

**AQUA**  
Pennsylvania.

ORIGINAL

Aqua Pennsylvania, Inc.  
762 W. Lancaster Avenue  
Bryn Mawr, PA 19010

www.aquapennsylvania.com

P-00961036

March 19, 2004

**VIA FEDERAL EXPRESS**

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Two North Keystone  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

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MAR 19 2004

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

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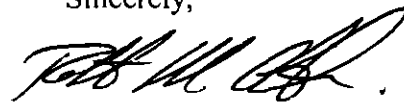
Re: Quarterly Distribution System Improvement Charge (DSIC)

Dear Secretary McNulty:

Enclosed are eight copies of Aqua Pennsylvania's DSIC filing for the second quarter of 2004 and DSIC true-up for 2003. As noted in the PUC Order, these documents are also being served to the Office of Consumer Advocate, the Office of Trial Staff and the Office of Small Business Advocate. PSW is also serving these documents to the PUC Bureau of Audits.

If you have any questions regarding this filing, please contact me at (610) 645-1130.

Sincerely,



Robert M. Griffin  
Manager of Regulatory Accounting

RMG/  
Certificate of Service

ORIGINAL

AQUA PENNSYLVANIA, INC.  
CERTIFICATE OF SERVICE

R 0096103le

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Aqua Pennsylvania, Inc.

Distribution :  
Improvement Charge (DSIC)  
Filing

CERTIFICATE OF SERVICE

I hereby certify that I have this day filed Aqua Pennsylvania's DSIC filing for the second quarter of 2004 and DSIC true-up for 2003 with the PA Public Utility Commission and upon the person(s) and in the manner indicated below:

VIA FEDERAL EXPRESS

Irwin A. Popowsky, Esq.  
Office of Consumer Advocate  
555 Walnut Avenue, Fifth Floor  
Forum Place  
Harrisburg, PA 17101-1921

William R. Lloyd, Esq.  
Office of Small Business Advocate  
Suite 1102, Commerce Bldg.  
300 N. Second Street  
Harrisburg, PA 17101-1921

Charles Hoffman, Director  
Office of Trial Staff  
Two West Keystone  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17102

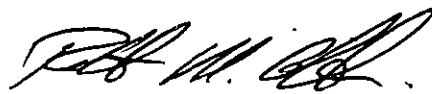
Larry Treaster  
Bureau of Audits  
Three East Keystone  
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(email to [riwallace@state.pa.us](mailto:riwallace@state.pa.us) &  
[latreaster@state.pa.us](mailto:latreaster@state.pa.us))

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Dated: March 19, 2004



Robert M. Griffin  
Manager of Regulatory Accounting

ORIGINAL

P-00961036

PHILADELPHIA SUBURBAN WATER COMPANY

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC") CALCULATION

Acct	Description	July-Aug 2002 Actual	Sept-Nov 2002 Actual	Dec '02-Nov '03 Actual	December-03 Actual	January-04 Actual	February-04 Actual	Three Months To Date	Total To Date
322000	Main Cleaning & Relining	3,211,123	3,844,830	7,377,769	1,875,960	0	56,982	1,932,942	16,366,664
322000	Major Main Replacements	5,170,787	7,693,773	22,771,057	1,357,391	341	262,820	1,620,552	37,256,169
322000	Minor Changes in Mains	0	0	0	0	0	0	0	0
322000	Minor Main Replacements	284,371	334,814	3,085,308	28,540	22,123	53,170	103,833	3,808,326
322000	Tie in Dead End Mains	430,028	567,670	3,497,796	595,663	0	5,817	601,480	5,096,974
322000	Unreimbursed Imprvmts due to highway relocations	104,107	2,765,201	345,627	203,810	0	0	203,810	3,418,745
322000	Valve Replacement Program	77,642	201,189	476,700	74,183	0	125,069	199,252	954,783
323000	Repl Services	276,972	375,733	1,427,820	179,352	156,579	296,247	632,178	2,970,703
323000	Repl Services due to Main Rehabilitation	317,640	648,122	4,133,475	476,034	190,365	406,102	1,072,501	6,171,738
324000	Replacement Meters	1,106,598	1,923,322	13,572,915	189,579	961,056	5,033	1,155,668	17,758,503
325000	Replacement Fire Hydrants	172,182	252,456	1,149,955	103,208	44,699	140,022	287,929	1,862,522
TOTAL ADDITIONS		11,151,450	18,607,110	57,838,422	5,083,720	1,375,163	1,351,262	7,810,145	95,407,127

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JUN 14 2004

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

MAR 10 2004

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**PHILADELPHIA SUBURBAN WATER COMPANY**

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC") CALCULATION**

Acct	Description	Accumulated Depreciation Bal. 11/31/03	Quarterly Depr. On Prior Assets (1)	Quarterly Depr. on 12/03 - 02/04 Assets (2)	Accumulated Depreciation Bal. 2/29/04	Depr Rate	Quarterly Depreciation
322000	Main Cleaning & Relining	249,476	77,220	5,171	331,867	2.14%	87,562
322000	Major Main Replacements	313,313	105,125	2,390	420,828	1.18%	109,906
322000	Minor Changes in Mains	0	0	0	0	1.18%	0
322000	Minor Main Replacements	29,209	10,928	153	40,290	1.18%	11,235
322000	Tie in Dead End Mains	35,151	13,262	887	49,300	1.18%	15,036
322000	Unreimbursed Imprvmts due to highway relocations	40,087	9,484	301	49,872	1.18%	16,885
322000	Valve Replacement Program	12,479	3,891	513	16,883	2.06%	4,917
323000	Repl Services	28,752	9,778	1,486	40,016	1.88%	12,750
323000	Repl Services due to Main Rehabilitation	54,955	23,966	2,520	81,441	1.88%	29,007
324000	Replacement Meters	514,772	208,781	7,266	730,819	5.03%	223,313
325000	Replacement Fire Hydrants	19,333	7,204	659	27,196	1.83%	8,521
<b>TOTAL</b>		<b>1,297,527</b>	<b>469,639</b>	<b>21,346</b>	<b>1,788,512</b>		<b>512,332</b>

(1) One Full Quarter's Depreciation.

(2) One Half Quarter Depreciation.

