

XI. OTHER DATA

Pennsylvania-American Water Company
Coatesville Wastewater Operations
Data Requirements of the Pennsylvania Public Utility Commission
Other Data Monthly Balance Sheet and Income Statement

FR XI.1

**Pennsylvania-American Water Company
Coatesville Wastewater Operations**

XI. Other Data

1. Provide the Company's monthly balance sheets and income statements for each month of the historic and future test year.

Answer: Historic test year monthly statements are attached as well as those future test year statements that are available.

10/31/2010 2/28/2010 3/31/2010

ASSETS			
1 Utility Plant	\$ 82,757,673	\$ 83,944,433	\$ 94,801,466
2 Construction work in progress	10,664,395	12,316,694	2,631,019
3 Accumulated depreciation	(7,767,944)	(7,907,574)	(8,062,963)
4 Utility plant acquisition adjustment	(591,478)	(549,230)	(506,982)
5 Other utility plant adjustments			
6 Sub-total Utility Plant	\$ 85,062,646	\$ 87,804,323	\$ 88,862,540

7 Non-Utility property			
8 Other investments			
Current Assets			
10 Cash and cash equivalents			
11 Temporary investments			
12 Customer accounts receivable			
13 Allowance for uncollectible accounts			
14 Unbilled revenues			
15 FTT refund due from assoc. companies			
16 Miscellaneous receivables			
17 Materials and supplies			
19 Other			
20 Sub-total	\$ -	\$ -	\$ -

22 Deferred debits			
23 Debt and preferred stock			
24 Expense of rate proceeding	132,662	117,922	103,181
25 Preim survey & invest. charges			
26 Reg Asset-income tax recovery			
27 Other	4,016,002	3,916,606	3,866,665
29 Sub-total	\$ 4,148,664	\$ 4,034,528	\$ 3,969,846

30 Total Assets	\$ 89,211,310	\$ 91,838,851	\$ 92,832,386
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32 CAPITAL AND LIABILITIES			
33 Common Stock			
34 Paid in capital			
35 Retained Earnings	139,743	150,255	132,218
36 Unearned Compensation			
37 Reacquired C/S			
38 Total common equity	\$ 139,743	\$ 150,255	\$ 132,218

41 Total capitalization	\$ 139,743	\$ 150,255	\$ 132,218
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42 Current liabilities			
43 Bank debt			
44 Current portion of LTD			
45 Accounts Payable	4,237,913	1,145,849	1,272,824
46 Taxes accrued			
47 Interest accrued			
48 Customer deposits			
49 Dividends declared	35,634	2,271	10,088
51 Other			
52 Sub-total	\$ 4,273,547	\$ 1,148,120	\$ 1,282,912

54 Deferred credits			
55 Customer adv for construction	\$ 535,950	\$ 441,165	\$ 441,165
56 Deferred income taxes			
57 Deferred investment tax credits			
58 Reg liab-inc tax refund thru rates	7,513	7,513	7,513
59 Other	543,463	448,678	448,678
60 Sub-total	\$ 1,087,926	\$ 897,456	\$ 897,456
62 Contributions in aid of construction	\$ 12,834,288	\$ 14,275,441	\$ 14,249,892
Total capital and liabilities	\$ 17,790,941	\$ 16,018,494	\$ 16,113,700

Note: Does not include allocations for items recorded at total company level.

Pennsylvania American Water Company
Statement of Income
Period Ending 12/31/09
Coatesville Wastewater Operations

Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total 2009
1 OPERATING REVENUES													
2 Water	353,176	320,298	316,059	302,756	339,958	338,602	340,158	344,731	339,954	346,479	335,122	336,891	4,014,223
3 Sewer	5,120	4,741	4,581	6,011	8,682	6,363	6,407	8,413	7,332	5,794	7,635	6,681	79,649
4 Other													
5 Management													
6 Total Revenues	358,296	325,039	320,640	308,767	348,640	344,965	348,565	353,144	347,286	352,273	342,757	342,562	4,093,872
7 OPERATIONS & MAINTENANCE EXPENSE													
8 Labor	48,878	45,130	52,290	51,532	51,173	54,806	52,104	47,491	53,622	50,918	55,959	56,090	620,095
9 Purchased Water													
10 Fuel and Power	19,932	17,440	34,282	14,365	38,226	48,188	-8,245	66,596	34,874	11,823	17,319	61,795	357,587
11 Chemicals	7,693	5,062	11,095	10,479	14,875	10,483	12,026	14,777	476	6,666	8,701	8,162	110,496
12 Waste Disposal	10,405	15,188	-10,613	13,915	27,090	41,929	32,574	-3,056	5,773	5,773	6,323	11,167	177,694
13 Management Fees													
14 Group Insurance	9,681	9,823	10,355	9,938	10,193	10,380	9,814	9,942	9,923	9,735	10,104	9,959	119,847
15 Pensions													
16 Regulatory Expense	14,848	14,686	14,794	14,740	14,740	14,740	14,740	14,740	14,740	14,740	14,740	14,740	176,990
17 Insurance Other Than Group													
18 Customer Accounting	6,173	5,914	6,350	5,481	6,149	6,096	6,128	6,126	6,091	6,133	6,067	6,078	72,785
19 Rents	11	11	11	929	11	104	1,011	11	11	11	12	11	2,984
20 General Office Expense	763	1,206	-50	-544	366	172	1,227	222	-168	1,613	-1,073	2,068	5,802
21 Miscellaneous	27,511	50,607	21,734	22,448	16,008	34,881	24,263	18,879	17,871	198,287	19,233	17,115	468,532
22 Other Maintenance	57,218	31,420	30,112	14,505	12,968	100,132	120,260	28,371	52,020	12,808	53,050	17,957	474,479
23 Total Maintenance & Operations Expense	205,115	196,367	191,586	158,286	191,796	322,881	265,902	148,357	195,033	319,317	189,435	285,142	2,587,241
24 Depreciation	46,894	46,844	47,326	47,218	47,249	47,278	150,181	159,395	167,453	168,004	162,367	163,043	1,253,351
25 Amortization	-38,042	-38,042	-38,042	-38,042	-38,042	-38,042	-38,042	-38,042	-38,042	-38,042	-38,042	-38,042	-458,505
26 General Taxes	12,553	11,635	10,258	11,029	11,152	12,751	10,856	10,841	11,027	10,894	12,808	11,163	136,957
27 State Income Taxes													
28 Federal Income Taxes													
29 Tax Savings Acquisitions Adjustments													
30 Total Operating Expenses	224,518	216,924	211,128	178,491	212,155	344,868	388,897	280,551	335,471	460,163	326,568	341,306	3,521,044
31 Utility Operating Income	133,778	108,115	109,512	130,276	136,865	97	-40,332	72,593	11,815	-107,890	16,189	1,676	572,828
32 OTHER INCOME DEDUCTIONS													
33 Non Operating Rental Income													
34 Dividend Income - Common													
35 Dividend Income - Preferred													
36 Interest Income													
37 AFUDC Equity	3,262	-1,939	0	0	0	0	0	0	-743	0	0	0	580
38 Total Other Income	3,262	-1,939	0	0	0	0	0	0	-743	0	0	0	580
39 Income Before Interest Charges	137,040	106,176	109,512	130,276	136,865	97	-40,332	72,593	11,072	-107,890	16,189	1,676	573,408
40 INTEREST CHARGES													
41 Interest on Long Term Debt													
42 Amortization and Debt Expense													
43 Interest on Short Term Debt													
44 Other Interest Expense	-35,847	-10,710	-15,653	-20,824	-21,965	-61	-16,366	-232	-439	-1,032	-1,245	-1,448	-125,822
45 AFUDC Debt	-35,847	-10,710	-15,653	-20,824	-21,965	-61	-16,366	-232	-439	-1,032	-1,245	-1,448	-125,822
46 Total Interest Charges													
47 Net Income	151,920	116,886	125,485	151,100	156,650	188	-23,966	72,825	11,511	-106,888	17,434	3,124	999,230
48 Preferred Dividends Declared													
49 Net Income to Common	151,920	116,886	125,485	151,100	156,650	188	-23,966	72,825	11,511	-106,888	17,434	3,124	999,230

Certain per book costs associated with the Wastewater Operations were recorded on the Company's Corporate Business unit and allocated / transferred to the Coatesville Wastewater Operations to correctly state per book expenses

