1,350+ Toughbook mobile computer devices
- 100+ Meter reading PCs
- 550+ Meter reading handhelds
- 1,000+ Blackberry devices

Infrastructure

- 596 servers (windows, unix, local and AS400)
- 800+ SQL data bases
- Over 58 Oracle data bases (5x larger than SQL)
- Over 30,000 back-ups a year
- 2 data centers (Hershey & Haddon)

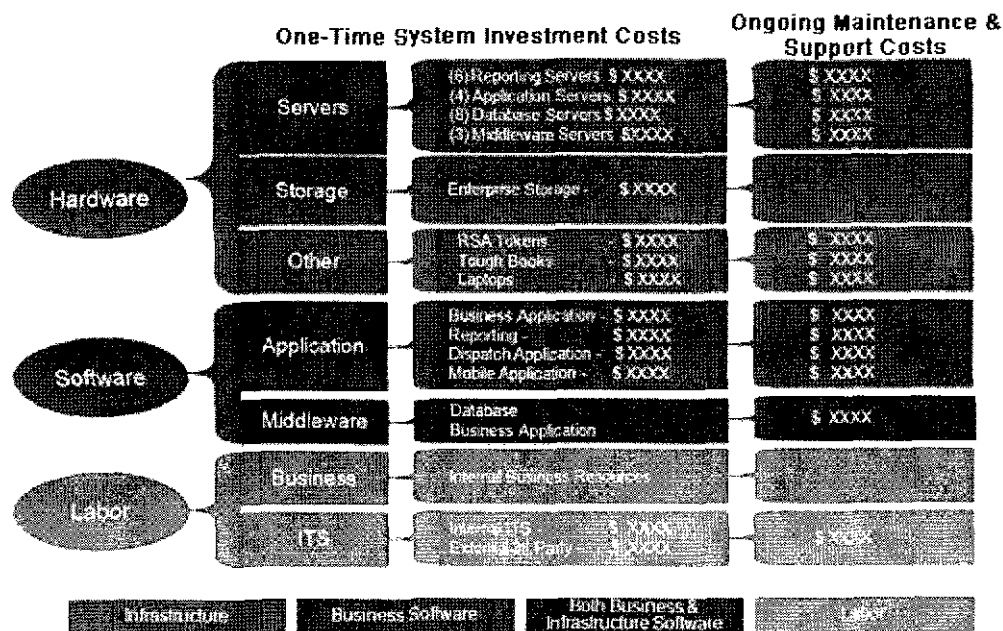
To supply some context around the infrastructure statistics, ITS infrastructure includes all of the components that are needed to deliver ITS services to American Water. Infrastructure is the physical hardware used to interconnect computers and users. Infrastructure includes the transmission media, including:

- Telephone lines
- Satellites
- Antennas
- Routers - Forwards data packets (information) along the network
- Aggregators - A web site or computer software that pulls a specific type of information from multiple online sources. Example: search aggregator - software that runs on a user's computer and fetches, filters, and organizes a specific search from various search engines
- Repeaters - Removes the unwanted noise in an incoming signal, and other devices that control transmission paths such as in a cellular telephone system, a repeater is one of a group of transceivers in a geographic area that collectively serve a system user

Infrastructure also includes the software used to send, receive, and manage the signals that are transmitted.

To further explain, the following is an example system that includes the Infrastructure/Hardware components (highlighted light blue), the Software

components (highlighted in green and dark blue) and the required labor to maintain the system (highlighted in orange). These are all the necessary components that are required behind the scenes of any application. Each component must be appropriately maintained for the system to provide the intended functionality to the customer.