**PHILADELPHIA SUBURBAN WATER COMPANY**

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC") CALCULATION**

	DSIC EFFECTIVE	
	4/1/2004	
	Annual	Quarterly
		Monthly
Applicable Additions		
Less Accumulated Depreciation @ Feb. 29, 2004		
Net Rate Base Includable in DSIC Calculation		95,407,127
		<u>(1,788,512)</u>
		<u>93,618,615</u>
Annual Revenue Requirement Rate	12.41%	
Quarterly Revenue Requirement Rate		3.10%
Quarterly Capital Cost Recovery		2,904,518
Quarterly Depreciation Expense		512,332
Total Quarterly DSIC Revenue Requirement		<u>3,416,850</u>
		96,000
		<u>170,777</u>
		1,138,950
Current Cost Recovery Rate		5.98%
2003 DSIC True-up [\$23,285 Under-collection + \$0 Interest = / 4 qtrs = Apr '04 thru Mar '05]		5,821
2001 DSIC 'E' Factor from DSIC Audit [(\$49,312) Over-collection + (\$2,840) Interest = / 4 qtrs = Jan '04 thru Dec '04]		(13,038)
Per DSIC Audit Over-collection on PennDot project [(\$12,665) Over-collection + (\$1,460) Interest = / 4 qtrs = Jan '04 thru Dec '04]		<u>(3,531)</u>
		<u>(10,748)</u>
		(1,940)
		(4,346)
		<u>(1,177)</u>
		(3,583)
E Factor Rate		-0.02%
Applicable Base Rate Revenue		57,133,545
		19,044,515
DSIC RATE		<u>5.00%</u>

**WEIGHTED COST OF CAPITAL AT 2/29/04:**

	Proforma Per Books	Capital Structure	Cost Rate	Weighted Avg. Cost Rate	Tax Multiplier	Rev Req
Debt	499,479,902	50.74%	6.71%	3.40%		3.40%
Preferred	0	0.00%	4.78%	0.00%	1.709211797	0.00%
Equity	484,968,099	49.26%	10.70%	5.27%	1.709211797	9.01%
	<u>984,448,001</u>	<u>100.0%</u>		<u>8.67%</u>		<u>12.41%</u>

Note: The cost rate of debt and preferred stock are the Company's actual cost rates. The equity cost rate is the equity return rate calculated by the Commission staff and presented in the latest Quarterly Report on the Earnings of Jurisdictional Utilities. The tax multiplier is calculated as follows:  $1/[(1 - \text{Pa. Tax Rate}) \times (1 - \text{Fed. Tax Rate})]$  where the Pa. tax rate is 9.99% and Fed. tax rate is 35%.

Project Name	Auth	Acct	ec. '03	Jan. '04	Feb. '04
MR, Chester Pike, Collingdale	A1007870	3310 0000	(150,425)	-	1,463
MR, 1508'-8" Main St., Darby	A1007913	3310 0000	81,559	-	692
MR, 1875'-8" Baily Road, Yeadon	A1007944	3310 0000	11,700	-	1,058
MR, 500'-8" School Lane, Upper Darby	A1007948	3310 0000	31,373	-	390
MR, 4290'-8" Beverly Blvd., Upper Darby	A1007976	3310 0000	65,153	-	476
MR, 1,240'-24" County Line Rd., Upper Merion	B1006939	3310 0000	46,419	-	-
MR, 5822'-8" Church Road, Radnor	B1006995	3310 0000	7,759	-	-
MR, 3790'-8" King Road, Willistown Twp	B1006996	3310 0000	54,534	-	378
MR, 625'-12" City Avenue, Lower Merion	B1007003	3310 0000	17,498	-	-
MR, 690'-8" Plaza at K of P Mall, Upper Merion	B1007014	3310 0000	25,500	-	-
MR, 1,800'-8" Pennswood Rd., Lower Merion	B1007019	3310 0000	19,667	-	-
MR, Huntington Pike, Abington	C1005934	3310 0000	10,430	-	-
MR, 3,916'-12" Old York Rd., Cheltenham	C1006102	3310 0000	346,781	-	233
MR, Sharpless Rd., Cheltenham	C1006140	3310 0000	2,653	-	-
MR, Twelfth St., Cheltenham	C1006141	3310 0000	51,910	-	-
MR, 2,550'-8" Rowland Ave., Cheltenham	C1006147	3310 0000	4,804	-	-
MR, 8" Heacock La., Cheltenham	C1006186	3310 0000	29,731	-	7,225
MR, 220'-8" Cherokee Avenue, Abington	C1006197	3310 0000	8,371	-	165
MR, 105'-6" Harry Street, Conshohocken	C1006203	3310 0000	4,481	-	-
MR, 2,335'-8" S Wayne Rd., West Chester	D1002281	3310 0000	63,622	-	329
MR, 4,000'-Various Transite Pipe-R Creek	E1000221	3310 0000	47,608	-	-
MR, 10" Water St., Roaring Creek	E1000237	3310 0000	77,461	-	-
MR, 8" Vine St., Shenango	G1002375	3310 0000	-	-	51,339
MR, 1400'-8" W Butler St., Shenango	G1005181	3310 0000	7,068	-	1,793
MR, 2000'-8" Hull St., Shenango	G1006460	3310 0000	19,919	-	10,781
MR, 2000'-8" Elm St., Shenango	G1006462	3310 0000	52,834	-	31
MR, 2,000'-8" North St., Shenango	G1006469	3310 0000	50,430	-	3,978
MR, 1,400'-12" Greenville, Shenango	G1006471	3310 0000	59,640	-	1,306
Mr, 2,800'-8" Otter, Shenango	G1006474	3310 0000	18,551	-	5,355
MR, Madison Ave., Susquehanna	G1009690	3310 0000	7,418	-	-
MR, Belmont Ave., Waymart	H1000001	3310 0000	279	-	2,270
MR, Hawley Street Bridge, Waymart	H1007598	3310 0000	99,093	-	994
MR, 3" Wapwallopin	W1000001	3310 0000	57,592	-	816
MR,324' -4" Maple St, Waymart	H1008895	3310 0000	14,781	-	-
MR,550' -12", CN Linclon, Shenango	G1006448	3310 0000	45,630	-	4,177
MR,1450'-8" C Edgewood, Shenango	G1006465	3310 0000	65,568	-	4,588
MR,6000' -16" River Wes 6954W	B1006954	3310 0000	-	341	51,696
MR, Repl 4", James Ave, White Haven	W100004	3310 0000	-	-	516
MR,1240'-24" County Line 6939W	B1006939	3310 0000	-	-	4,876
MR,9200'-8" Lancaster 6905W	B1006905	3310 0000	-	-	91,200
MR,8 Summit Av Bristol 6196E	C1006169	3310 0000	-	-	14,696
			1,357,391	341	262,820
TM, 8" Summitt Rd., E Whiteland	B1167020	3310 0000	35,259	-	-
TM, 8" Eagle Rd., Radnor	B1167022	3310 0000	54,306	-	326
TM, 2,250'-12" Rt. 352, E Goshen	D1162251	3310 0000	86,030	-	1,097
TM, 8" Tee Street, Roaring Creek	G1160224	3310 0000	61,618	-	-
TM, Gateway Commerce Park, Shenango	G1163336	3310 0000	34,925	-	-
TM,1,200' Summit Ave, Bristol	C1166196	3310 0000	94,743	-	8
TM,45',3807 Otter St, Bristol	C1166202	3310 0000	40,008	-	-
TM,750' -8", Midway MNR, Roaring Creek	E1161917	3310 0000	94,090	-	-
TM,C-Quaker Hights, Mahoning	G1160072	3310 0000	24,469	-	45
TM, Gateway Commerce Park, Shenango	G1162374	3310 0000	31,085	-	46
TM, 950' -12" C Rombold, Shenango	G1166450	3310 0000	39,129	-	4,296
			595,663	-	5,817
MC, 6" Glen Rd., Glenolden	A1200688	3310 0000	201,201	-	1,574