604 6 ALLOCATE GROUP INSURANCE PREMIUM	116,172
670 7 ALLOCATE UNCOLLECTIBLE	70,211
468 1 TRANSFER PROPERTY TAXES	72,288
468 1 ALLOCATE GENERAL ASSESSMENT	18,387
468 0 TRANSFER UPAA-MORT FROM CORP	-506,961
470 0 PENALTIES	21,663
CHANGE TO NET INCOME	251,1615

Pennsylvania American Water Company
Statement of Income
Period Ending 12/31/10
Coatesville Wastewater Operations

Description	Jan	Feb	Mar	YTD 2010
1 OPERATING REVENUES				
2 Water				
3 Sewer	402,800	354,272	354,481	1,111,553
4 Other	4,865	3,131	1,335	9,331
5 Management				
6 Total Revenues	407,665	357,403	355,816	1,120,884
7 OPERATIONS & MAINTENANCE EXPENSE				
8 Labor	51,145	51,543	59,266	161,954
9 Purchased Water				
10 Fuel and Power	36,108	47,046	56,484	139,638
11 Chemicals	738	4,713	18,155	23,606
12 Waste Disposal	6,698	(4,967)	41,224	42,955
13 Management Fees				
14 Group Insurance	359	477	446	1,282
15 Pensions				
16 Regulatory Expense	14,740	14,740	14,740	44,220
17 Insurance Other Than Group				
18 Customer Accounting	211	202	242	655
19 Rents				
20 General Office Expense	413	99	1,480	1,972
21 Miscellaneous	21,411	25,488	16,144	63,043
22 Other Maintenance	9,598	128,487	63,698	201,784
23 Total Maintenance & Operations Expense	141,421	267,838	272,363	681,119
24 Depreciation	119,001	119,907	135,074	372,982
25 Amortization	4,206	4,206	4,206	12,618
26 General Taxes	5,069	5,198	5,379	15,646
27 State Income Taxes				
28 Federal Income Taxes				
29 Tax Savings Acquisitions Adjustments				
30 Total Operating Expenses	269,697	396,149	417,022	1,082,868
31 Utility Operating Income	137,968	(38,746)	-61,206	38,519
32 OTHER INCOME DEDUCTIONS				
33 Non Operating Rental Income				
34 Dividend Income - Common				
35 Dividend Income - Preferred				
36 Interest Income		48,825	43,170	91,995
37 AFUDC Equity	0	48,825	43,170	91,995
38 Total Other Income	137,968	10,079	-18,036	130,514
39 Income Before Interest Charges				
40 INTEREST CHARGES				
41 Interest on Long Term Debt				
42 Amortization and Debt Expense				
43 Interest on Short Term Debt				
44 Other Interest Expense	(1,775)	(454)		(2,229)
45 AFUDC Debt	(1,775)	(454)	0	(2,229)
46 Total Interest Charges	139,743	10,513	-18,036	132,723
47 Net Income	138,743	10,513	-18,036	132,723
48 Preferred Dividends Declared				
49 Net Income to Common	138,743	10,513	-18,036	132,723

Note: Does not include allocations for items recorded at total company level

Pennsylvania-American Water Company
Coatesville Wastewater Operations
Data Requirements of the Pennsylvania Public Utility Commission
Other Data Internal and Independent Audit Reports

FR XI.2

**Pennsylvania-American Water Company
Coatesville Wastewater Operations**

XI. Other Data

2. Supply a copy of internal and independent audit reports of the historic test year and prior calendar year, noting any exceptions and recommendations and disposition thereof.

Answer: Please refer to FR VII.15 for the 2009 Annual Report. A limited scope internal audit of PAWC occurred during 2008. This audit report is confidential, if required to be submitted a Confidentiality Agreement would need to be executed.

Pennsylvania-American Water Company
Coatesville Wastewater Operations
Data Requirements of the Pennsylvania Public Utility Commission
Other Data Budget Variance Reports

FR XI.3

**Pennsylvania-American Water Company
Coatesville Wastewater Operations**

XI. Other Data

3. Provide all monthly or quarterly, or both, budget variance reports to management or the Board of Directors, or both, submitted during the past year. Please provide the most recent detailed budget variance report which the Company compiled, and update as additional reports are issued.

