

Table 1 W

**WATER INDUSTRY  
COMPARATIVE BALANCE SHEET  
FOR THE YEAR ENDED DECEMBER 31,  
(\$000s)**

	2004	2003	2002	2001	2000
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$396,916	\$372,813	\$351,242	\$334,016	\$319,666
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)	302	302	303	303	303
3 Other Investments	4,195	8,267	11,420	12,243	25,709
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	4,498	8,569	11,723	12,546	26,012
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	10,538	2,372	5,357	5,696	4,112
7 Notes and Accounts Receivables - Net	13,342	12,406	11,960	15,687	10,977
8 Receivables from Associated Companies	(39)	110	64	113	5,230
9 Materials and Supplies	2,990	2,441	2,323	2,449	2,186
10 Prepayments	17,536	18,014	19,453	19,090	17,091
11 Accrued Utility Revenue	8,468	8,309	9,567	8,192	4,754
12 Misc Current and Accrued Assets	607	143	190	249	304
13 Total Current and Accrued Assets	53,442	43,794	48,913	51,477	44,653
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense	6,041	5,173	5,481	5,844	5,591
15 Other Deferred Debits	33,766	32,528	28,910	26,116	22,673
16 Accumulated Deferred Income Taxes	18,076	18,305	18,171	14,427	13,381
17 Total Deferred Debits	57,882	56,005	52,562	46,388	41,645
18 <b>Total Assets and Other Debits</b>	<b>\$512,738</b>	<b>\$481,182</b>	<b>\$464,440</b>	<b>\$444,427</b>	<b>\$431,977</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$29,375	\$29,375	\$29,375	\$29,375	\$29,375
20 Preferred Stock Issued	2,125	2,125	2,125	2,125	7,988
21 Other Paid-in Capital	63,016	46,576	42,367	36,201	28,420
22 Retained Earnings	122,218	117,971	110,725	114,000	127,372
23 Reacquired Capital Stock					
24 Total Proprietary Capital	216,734	196,047	184,592	181,701	193,153
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt	108,660	95,100	100,948	104,331	101,590
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable	35,678	43,636	33,813	31,967	29,961
27 Accounts Payable	6,728	5,312	4,909	4,526	3,316
28 Payables to Associated Companies	14,030	15,379	10,156	4,276	4,738
29 Customer Deposits	169	193	272	234	210
30 Taxes Accrued	354	(653)	3,999	3,117	740
31 Interest Accrued	2,196	2,201	2,376	2,178	2,519
32 Matured Long-Term Debt	2,213	14			
33 Misc Current and Accrued Liabilities	8,288	6,017	5,376	5,010	3,411
34 Total Current and Accrued Liabilities	69,655	72,099	60,900	51,307	44,895
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	7,404	7,305	8,279	11,903	11,159
36 Other Deferred Credits	21,011	26,433	34,664	33,362	23,914
37 Accumulated Deferred Investment Tax Credit	1,948	2,003	2,057	2,111	2,166
38 Accumulated Deferred Income Taxes	82,539	76,188	66,479	58,981	54,512
39 Total Deferred Credits	112,901	111,930	111,480	106,358	91,751
<b>OPERATING RESERVES</b>					
40 Operating Reserves	4,787	6,006	6,520	729	586
41 <b>Total Liabilities and Other Credits</b>	<b>\$512,738</b>	<b>\$481,182</b>	<b>\$464,440</b>	<b>\$444,427</b>	<b>\$431,977</b>

**WATER INDUSTRY**  
**COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS**  
**FOR THE YEAR ENDED DECEMBER 31,**  
**(\$000s)**

	2004	2003	2002	2001	2000	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$136,564	\$135,930	\$135,761	\$136,408	\$133,801	1
Operating Expense:						
Operation Expense	53,326	49,758	50,619	48,426	47,278	2
Maintenance Expense	7,988	7,274	8,024	5,769	6,353	3
Depreciation and Amortization Expense	11,034	10,629	10,047	9,463	9,254	4
Taxes Other than Income Taxes	39,315	38,848	38,067	38,295	39,267	5
Income Taxes	5,991	7,970	7,724	9,597	8,250	6
Total Operating Expenses	117,654	114,479	114,481	111,550	110,402	7
Net Operating Revenues	18,910	21,452	21,280	24,858	23,399	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	18,910	21,452	21,280	24,858	23,399	10
<b>OTHER INCOME</b>						
Interest and Dividend Income	436	940	1,021	994	1,012	11
Allowance for Funds Used During Constructi	1,408	1,832	1,108	925	603	12
Miscellaneous Nonoperating Income	341	881	(375)	226	197	13
Other Income	305	247	185	72	51	14
Total Other Income	2,489	3,901	1,938	2,218	1,863	15
Other Income Deductions	245	228	394	141	720	16
Taxes-Other Income and Deductions	331	479	36	226	213	17
<b>Income Available</b>	20,823	24,646	22,788	26,709	24,329	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt	7,165	7,087	7,478	7,656	7,789	19
Interest on Debt to Associated Co.	2,739	2,447	2,542	2,506	2,392	20
Other Interest Expense	1,748	1,987	1,816	2,197	2,311	21
Total Interest Charges	11,652	11,520	11,836	12,358	12,492	22
Income Before Extraordinary Items	9,170	13,126	10,952	14,351	11,838	23
Extraordinary Items						24
<b>Net Income</b>	\$9,170	\$13,126	\$10,952	\$14,351	\$11,838	25
<b>RETAINED EARNINGS</b>						
Unappropriated (BOP)	\$117,971	\$110,725	\$114,000	\$127,372	\$124,065	26
Balance Transferred from Income	9,170	13,126	10,952	14,351	11,805	27
Appropriated						28
Dividends Declared-Preferred Stock	2,727	127	127	660	708	29
Dividends Declared-Common Stock	3,583	8,432	8,482	26,205	7,220	30
Adjustments to Retained Earnings	1,387	2,680	(5,618)	(857)	(571)	31
Net Change	4,248	7,246	(3,275)	(13,371)	3,306	32
Unappropriated (EOP)	122,218	117,971	110,725	114,000	127,372	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	\$122,218	\$117,971	\$110,725	\$114,000	\$127,372	35

Table 3W

**WATER INDUSTRY  
STATEMENT OF CASH FLOWS  
FOR YEAR ENDED DECEMBER 31,  
(\$000S)**

	2004	2003	2002	2001	2000
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$9,170	\$13,126	\$10,952	\$14,351	\$11,805
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	12,128	11,207	9,442	10,365	10,045
3 Deferred Taxes & ITCs	6,900	12,135	2,377	3,444	3,098
4 Receivables and Inventory	1,425	(529)	2,053	(2,612)	272
5 Payables and Accrued Expenses	2,825	(833)	4,104	(625)	(3,038)
6 Capitalized AFUDC - Equity Funds	(1,275)	(1,736)	(1,062)	(869)	(427)
7 Equity In Loss (Earnings) Of Affiliates					8
8 Other Adjustments	(8,993)	(5,195)	(4,283)	4,901	(4,027)
9	(515)	(3,518)	3,901	2,855	2,710
10	893	(6,495)	(429)	(620)	(1,401)
11 Net Cash From Operating Activities	<u>22,557</u>	<u>18,162</u>	<u>27,054</u>	<u>31,191</u>	<u>19,044</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(33,498)	(30,415)	(25,755)	(22,725)	(18,626)
13 Acquisition Of Other Non-Current Assets	47	(148)	(150)	(55)	(468)
14 Investments In & Advances to Affiliates.	18	6	(89)	(12)	19
15 Contributions & Advances from Affiliates	3,540				
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies				12,417	
18 Other Debt & Equity Investments	4,113	3,148	943	1,054	83
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					(14)
21				4	
22					0
23 Net Cash From Investing Activities	<u>(25,781)</u>	<u>(27,408)</u>	<u>(25,051)</u>	<u>(9,318)</u>	<u>(19,007)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	26,725	891	(5,801)	8,961	1,735
25 Common Stock	2,900	1,000	4,056	2,453	827
26 Preferred Stock				(5,863)	(513)
27 Short-Term Debt	(8,657)	8,900	7,741	1,898	2,481
28 Dividends Paid	(6,311)	(8,210)	(8,609)	(26,865)	(7,928)
29 Other Cash Flows - Financing Activities	(2,090)	3,689	269	(874)	(2,656)
30	(1,177)	(8)			
31					
32 Net Cash From Financing Activities	<u>11,390</u>	<u>6,262</u>	<u>(2,343)</u>	<u>(20,289)</u>	<u>(6,054)</u>
33 Net Increase/(Decrease) In Cash Equivalents	8,167	(2,985)	(339)	1,584	(6,017)
34 Cash & Cash Equivalents At Beginning Of Year	2,372	5,357	5,696	4,112	10,129
35 Cash & Cash Equivalents At End Of Year	\$10,538	\$2,372	\$5,357	\$5,696	\$4,112

Table 4 W

**WATER INDUSTRY**  
**COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES (\$000s)</b>						
Sales to General Customers	\$117,644	\$117,110	\$114,846	\$121,298	\$117,088	1
Sales to Other Water Companies	4,925	5,033	4,946	2,996	211	2
Other Sales of Water	11,186	11,139	11,166	11,258	12,617	3
Total Revenues from Sales of Water	133,756	133,281	130,958	135,552	129,916	4
Other Water Operating Revenues	2,795	2,649	4,803	856	3,885	5
Total Water Operating Revenues	\$136,550	\$135,930	\$135,761	\$136,408	\$133,801	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	30,521,430	30,011,403	32,022,476	33,531,488	31,078,953	8
Sales to Other Water Companies	620,537	580,380	133,369	133,066	147,050	9
Other Sales of Water	275,002	284,244	291,222	338,820	313,291	10
Total Sales of Water	31,416,968	30,876,027	32,447,067	34,003,374	31,539,294	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	236,567	234,750	234,605	233,499	233,595	13
Sales to Other Water Companies	348	343	4	4	7	14
Other Sales of Water	3,216	3,146	2,794	3,020	2,910	15
Total Customers	240,131	238,239	237,403	236,523	236,512	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$497.30	\$498.87	\$489.53	\$519.48	\$501.24	18
Average Consumption per Customer (T.Gal)	129.02	127.84	136.50	143.60	133.05	19
Average Revenue per T Gallons Sold	\$3.85	\$3.90	\$3.59	\$3.62	\$3.77	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer						21
Average Consumption per Customer (T.Gal)						22
Average Revenue per T Gallons Sold						23
<b>OPERATION AND MAINTENANCE EXPENSES (\$000s)</b>						
Source of Supply	\$6,949	\$6,838	\$7,477	\$8,008	\$7,287	24
Power and Pumping	9,850	9,242	9,091	9,484	8,938	25
Purification	4,391	4,401	4,170	4,389	3,857	26
Transmission and Distribution	9,903	9,355	9,197	9,302	9,649	27
Customer Accounting and Collecting	6,400	5,968	6,769	6,718	7,190	28
Administrative and General	23,821	21,229	21,937	16,295	16,709	29
Total O & M Expense	\$61,314	\$57,032	\$58,642	\$54,195	\$53,631	30