Project Name	Auth	Acct	Dec. '03	Jan. '04	Feb. '04
MC, 12300'-6" Baltimore Pike, Ridley Pk	A1202447	3310 0000	77,912	-	15,432
MC, 6" Dodds La., Lower Merion	B1200135	3310 0000	165,076	-	853
MC, 6" Mill Road, Abington	C1200118	3310 0000	34,661	-	-
MC, 6" Kirkwood Road, Abington	C1200670	3310 0000	76,227	-	365
MC, 8500'-6" Huey, Drexel Hill	A1201642	3310 0000	488,709	-	440
MC, 8300' -6" Kelmare, L. Merion	B1201082	3310 0000	832,175	-	-
MC, 10700'-6", Chry, Hvrfd Ext 717W	B12011078	3310 0000	-	-	38,319
			1,875,960	-	56,982

*Value - cut in*

3310 0000	74,183	-	125,069
	74,183	-	125,069

HR, 150' -8" Bethlehem, White Marsh

C1326189	3310 0000	203,810	-	-
		203,810	-	-

*Minor Main Replacements*

3310 0000	28,540	22,123	53,170
	28,540	22,123	53,170

*Meter Replacements*

3340 0500	189,579	961,056	5,033
	189,579	961,056	5,033

*Service Replacements*

3330 0000	179,352	156,579	296,247
	179,352	156,579	296,247

*Service Replacements - Main Cleaning*

3330 0000	476,034	190,365	406,102
	476,034	190,365	406,102

Relocates/Replace

3350 0000	45,980	7,777	39,516
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No Drain

3350 0000	34,851	29,849	93,365
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2 Way Replacements

3350 0000	18,074	5,522	5,590
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Private FH Replacements

3350 0000	4,302	1,551	1,551
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	103,208	44,699	140,022
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Total

	5,083,720	1,375,163	1,351,263
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**AQUA PENNSYLVANIA, INC.**  
**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**  
**STATEMENT OF OVER/(UNDER) COLLECTIONS (1307e)**

MONTH	YEAR	TOTAL REPORTED DSIC AUTHORIZED	2001 DSIC TRUE-UP	2002 DSIC TRUE-UP	CAPITAL COSTS & DEPRECIATION EXPENSE AUTHORIZED	TOTAL DSIC BILLED	2001 TRUE-UP BILLED	2002 TRUE-UP BILLED	COMPARABLE DSIC BILLED	OVER/ (UNDER) COLLECTION	INTEREST RATE	NUMBER OF MONTHS	INTEREST
January	2003	350,492	(2,009)	-	352,501	340,463	(1,952)	-	342,415	(10,086)	7.00%	21	(1,236)
February		350,492	(2,009)	-	352,501	340,120	(1,950)	-	342,070	(10,431)	7.00%	20	(1,217)
March		350,491	(2,009)	-	352,500	385,067	(2,207)	-	387,274	34,774	7.00%	19	3,854
April		481,628	-	21,743	459,885	414,269	-	18,702	395,567	(64,318)	7.00%	18	(3)
May		481,628	-	21,743	459,885	389,040	-	17,563	371,477	(88,408)	6.75%	17	(8,454)
June		481,628	-	21,744	459,884	639,742	-	28,882	610,860	150,976	7.00%	16	14,091
July		691,007	-	21,743	669,264	711,455	-	22,386	689,069	19,805	6.50%	15	1,609
August		691,007	-	21,743	669,264	608,215	-	19,138	589,077	(80,187)	6.50%	14	(6,081)
September		691,009	-	21,744	669,265	713,449	-	22,450	690,999	21,734	7.25%	13	1,707
October		917,926	-	21,743	896,183	890,052	-	21,083	868,969	(27,214)	7.75%	12	(2,109)
November		917,926	-	21,743	896,183	899,670	-	21,311	878,359	(17,824)	7.25%	11	(1,185)
December		917,926	-	21,744	896,182	966,983	-	22,906	944,077	47,895	7.25%	10	2,894
		7,323,160	(6,027)	195,690	7,133,497	7,298,525	(6,108)	194,421	7,110,212	(23,285)			(2,880)

Summary

2003 DSIC True-up (23,285) Under-collection  
2002 e-factor N/A Under-collection 9 months of collections reported through December 2003

**DOCUMENT  
FOLDER**

**DOCKETED  
JUN 14 2004**

**AQUA**  
Pennsylvania.

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April 21, 2004

**VIA FEDERAL EXPRESS**

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
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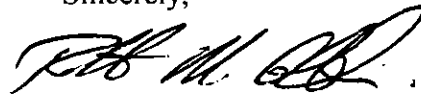
Re: Distribution System Improvement Charge (DSIC) True-up for 2003

Dear Secretary McNulty:

Enclosed are eight copies of Aqua Pennsylvania's DSIC true-up for 2003. This was initially filed last month along with the DSIC filing. The Audit Bureau has requested a separate filing with an affidavit.

If you have any questions regarding this filing, please contact me at (610) 645-1130.

Sincerely,



Robert M. Griffin  
Manager of Regulatory Accounting

RMG/  
Certificate of Service

101

AQUA PENNSYLVANIA, INC.  
CERTIFICATE OF SERVICE

P-00961036

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Aqua Pennsylvania, Inc.

Distribution :  
Improvement Charge (DSIC)  
Filing True-up for 2003

CERTIFICATE OF SERVICE

I hereby certify that I have this day filed Aqua Pennsylvania's DSIC true-up for 2003 with the PA Public Utility Commission and upon the person(s) and in the manner indicated below:

VIA FIRST CLASS MAIL

Irwin A. Popowsky, Esq.  
Office of Consumer Advocate  
555 Walnut Avenue, Fifth Floor  
Forum Place  
Harrisburg, PA 17101-1921

William R. Lloyd, Esq.  
Office of Small Business Advocate  
Suite 1102, Commerce Bldg.  
300 N. Second Street  
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John Simms, Director  
Office of Trial Staff  
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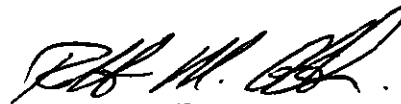
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APR 21 2004 (email to [riwallace@state.pa.us](mailto:riwallace@state.pa.us) &  
[latreaster@state.pa.us](mailto:latreaster@state.pa.us))