A sampling of projects completed in 2010 are listed below and provide American Water's customers with an enhanced customer experience, improved financial processes and improved technology processes and infrastructure:

- Service Suite Upgrade
 - The software application distributes service orders to mobile workforce personnel in the field, monitors the progress of work, dispatches emergency orders, and measures productivity of field personnel.
 - Upgraded the mobile workforce application to the latest version
 - Increased storage capacity and enhanced security
- PowerPlant v10 Upgrade - PowerPlant is American Water's capital management application used for capital budgeting, tax accounting, project accounting, and fixed asset accounting.
 - Upgraded to Version 10.1.2 of PowerPlant
 - The project redesigned the look and feel of the application and provided solutions to reported business issues
 - Configurable dashboards
 - Improved navigation
 - Alerts to encourage proactive actions to business events
 - Graphs/charts to illustrate the display of data

- ADP iPay
 - Outsourced the printing of payroll checks to ADP Corporation
 - Provides American Water employees the ability to view 3 years of historical earnings information on-line
 - Allows American Water to move away from printing, distributing and mailing pay stubs because employees can now get them on-line

Corporate Plans for Major Systems

One of the ITS focus areas for improvement has been on the American Water network, including Ohio American Water. As technology is evolving and systems are faster and transmit more and more data, a more robust, faster network is required. The below describes the components of the network that American Water has invested in within Ohio.

As discussed above, Infrastructure is the physical hardware used to interconnect computers and users. Infrastructure includes the transmission media, including telephone lines, cable lines, satellites and antennas, as well as the routers, and aggregators. Ohio American Water's network infrastructure consists of:

- AT&T Virtual Private Network (AVPN)/Multiprotocol Label Switching (MPLS) - a standards-approved technology for speeding up network traffic flow and making it easier to manage
- Several Virtual Private Network (VPN) connections utilizing the Internet (various vendors) for transport.
 - These connections vary in network speeds (256 Kilo-bits thru 3.08 Mega-bits per second – speeds based on requirements of each location) at the Ohio American Water locations, and provide the ability to do online file transfers, e-mail, and to access Internet applications.
- Connectivity through the American Water network allowing Ohio American Water and American Water to communicate with one another and share network resources.
 - The shared network provides access to the data processing systems (systems that perform mathematical operations (manipulations) on data submitted, transforming it into the output (audio/video, graphic, numeric, or text) form desired by a system user) and allows company personnel to effectively communicate with employees in the remaining American Water operating companies.

Additional improvements occurring within Ohio American Water's network Infrastructure include the replacement of the aging telephony systems (phone systems) due to:

- Multiple versions of various call systems within American Water and Ohio AW
- Lack of skill set within the state for telephone maintenance of aged systems
- Systems end-of-life or unsupportable from vendors

Six Ohio American Water sites have the newer voice over internet protocol (VoIP) technology which allows for:

- State-to-state calling using site codes and extensions at no charge for long distance
- Improved growth and communications between "manned" and "unmanned" and remote and primary sites within a state
- Leverage the size of American Water for better service and vendor management
- Proper skill sets working on systems
- Increased stability and functionality
- Consistent versions of call systems within American Water
- Employee directory lookup on telephones
- Call transfers across states and to the service company
- Call forwarding to other American Water sites

While there are no plans to upgrade any additional Ohio American Water sites in 2011, there will be a need to convert in 2012 – 2014, based on the existing infrastructure and the challenges cited above.

Policies for Protecting Company and Customer Information/Data

Business Objective: American Water recognizes that our information systems are critical to the continued success of the business. The number and severity of information security threats to these critical systems increase daily and pose material risk to the business. These risks include compromised confidentiality or integrity of business information, as well as interruption of key business processes supported by our information systems. These risks can adversely affect operational and financial performance of the business and can harm the reputation of the business as a competent operator. Effective recognition, assessment, tracking, and management of information security risks are an essential operational risk control process. Accordingly the company is assigning the responsibility for information security to the ITS Security Operations department.

The Company's Information Security Policy is designed to ensure that:

- American Water assesses and controls information security risks to company information resources
 - The confidentiality, integrity, and availability of company intellectual property is ensured and maintained
 - American Water achieves and sustains compliance with applicable regulatory and legislative requirements
 - American Water provides a framework of information security practices supporting this policy including standards, procedures and guidelines to ensure a secure and resilient technology infrastructure
 - All security incidents, actual or suspected, are investigated and properly managed
- Security is also everyone's responsibility. The policies and practices governing the use of corporate

information systems are put into place to set the minimum mandatory practices for users. Regular user training and awareness programs are focused on educating all users on the most current use of AW security processes and standards. Information Technology (IT) assets must be handled with care and be protected from loss or unnecessary wear-and-tear.