**Table 5 W**

**WATER INDUSTRY  
DISTRIBUTION OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31,  
(\$000s)**

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
1 Revenues (\$000s)	\$136,550	\$135,930	\$135,761	\$136,408	\$133,801
2 Sales (Thousands of Gallons)	31,416,968	30,876,027	32,447,067	34,003,374	31,539,294
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$13,837	\$13,532	\$13,235	\$14,619	\$12,780
4 Wages and Benefits	24,390	23,375	23,340	21,810	22,678
5 Other Operation and Maintenance Expense	23,088	20,697	22,592	18,272	18,173
6 Depreciation and Amortization Expense	11,023	10,607	10,025	9,598	9,254
7 Income Taxes-Operating	5,991	7,970	7,724	9,597	8,250
8 Other Taxes-Operating	39,315	38,848	38,067	38,295	39,267
9 Capital Costs	18,908	20,902	20,778	24,216	23,399
10 Total	\$136,550	\$135,930	\$135,761	\$136,408	\$133,801
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	10.1	10.0	9.7	10.7	9.6
12 Wages and Benefits	17.9	17.2	17.2	16.0	16.9
13 Other Operation and Maintenance Expense	16.9	15.2	16.6	13.4	13.6
14 Depreciation and Amortization Expense	8.1	7.8	7.4	7.0	6.9
15 Income Taxes-Operating	4.4	5.9	5.7	7.0	6.2
16 Other Taxes-Operating	28.8	28.6	28.0	28.1	29.3
17 Capital Costs	13.8	15.4	15.3	17.8	17.5
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.44	0.44	0.41	0.43	0.41
20 Wages and Benefits	0.78	0.76	0.72	0.64	0.72
21 Other Operation and Maintenance Expense	0.73	0.67	0.70	0.54	0.58
22 Depreciation and Amortization Expense	0.35	0.34	0.31	0.28	0.29
23 Income Taxes-Operating	0.19	0.26	0.24	0.28	0.26
24 Other Taxes-Operating	1.25	1.26	1.17	1.13	1.25
25 Capital Costs	0.60	0.68	0.64	0.71	0.74
26 Total	4.35	4.40	4.18	4.01	4.24

**Purchased Water, Fuel or Power for Pumping  
and Chemicals**

Purchased Water	6,152,901	6,067,605	6,368,910	6,802,987	6,251,920
Fuel for Pumping	6,241,813	6,111,384	5,435,301	6,225,375	5,356,089
Chemicals	1,441,852	1,352,884	1,430,777	1,590,723	1,171,729

Total PW, Fuel and Chemicals	13,836,566	13,531,874	13,234,988	14,619,085	12,779,738
------------------------------	------------	------------	------------	------------	------------

Total - Ultimate Customers	13,836,566	13,531,874	13,234,988	14,619,085	12,779,738
----------------------------	------------	------------	------------	------------	------------

**Wages and Benefits**

Salaries	17,065,835	16,594,700	16,309,996	16,279,298	17,762,902
Pensions and Benefits	7,323,945	6,780,584	7,030,410	5,531,007	4,915,177
Total Wages and Benefits	24,389,780	23,375,284	23,340,406	21,810,305	22,678,080

**Other Expenses**

Total O&M Expenses	61,313,940	57,032,320	58,642,320	54,195,162	53,630,937
-Total PW, Fuel and Chemicals	13,836,566	13,531,874	13,234,988	14,619,085	12,779,738
-Wages and Benefits	24,389,780	23,375,284	23,340,406	21,810,305	22,678,080
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	23,087,594	20,125,162	22,066,926	17,765,772	18,173,120

**Depreciation and Amortization**

Depreciation Exp	11,033,639	10,628,641	10,046,759	9,462,791	9,253,929
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	11,033,639	10,628,641	10,046,759	9,462,791	9,253,929

**Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)**

Total PW, Fuel and Chemicals	13,836,566	13,531,874	13,234,988	14,619,085	12,779,738
divided by Total Gallons	31,416,968	30,876,027	32,447,067	34,003,374	31,539,294
Cost per KWH	0.0004	0.0004	0.0004	0.0004	0.0004
times Sales for Resale MWHs					
Sales for Resale Cost					

Table 6 W

**WATER INDUSTRY  
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS  
FOR THE YEAR ENDED DECEMBER 31,  
(\$000s)**

	2004	2003	2002	2001	2000	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$240	\$240	\$240	\$237	\$237	1
Source of Supply	33,027	32,876	26,410	26,032	25,789	2
Pumping	46,803	44,856	43,569	42,938	41,372	3
Water Treatment	40,015	39,713	28,819	23,174	19,883	4
Transmission and Distribution	358,837	340,944	328,491	318,608	305,258	5
General	37,039	34,704	34,041	31,741	31,194	6
Purchased or Sold			51	51	51	7
<b>Total Plant in Service</b>	<b>515,962</b>	<b>493,333</b>	<b>461,621</b>	<b>442,779</b>	<b>423,783</b>	<b>8</b>
Plant Leased To Others						9
Construction Work In Progress	22,978	13,082	16,976	12,298	9,240	10
Plant Held For Future Use	8,863	8,861	9,004	9,004	9,004	11
Plant Acquisition Adjustments	1,887	1,887	1,090	(45)	3	12
Accum. Gains & Losses - Utility Land & Land Rights	(1,282)	(1,282)	(1,282)	(102)	(102)	13
<b>Total Plant</b>	<b>548,408</b>	<b>515,881</b>	<b>487,409</b>	<b>463,933</b>	<b>441,928</b>	<b>14</b>
Accum. Prov. - Depr. & Amort.	151,492	143,068	136,167	129,917	122,262	15
<b>Net Plant</b>	<b>\$396,916</b>	<b>\$372,813</b>	<b>\$351,242</b>	<b>\$334,016</b>	<b>\$319,666</b>	<b>16</b>
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	0.77	0.61	0.80	1.00	0.99	17
Total Capitalization (\$000s)	\$363,272	\$334,783	\$319,353	\$317,999	\$324,704	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	30.6%	28.4%	31.6%	32.8%	31.3%	19
Preferred Stock	0.6%	0.6%	0.7%	0.7%	2.5%	20
Common Stock & Retained Earnings	59.1%	57.9%	57.1%	56.5%	57.0%	21
Short-Term Debt	10.4%	13.0%	10.6%	10.1%	9.2%	22
Pretax Coverage of Interest Expense	2.3	2.8	2.6	2.9	2.6	23
Com. Stock Dividends as a % of Earnings	97.1%	65.5%	79.8%	195.9%	64.9%	24
Return on Common Equity	3.2%	6.9%	5.9%	7.5%	6.1%	25
Internal Cash Generated as a % of Cash Outflows for Construction	254.8%	97.2%	192.2%	249.1%	102.2%	26
CWIP as a % of Plant	4.1%	2.5%	3.5%	2.7%	2.1%	27
Number of Employees	334	305	330	333	339	28

Current Assets	53,441,982	43,794,213	48,912,934	51,477,102	44,653,339
Current Liabilities	69,655,359	72,098,963	60,900,081	51,306,840	44,895,415
Total Capitalization	363,272,129	334,783,069	319,353,250	317,998,953	324,704,043
Long-Term Debt	111,122,290	95,100,000	100,948,134	104,331,200	101,590,088
Preferred Stock	2,125,000	2,125,000	2,125,000	2,125,000	7,987,500
Common Stock and Retained Earnings (Excl. Preferred Stock)	214,609,291	193,921,664	182,467,117	179,576,133	185,165,921
Short-Term Debt	37,877,838	43,636,405	33,812,999	31,966,620	29,960,534
Pretax Income	27,015,121	32,799,539	30,862,095	36,388,576	32,579,131
Interest Expense	11,652,444	11,519,982	11,836,346	12,357,947	12,491,772
Dividends Paid	6,259,329	8,509,020	8,558,268	26,814,717	7,220,038
Net Income (Excl. Preferred Stock Dividends)	6,443,129	12,998,274	10,724,777	13,690,856	11,129,212
Internal Cash	22,534,613	18,212,859	27,110,086	31,222,769	19,044,310
Cash Outflows for Construction	(8,843,605)	(18,737,094)	(14,102,961)	(12,535,509)	18,625,980
CWIP	22,522,902	13,081,872	16,828,216	12,298,090	9,240,164
Total Plant	547,952,903	515,881,349	487,210,396	463,920,793	441,927,829
Number of Employees	334	305	330	333	339
Salaries and Wages					