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Dated: April 21, 2004



Robert M. Griffin  
Manager of Regulatory Accounting

P-00901036

**AQUA PENNSYLVANIA, INC.**  
**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**  
**STATEMENT OF OVER/(UNDER) COLLECTIONS (1307e)**

MONTH	YEAR	TOTAL REPORTED DSIC AUTHORIZED	2001 DSIC TRUE-UP	2002 DSIC TRUE-UP	CAPITAL COSTS & DEPRECIATION EXPENSE AUTHORIZED	TOTAL DSIC BILLED	2001 TRUE-UP BILLED	2002 TRUE-UP BILLED	COMPARABLE DSIC BILLED	OVER/ (UNDER) COLLECTION	INTEREST RATE	NUMBER OF MONTHS	INTEREST
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November		917,926	-	21,743	896,183	899,670	-	21,311	878,359	(17,824)	7.25%	11	(1,185)
December		917,926	-	21,744	896,182	966,983	-	22,906	944,077	47,895	7.25%	10	2,894
		7,323,160	(6,027)	195,690	7,133,497	7,298,525	(6,108)	194,421	7,110,212	(23,285)			(2,880)

Summary

2003 DSIC True-up	(23,285)	Under-collection
2002 e-factor	N/A	Under-collection 9 months of collections reported through December 2003

DOCUMENT

LOCKETED  
JUN 28 2004

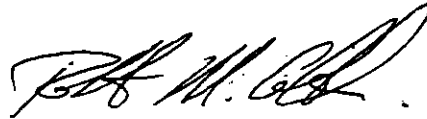
f-0096103Ce

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA :  
:   
COUNTY OF MONTGOMERY :

SS.

Robert M. Griffin, being duly sworn according to law, deposes and says that he is Manager of Regulatory Accounting of Aqua Pennsylvania, Inc.; that he is authorized to and does make this affidavit for it; and that the facts set forth above are true and correct to the best of his knowledge, information and belief, and that he expects the said Aqua Pennsylvania, Inc. to be able to prove the same at any hearing hereon.



Robert M. Griffin

Sworn and subscribed before me

this 21st day of April, 2004



Notarial Seal  
Catherine A. Iezzi, Notary Public  
Lower Merion Twp., Montgomery County  
Notary Public Commission Expires Dec. 9, 2004

Member, Pennsylvania Association of Notaries

**AQUA**  
Pennsylvania.

Aqua Pennsylvania, Inc.  
762 W. Lancaster Avenue  
Bryn Mawr, PA 19010

www.aquapennsylvania.com

**DOCUMENT  
FOLDER**

VIA EMAIL & ~~FEDERAL EXPRESS~~

June 21, 2004

**RECEIVED**

JUN 21 2004

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

*P-00961036*

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Two North Keystone  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

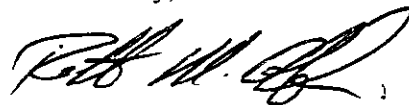
Re: Quarterly Distribution System Improvement Charge (DSIC)

Dear Secretary McNulty:

Enclosed are eight copies of Aqua Pennsylvania's DSIC filing for the third quarter of 2004. As noted in the PUC Order, these documents are also being served to the Office of Consumer Advocate, the Office of Trial Staff and the Office of Small Business Advocate. PSW is also serving these documents to the PUC Bureau of Audits.

If you have any questions regarding this filing, please contact me at (610) 645-1130.

Sincerely,



Robert M. Griffin  
Manager of Regulatory Accounting

RMG/  
Certificate of Service

113

**AQUA PENNSYLVANIA, INC.**  
**CERTIFICATE OF SERVICE**

*P-00961036*

**BEFORE THE**  
**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Aqua Pennsylvania, Inc.

Distribution :  
Improvement Charge (DSIC)  
Filing

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day filed Aqua Pennsylvania's DSIC filing for the third quarter of 2004 with the PA Public Utility Commission and upon the person(s) and in the manner indicated below:

**VIA FEDERAL EXPRESS**

Irwin A. Popowsky, Esq.  
Office of Consumer Advocate  
555 Walnut Avenue, Fifth Floor  
Forum Place  
Harrisburg, PA 17101-1921

William R. Lloyd, Esq.  
Office of Small Business Advocate  
Suite 1102, Commerce Bldg.  
300 N. Second Street  
Harrisburg, PA 17101-1921

Charles Hoffman, Director  
Office of Trial Staff  
Two West Keystone  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17102

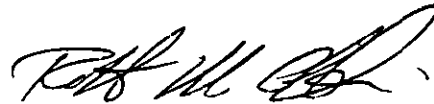
Larry Treaster  
Bureau of Audits  
Three East Keystone  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17102  
(email to [riwallace@state.pa.us](mailto:riwallace@state.pa.us) &  
[ltreaster@state.pa.us](mailto:ltreaster@state.pa.us))

**RECEIVED**

JUN 21 2004

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Dated: June 21, 2004



Robert M. Griffin  
Manager of Regulatory Accounting

P-00961036

**PHILADELPHIA SUBURBAN WATER COMPANY**

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC") CALCULATION**

Acct	Description	July-Aug 2002 Actual	Sept-Nov 2002 Actual	Dec '02-Feb '04 Actual	March-04 Actual	April-04 Actual	May-04 Actual	Three Months To Date	Total To Date
322000	Main Cleaning & Relining	3,211,123	3,844,830	9,310,711	298,837	421,768	407,170	1,127,775	17,494,439
322000	Major Main Replacements	5,170,787	7,693,773	24,391,609	2,901	59,606	411,784	474,291	37,730,460
322000	Minor Changes in Mains	0	0	0	0	0	0	0	0
322000	Minor Main Replacements	284,371	334,814	3,189,141	0	0	0	0	3,808,326
322000	Tie in Dead End Mains	430,028	567,670	4,099,276	0	0	0	0	5,096,974
322000	Unreimbursed Imprvmts due to highway relocations	104,107	2,765,201	549,437	0	60,047	9,514	69,561	3,488,306
322000	Valve Replacement Program	77,642	201,189	675,952	0	0	0	0	954,783
323000	Repl Services	276,972	375,733	2,059,998	0	0	162,618	162,618	2,895,321
323000	Repl Services due to Main Rehabilitation	317,640	648,122	5,205,976	644,244	0	211,884	856,128	7,027,866
324000	Replacement Meters	1,106,598	1,923,322	14,728,583	11,631	0	5,795,289	5,806,920	23,565,423
325000	Replacement Fire Hydrants	172,182	252,456	1,437,884	71,384	0	185,443	256,827	2,119,349
<b>TOTAL ADDITIONS</b>		<b>11,151,450</b>	<b>18,607,110</b>	<b>65,648,567</b>	<b>1,028,997</b>	<b>541,421</b>	<b>7,183,702</b>	<b>8,754,120</b>	<b>104,161,247</b>