Transportation

Fleet Management

American Water and Ohio-American Water Company manage the operation of transportation and fleet expenses through a combination of efforts, using both company expertise and a fleet administration company.

Company personnel control the decisions as to fleet size and type of vehicles needed to perform work duties in each business unit. The majority of company vehicles are light duty trucks with automobiles and heavy duty trucks comprising the rest of the fleet. The company has a small quantity of cars. Company policies tightly control the use of cars and they are used only for company business.

American Water employs a fleet administration company to assist in the management of the fleet. The company is PHH / ARVAL. This company provides a variety of services listed below.

- Purchase of vehicles according to company standards
- Maintenance of a data base which lists expenses and other particulars about a vehicle. System also includes performance reports.
- Title, licensing, and registration
- Approval of maintenance to be performed on vehicles
- Management of outfitter's costs on trucks.
- Various consultation services as to appropriate vehicle life and fleet matters.
- Maintenance of a dedicated customer service group to resolve problems related to fleet issues

In summary, Ohio American's transportation expenses are monitored by both Company and outside sources. Company personnel manage the fleet on a day to day basis and receive assistance in this function and in acquiring new vehicles through the assistance of PHH / ARVAL.

Human Resources

Salary and Benefit Administration

The objectives of the salary and benefit programs of Ohio American Water are to promote a performance oriented culture. It is designed to support Ohio American's performance-focused culture by strengthening the link between pay and performance. The program is designed to support talent acquisitions, retention and engagement while enabling Ohio American Water to optimize its rewards program expenditures.

Ohio American Water human resources personnel look at comparator groups for both compensation and benefits comparisons based on where the markets of potential employees lie. It is the goal of Ohio American Water to manage escalating benefits costs and get the most from the benefit dollars both the employee and Company spend. Ohio American provides a competitive benefit package for an employee that offers choices and flexibility. The Company's pay systems reward top performers. This creates a high performing culture that drives operational excellence, customer service and growth.

Health care costs have continued to escalate nationwide. Ohio American's philosophy is to design programs which are selected based on vendor's costs and access, plan design for effectiveness, are competitive, and provide tools for resources including wellness and disease management.

Recruiting and Selection

It is the intent of the Company to fill vacancies in employment from competent applicants. To accomplish this, impartial screening, testing, background checks, and selection is necessary.

Ohio American nonunion job openings are posted internally and externally, however, existing employees are considered first for opportunities for advancement. Union employee jobs are advertised internally based on the collective bargaining agreement in place for the position opening. If the Company is not successful in filling the position internally, or when a point is reached to recruit from outside the company, various sources of recruitment are used in an attempt to obtain a diverse pool of candidates. Human Resources are the receivers of initial applications for employment. Local Human Resources personnel then use behavioral interviews, as well as a skill based interview, in order to determine who should be brought in for a more intense panel interview. Some of the position openings also require job related tests as a selection tool.

Once a potential employee selection is made, Human Resources personnel do work related reference checks as well as background checks which include validation of past employment, education, credit checks, driving records and criminal checks to ensure the best possible candidate is selected. An offer is then made pending results of a pre-employment physical, which includes drug and alcohol tests.

Training and Career Development

There are many modes of training and career development which are utilized by American Water and the Company. American Water has internal resources dedicated to providing training both on soft skills such as effective listening and how to give constructive feedback, to technical skills and various safety trainings. American Water uses outside vendors for specific training needs such as proper operation of a backhoe or how to effectively communicate. Employees are also sent to outside training based on their development needs.

Ohio American Water has a tuition assistance program to aid employees in achieving higher education or to better themselves in their current roles. As part of the Company's performance appraisal system, a personal development section is included, and the tuition assistance program is another tool that aids employees in achieving their goals.

Upon receiving approval to attend a class under the tuition assistance program, the Company pays for the class up front so that the employee does not have to suffer any financial hardship due to the tuition cost. If the employee drops the class, or fails the class, they are required to pay the Company back for its cost. The tuition reimbursement program also pays for certifications and licensing of employees of Ohio American Water.

Performance Evaluation and Appraisal

Ohio American Water requires an annual performance review for all nonunion employees. There are also interim reviews conducted in order to assess progress during the year.