**HERITAGE HILLS WATER COMPANY  
COMPARATIVE BALANCE SHEET  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$5,068,730	\$4,451,341	\$4,262,284	\$4,321,956	\$4,165,051
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	191,823	74,359	47,353	82,381	129,352
7 Notes and Accounts Receivables - Net	117,760	88,700	85,512	89,503	94,393
8 Receivables from Associated Companies					
23 Materials and Supplies					
10 Prepayments	26,493	26,077	14,323		
11 Accrued Utility Revenue					
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	336,076	189,136	147,188	171,884	223,745
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense					
15 Other Deferred Debits	247,130	96,159	29,324	27,537	70,007
16 Accumulated Deferred Income Taxes					
17 Total Deferred Debits	247,130	96,159	29,324	27,537	70,007
18 <b>Total Assets and Other Debits</b>	<b>\$5,651,936</b>	<b>\$4,736,636</b>	<b>\$4,438,796</b>	<b>\$4,521,377</b>	<b>\$4,458,803</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
20 Preferred Stock Issued					
21 Other Paid-in Capital					
22 Retained Earnings	(945,797)	(899,030)	(911,754)	(887,461)	(863,897)
23 Reacquired Capital Stock					
24 Total Proprietary Capital	(895,797)	(849,030)	(861,754)	(837,461)	(813,897)
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt			2,108,134	2,181,200	2,270,088
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable	2,462,290	2,111,284	76,024	70,851	63,103
27 Accounts Payable	528,638	418,076	386,302	369,795	449,410
28 Payables to Associated Companies	3,492,198	3,006,650	2,679,916	2,688,747	2,446,979
29 Customer Deposits					
30 Taxes Accrued	502	(1,717)	(997)	(2,926)	(8,051)
31 Interest Accrued					
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	64,105	51,373	51,171	51,171	51,171
34 Total Current and Accrued Liabilities	6,547,733	5,585,666	3,192,416	3,177,638	3,002,612
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction					
36 Other Deferred Credits					
37 Accumulated Deferred Investment Tax Credits					
38 Accumulated Deferred Income Taxes					
39 Total Deferred Credits					
<b>OPERATING RESERVES</b>					
40 Operating Reserves					
41 <b>Total Liabilities and Other Credits</b>	<b>\$5,651,936</b>	<b>\$4,736,636</b>	<b>\$4,438,796</b>	<b>\$4,521,377</b>	<b>\$4,458,803</b>

**HERITAGE HILLS WATER COMPANY**  
**COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$1,162,423	\$1,056,641	\$1,054,616	\$1,047,112	\$1,031,038	1
Operating Expense:						
Operation Expense	330,777	275,905	260,922	255,365	236,691	2
Maintenance Expense	88,949	45,578	67,816	49,555	47,461	3
Depreciation and Amortization Expense	113,699	109,152	106,948	104,497	102,516	4
Taxes Other than Income Taxes	318,469	297,763	282,960	248,048	254,215	5
Income Taxes						6
Total Operating Expenses	851,894	728,398	718,646	657,465	640,883	7
Net Operating Revenues	310,529	328,243	335,970	389,647	390,155	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	310,529	328,243	335,970	389,647	390,155	10
<b>OTHER INCOME</b>						
Interest and Dividend Income			176	2,757	1,163	11
Allowance for Funds Used During Construction						12
Miscellaneous Nonoperating Income						13
Other Income						14
Total Other Income			176	2,757	1,163	15
Other Income Deductions			27,537	42,470	43,102	16
Taxes-Other Income and Deductions						17
<b>Income Available</b>	310,529	328,243	308,609	349,934	348,216	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt	219,835	203,833	210,402	198,246	224,178	19
Interest on Debt to Associated Co.	137,461	111,686	122,500	175,252	201,394	20
Other Interest Expense						21
Total Interest Charges	357,296	315,519	332,902	373,498	425,572	22
Income Before Extraordinary Items	(46,767)	12,724	(24,293)	(23,564)	(77,356)	23
Extraordinary Items						24
<b>Net Income</b>	(\$46,767)	\$12,724	(\$24,293)	(\$23,564)	(\$77,356)	25
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	(\$899,030)	(\$911,754)	(\$887,461)	(\$863,897)	(\$786,541)	26
Balance Transferred from Income	(46,767)	12,724	(24,293)	(23,564)	(77,356)	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock						30
Adjustments to Retained Earnings						31
Net Change	(46,767)	12,724	(24,293)	(23,564)	(77,356)	32
Unappropriated (EOP)	(945,797)	(899,030)	(911,754)	(887,461)	(863,897)	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	(\$945,797)	(\$899,030)	(\$911,754)	(\$887,461)	(\$863,897)	35

**HERITAGE HILLS WATER COMPANY**  
**STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>Cash Flows From Operating Activities</b>					
1 Net Income	(\$46,767)	\$12,724	(\$24,293)	(\$23,564)	(\$77,356)
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	139,588	109,152	134,485	146,967	145,618
3 Deferred Taxes & ITCs		3,490			
4 Receivables and Inventory	(29,060)		3,991	4,890	(8,665)
5 Payables and Accrued Expenses	5,495	(6,678)	(15,652)	25,202	(10,498)
6 Capitalized AFUDC - Equity Funds		16,870			
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	107,286	14,184	32,500	(98,104)	28,492
9	(176,860)	(78,387)	(29,324)		1,213
10	12,316		(14,323)		12
11 Net Cash From Operating Activities	<u>11,998</u>	<u>71,355</u>	<u>87,384</u>	<u>55,391</u>	<u>78,816</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(731,088)	(298,209)	(47,276)	(261,402)	(40,661)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates.					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(731,088)</u>	<u>(298,209)</u>	<u>(47,276)</u>	<u>(261,402)</u>	<u>(40,661)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	913,612	253,860	(75,136)	159,040	(27,108)
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt	(77,058)				
28 Dividends Paid					
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>836,554</u>	<u>253,860</u>	<u>(75,136)</u>	<u>159,040</u>	<u>(27,108)</u>
33 Net Increase/(Decrease) In Cash Equivalents	117,464	27,006	(35,028)	(46,971)	11,047
34 Cash & Cash Equivalents At Beginning Of Year	74,359	47,353	82,381	129,352	118,305
35 Cash & Cash Equivalents At End Of Year	\$191,823	\$74,359	\$47,353	\$82,381	\$129,352

**HERITAGE HILLS WATER COMPANY  
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$1,161,243	\$1,056,643	\$1,054,616	\$1,047,112	\$1,031,037	1
Sales to Other Water Companies						2
Other Sales of Water						3
Total Revenues from Sales of Water	1,161,243	1,056,643	1,054,616	1,047,112	1,031,037	4
Other Water Operating Revenues						5
Total Water Operating Revenues	\$1,161,243	\$1,056,643	\$1,054,616	\$1,047,112	\$1,031,037	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	93,802	91,819	92,169	93,649	91,386	8
Sales to Other Water Companies						9
Other Sales of Water						10
Total Sales of Water	93,802	91,819	92,169	93,649	91,386	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	2,487	2,440	2,430	2,374	2,361	13
Sales to Other Water Companies						14
Other Sales of Water						15
Total Customers	2,487	2,440	2,430	2,374	2,361	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$466.93	\$433.05	\$434.00	\$441.07	\$436.70	18
Average Consumption per Customer (T.Gal)	37.72	37.63	37.93	39.45	38.71	19
Average Revenue per T Gallons Sold	\$12.38	\$11.51	\$11.44	\$11.18	\$11.28	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$55,737	\$37,443	\$45,966	\$24,037	\$39,285	24
Power and Pumping	148,252	102,345	128,714	126,431	111,826	25
Purification	22,850	10,607	19,674	16,617	14,758	26
Transmission and Distribution	7,668	20,973	10,711	21,893	6,752	27
Customer Accounting and Collecting		3,490	(605)	(688)		28
Administrative and General	185,219	146,625	124,278	116,630	111,519	29
<b>Total O &amp; M Expense</b>	<b>\$419,726</b>	<b>\$321,483</b>	<b>\$328,738</b>	<b>\$304,920</b>	<b>\$284,152</b>	<b>30</b>

**HERITAGE HILLS WATER COMPANY  
DISTRIBUTION OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31,**

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
1 Revenues	\$1,161,243	\$1,056,643	\$1,054,616	\$1,047,112	\$1,031,037
2 Sales (Thousands of Gallons)	93,802	91,819	92,169	93,649	91,386
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$107,342	\$92,250	\$82,503	\$95,264	\$98,042
4 Wages and Benefits					
5 Other Operation and Maintenance Expense	312,384	229,233	246,235	209,656	186,110
6 Depreciation and Amortization Expense	113,699	109,152	106,948	104,497	102,516
7 Income Taxes-Operating					
8 Other Taxes-Operating	318,469	297,763	282,960	248,048	254,215
9 Capital Costs	309,349	328,245	335,970	389,647	390,154
10 Total	\$1,161,243	\$1,056,643	\$1,054,616	\$1,047,112	\$1,031,037
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	9.2	8.7	7.8	9.1	9.5
12 Wages and Benefits					
13 Other Operation and Maintenance Expense	26.9	21.7	23.3	20.0	18.1
14 Depreciation and Amortization Expense	9.8	10.3	10.1	10.0	9.9
15 Income Taxes-Operating					
16 Other Taxes-Operating	27.4	28.2	26.8	23.7	24.7
17 Capital Costs	26.6	31.1	31.9	37.2	37.8
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	1.14	1.00	0.90	1.02	1.07
20 Wages and Benefits					
21 Other Operation and Maintenance Expense	3.33	2.50	2.67	2.24	2.04
22 Depreciation and Amortization Expense	1.21	1.19	1.16	1.12	1.12
23 Income Taxes-Operating					
24 Other Taxes-Operating	3.40	3.24	3.07	2.65	2.78
25 Capital Costs	3.30	3.57	3.65	4.16	4.27
26 Total	12.38	11.51	11.44	11.18	11.28

**Purchased Water, Fuel or Power for Pumping  
and Chemicals**

Purchased Water					
Fuel for Pumping	92,567	84,727	71,910	81,491	86,737
Chemicals	14,775	7,523	10,593	13,773	11,305
Total PW, Fuel and Chemicals	107,342	92,250	82,503	95,264	98,042
Total - Ultimate Customers					

**Wages and Benefits**

Salaries  
Pensions and Benefits  
Total Wages and Benefits

**Other Expenses**

Total O&M Expenses	419,726	321,483	328,738	304,920	284,152
-Total PW, Fuel and Chemicals	107,342	92,250	82,503	95,264	98,042
-Wages and Benefits					
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	312,384	229,233	246,235	209,656	186,110

**Depreciation and Amortization**

Depreciation Exp	113,699	109,152	106,948	104,497	102,516
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	113,699	109,152	106,948	104,497	102,516

**Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)**

Total PW, Fuel and Chemicals  
divided by Total Gallons  
Cost per KWH  
times Sales for Resale MWHs  
Sales for Resale Cost

**HERITAGE HILLS WATER COMPANY**  
**COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	1
Source of Supply	529,518	498,020	498,020	498,020	498,020	2
Pumping	172,317	172,317	172,317	172,317	172,317	3
Water Treatment	482,632	482,632	482,632	482,632	482,632	4
Transmission and Distribution	5,487,126	5,244,421	4,946,211	4,898,934	4,637,532	5
General	11,765	9,717	9,717	9,717	9,717	6
Purchased or Sold						7
Total Plant in Service	6,763,358	6,487,107	6,188,897	6,141,620	5,880,218	8
Plant Leased To Others						9
Construction Work In Progress	454,837					10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
<b>Total Plant</b>	7,218,195	6,487,107	6,188,897	6,141,620	5,880,218	14
Accum. Prov. - Depr. & Amort.	2,149,465	2,035,766	1,926,613	1,819,665	1,715,169	15
<b>Net Plant</b>	\$5,068,730	\$4,451,341	\$4,262,284	\$4,321,955	\$4,165,049	16
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	0.05	0.03	0.05	0.05	0.07	17
Total Capitalization	\$1,566,493	\$1,262,254	\$1,322,404	\$1,414,590	\$1,519,294	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	157.2%		159.4%	154.2%	149.4%	19
Preferred Stock						20
Common Stock & Retained Earnings	-57.2%	-67.3%	-65.2%	-59.2%	-53.6%	21
Short-Term Debt	157.2%	167.3%	5.7%	5.0%	4.2%	22
Pretax Coverage of Interest Expense	0.9	1.0	1.0	1.1	0.8	23
Com. Stock Dividends as a % of Earnings						24
Return on Common Equity	NA	NA	NA	NA	NA	25
Internal Cash Generated as a % of Cash Outflows for Construction	1.6%	23.9%	184.8%	21.2%	-193.8%	26
CWIP as a % of Plant						27
Number of Employees						28

**JAMAICA WATER SUPPLY COMPANY  
COMPARATIVE BALANCE SHEET  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>UTILITY PLANT</b>					
1	Net Utility Plant				
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2	Nonutility Property (Net)				
3	Other Investments				
4	Sinking Funds and Other Special Funds				
5	Total Other Property and Investments				
<b>CURRENT AND ACCRUED ASSETS</b>					
6	Cash and Cash Equivalents				
7	Notes and Accounts Receivables - Net				
8	Receivables from Associated Companies				
23	Materials and Supplies				
10	Prepayments				
11	Accrued Utility Revenue				
12	Misc Current and Accrued Assets				
13	Total Current and Accrued Assets				
<b>DEFERRED DEBITS</b>					
14	Unamort. Debt Expense				
15	Other Deferred Debits				
16	Accumulated Deferred Income Taxes				
17	Total Deferred Debits				
18	<b>Total Assets and Other Debits</b>				
<b>PROPRIETARY CAPITAL</b>					
19	Common Stock Issued				
20	Preferred Stock Issued				
21	Other Paid-in Capital				
22	Retained Earnings				
23	Reacquired Capital Stock				
24	Total Proprietary Capital				
<b>LONG-TERM DEBT</b>					
25	Long-Term Debt				
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26	Notes Payable				
27	Accounts Payable				
28	Payables to Associated Companies				
29	Customer Deposits				
30	Taxes Accrued				
31	Interest Accrued				
32	Matured Long-Term Debt				
33	Misc Current and Accrued Liabilities				
34	Total Current and Accrued Liabilities				
<b>DEFERRED CREDITS</b>					
35	Customer Advances for Construction				
36	Other Deferred Credits				
37	Accumulated Deferred Investment Tax Credits				
38	Accumulated Deferred Income Taxes				
39	Total Deferred Credits				
<b>OPERATING RESERVES</b>					
40	Operating Reserves				
41	<b>Total Liabilities and Other Credits</b>				

**Note:**

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

**JAMAICA WATER SUPPLY COMPANY  
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED DECEMBER 31,**

	<b>2000</b>
<b>UTILITY OPERATING INCOME</b>	
Operating Revenues	1
Operating Expense:	
Operation Expense	2
Maintenance Expense	3
Depreciation and Amortization Expense	4
Taxes Other than Income Taxes	5
Income Taxes	6
Total Operating Expenses	7
Net Operating Revenues	8
Other Utility Operating Income	9
<b>Total Utility Operating Income</b>	<b>10</b>
<b>OTHER INCOME</b>	
Interest and Dividend Income	11
Allowance for Funds Used During Construction	12
Miscellaneous Nonoperating Income	13
Other Income	14
Total Other Income	15
Other Income Deductions	16
Taxes-Other Income and Deductions	17
<b>Income Available</b>	<b>18</b>
<b>INTEREST CHARGES</b>	
Interest on Long-Term Debt	19
Interest on Debt to Associated Co.	20
Other Interest Expense	21
Total Interest Charges	22
Income Before Extraordinary Items	23
Extraordinary Items	24
<b>Net Income</b>	<b>25</b>
<hr/>	
<b>RETAINED EARNINGS</b>	
Unappropriated (Beginning)	26
Balance Transferred from Income	27
Appropriated	28
Dividends Declared-Preferred Stock	29
Dividends Declared-Common Stock	30
Adjustments to Retained Earnings	31
Net Change	32
Unappropriated (EOP)	33
Appropriated (EOP)	34
<b>Total Retained Earnings</b>	<b>35</b>

**Note:**

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

**JAMAICA WATER SUPPLY COMPANY  
STATEMENT OF CASH FLOWS  
FOR YEAR ENDED DECEMBER 31**

2000

**Cash Flows From Operating Activities**

- 1 Net Income
- Adjustments to reconcile net income to net cash provided by operating activities:
- 2 Depreciation, Depletion & Amortization
- 3 Deferred Taxes & ITCs
- 4 Receivables and Inventory
- 5 Payables and Accrued Expenses
- 6 Capitalized AFUDC - Equity Funds
- 7 Equity In Loss (Earnings) Of Affiliates
- 8 Other Adjustments
- 9
- 10
- 11 Net Cash From Operating Activities

**Cash Flows From Investing Activities**

- 12 Cash Outflows For Construction
- 13 Acquisition Of Other Non-Current Assets
- 14 Investments In & Advances to Affiliates.
- 15 Contributions & Advances from Affiliates
- Net Proceeds - Sale Or Disposition Of:
- 16 Property, Plant & Equipment
- 17 Investments in Affiliated Companies
- 18 Other Debt & Equity Investments
- 19 Other Non-Current Assets
- 20 Other Cash Flows - Investing Activities
- 21
- 22
- 23 Net Cash From Investing Activities

**Cash Flows From Financing Activities**

- Net Proceeds (Payments) - Issuing & Retiring:
- 24 Long-Term Debt
- 25 Common Stock
- 26 Preferred Stock
- 27 Short-Term Debt
- 28 Dividends Paid
- 29 Other Cash Flows - Financing Activities
- 30
- 31
- 32 Net Cash From Financing Activities
- 33 Net Increase/(Decrease) In Cash Equivalents
- 34 Cash & Cash Equivalents At Beginning Of Year
- 35 Cash & Cash Equivalents At End Of Year

**Note:**

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

**JAMAICA WATER SUPPLY COMPANY  
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE  
FOR THE YEAR ENDED DECEMBER 31,**

2000

**SALES AND CUSTOMER DATA**

<b>REVENUES</b>	
Unmetered Sales to General Customers	1
Metered Sales to General Customers	2
Sales to Other Water Companies	3
Other Sales of Water	4
Total Revenues from Sales of Water	5
Other Water Operating Revenues	6
Total Water Operating Revenues	7
<b>WATER SALES (Thousands of Gallons)</b>	
Unmetered Sales to General Customers	8
Metered Sales to General Customers	9
Sales to Other Water Companies	10
Other Sales of Water	11
Total Sales of Water	12
<b>AVG CUSTOMERS PER MONTH</b>	
Unmetered Sales to General Customers	13
Metered Sales to General Customers	14
Sales to Other Water Companies	15
Other Sales of Water	16
Total Customers	17

**OPERATING REVENUE RELATIONSHIP**

<b>METERED GENERAL CUSTOMERS</b>	
Average Annual Bill per Customer	18
Average Consumption per Customer (T.Gal)	19
Average Revenue per T Gallons Sold	20
<b>UNMETERED GENERAL CUSTOMERS</b>	
Average Annual Bill per Customer	21
Average Consumption per Customer (T.Gal)	22
Average Revenue per T Gallons Sold	23

**OPERATION AND MAINTENANCE EXPENSES**

Source of Supply	24
Power and Pumping	25
Purification	26
Transmission and Distribution	27
Customer Accounting and Collecting	28
Administrative and General	29
<b>Total O &amp; M Expense</b>	<b>30</b>

**Note:**

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

**JAMAICA WATER SUPPLY COMPANY  
DISTRIBUTION OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31,**

2000

1 Revenues

2 Sales (Thousands of Gallons)

**DOLLAR AMOUNTS**

3 Purchased Water, Fuel or Power for  
Pumping, and Chemicals

4 Wages and Benefits

5 Other Operation and Maintenance Expense

6 Depreciation and Amortization Expense

7 Income Taxes-Operating

8 Other Taxes-Operating

9 Capital Costs

10 Total

**PERCENT OF REVENUES**

11 Purchased Water, Fuel or Power for  
Pumping, and Chemicals

12 Wages and Benefits

13 Other Operation and Maintenance Expense

14 Depreciation and Amortization Expense

15 Income Taxes-Operating

16 Other Taxes-Operating

17 Capital Costs

18 Total

**DOLLARS PER THOUSAND GALLONS SOLD**

19 Purchased Water, Fuel or Power for  
Pumping, and Chemicals

20 Wages and Benefits

21 Other Operation and Maintenance Expense

22 Depreciation and Amortization Expense

23 Income Taxes-Operating

24 Other Taxes-Operating

25 Capital Costs

26 Total

**Note:**

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

**Purchased Water, Fuel or Power for Pumping  
and Chemicals**

Purchased Water  
Fuel for Pumping  
Chemicals

Total PW, Fuel and Chemicals

Total - Ultimate Customers

**Wages and Benefits**

Salaries  
Pensions and Benefits  
Total Wages and Benefits

**Other Expenses**

Total O&M Expenses  
-Total PW, Fuel and Chemicals  
-Wages and Benefits  
-Other Gains  
+Other Losses  
-Other Revenues  
Other Expenses