**DOCUMENT  
FOLDER**

**DOCKETED  
SEP 28 2004**

**PHILADELPHIA SUBURBAN WATER COMPANY**

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC") CALCULATION**

Acct	Description	Accumulated Depreciation Bal. 2/28/04	Quarterly Depr. On Prior Assets (1)	Quarterly Depr. on 3/04 - 05/04 Assets (2)	Accumulated Depreciation Bal. 5/31/04	Depr Rate	Quarterly Depreciation
322000	Main Cleaning & Relining	331,867	87,562	3,017	422,446	2.14%	93,595
322000	Major Main Replacements	420,828	109,906	700	531,434	1.18%	111,305
322000	Minor Changes in Mains	0	0	0	0	1.18%	0
322000	Minor Main Replacements	40,290	11,235	0	51,525	1.18%	11,235
322000	Tie in Dead End Mains	49,300	15,036	0	64,336	1.18%	15,036
322000	Unreimbursed Imprvmts due to highway relocations	49,872	10,085	103	60,060	1.18%	10,085
322000	Valve Replacement Program	16,883	4,917	0	21,800	2.06%	4,917
323000	Repl Services	40,016	12,750	382	53,148	1.88%	13,514
323000	Repl Services due to Main Rehabilitation	81,441	29,007	2,012	112,460	1.88%	33,031
324000	Replacement Meters	730,819	223,313	36,511	990,643	5.03%	296,335
325000	Replacement Fire Hydrants	27,196	8,521	587	36,304	1.83%	9,696
<b>TOTAL</b>		<b>1,788,512</b>	<b>512,332</b>	<b>43,312</b>	<b>2,344,156</b>		<b>598,955</b>

(1) One Full Quarter's Depreciation.

(2) One Half Quarter Depreciation.

**PHILADELPHIA SUBURBAN WATER COMPANY**

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC") CALCULATION**

	DSIC EFFECTIVE	
	7/1/2004	
	Annual	Monthly
Applicable Additions		
Less Accumulated Depreciation @ May 31, 2004		
Net Rate Base Includable in DSIC Calculation	104,161,247	
	<u>(2,344,156)</u>	
	<u>101,817,091</u>	
Annual Revenue Requirement Rate	12.26%	
Quarterly Revenue Requirement Rate		3.07%
Quarterly Capital Cost Recovery	3,120,694	1,040,231
Quarterly Depreciation Expense	598,955	199,652
Total Quarterly DSIC Revenue Requirement	<u>3,719,649</u>	<u>1,239,883</u>
Current Cost Recovery Rate		5.98%
2003 DSIC True-up [\$23,285 Under-collection + \$0 Interest = / 4 qtrs = Apr '04 thru Mar '05]	5,821	1,940
2001 DSIC 'E' Factor from DSIC Audit [(\$49,312) Over-collection + (\$2,840) Interest = / 4 qtrs = Jan '04 thru Dec '04]	(13,038)	(4,346)
Per DSIC Audit Over-collection on PennDot project [(\$12,665) Over-collection + (\$1,460) Interest = / 4 qtrs = Jan '04 thru Dec '04]	<u>(3,531)</u>	<u>(1,177)</u>
	<u>(10,748)</u>	<u>(3,583)</u>
E Factor Rate		-0.02%
Applicable Base Rate Revenue	62,199,398	20,733,133
<b>DSIC RATE</b>		<b>5.00%</b>

**WEIGHTED COST OF CAPITAL AT 5/31/04:**

	Proforma Per Books	Capital Structure	Cost Rate	Weighted Avg. Cost Rate	Tax Multiplier	Rev Req
Debt	502,690,153	50.78%	6.40%	3.25%		3.25%
Preferred	0	0.00%	4.78%	0.00%	1.709211797	0.00%
Equity	487,223,046	49.22%	10.70%	5.27%	1.709211797	9.01%
	<u>989,913,199</u>	<u>100.0%</u>		<u>8.52%</u>		<u>12.26%</u>

Note: The cost rate of debt and preferred stock are the Company's actual cost rates. The equity cost rate is the equity return rate calculated by the Commission staff and presented in the latest Quarterly Report on the Earnings of Jurisdictional Utilities. The tax multiplier is calculated as follows:  $1 / [(1 - \text{Pa. Tax Rate}) \times (1 - \text{Fed. Tax Rate})]$  where the Pa. tax rate is 9.99% and Fed. tax rate is 35%.

Category	Project No	Auth	Acct	Mar. '04	Apr. '04	May '04
Main Replacements	MR, 1875'-8" Baily Road, Yeading	A1007944	3310 0000	1,000	1,160	51,342
Main Replacements	MR, 4290'-8" Beverly Blvd., Upper Darby	A1007976	3310 0000	-	-	110,472
Main Replacements	MR, 1,240'-24" County Line Rd., Upper Merion	B1006939	3310 0000	-	-	22,345
Main Replacements	MR, 6000'-16" River Wes	B1006954	3310 0000	-	-	2,566
Main Replacements	MR, 625'-12" City Avenue, Lower Merion	B1007003	3310 0000	-	-	52,493
Main Replacements	MR, 8" Heacock La., Cheltenham	C1006186	3310 0000	-	-	143,059
Main Replacements	MR, 220'-8" Cherokee Avenue, Abington	C1006197	3310 0000	165	56,651	253
Main Replacements	MR, 1450'-8" Edgewood Road, Shenango	G1006462	3310 0000	-	-	17,484
Main Replacements	MR, 1,400'-12" Greenville, Shenango	G1006471	3310 0000	1,678	1,795	11,770
				2,901	59,606	411,784
Main Cleaning & Lining MC, 6" Glen Rd., Glenolden		A1200688	3310 0000	3,608	-	82,753
Main Cleaning & Lining MC, 12300'-6" Baltimore Pike, Ridley Park		A1202447	3310 0000	16,101	16,101	56,946
Main Cleaning & Lining MC, 6" Dodds La., Lower Merion		B1200135	3310 0000	853	110,634	(1,705)
Main Cleaning & Lining MC, 6" Bolsolver Road, Lower Merion		B1200837	3310 0000	33,672	-	-
Main Cleaning & Lining MC, 6" Sussex Road, Lower Merion		B1200908	3310 0000	47,535	112,825	138,430
Main Cleaning & Lining MC, 6" Lincoln Ave., Havertown		B1201036	3310 0000	6,946	-	-
Main Cleaning & Lining MC, 6" Burmont Rd., Haverford		B1202722	3310 0000	97,710	-	-
Main Cleaning & Lining MC, 8500'-6" Huey, Drexel Hill		A1201642	3310 0000	440	1,151	107,331
Main Cleaning & Lining MC, 10700'-6" Chry, Hvrfd Ext 717W		B12011078	3310 0000	91,972	181,057	23,415
				298,837	421,768	407,170
Main Replacement (Hig HR, Glenside Avenue Bridge		B1325557	3310 0000	-	44,983	6,204
Main Replacement (Hig HR, 8" Valley Green, Whitemarsh		C1326287	3310 0000	-	15,064	3,310
				-	60,047	9,514
Replacement Meters			3340 0500	11,631	-	5,795,289
				11,631	-	5,795,289
Service Renewals			3330 0000	-	-	162,618
				-	-	162,618
Service Renewals-Main Rehab Work			3330 0000	644,244	-	211,884
				644,244	-	211,884
Fire Hydrants Relocates/Replace			3350 0000	71,384	-	19,918
Fire Hydrants No Drain			3350 0000	-	-	167,598
Fire Hydrants 2 Way Replacements			3350 0000	-	-	(1,033)
Fire Hydrants Private FH Replacements			3350 0000	-	-	(1,040)
				71,384	-	185,443
Total				1,028,997	541,421	7,183,702