All new employees, both union and nonunion, go through a documented review process during the early part of their employment. The employee then is assured of receiving feedback on his or her initial performance. This sets the stage for future appraisals, but also allows the supervisor and Human Resources to assess this employee and make sure that the Company did indeed make the right selection.

Work Force Productivity

There are several ways for that Ohio American assesses work force productivity. Various measuring means are used for jobs that require telephone contact and/or computer usage to determine exactly what is being accomplished based on what has been scheduled to be completed for that day or week. In the case of work which is not computerized, there are time frames developed so that workforce planning can occur.

Of course, in the case of main breaks or other unknown emergencies, the Company's focus is always on ensuring that quality water and uninterrupted service are a priority. Ohio American employees are dedicated to this type of service, as our product is vital to our consumers.

Integrated Resource Planning

Integrated Resource Planning Process and Objectives

Ohio American Water is focused on supply-oriented issues and ensuring the efficient use of the source of supply. In addition to the measures outlined under Plant Operation and Construction, Plant/Facilities Planning Process, Water Resource Management, Ohio American Water also manages water resources through leak detection.

Water resource management through leak detection and repair results in reduced unaccounted-for water by reducing water losses. Reducing the volume of unaccounted-for water can improve system hydraulics, reduce costs for water treatment and pumping, and in some cases can delay capacity-oriented construction. In situations where water demand exceeds supply, reducing unaccounted-for water can result in the availability of more water for customer consumption.

Ohio American Water performs leak detection surveys. In addition, valves are sounded for leaks as part of a valve exercise program. Hydrants are inspected twice a year and tested for leaks. Customer meters are sounded on all service calls, and whenever a curb box is relocated or raised for paving. In addition, as part of our on-going leak detection program, our Meter Readers and Field Service Representatives are trained to watch for leaks as they do their day to day jobs. Many leaks are discovered because they recognize the not so obvious circumstances that occur as a result of lost water. These include leaks inside meter pits, damp or soft spots in tree rows and extra green grass in meridians.

1 Filters

Water softeners and whole house filters must be maintained to work properly. If the filters are not maintained, bacteria can breed in the water, and the quality of the water before it reaches your home will be affected. Due to the diversity of designs and materials, consult your water softener's manual or contact your dealer to be sure you are following the recommended maintenance schedule.

As the cartridges on the water softeners also need to be replaced, your water softener will degrade your water quality and may be difficult to understand that. DOES NOT bypass the tank. A bypass built in and it can contaminate your water appliance.

Its organic material in the water can contribute to clogging, odor or taste. As can be eliminated by flushing. A good time to flush your water softener is when you are notified annually by the manufacturer. Flushing in the area. Flush with cold water. (Hot water lines show your hot water heater.) After flushing the farthest away (in terms of distance) and then work through all the lines. Remove aerators from

the ends of the indoor faucets and run faucets wide-open. Removing the aerators before flushing prevents dislodged particles from accumulating on the screens. In working through the sequence, toilets should be the last item flushed since toilet tanks typically have the smallest plumbing lines in the house supplying them. Flush the toilets two or three times each while all the faucets are running. This generates a large flow of water through the pipes to help dislodge any built-up material. After three to five minutes of flushing, turn off the water faucets then tub supplies.



Clean the aerators before reinstalling. You can remove particulates with an old toothbrush. Stubborn buildup can usually be removed by soaking them in vinegar. The same process can clear shower heads clogged with white calcium deposits.

Incompatible Materials

Over time, plumbing materials have changed. Mixing different materials — especially metals — like copper, steel or aluminum creates chemical reactions which can cause undesirable effects and even system failures. Dielectric connectors can help avoid these issues and should always be used when connecting different materials. Installing them is usually a job for a professional plumber.

Water Problem Troubleshooting

Problem	Likely Solution(s)
Bad Smell	<ul style="list-style-type: none">Water heater temperature, maintenance or replacement.Maintain, replace or remove water softener.Maintain, replace or remove water filters.Add water to clean dry or dirty drain traps.
Discolored Hot Water	<ul style="list-style-type: none">Water heater temperature, maintenance or replacement.
Discolored Hot and Cold Water	<ul style="list-style-type: none">Replace incompatible plumbing materials or install dielectric connectors.Replace failing pipes.Adjust water that may be too soft.
Crusty Buildup on Fixtures	<ul style="list-style-type: none">Clean with vinegar or coffee maker cleaner and a brush.Install a water softener.