**Depreciation and Amortization**

Depreciation Exp  
Amort of Utility Plant  
Amort of Other Utility Plant  
Amort of Property Losses

Total Depre and Amort

**Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)**

Total PW, Fuel and Chemicals  
divided by Total Gallons  
Cost per KWH  
times Sales for Resale MWHs  
Sales for Resale Cost

**JAMAICA WATER SUPPLY COMPANY  
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS  
FOR THE YEAR ENDED DECEMBER 31,**

2000

**WATER UTILITY PLANT**

<b>Plant in Service</b>	
Intangible	1
Source of Supply	2
Pumping	3
Water Treatment	4
Transmission and Distribution	5
General	6
Purchased or Sold	7
 Total Plant in Service	 8
Plant Leased To Others	9
Construction Work In Progress	10
Plant Held For Future Use	11
Plant Acquisition Adjustments	12
Accum. Gains & Losses - Utility Land & Land Rights	13
 <b>Total Plant</b>	 14
 Accum. Prov. - Depr. & Amort.	 15
 <b>Net Plant</b>	 16

**SELECTED RATIOS AND STATISTICS**

Current Assets / Current Liabilities	17
Total Capitalization	18
<u>Percent Of Capitalization (incl S-T Debt)</u>	
Long-Term Debt	19
Preferred Stock	20
Common Stock & Retained Earnings	21
Short-Term Debt	22
Pretax Coverage of Interest Expense	23
Com. Stock Dividends as a % of Earnings	24
Return on Common Equity	25
Internal Cash Generated as a % of Cash Outflows for Construction	26
CWIP as a % of Plant	27
Number of Employees	28

**Note:**

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

**LONG ISLAND WATER CORPORATION**  
**COMPARATIVE BALANCE SHEET**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$76,855,843	\$66,403,077	\$62,439,796	\$57,746,245	\$54,021,682
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)	63,368	63,368	63,367	63,368	63,368
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	63,368	63,368	63,367	63,368	63,368
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	5,035,315	467,209	174,689	1,180	333,166
7 Notes and Accounts Receivables - Net	6,049,507	3,065,283	3,236,666	4,983,765	2,884,229
8 Receivables from Associated Companies					
23 Materials and Supplies	593,848	546,909	580,502	770,320	612,516
10 Prepayments	539,960	555,877	576,649	1,243,720	1,064,273
11 Accrued Utility Revenue	3,542,439	3,607,300	3,589,905	3,211,066	(153,500)
12 Misc Current and Accrued Assets	507,589				51,339
13 Total Current and Accrued Assets	16,268,657	8,242,578	8,158,411	10,210,051	4,792,023
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense	2,274,037	1,170,196	1,230,527	1,290,843	1,351,149
15 Other Deferred Debits	1,776,307	1,950,162	2,086,802	1,754,079	448,080
16 Accumulated Deferred Income Taxes	6,975,194	6,816,006	6,730,020	6,703,075	6,678,789
17 Total Deferred Debits	11,025,539	9,936,364	10,047,349	9,747,997	8,478,018
18 <b>Total Assets and Other Debits</b>	<b>\$104,213,407</b>	<b>\$84,645,387</b>	<b>\$80,708,923</b>	<b>\$77,767,661</b>	<b>\$67,355,091</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
20 Preferred Stock Issued	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000
21 Other Paid-in Capital					
22 Retained Earnings	18,075,289	18,334,269	17,778,920	17,641,397	16,893,078
23 Reacquired Capital Stock					
24 Total Proprietary Capital	29,200,289	29,459,269	28,903,920	28,766,397	28,018,078
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt	38,930,000	22,930,000	22,930,000	23,000,000	23,000,000
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable	13,315,548	12,525,121	8,736,975	6,002,266	1,134,126
27 Accounts Payable	2,643,034	802,999	464,286	720,415	380,946
28 Payables to Associated Companies	717,040	723,872	76,548	(164,834)	368,184
29 Customer Deposits	3,792	3,792	3,792	14,738	14,688
30 Taxes Accrued	61,970	268,662	23,345	570,367	343,723
31 Interest Accrued	487,257	356,591	341,078	357,685	341,808
32 Matured Long-Term Debt	12,656	13,609			
33 Misc Current and Accrued Liabilities	2,538,241	1,740,893	1,192,401	1,715,923	1,079,325
34 Total Current and Accrued Liabilities	19,779,538	16,435,539	10,838,425	9,216,560	3,662,800
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	18,953	66,751	81,051	104,225	114,985
36 Other Deferred Credits	(623,286)	2,008,336	5,405,818	5,512,692	1,677,385
37 Accumulated Deferred Investment Tax Credits	358,822	373,822	388,822	403,822	418,821
38 Accumulated Deferred Income Taxes	16,549,091	13,371,670	12,160,838	10,763,965	10,463,023
39 Total Deferred Credits	16,303,580	15,820,578	18,036,529	16,784,704	12,674,215
<b>OPERATING RESERVES</b>					
40 Operating Reserves					
41 <b>Total Liabilities and Other Credits</b>	<b>\$104,213,407</b>	<b>\$84,645,386</b>	<b>\$80,708,874</b>	<b>\$77,767,661</b>	<b>\$67,355,093</b>

**LONG ISLAND WATER CORPORATION**  
**COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$37,564,640	\$36,261,005	\$35,786,146	\$35,797,358	\$36,579,039	1
Operating Expense:						
Operation Expense	15,207,756	13,019,125	12,332,330	12,618,551	12,337,095	2
Maintenance Expense	2,710,050	2,372,185	2,771,363	878,454	916,429	3
Depreciation and Amortization Expense	1,911,473	1,803,402	1,660,060	1,463,839	1,395,397	4
Taxes Other than Income Taxes	15,268,328	14,163,422	13,526,751	12,707,603	12,979,885	5
Income Taxes	279,723	1,292,202	1,377,100	2,683,238	3,451,661	6
Total Operating Expenses	35,377,330	32,650,336	31,667,604	30,351,685	31,080,467	7
Net Operating Revenues	2,187,310	3,610,669	4,118,542	5,445,673	5,498,572	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	2,187,310	3,610,669	4,118,542	5,445,673	5,498,572	10
<b>OTHER INCOME</b>						
Interest and Dividend Income				249	83,768	11
Allowance for Funds Used During Construction	472,095	250,270	174,154	158,664	58,819	12
Miscellaneous Nonoperating Income	(48,954)	(21,117)	(9,611)	(36,054)	(12,903)	13
Other Income						14
Total Other Income	423,141	229,153	164,543	122,859	129,684	15
Other Income Deductions	44,279	43,728	44,394	58,508	107,906	16
Taxes-Other Income and Deductions	88,861	49,119	32,349	(20,442)	3,118	17
<b>Income Available</b>	2,477,311	3,746,975	4,206,342	5,530,466	5,517,232	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt	1,696,352	1,553,056	1,555,185	1,556,706	1,556,705	19
Interest on Debt to Associated Co.						20
Other Interest Expense	264,813	123,195	170,260	155,316	31,514	21
Total Interest Charges	1,961,166	1,676,251	1,725,445	1,712,022	1,588,219	22
Income Before Extraordinary Items	516,145	2,070,724	2,480,897	3,818,444	3,929,013	23
Net Extraordinary Items						24
<b>Net Income</b>	\$516,145	\$2,070,724	\$2,480,897	\$3,818,444	\$3,929,013	25
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$18,334,269	\$17,778,920	\$17,641,397	\$16,893,078	\$15,455,940	26
Balance Transferred from Income	516,145	2,070,724	2,480,897	3,818,444	3,929,013	27
Appropriated						28
Dividends Declared-Preferred Stock	50,625	50,625	50,625	50,625	50,625	29
Dividends Declared-Common Stock	724,500	1,464,750	2,292,749	3,019,500	2,441,250	30
Adjustments to Retained Earnings						31
Net Change	(258,980)	555,349	137,523	748,319	1,437,138	32
Unappropriated (EOP)	18,075,289	18,334,269	17,778,920	17,641,397	16,893,078	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	\$18,075,289	\$18,334,269	\$17,778,920	\$17,641,397	\$16,893,078	35

**LONG ISLAND WATER CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$516,145	\$2,070,724	\$2,480,897	\$3,818,444	\$3,929,012
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	1,911,473	2,018,000	1,887,000	1,568,518	1,499,981
3 Deferred Taxes & ITCs	3,444,000	1,211,000	1,304,000	293,408	1,261,537
4 Receivables and Inventory	251,000	229,000	265,000	71,775	81,552
5 Payables and Accrued Expenses	1,830,000	1,111,000	1,153,000	(1,822,039)	(819,280)
6 Capitalized AFUDC - Equity Funds	(340,000)	(180,000)	(133,000)	(113,964)	(30,398)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	(5,536,512)	(3,112,724)	(1,256,897)	(774,932)	(4,525,928)
9		14,520	509	(65,640)	
10					
11 Net Cash From Operating Activities	<u>2,076,106</u>	<u>3,361,520</u>	<u>5,700,509</u>	<u>2,975,570</u>	<u>1,396,476</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(12,327,000)	(5,839,000)	(5,826,000)	(5,094,815)	(3,276,272)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(12,327,000)</u>	<u>(5,839,000)</u>	<u>(5,826,000)</u>	<u>(5,094,815)</u>	<u>(3,276,272)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	16,000,000		(70,000)		
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt	820,000	4,300,000	2,735,000	4,868,140	1,180,864
28 Dividends Paid	(776,000)	(1,516,000)	(2,343,000)	(3,070,125)	(2,491,875)
29 Other Cash Flows - Financing Activities	(48,000)	(14,000)	(23,000)	(10,760)	
30	(1,177,000)				
31					
32 Net Cash From Financing Activities	<u>14,819,000</u>	<u>2,770,000</u>	<u>299,000</u>	<u>1,787,255</u>	<u>(1,311,011)</u>
33 Net Increase/(Decrease) In Cash Equivalents	4,568,106	292,520	173,509	(331,990)	(3,190,807)
34 Cash & Cash Equivalents At Beginning Of Year	467,209	174,689	1,180	333,170	3,523,977
35 Cash & Cash Equivalents At End Of Year	\$5,035,315	\$467,209	\$174,689	\$1,180	\$333,170