PHILADELPHIA SUBURBAN WATER COMPANY  
 COMPOSITE COST OF TOTAL DEBT OUTSTANDING  
 PRO-FORMA AS OF JUNE 30, 2004

SERIES	AMOUNT OUTSTANDING	PERCENT TO TOTAL	EFFECTIVE INT RATE	WEIGHTED INT RATE	ANNUAL INT COST
<b>FIRST MORTGAGE BONDS</b>					
9.890% SERIES DUE 2008	5,000,000	0.99%	9.96%	0.10%	
9.930% SERIES DUE 2013	5,000,000	0.99%	10.01%	0.10%	
9.970% SERIES DUE 2018	5,000,000	0.99%	10.07%	0.10%	
9.120% SERIES DUE 2010	20,000,000	3.96%	9.21%	0.37%	
9.290% SERIES DUE 2026	12,000,000	2.38%	9.36%	0.22%	
9.170% SERIES DUE 2021	7,200,000	1.43%	9.23%	0.13%	
9.170% SERIES DUE 2011	5,000,000	0.99%	9.22%	0.09%	
(R C) 9.53% SERIES DUE 2019	4,000,000	0.79%	9.74%	0.08%	
(R C) 6.375% SERIES DUE 2025	14,000,000	2.78%	6.72%	0.19%	
(Susq) 8.260% SERIES DUE 2022	1,500,000	0.30%	8.61%	0.03%	
(Shen) 9.500% SERIES DUE 2006	1,200,000	0.24%	9.75%	0.02%	
(Shen) 9.220% SERIES DUE 2019	2,373,560	0.47%	9.54%	0.04%	
(Shen) 8.320% SERIES DUE 2022	3,500,000	0.69%	8.49%	0.06%	
(Shen) 8.140% SERIES DUE 2025	4,000,000	0.79%	8.28%	0.07%	
(Shen) 6.000% SERIES DUE 2030	18,360,000	3.64%	6.24%	0.23%	
7.150% SERIES DUE 2008	8,000,000	1.59%	7.28%	0.12%	
	<u>116,133,560</u>	<u>23.02%</u>		<u>1.93%</u>	
<b>FIRST MORTGAGE BONDS (Medium Term Notes)</b>					
7.720% SERIES DUE 2025	15,000,000	2.97%	7.81%	0.23%	
6.820% SERIES DUE 2005	10,000,000	1.98%	6.99%	0.14%	
6.890% SERIES DUE 2015	12,000,000	2.38%	6.99%	0.17%	
6.990% SERIES DUE 2006	10,000,000	1.98%	7.15%	0.14%	
6.350% SERIES DUE 2025	22,000,000	4.36%	6.58%	0.29%	
6.750% SERIES DUE 2007	10,000,000	1.98%	6.83%	0.14%	
6.140% SERIES DUE 2008	10,000,000	1.98%	6.21%	0.12%	
6.000% SERIES DUE 2029	25,000,000	4.96%	6.19%	0.31%	
5.930% SERIES DUE	25,000,000	4.96%	5.98%	0.30%	
6.210% SERIES DUE	15,000,000	2.97%	6.25%	0.19%	
5.350% SERIES DUE	30,000,000	5.95%	5.39%	0.32%	
7.400% SERIES DUE 2005	11,000,000	2.18%	7.46%	0.16%	
2.65% SERIES DUE 2006	5,000,000	0.99%	2.70%	0.03%	
3.461% SERIES DUE 2007	12,000,000	2.38%	3.51%	0.08%	
5.080% SERIES DUE 2015	20,000,000	3.96%	5.13%	0.20%	
5.170% SERIES DUE 2017	7,000,000	1.39%	5.22%	0.07%	
5.751% SERIES DUE 2019	15,000,000	2.97%	5.80%	0.17%	
5.751% SERIES DUE 2018	5,000,000	0.99%	5.80%	0.06%	
6.060% SERIES DUE 2027	15,000,000	2.97%	6.11%	0.18%	
6.060% SERIES DUE 2027	5,000,000	0.99%	6.11%	0.06%	
5.980% SERIES DUE 2028	3,000,000	0.59%	6.02%	0.04%	
7.400% SERIES DUE 2005	15,000,000	2.97%	7.46%	0.22%	
	<u>297,000,000</u>	<u>58.87%</u>		<u>3.61%</u>	
<b>UTMA NOTE</b>					
9.000% NOTE DUE 2013	1,231,265	0.24%	9.00%	0.02%	
<b>IDB &amp; PENNVEST</b>					
3.75% SERIES DUE 2010	2,800,000	0.56%	3.88%	0.02%	
5.15% SERIES DUE 2032	25,000,000	4.96%	5.34%	0.26%	
5.55% BCIDA	25,000,000	4.96%	5.55%	0.28%	
2.842%-3.55% BRISTOL PENNVEST #80081	4,931,331	0.98%	3.38%	0.03%	
3.237%-4.047% FERNHILL TANK PENNVEST #89082	590,957	0.12%	3.84%	0.00%	
3.237%-4.047% NORTH WAYNE #1 PENNVEST #89110	1,110,930	0.22%	3.84%	0.01%	
3.237%-4.047% GLENSIDE TANK PENNVEST #35144	340,741	0.07%	3.84%	0.00%	
1.000% HAWLEY PENNVEST #25012	651,883	0.13%	1.00%	0.00%	
1.000% HAWLEY PENNVEST #80091	317,965	0.06%	1.00%	0.00%	
2.77%-3.47% INGRAMS MILL PENN VEST #89122	8,711,108	1.73%	3.30%	0.06%	
1.000% WESTERN PENNVEST #50039	451,674	0.09%	1.00%	0.00%	
(RC) 1.00%-1.35% FERNDAL E PENN VEST #80098	431,129	0.09%	1.26%	0.00%	
(Susq) 2.407%-3.613% PENN VEST #35143	146,204	0.03%	3.33%	0.00%	
(Susq) 2.407%-3.613% VEDA PENN VEST #89078	384,377	0.08%	3.33%	0.00%	
(Shen) 1.000% PENNVEST #35035	521,399	0.10%	1.00%	0.00%	
2.501%-3.33% PSW WELL #20 PENNVEST #89115	668,960	0.13%	3.12%	0.00%	
1.000% SHICKSHINNY PENNVEST #30064	57,791	0.01%	1.00%	0.00%	
1.376%-2.726% NUI PENNVEST #89116	3,500,000	0.69%	2.39%	0.02%	
3.003%-3.79% TANK PAINTINGS PENNVEST #89109	1,876,886	0.37%	3.59%	0.01%	
2.702%-3.43% TINICUM BOOSTER PENNVEST #89114	1,022,329	0.20%	3.25%	0.01%	
1.000% WHITE HAVEN PENNVEST #10015	910,309	0.18%	1.00%	0.00%	
3.045%-3.81% NORTH WAYNE #2 PENNVEST #89097	993,089	0.20%	3.62%	0.01%	
3.237%-4.047% PICKERING DAM PENNVEST #25055	674,366	0.13%	3.84%	0.01%	
(RC) 1.00% RALPHO TANK PENN VEST #88017	654,376	0.13%	1.00%	0.00%	
1.387% WAYMART PENN VEST #89124	0	0.00%	1.39%	0.00%	
8.062% FAWN LAKE PENN VEST #97101	0	0.00%	8.06%	0.00%	
8.062% WAYMART PENN VEST #97106	0	0.00%	8.06%	0.00%	
1.39% WAPWALLOPIN PENN VEST #85112	315,531	0.06%	1.39%	0.00%	
2.77% NESHAMINY PENN VEST #89132	2,575,435	0.51%	2.77%	0.01%	
2.75% CRUM PENN VEST #89136	2,660,057	0.53%	2.75%	0.01%	
1.39% CANAAN PENN VEST #89128	1,564,080	0.31%	1.39%	0.00%	
(Shen) 1.551%-3.032% PENN VEST #80107	1,246,332	0.25%	2.66%	0.01%	
	<u>90,109,239</u>	<u>17.86%</u>		<u>0.77%</u>	
<b>TOTAL DEBT</b>	<u>504,474,064</u>	<u>100.00%</u>		<u>6.34%</u>	<u>31,978,460</u>
<b>ANNUAL AMORT. OF CALL PREMIUM</b>					<u>195,702</u>
<b>CALL PREMIUM</b>	<u>(1,783,911)</u>				<u>32,174,162</u>
<b>TOTAL DEBT, NET OF CALL PREMIUM</b>	<u>502,690,153</u>			<u>6.40%</u>	<u>32,174,162</u>