O H I O

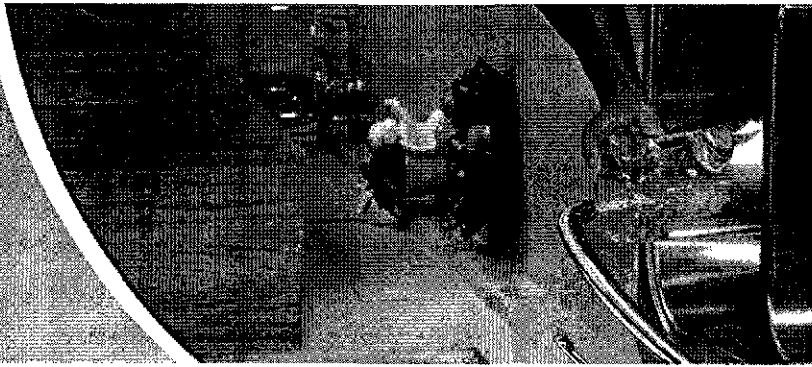
AMERICAN WATER

WE CARE ABOUT WATER. IT'S WHAT WE DO.
(800) 673-5999 • www.ohioamwater.com



Printed on recycled paper, each ton of recycled paper saves 7,000 gallons of water.

Section
Page
**Preserving
Quality in Y**



IE MOST FROM YOUR HOME'S WATER SYSTEM

delivers safe, quality water people in the state. We samples as they leave our meet or surpass all Ohio ion Agency standards. ality water we distribute. rom customers who are , with the water coming from

brochure to help you identify mon issues. Following the pamphlet will help your internal er and last longer. Most available at any hardware store an a cup of coffee. The steps s a year and will save you problems before they require

System

im needs occasional attention can lead to problems with taste, it or require early replacement ars and other appliances.

ble performing these tasks, can help.

Shutoff Valves

One of the most important things to know about the plumbing in your house is the location of the main shutoff valve. If a pipe breaks or the water heater bursts, anyone old enough to be home alone should know how to turn off the main shutoff valve fast. Unstopped leaks in your home can easily cause thousands of dollars of damage in a short time.

Valves should be turned slowly to avoid causing additional leaks, and drips from the valve can usually be stopped by turning the packing nut just below the handle.

Ohio American Water offers shut off valve identification tags which can be ordered at no charge from our 24-hour customer service line or website, both listed on the back of this brochure.



Packing nut below valve handle

Water Heater

Water heaters are the most common source of home-based water problems. They can cause discoloration, smell and sediment issues. With care, water heaters should last between seven and ten years. Please refer to the owner's manual for detailed information.

Your water heater should be flushed at least once a year to control the build-up of minerals naturally

present in water. Your water heater needs to be flushed if the hot water appears yellow or brownish in color indicating an accumulation of rust or if you find sand-like sediment in the hot water.

You may also choose to replace the plastic drain valve that come with most new water heaters. Because of the hardness of the water found in Ohio, sediment builds up faster making your heater work less efficiently. A full-flow brass valve will make future maintenance flushing easier, faster and more thorough.

Flushing

Attach a garden hose to the drain located at the bottom of the heater. It usually looks like a regular garden faucet or a round dial with a threaded hole in the middle. Extend the garden hose to a place where the water can safely exit the heater such as a floor drain. Open the drain to allow the water to exit the heater. CAUTION: Water may be hot and under normal household water pressure. If the drain is made of plastic and the heater is several years old, it may be difficult to open and may break if forced. This is another good reason to consider replacing the valve.

Once the flushing water runs clear, close the drain and remove the garden hose.

Temperature Setting

Discoloration and offensive water odors are usually the result of water temperature settings being adjusted too high especially in heaters less than

seven years old. The high temp a chemical reaction that produ egg smell. Usually lowering the 112 degrees will help.