**LONG ISLAND WATER CORPORATION**  
**COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$33,432,861	\$32,169,438	\$31,435,867	\$31,604,889	\$33,481,861	1
Sales to Other Water Companies	985,840	949,119	1,048,067	989,953		2
Other Sales of Water	2,800,140	2,840,384	2,957,887	2,870,960	2,845,860	3
Total Revenues from Sales of Water	37,218,841	35,958,941	35,441,821	35,465,802	36,327,721	4
Other Water Operating Revenues	345,799	302,064	344,325	331,556	251,315	5
Total Water Operating Revenues	\$37,564,640	\$36,261,005	\$35,786,146	\$35,797,358	\$36,579,036	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	8,783,973	8,077,628	9,986,350	10,179,400	9,459,113	8
Sales to Other Water Companies	377,893	361,652				9
Other Sales of Water						10
Total Sales of Water	9,161,865	8,439,280	9,986,350	10,179,400	9,459,113	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	73,178	72,518	72,871	72,916	73,813	13
Sales to Other Water Companies	344	339				14
Other Sales of Water	709	709	706	718	722	15
Total Customers	74,231	73,566	73,577	73,634	74,535	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$456.87	\$443.61	\$431.39	\$433.44	\$453.60	18
Average Consumption per Customer (T.Gal)	120.04	111.39	137.04	139.60	128.15	19
Average Revenue per T Gallons Sold	\$3.81	\$3.98	\$3.15	\$3.10	\$3.54	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$216,831	\$208,769	\$226,340	\$397,923	\$206,868	24
Power and Pumping	3,143,087	2,873,731	3,200,951	2,833,644	3,073,122	25
Purification	1,303,263	1,176,633	1,317,652	1,591,173	1,368,965	26
Transmission and Distribution	2,942,453	2,641,518	2,868,628	2,919,757	2,790,431	27
Customer Accounting and Collecting	1,202,526	1,212,175	1,340,579	1,667,239	1,954,432	28
Administrative and General	9,109,646	7,278,484	6,149,543	4,087,271	3,859,708	29
<b>Total O &amp; M Expense</b>	<b>\$17,917,805</b>	<b>\$15,391,310</b>	<b>\$15,103,693</b>	<b>\$13,497,006</b>	<b>\$13,253,526</b>	<b>30</b>

**LONG ISLAND WATER CORPORATION  
DISTRIBUTION OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31,**

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
1 Revenues	\$37,564,640	\$36,261,005	\$35,786,146	\$35,797,358	\$36,579,036
2 Sales (Thousands of Gallons)	9,161,865	8,439,280	9,986,350	10,179,400	9,459,113
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$2,293,844	\$2,041,281	\$2,115,135	\$2,087,704	\$1,779,904
4 Wages and Benefits	7,706,801	7,297,703	6,648,017	6,549,683	7,064,930
5 Other Operation and Maintenance Expense	7,917,160	6,052,326	6,340,541	4,859,619	4,408,692
6 Depreciation and Amortization Expense	1,911,473	1,803,402	1,660,060	1,463,839	1,395,397
7 Income Taxes-Operating	279,723	1,292,202	1,377,100	2,683,238	3,451,661
8 Other Taxes-Operating	15,268,328	14,163,422	13,526,751	12,707,603	12,979,885
9 Capital Costs	2,187,310	3,610,669	4,118,542	5,445,673	5,498,567
10 Total	\$37,564,640	\$36,261,005	\$35,786,146	\$35,797,358	\$36,579,036
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	6.1	5.6	5.9	5.8	4.9
12 Wages and Benefits	20.5	20.1	18.6	18.3	19.3
13 Other Operation and Maintenance Expense	21.1	16.7	17.7	13.6	12.1
14 Depreciation and Amortization Expense	5.1	5.0	4.6	4.1	3.8
15 Income Taxes-Operating	0.7	3.6	3.8	7.5	9.4
16 Other Taxes-Operating	40.6	39.1	37.8	35.5	35.5
17 Capital Costs	5.8	10.0	11.5	15.2	15.0
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.25	0.24	0.21	0.21	0.19
20 Wages and Benefits	0.84	0.86	0.67	0.64	0.75
21 Other Operation and Maintenance Expense	0.86	0.72	0.63	0.48	0.47
22 Depreciation and Amortization Expense	0.21	0.21	0.17	0.14	0.15
23 Income Taxes-Operating	0.03	0.15	0.14	0.26	0.36
24 Other Taxes-Operating	1.67	1.68	1.35	1.25	1.37
25 Capital Costs	0.24	0.43	0.41	0.53	0.58
26 Total	4.10	4.30	3.58	3.52	3.87

**Purchased Water, Fuel or Power for Pumping  
and Chemicals**

Purchased Water					
Fuel for Pumping	1,790,714	1,560,823	1,580,045	1,497,216	1,387,233
Chemicals	503,130	480,458	535,090	590,488	392,671
Total PW, Fuel and Chemicals	2,293,844	2,041,281	2,115,135	2,087,704	1,779,904
Total - Ultimate Customers					

**Wages and Benefits**

Salaries	5,346,351	5,080,598	5,264,841	5,192,272	5,731,576
Pensions and Benefits	2,360,450	2,217,105	1,383,176	1,357,411	1,333,354
Total Wages and Benefits	7,706,801	7,297,703	6,648,017	6,549,683	7,064,930

**Other Expenses**

Total O&M Expenses	17,917,805	15,391,310	15,103,693	13,497,005	13,253,526
-Total PW, Fuel and Chemicals	2,293,844	2,041,281	2,115,135	2,087,704	1,779,904
-Wages and Benefits	7,706,801	7,297,703	6,648,017	6,549,683	7,064,930
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	7,917,160	6,052,326	6,340,541	4,859,619	4,408,692

**Depreciation and Amortization**

Depreciation Exp	1,911,473	1,803,402	1,660,060	1,463,839	1,395,397
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	1,911,473	1,803,402	1,660,060	1,463,839	1,395,397

**Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)**

Total PW, Fuel and Chemicals	2,293,844	2,041,281	2,115,135	2,087,704	1,779,904
divided by Total Gallons	9,161,865	8,439,280	9,986,350	10,179,400	9,459,113
Cost per KWH	0.0003	0.0002	0.0002	0.0002	0.0002
times Sales for Resale MWHs					
Sales for Resale Cost					

**LONG ISLAND WATER CORPORATION**  
**COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$669	\$669	\$669	\$669	\$669	1
Source of Supply	6,048,910	5,865,773	5,865,773	5,584,961	5,317,112	2
Pumping	8,501,927	8,134,571	7,349,353	7,135,888	6,615,015	3
Water Treatment	8,980,411	8,460,814	8,445,737	8,427,545	8,289,849	4
Transmission and Distribution	68,880,969	65,016,856	61,990,135	58,617,048	55,792,233	5
General	7,440,361	6,973,986	6,682,538	5,036,998	4,988,640	6
Purchased or Sold						7
<b>Total Plant in Service</b>	<b>99,853,247</b>	<b>94,452,669</b>	<b>90,334,205</b>	<b>84,803,109</b>	<b>81,003,518</b>	<b>8</b>
Plant Leased To Others						9
Construction Work In Progress	10,646,483	3,866,555	2,303,066	1,881,675	466,423	10
Plant Held For Future Use	110,933	110,933	110,933	110,933	110,933	11
Plant Acquisition Adjustments	885,558	885,558	88,556	132,834	177,112	12
Accum. Gains & Losses - Utility Land & Land Rights						13
<b>Total Plant</b>	<b>111,496,221</b>	<b>99,315,715</b>	<b>92,836,760</b>	<b>86,928,551</b>	<b>81,757,986</b>	<b>14</b>
Accum. Prov. - Depr. & Amort.	34,640,378	32,912,638	30,396,963	29,182,306	27,736,305	15
<b>Net Plant</b>	<b>\$76,855,843</b>	<b>\$66,403,077</b>	<b>\$62,439,797</b>	<b>\$57,746,245</b>	<b>\$54,021,682</b>	<b>16</b>
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	0.82	0.50	0.75	1.11	1.31	17
Total Capitalization	\$81,445,837	\$64,914,390	\$60,570,895	\$57,768,663	\$52,152,204	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	47.8%	35.3%	37.9%	39.8%	44.1%	19
Preferred Stock	1.4%	1.7%	1.9%	1.9%	2.2%	20
Common Stock & Retained Earnings	34.5%	43.6%	45.9%	47.8%	51.6%	21
Short-Term Debt	16.3%	19.3%	14.4%	10.4%	2.2%	22
Pretax Coverage of Interest Expense	1.4	3.0	3.2	4.8	5.6	23
Com. Stock Dividends as a % of Earnings	155.6%	72.5%	94.3%	80.1%	62.9%	24
Return on Common Equity	1.7%	7.2%	8.8%	13.8%	14.8%	25
Internal Cash Generated as a % of Cash Outflows for Construction	-16.8%	-57.6%	-97.8%	-58.4%	-42.6%	26
CWIP as a % of Plant	9.5%	3.9%	2.5%	2.2%	0.6%	27
Number of Employees	123	99	106	108	105	28