PHILADELPHIA SUBURBAN WATER COMPANY  
COMPARISON OF EFFECTIVE COST RATE OF LONG TERM DEBT

SERIES	DATE OF ISSUE	DATE OF MATURITY	AVG TERM IN YEARS	PRINCIPAL ISSUED	ISSUANCE EXPENSE	NET PROCEEDS	RATIO	EFFECTIVE COST RATE
<b>FIRST MORTGAGE BONDS</b>								
9.890% SERIES DUE 2008	7/25/1988	6/1/2008	20.0	5,000,000	30,993	4,969,007	99.38%	9.96%
9.930% SERIES DUE 2013	7/25/1988	6/1/2013	25.0	5,000,000	38,741	4,961,259	99.23%	10.01%
9.970% SERIES DUE 2018	7/25/1988	6/1/2018	30.0	5,000,000	46,489	4,953,511	99.07%	10.07%
9.120% SERIES DUE 2010	1/12/1990	1/15/2010	20.0	20,000,000	165,853	19,834,147	99.17%	9.21%
9.290% SERIES DUE 2026	12/12/1991	9/15/1926	35.0	12,000,000	90,983	11,909,017	99.24%	9.36%
9.170% SERIES DUE 2021	12/12/1991	9/15/1921	25.5	8,000,000	44,192	7,955,808	99.45%	9.23%
9.170% SERIES DUE 2011	12/12/1991	9/15/2011	20.0	5,000,000	21,663	4,978,337	99.57%	9.22%
(R C) 9.53% SERIES DUE 2019	12/1/1989	12/1/2019	30.0	4,000,000	79,761	3,920,239	98.01%	9.74%
(R C) 6.375% SERIES DUE 2025	11/1/1993	10/1/2023	30.0	14,000,000	613,594	13,386,406	95.62%	6.72%
(Susq) 8.260% SERIES DUE 2022	11/1/1992	11/1/2022	30.0	1,500,000	46,566	1,453,434	96.90%	8.61%
(Shen) 9.500% SERIES DUE 2006	9/1/1986	9/1/2006	20.0	3,000,000	66,083	2,933,917	97.80%	9.75%
(Shen) 9.220% SERIES DUE 2019	11/1/1989	11/1/2019	30.0	3,500,000	110,278	3,389,722	96.85%	9.54%
(Shen) 8.320% SERIES DUE 2022	11/1/1992	11/1/2022	30.0	3,500,000	63,651	3,436,349	98.18%	8.49%
(Shen) 8.140% SERIES DUE 2025	11/1/1995	11/1/2025	30.0	4,000,000	62,687	3,937,313	98.43%	8.28%
(Shen) 6.000% SERIES DUE 2030	6/28/2000	7/1/1930	30.0	18,360,000	695,724	17,664,276	96.21%	6.24%
7.150% SERIES DUE 2008	4/1/1993	4/1/2008	10.0	22,000,000	205,647	21,794,353	99.07%	7.28%
<b>MEDIUM TERM NOTES</b>								
7.720% SERIES DUE 2025	5/19/1995	5/15/2025	30.0	15,000,000	160,429	14,839,571	98.93%	7.81%
6.820% SERIES DUE 2005	6/29/1995	6/15/2005	10.0	10,000,000	123,188	9,876,812	98.77%	6.99%
6.890% SERIES DUE 2015	12/19/1995	12/15/2015	20.0	12,000,000	128,343	11,871,657	98.93%	6.99%
6.990% SERIES DUE 2006	4/12/1996	4/15/2006	10.0	10,000,000	113,618	9,886,382	98.86%	7.15%
6.350% SERIES DUE 2025	8/31/1995	8/15/2025	20.0	22,000,000	665,402	21,334,598	96.98%	6.58%
6.750% SERIES DUE 2007	7/15/1997	8/15/2007	10.0	10,000,000	108,028	9,891,972	98.92%	6.83%
6.140% SERIES DUE 2008	1/19/1998	2/1/2008	10.0	10,000,000	52,213	9,947,787	99.48%	6.21%
6.000% SERIES DUE 2029	10/7/1999	6/1/2029	30.0	25,000,000	756,113	24,243,887	96.98%	6.19%
5.930% SERIES DUE				25,000,000	190,000	24,810,000	99.24%	5.98%
6.210% SERIES DUE				15,000,000	90,000	14,910,000	99.40%	6.25%
5.350% SERIES DUE				30,000,000	210,000	29,790,000	99.30%	5.39%
7.400% SERIES DUE 2005	8/1/1999	8/1/2019	5.0	11,000,000	81,581	10,918,419	99.26%	7.46%
2.65% SERIES DUE 2006	5/10/2004	5/15/2006	2.0	5,000,000	7,500	4,992,500	99.85%	2.70%
3.461% SERIES DUE 2007	5/10/2004	5/15/2007	3.0	12,000,000	22,500	11,977,500	99.81%	3.51%
5.080% SERIES DUE 2015	5/10/2004	5/15/2015	11.0	20,000,000	142,500	19,857,500	99.29%	5.13%
5.170% SERIES DUE 2017	5/10/2004	5/15/2017	13.0	7,000,000	60,000	6,940,000	99.14%	5.22%
5.751% SERIES DUE 2019	5/10/2004	5/15/2019	15.0	15,000,000	142,500	14,857,500	99.05%	5.80%
5.751% SERIES DUE 2018	5/10/2004	5/15/2019	15.0	5,000,000	45,000	4,955,000	99.10%	5.80%
6.060% SERIES DUE 2027	5/10/2004	5/15/2027	23.0	15,000,000	217,500	14,782,500	98.55%	6.11%