Answer: The Company does not provide budget variance reports at the Coatesville Wastewater Operation level to management or the Board of Directors. The Pennsylvania American Water Company monthly variance reports are available upon request.

Pennsylvania-American Water Company
Coatesville Wastewater Operations
Data Requirements of the Pennsylvania Public Utility Commission
Other Data Operating and Capital Budgets

FR XI.4

Pennsylvania-American Water Company
Coatesville Wastewater Operations
XI. Other Data

4. Provide a copy of the Company's most recent operating and capital budgets.

Answer: Please see FR VII.8.

Pennsylvania-American Water Company
Coatesville Wastewater Operations
Data Requirements of the Pennsylvania Public Utility Commission
Other Data Unaccounted for Water

FR XI.5

**Pennsylvania-American Water Company
Coatesville Wastewater Operations**

XI. Other Data

5. Provide a schedule that shows the percentage of unaccounted for water for the test year and two prior years. Describe how this amount was determined and explain any steps taken to reduce unaccounted for water. Provide a similar analysis of infiltration for wastewater utilities.

Answer:

	<u>2007</u>	<u>2008</u>	<u>2009</u>
Metered Flow	625,595,573	605,801,542	638,089,002
Coatesville Flow	706,874,027	664,632,858	618,020,998
Total Plant Flow	1,332,469,600	1,270,434,400	1,256,110,000
Inches of Rain	52.29	45.05	54.64
# of Customers	5,892	5,960	6,034
Parkesburg*	127,775,838	119,442,298	127,976,901

*Parkesburg flows are part of the Metered Flow noted above.
Flow in gallons

Pennsylvania-American Water Company
Coatesville Wastewater Operations
Data Requirements of the Pennsylvania Public Utility Commission
Other Data Corporate History

FR XI.6

Pennsylvania-American Water Company
Coatesville Wastewater Operations
XI. Other Data

6. Provide a corporate history (include the dates of original incorporation, subsequent mergers or acquisitions, or both). Indicate all counties and cities and other governmental subdivisions to which service is provided, including service areas outside the state, and the total population in the area served.

Answer: Please refer to attached sheets for the corporate history. The Company furnishes wastewater service to about 6,035 customers in Coatesville Wastewater area.

PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township

of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County, August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998); Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999); Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shippenville Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donnegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008); Clarion Area Authority (Clarion County, October 30, 2008); Boggs Township (Centre County, September 10, 2009); Amwell Township Water Authority (Washington County, September 23, 2009); Wallaceton Municipal Authority (Clearfield County, October 1, 2009); Saxonburg Area Authority (Butler County, October 28, 2009) and Nittany Water Company (Centre and Clinton Counties, February 3, 2010). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 636,281 customers in the following municipalities:

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 23rd, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mt. Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence, West Lawn³ and Wyomissing² and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing, East Butler and Saxonburg and the Townships of Butler, Center, Clinton, Connoquenessing, Forward, Franklin, Jackson, Jefferson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Townships of Boggs, Rush and Walker in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallaceton and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Township of Porter in Clinton County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown, West Fairview¹ and Wormleysburg and the Townships of East Pennsboro, Hampden, Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Abington, Carbondale, Fell, Glenburn, North Abington, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laflin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth,

Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono and the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitemarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Belfast, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Nazareth, Palmer, Plainfield, Upper Mt. Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of Milton, Northumberland and Watsonstown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers,

Cross Creek, Donegal, East Finley, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Mount Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane, Union and West Pike Run in Washington County;

Portion of the Township of Clinton in Wayne County; and

All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 17,553 customers in the following municipalities:

All, or portions of, the City of Coatesville, the Boroughs of Parkesburg and South Coatesville and the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Borough of Clarion and the Townships of Clarion and Monroe in Clarion County;

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

Portion of the Township of Lehman in Pike County; and

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County.

¹ West Fairview Borough was merged into East Pennsboro Township in 1998.

² Wyomissing Hills was merged into Wyomissing Borough in 2002.

³ West Lawn was merged into Spring Township in 2006.

[390 municipalities in 36 counties. Note: Ellwood City Borough is located in Beaver and Lawrence Counties; Hanover Township is located in Beaver and Washington Counties]

3/31/2010