**NEW YORK-AMERICAN WATER COMPANY**  
**COMPARATIVE BALANCE SHEET**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$25,338,523	\$24,234,769	\$23,949,387	\$24,168,290	\$23,928,364
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)	239,001	239,001	239,000	239,001	239,001
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	239,001	239,001	239,000	239,001	239,001
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents				65,344	46,497
7 Notes and Accounts Receivables - Net	684,931	827,087	802,822	1,055,872	811,842
8 Receivables from Associated Companies		22,911	17,666	(1,195)	
9 Materials and Supplies	394,361	250,793	126,874	117,866	114,172
10 Prepayments	318,450	310,940	281,954	279,563	268,135
11 Accrued Utility Revenue	1,162,439	1,289,890	1,292,387	1,275,919	1,220,511
12 Misc Current and Accrued Assets				29,191	25,714
13 Total Current and Accrued Assets	2,560,181	2,701,621	2,521,703	2,822,560	2,486,871
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense	102,811	129,733	160,386	261,496	306,490
15 Other Deferred Debits	1,669,132	1,758,822	1,594,449	2,037,624	1,733,096
16 Accumulated Deferred Income Taxes					
17 Total Deferred Debits	1,771,943	1,888,555	1,754,835	2,299,120	2,039,586
18 <b>Total Assets and Other Debits</b>	<b>\$29,909,648</b>	<b>\$29,063,946</b>	<b>\$28,464,925</b>	<b>\$29,528,971</b>	<b>\$28,693,822</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$1,685,000	\$1,685,000	\$1,685,000	\$1,684,999	\$1,685,000
20 Preferred Stock Issued	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
21 Other Paid-in Capital	6,400,000	3,300,000	5,090,982	3,300,000	3,300,000
22 Retained Earnings	2,629,590	2,552,791	469,580	3,041,247	2,914,601
23 Reacquired Capital Stock					
24 Total Proprietary Capital	11,714,590	8,537,791	8,245,562	9,026,246	8,899,601
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt	2,500,000	4,700,000	8,200,000	11,200,000	11,200,000
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable				2,893,503	2,263,305
27 Accounts Payable	211,530	321,584	316,139	442,997	214,829
28 Payables to Associated Companies	7,459,582	9,400,000	5,800,000	251,964	323,077
29 Customer Deposits	150				
30 Taxes Accrued	6,075	23,710		22	(78,517)
31 Interest Accrued	112,225	112,225	201,942	255,291	262,733
32 Matured Long-Term Debt	2,200,000				
33 Misc Current and Accrued Liabilities	32,690	290,248	487,192	390,799	277,738
34 Total Current and Accrued Liabilities	10,022,252	10,147,767	6,805,273	4,234,576	3,263,165
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	1,268,836	1,218,899	1,182,658	1,076,952	1,556,770
36 Other Deferred Credits	791,139	940,242	654,468	522,281	520,180
37 Accumulated Deferred Investment Tax Credits	88,757	90,861	92,965	95,071	97,176
38 Accumulated Deferred Income Taxes	3,524,074	3,428,386	3,284,000	3,373,844	3,156,931
39 Total Deferred Credits	5,672,806	5,678,388	5,214,091	5,068,148	5,331,057
<b>OPERATING RESERVES</b>					
40 Operating Reserves					
41 <b>Total Liabilities and Other Credits</b>	<b>\$29,909,648</b>	<b>\$29,063,946</b>	<b>\$28,464,926</b>	<b>\$29,528,970</b>	<b>\$28,693,823</b>

**NEW YORK-AMERICAN WATER COMPANY**  
**COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$10,376,589	\$10,307,015	\$10,768,383	\$11,083,720	\$10,447,191	1
Operating Expense:						
Operation Expense	5,204,296	4,902,814	5,860,024	5,024,149	4,806,133	2
Maintenance Expense	284,150	354,803	410,413	245,134	288,175	3
Depreciation and Amortization Expense	575,695	556,558	555,318	551,962	527,515	4
Taxes Other than Income Taxes	2,393,836	2,363,674	2,469,184	2,352,322	2,405,646	5
Income Taxes	583,657	712,305	442,886	769,452	438,877	6
Total Operating Expenses	9,041,634	8,890,154	9,737,825	8,943,019	8,466,346	7
Net Operating Revenues	1,334,955	1,416,861	1,030,558	2,140,701	1,980,845	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	1,334,955	1,416,861	1,030,558	2,140,701	1,980,845	10
<b>OTHER INCOME</b>						
Interest and Dividend Income	14,226	5,226		909	74	11
Allowance for Funds Used During Construction	14,449	4,008	27,805	27,375		12
Miscellaneous Nonoperating Income	90,330		(735,933)		44,009	13
Other Income	104,649	53,683	61,392	33,053	50,146	14
Total Other Income	223,654	62,917	(646,736)	61,337	94,229	15
Other Income Deductions	2,305	2,305	2,405	2,305	2,304	16
Taxes-Other Income and Deductions	88,500	24,200	(259,700)	13,950	9,112	17
<b>Income Available</b>	1,467,804	1,453,273	641,117	2,185,783	2,063,658	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt	396,567	445,157	780,393	977,489	1,053,244	19
Interest on Debt to Associated Co.	153,153	93,867	54,932	118,510		20
Other Interest Expense	4,704	2,750	20,958	9,117	6,002	21
Total Interest Charges	554,424	541,774	856,283	1,105,116	1,059,246	22
Income Before Extraordinary Items	913,380	911,499	(215,166)	1,080,667	1,004,412	23
Net Extraordinary Items						24
<b>Net Income</b>	\$913,380	\$911,499	(\$215,166)	\$1,080,667	\$1,004,412	25
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$2,552,789	\$469,578	\$3,041,245	\$2,914,599	\$2,397,777	26
Balance Transferred from Income	913,380	911,499	(215,166)	1,080,667	972,310	27
Appropriated						28
Dividends Declared-Preferred Stock	76,697	76,700	76,700	76,700	76,700	29
Dividends Declared-Common Stock	759,884	542,570	488,819	877,321	378,788	30
Adjustments to Retained Earnings		1,790,982	(1,790,982)			31
Net Change	76,799	2,083,211	(2,571,667)	126,646	516,822	32
Unappropriated (EOP)	2,629,588	2,552,789	469,578	3,041,245	2,914,599	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	\$2,629,588	\$2,552,789	\$469,578	\$3,041,245	\$2,914,599	35

**NEW YORK-AMERICAN WATER COMPANY**  
**STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$913,380	\$911,499	(\$215,166)	\$1,080,667	\$972,311
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	789,797	661,560	708,658	779,411	903,160
3 Deferred Taxes & ITCs	93,584	142,282	(138,574)	239,931	5,927
4 Receivables and Inventory	21,499	(153,429)	244,042	(163,028)	(123,297)
5 Payables and Accrued Expenses	(534,347)	28,268	(23,000)	197,054	(152,498)
6 Capitalized AFUDC - Equity Funds	(14,449)	4,008	(27,805)	(15,963)	147,160
7 Equity In Loss (Earnings) Of Affiliates					7,722
8 Other Adjustments			(17,672)	(308,285)	(154,846)
9 Accounts Payable	235,447	(123,869)	(94,123)	(176,066)	(150,270)
10 Other Current Liabilities	(153,267)	(141,342)	542,707	(51,932)	(563,768)
11 Net Cash From Operating Activities	<u>1,351,644</u>	<u>1,328,977</u>	<u>979,067</u>	<u>1,581,789</u>	<u>891,601</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(1,615,063)	(801,691)	(491,095)	(759,301)	(801,601)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates					
15 Contributions & Advances from Affiliates	3,100,000				
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>1,484,937</u>	<u>(801,691)</u>	<u>(491,095)</u>	<u>(759,301)</u>	<u>(801,601)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt		(3,500,000)	(3,000,000)	(479,818)	2,263,305
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt			2,906,497	630,198	
28 Dividends Paid	(836,581)	(619,270)	(565,519)	(954,021)	(455,488)
29 Other Cash Flows - Financing Activities	(2,000,000)	3,600,000	105,706		(2,099,728)
30		(8,016)			
31					
32 Net Cash From Financing Activities	<u>(2,836,581)</u>	<u>(527,286)</u>	<u>(553,316)</u>	<u>(803,641)</u>	<u>(291,911)</u>
33 Net Increase/(Decrease) In Cash Equivalents			(65,344)	18,847	(201,911)
34 Cash & Cash Equivalents At Beginning Of Year	0	0	65,344	46,497	248,408
35 Cash & Cash Equivalents At End Of Year	\$0	\$0	\$0	\$65,344	\$46,497

**NEW YORK-AMERICAN WATER COMPANY**  
**COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$9,073,344	\$9,124,591	\$9,526,581	\$9,793,569	\$9,217,641	1
Sales to Other Water Companies						2
Other Sales of Water	1,303,245	1,182,421	1,241,993	1,292,544	1,221,423	3
Total Revenues from Sales of Water	10,376,589	10,307,012	10,768,574	11,086,113	10,439,064	4
Other Water Operating Revenues			(191)	(2,393)	8,127	5
						6
Total Water Operating Revenues	\$10,376,589	\$10,307,012	\$10,768,383	\$11,083,720	\$10,447,191	7
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	1,953,405	1,925,721	1,974,582	2,025,219	1,978,959	8
Sales to Other Water Companies						9
Other Sales of Water	102,478	98,369	102,592	123,837	110,908	10
						11
Total Sales of Water	2,055,883	2,024,090	2,077,174	2,149,056	2,089,867	12
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	11,831	11,718	11,969	11,690	11,643	13
Sales to Other Water Companies						14
Other Sales of Water	383	361	94	335	335	15
						16
Total Customers	12,214	12,079	12,063	12,025	11,978	17
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$766.91	\$778.68	\$795.94	\$837.77	\$791.69	18
Average Consumption per Customer (T.Gal)	165.11	164.34	164.97	173.24	169.97	19
Average Revenue per T Gallons Sold	\$4.64	\$4.74	\$4.82	\$4.84	\$4.66	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$3,147,413	\$3,128,573	\$3,134,682	\$3,280,087	\$3,145,808	24
Power and Pumping	58,087	39,865	59,947	50,321	40,574	25
Purification	47,398	42,752	28,531	28,001	31,656	26
Transmission and Distribution	672,921	744,550	688,656	552,036	602,992	27
Customer Accounting and Collecting	520,476	193,923	500,383	172,267	290,751	28
Administrative and General	1,042,151	1,107,954	1,858,238	1,186,571	982,527	29
						30
<b>Total O &amp; M Expense</b>	<b>\$5,488,446</b>	<b>\$5,257,617</b>	<b>\$6,270,437</b>	<b>\$5,269,283</b>	<b>\$5,094,308</b>	<b>30</b>