6.060% SERIES DUE 2027	5/10/2004	5/15/2027	23.0	5,000,000	75,000	4,925,000	98.50%	6.11%
5.980% SERIES DUE 2028	5/10/2004	5/15/2028	24.0	3,000,000	45,000	2,955,000	98.50%	6.02%
7.400% SERIES DUE 2005	10/7/1999	2/1/2005	5.0	15,000,000	123,226	14,876,774	99.18%	7.46%
<b>UTMA NOTE</b>								
9.000% NOTE DUE 2013	12/30/1992	12/31/2013	21.0	1,967,462	0	1,967,462	100.00%	9.00%
<b>IDB &amp; PENNVEST</b>								
3.75% SERIES DUE 2010	12/31/2002	6/1/2010	8.0	3,200,000	101,075	3,098,925	96.84%	3.88%
5.15% SERIES DUE 2032	12/31/2002	9/1/2032	30.0	25,000,000	880,614	24,119,386	96.48%	5.34%
5.55% BCIDA				25,000,000	0	25,000,000	100.00%	5.55%
2.842%-3.55% BRISTOL PENNVEST #80081	8/18/1999	8/1/2019	20.0	5,949,630	17,560	5,932,070	99.70%	3.38%
3.237%-4.047% FERNHILL TANK PENNVEST #89082	8/8/2000	12/1/2020	20.0	768,543	0	768,543	100.00%	3.84%
3.237%-4.047% NORTH WAYNE #2 PENNVEST #89110	11/29/2000	8/1/2021	20.0	1,174,916	0	1,174,916	100.00%	3.84%
3.237%-4.047% GLENSIDE TANK PENNVEST #35144	8/8/2000	12/1/2020	20.0	415,250	0	415,250	100.00%	3.84%
1.000% HAWLEY PENNVEST #25012	5/1/1994	10/1/2021	27.0	972,041	0	972,041	100.00%	1.00%
1.000% HAWLEY PENNVEST #80091	4/19/2000	12/1/2020	20.0	375,000	0	375,000	100.00%	1.00%
2.77%-3.47% INGRAMS MILL PENN VEST #88013	8/27/2002	3/1/2023	20.0	9,582,806	0	9,582,806	100.00%	3.30%
1.000% WESTERN PENNVEST #50039	3/17/1997	8/1/2014	17.0	694,500	0	694,500	100.00%	1.00%
(RC) 1.00%-1.35% FERDALE PENN VEST #80098	8/8/2000	12/1/2020	20.0	651,125	0	651,125	100.00%	1.26%
(Susq) 2.407%-3.613% PENN VEST #35143	8/8/2000	12/1/2020	20.0	198,137	0	198,137	100.00%	3.33%
(Susq) 2.407%-3.613% VEDA PENN VEST #89078	11/29/2000	5/1/2021	20.0	487,000	0	487,000	100.00%	3.33%
1.000% PENNVEST	12/1/1991	12/1/2011	20.0	1,250,000	0	1,250,000	100.00%	1.00%
2.501%-3.33% PSW WELL #20 PENNVEST #89115	4/10/2002	12/1/2022	20.0	843,227	0	843,227	100.00%	3.12%
1.000% SHICKSHINNY PENNVEST #30064	5/15/2002	10/1/2009	7.0	72,985	0	72,985	100.00%	1.00%
1.376%-2.726% NUI PENNVEST #89116	6/27/2002	3/1/2024	20.0	5,538,900	0	5,538,900	100.00%	2.39%
3.003%-3.79% TANK PAINTINGS PENNVEST #89109	12/13/2001	8/1/2023	22.0	2,025,180	0	2,025,180	100.00%	3.59%
2.702%-4.047% TINICUM BOOSTER PENNVEST #89114	12/13/2001	8/1/2022	20.0	1,547,054	0	1,547,054	100.00%	3.25%
1.000% WHITE HAVEN PENNVEST #20015	3/12/2002	2/1/2012	10.0	1,129,906	0	1,129,906	100.00%	1.00%
3.045%-3.81% NORTH WAYNE #1 PENNVEST #80106	3/13/2001	8/1/2022	20.0	1,346,773	0	1,346,773	100.00%	3.62%
3.237%-4.047% PICKERING DAM PENNVEST #25055	11/29/2000	5/1/2021	20.0	920,802	0	920,802	100.00%	3.84%
(RC) 1.00% RALPHO TANK PENN VEST #88017	12/12/2002	11/1/2023	20.0	778,625	0	778,625	100.00%	1.00%
1.387% WAYMART PENN VEST #89124	11/25/2002	4/1/2024	21.0	2,201,840	0	2,201,840	100.00%	1.39%
8.062% FAWN LAKE PENN VEST #97101	12/27/1984	10/1/2004	20.0	254,950	0	254,950	100.00%	8.06%
8.062% WAYMART PENN VEST #97106	12/27/1984	10/1/2004	20.0	75,000	0	75,000	100.00%	8.06%
1.39% WAPWALLOPIN PENN VEST #85112		6/1/2024		333,878	0	333,878	100.00%	1.39%
2.77% NESHAMINY PENN VEST #89132				3,405,602	0	3,405,602	100.00%	2.77%
2.75% CRUM PENN VEST #89136				2,660,057	0	2,660,057	100.00%	2.75%
1.39% CANAAN PENN VEST #89128	12/19/2003	3/1/2024	25.0	1,646,400	0	1,646,400	100.00%	1.39%
(Shen) 1.551%-3.032% PENN VEST #80107	3/13/2001	9/1/2021	20.0	1,715,000	0	1,715,000	100.00%	2.66%