Smells can also result when ho in use for several days and Ana to grow. While unpleasant, neit the smell is dangerous to huma be killed by flushing the water r or hydrogen peroxide solution t necessary and the smell disapp

Anode Replacement

Water is by nature corrosive. Ex water is even more corrosive. T water heaters (where corrosion of heat) most manufacturers in magnesium or aluminum anode The corrosive water in the tank rod before the other non-replac if sediment continues to be a pr other suggestions in this pamph replace the anode rod before re heater. This is usually a job for a

In a world where everything we touch frequently changes, water is our constant. We've never stopped needing it to drink, to cook, to clean, to live. We'll always need it for sanitation, for fire protection, for watering our lawns and washing our cars.

It's easy to take water for granted. And because so many do, we don't.

We are scientists, environmentalists, innovators, and protectors. We are also residents and employees in the communities we serve. We understand how important, how precious, and how critical water is to daily life.

**WE CARE ABOUT WATER.
IT'S WHAT WE DO.**



**OHIO
AMERICAN WATER**
www.ohioamericanwater.com
1-800-673-6999

NEED CODE



Printed on paper containing 75% recycled content. Each ton of recycled paper saves 7,000 gallons of water.

Section S Schedules
Page 89 of 92

Cold Weather Tips



**OHIO
AMERICAN WATER**

Frozen pipes can wreak havoc and require costly repairs and cleanup. To help protect your pipes in cold winter weather, keep these helpful tips in mind.

Before cold weather sets in:

- Know what areas of your home, such as basements, crawl spaces, unheated rooms, and outside walls, are most vulnerable to freezing.
- Search for pipes that are not insulated, or that pass through unheated spaces such as crawlspaces, basements, or garages. Wrap them with pipe insulation available at hardware stores.
- If you have heat tape installed on exposed pipes, you need to check it to make sure it is still operational. Inspect the tape for cracks or fraying. Make sure it is installed according to the manufacturer's recommendations.
- Make sure everyone in your household knows where your main water shut-off valve is. Check the shut-off valve annually to make sure it is working properly. If a pipe freezes or bursts, shut the water off immediately.
- Make sure the water to your outdoor faucets is shut off inside your house (via a turnoff valve), and that lines are drained.
- To save wear and tear on your cooling system, drain any hoses and air conditioner pipes and check for excess water pooled in equipment.
- If your home is heated by a hot water radiator, bleed the valves by opening them slightly. Close them when water appears.
- Turn off and drain your irrigation systems.
- If no one will be home for an extended period of time during extreme winter weather, you should consider turning your main valve off altogether and hiring a plumber to drain your system. That way, if your furnace quits working, there will be no water in your pipes to freeze.

Section S Schedules When temperatures fall below 40 of 92

- Allow a small trickle of water to run overnight to keep pipes from freezing. The cost of the extra water is low compared to the cost to repair a broken pipe.
 - Open cabinet doors to expose pipes to warmer room temperatures to help keep them from freezing.
- If your pipes freeze:**
- Shut off the water immediately. Don't attempt to thaw frozen pipes unless the water is shut off. Freezing can often cause unseen cracks in pipes or joints that will leak when thawed.
 - Apply heat to the frozen pipe by warming the air around it, or by applying heat directly to a pipe. You can use a hair dryer, space heater, or hot water. Be sure not to leave space heaters unattended, and avoid the use of kerosene heaters or open flames.
 - Once the pipes have thawed, turn the water back on slowly and check for cracks and leaks.

WE ARE HERE TO HELP

Customers may contact customer service at Ohio American Water, seven days a week, 24 hours a day at 1-800-673-5999 (toll free) or visit www.ohioamwater.com.

Residential and business customers may call the Public Utilities Commission of Ohio (PUCO), at 1-800-686-7826 (toll free) or for TTY at 1-800-686-1570 (toll free) from 8:00 a.m. to 5:00 p.m. weekdays, or visit www.puco.ohio.gov.

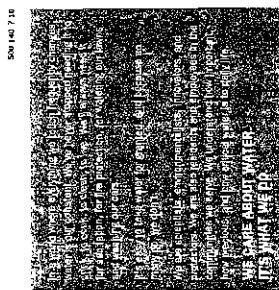
Residential customers may also contact the Ohio Consumers' Counsel (OCC) for assistance with complaints and utility issues at 1-877-742-5622 (toll free) from 8:00 a.m. to 5:00 p.m. weekdays, or visit www.pickoc.org.



Your Rights and Responsibilities as a Valued Customer



AMERICAN WATER



10-7-2015

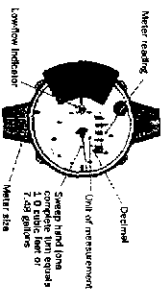
Where Is My Meter?

Your meter is located in one of two places. It is either inside your home near the location that the water line enters your residence, or outside in a meter pit on the service line between the curb stop and where the service line enters your residence. Water meters in meter pits are housed in a meter box with a metal lid which is usually marked "water". In order to avoid creating an unsafe condition, please do not attempt to open the lid. Contact us for assistance in accessing meter in meter pits.

If your meter is in a meter pit outside your home, please keep the meter box clear of debris. You should not park cars, put landscaping rocks, grass clippings, leaves or other objects on top of the meter box that can hamper our ability to read the meter.

How to Read Your Water Meter

The odometer-type meter reading shows the cubic feet or gallons used with a series of numbers in a small window. You can calculate the difference between readings to determine the volume of water used. Your bill shows usage in terms of hundred cubic feet (ccf).



(The red needle points to the number after the decimal)

Checking for Leaks

If all faucets and appliances that use water in your house are shut off and the red triangle (the low flow indicator) on the meter is still moving, then there is water running somewhere in your home and you should investigate to determine if there may be a leak. Another way to check for leaks is to write down the numbers and location of the meter hand. Do not use any water for two hours, then after two hours read the meter again. If the numbers have changed, you may have a leak and should investigate further.

Meter Accuracy

Water meters measure flow with 98.100 percent accuracy. However, after many years of service, meters may need to be replaced. If you suspect your meter is not accurate, please contact us for a meter test. It is our policy to always have the right to have your meter tested for accuracy. For more information about checking for water leaks in your home and lines on how to save water, visit us at www.chicagowater.com.



Mailing Address:
Your water bill payment can be mailed to:
Ohio American Water
P.O. Box 84551
Palatine, IL 60064-4551

All other correspondence should be mailed to:
American Water
1410 Discovery Pkwy
P.O. Box 578
Alton, IL 62002
Attn: Correspondence Group

24/7 Customer Service



Converting CCF to Gallons

748 gallons = 1 ccf (100 cubic feet)
Multiply the number of ccf by 748 gallons to get the number of gallons used.

Example: 12 ccf x 748 gallons = 8,976 gallons

Keep in mind that you might be checking your meter on a date different from the one used for billing, and it is possible there is a difference in the amount you bill, compared with the amount on which your bill is based. If your reading is considerably higher than what is on your bill, check for a leak or try to determine the source of large water use. If your reading is significantly lower than the reading on your bill, please contact our Customer Service Center, 24 hours a day, seven days a week at 1-800-673-5966.

Testing of Meter

The company will test the meter within thirty (30) days following the customer's request. The customer has the right to be notified of the scheduled test date. The customer or a customer's representative may be present when the meter test is performed. The company shall provide the customer the test results at the time of the test.

We will, at our own expense, make a test of the accuracy of registration of a meter upon request of a customer, provided that such customer does not make a request for less than one year after the date of the last test. If the customer makes a request for a meter test more frequently than once in three (3) years, the customer will be billed for such additional testing at the actual cost to the company. However, if the last shows the meter to be more than 1.5% fast or slow, no charge shall be made to the customer for such test. Ohio American Water or the customer may request that a meter test be performed in the presence of a customer representative. The customer also has the right to be present.

Dear Customer,
As your water service supplier, we recognize the trust you place in us to provide high-quality, reliable drinking water service. It is a responsibility we take very seriously. We work hard to ensure every drop of your drinking water meets all state and federal drinking water quality standards. There is more to good water service than providing high quality water. This guide will help you understand the many services we offer, as well as your rights and responsibilities as an Ohio American Water customer. We hope you will review the contents of this guide and keep it for future use.

If you have any questions about your water service that are not answered by the information provided here, please call our Customer Service Center at 1-800-673-5966.

Sincerely,
The Employees of Ohio American Water