**NEW YORK-AMERICAN WATER COMPANY  
DISTRIBUTION OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31,**

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
1 Revenues	\$10,376,589	\$10,307,012	\$10,768,383	\$11,083,720	\$10,447,191
2 Sales (Thousands of Gallons)	2,055,883	2,024,090	2,077,174	2,149,056	2,089,867
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$3,182,799	\$3,154,053	\$3,153,865	\$3,310,139	\$3,172,360
4 Wages and Benefits	1,372,729	1,021,840	958,103	825,240	831,441
5 Other Operation and Maintenance Expense	932,918	1,081,724	2,158,469	1,133,904	1,090,507
6 Depreciation and Amortization Expense	575,695	556,558	555,318	551,962	527,515
7 Income Taxes-Operating	583,657	712,305	442,886	769,452	438,877
8 Other Taxes-Operating	2,393,836	2,363,674	2,469,184	2,352,322	2,405,646
9 Capital Costs	1,334,955	1,416,858	1,030,558	2,140,701	1,980,845
10 Total	\$10,376,589	\$10,307,012	\$10,768,383	\$11,083,720	\$10,447,191
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	30.7	30.6	29.3	29.9	30.4
12 Wages and Benefits	13.2	9.9	8.9	7.4	8.0
13 Other Operation and Maintenance Expense	9.0	10.5	20.0	10.2	10.4
14 Depreciation and Amortization Expense	5.5	5.4	5.2	5.0	5.0
15 Income Taxes-Operating	5.6	6.9	4.1	6.9	4.2
16 Other Taxes-Operating	23.1	22.9	22.9	21.2	23.0
17 Capital Costs	12.9	13.7	9.6	19.3	19.0
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	1.55	1.56	1.52	1.54	1.52
20 Wages and Benefits	0.67	0.50	0.46	0.38	0.40
21 Other Operation and Maintenance Expense	0.45	0.53	1.04	0.53	0.52
22 Depreciation and Amortization Expense	0.28	0.27	0.27	0.26	0.25
23 Income Taxes-Operating	0.28	0.35	0.21	0.36	0.21
24 Other Taxes-Operating	1.16	1.17	1.19	1.09	1.15
25 Capital Costs	0.65	0.70	0.50	1.00	0.95
26 Total	5.05	5.09	5.18	5.16	5.00

**Purchased Water, Fuel or Power for Pumping  
and Chemicals**

Purchased Water	3,147,009	3,121,980	3,113,475	3,271,845	3,138,467
Fuel for Pumping	35,790	32,073	40,390	38,294	33,893
Chemicals					

Total PW, Fuel and Chemicals 3,182,799 3,154,053 3,153,865 3,310,139 3,172,360

Total - Ultimate Customers 3,182,799 3,154,053 3,153,865 3,310,139 3,172,360

**Wages and Benefits**

Salaries	1,034,149	715,506	459,795	611,670	770,237
Pensions and Benefits	338,580	306,334	498,308	213,570	61,204
Total Wages and Benefits	1,372,729	1,021,840	958,103	825,240	831,441

**Other Expenses**

Total O&M Expenses	5,488,446	5,257,617	6,270,437	5,269,283	5,094,308
-Total PW, Fuel and Chemicals	3,182,799	3,154,053	3,153,865	3,310,139	3,172,360
-Wages and Benefits	1,372,729	1,021,840	958,103	825,240	831,441
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	932,918	1,081,724	2,158,469	1,133,904	1,090,507

**Depreciation and Amortization**

Depreciation Exp	575,695	556,558	555,318	551,962	527,515
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	575,695	556,558	555,318	551,962	527,515

**Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)**

Total PW, Fuel and Chemicals	3,182,799	3,154,053	3,153,865	3,310,139	3,172,360
divided by Total Gallons	2,055,883	2,024,090	2,077,174	2,149,056	2,089,867
Cost per KWH	0.0015	0.0016	0.0015	0.0015	0.0015
times Sales for Resale MWHs					
Sales for Resale Cost					

**NEW YORK-AMERICAN WATER COMPANY**  
**COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible						1
Source of Supply	\$71,288	\$71,168	\$51,537	\$51,537	\$51,537	2
Pumping	1,353,886	1,351,875	1,318,638	1,271,674	1,275,174	3
Water Treatment				46,964		4
Transmission and Distribution	30,622,773	29,049,261	28,002,827	27,800,504	27,324,917	5
General	1,035,565	1,432,462	1,389,542	1,460,704	1,424,155	6
Purchased or Sold			50,598	50,598	50,598	7
<b>Total Plant in Service</b>	<b>33,083,512</b>	<b>31,904,766</b>	<b>30,813,142</b>	<b>30,681,981</b>	<b>30,126,381</b>	<b>8</b>
Plant Leased To Others						9
Construction Work In Progress	439,196	158,204	426,103	291,473	132,744	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
<b>Total Plant</b>	<b>33,522,708</b>	<b>32,062,970</b>	<b>31,239,245</b>	<b>30,973,454</b>	<b>30,259,125</b>	<b>14</b>
Accum. Prov. - Depr. & Amort.	8,184,185	7,828,201	7,289,858	6,805,164	6,330,761	15
<b>Net Plant</b>	<b>\$25,338,523</b>	<b>\$24,234,769</b>	<b>\$23,949,387</b>	<b>\$24,168,290</b>	<b>\$23,928,364</b>	<b>16</b>
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	0.26	0.27	0.37	0.67	0.76	17
Total Capitalization	\$16,414,590	\$13,237,791	\$16,445,562	\$23,119,750	\$22,362,906	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	50.1%	50.1%	50.1%	50.1%	50.1%	19
Preferred Stock	4.5%	4.5%	4.5%	4.5%	4.5%	20
Common Stock & Retained Earnings	35.3%	35.3%	35.3%	35.3%	35.3%	21
Short-Term Debt	10.1%	10.1%	10.1%	10.1%	10.1%	22
Pretax Coverage of Interest Expense	3.7	4.0	1.3	2.7	2.4	23
Com. Stock Dividends as a % of Earnings	100.0%	74.2%	-193.8%	95.0%	40.8%	24
Return on Common Equity	9.2%	11.3%	-3.8%	12.6%	12.1%	25
Internal Cash Generated as a % of Cash Outflows for Construction	85.5%	165.8%	210.7%	212.5%	-111.2%	26
CWIP as a % of Plant	1.3%	0.5%	1.4%	0.9%	0.4%	27
Number of Employees						28

**NEW YORK WATER SERVICE CORP  
COMPARATIVE BALANCE SHEET  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$35,977,858	\$35,961,993	\$35,894,841	\$33,450,933	\$32,966,378
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)					
3 Other Investments	3,823,943	7,936,511	11,084,991	12,027,935	25,498,318
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	3,823,943	7,936,511	11,084,991	12,027,935	25,498,318
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	4,668,711	2,448,021	3,886,051	5,395,261	2,501,739
7 Notes and Accounts Receivables - Net	2,080,238	1,967,186	2,540,084	2,236,179	1,983,009
8 Receivables from Associated Companies		48,758		59,478	5,191,691
9 Materials and Supplies	315,764	338,871	318,040	345,945	386,483
10 Prepayments	545,358	700,054	776,401	856,585	711,501
11 Accrued Utility Revenue	1,136,089	1,163,987	1,272,637	1,316,041	1,091,242
12 Misc Current and Accrued Assets	79,438	138,596	190,367	219,795	227,163
13 Total Current and Accrued Assets	8,825,598	6,805,473	8,983,580	10,429,284	12,092,828
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense	678,928	734,451	798,233	846,640	332,076
15 Other Deferred Debits	1,272,248	1,368,019	1,263,629	1,574,857	1,837,165
16 Accumulated Deferred Income Taxes	797,356	729,769	899,046	320,500	793,800
17 Total Deferred Debits	2,748,532	2,832,239	2,960,908	2,741,997	2,963,041
18 <b>Total Assets and Other Debits</b>	<b>\$51,375,931</b>	<b>\$53,536,216</b>	<b>\$58,924,320</b>	<b>\$58,650,149</b>	<b>\$73,520,565</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$3,674,470	\$3,674,470	\$3,674,470	\$3,674,470	\$3,674,470
20 Preferred Stock Issued					
21 Other Paid-in Capital	1,984,857	1,984,857	1,984,857	1,984,857	1,984,857
22 Retained Earnings	16,648,083	16,894,814	17,363,666	18,270,795	36,903,598
23 Reacquired Capital Stock					
24 Total Proprietary Capital	22,307,410	22,554,141	23,022,993	23,930,122	42,562,925
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt	16,230,000	16,470,000	16,710,000	16,950,000	13,820,000
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable					
27 Accounts Payable	475,000	320,774	169,333	170,971	199,160
28 Payables to Associated Companies	80,814	48,303			
29 Customer Deposits	29,479	50,706	90,760	54,157	27,182
30 Taxes Accrued	(210,892)	(194,182)	1,906,442	820,940	1,114,872
31 Interest Accrued	325,688	419,302	518,329	222,917	506,093
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	201,452	175,605	137,976	173,735	172,746
34 Total Current and Accrued Liabilities	901,541	820,508	2,822,840	1,442,720	2,020,053
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction				252,539	252,539
36 Other Deferred Credits	4,256,801	6,323,235	9,819,358	9,980,684	9,041,958
37 Accumulated Deferred Investment Tax Credits					
38 Accumulated Deferred Income Taxes	7,551,718	7,149,001	6,362,701	5,933,053	5,678,662
39 Total Deferred Credits	11,808,519	13,472,236	16,182,059	16,166,276	14,973,159
<b>OPERATING RESERVES</b>					
40 Operating Reserves	128,461	219,331	186,428	161,031	144,428
41 <b>Total Liabilities and Other Credits</b>	<b>\$51,375,931</b>	<b>\$53,536,216</b>	<b>\$58,924,320</b>	<b>\$58,650,149</b>	<b>\$73,520,565</b>

**NEW YORK WATER SERVICE CORP**  
**COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$21,274,910	\$21,159,896	\$20,784,168	\$19,647,190	\$18,751,518	1
Operating Expense:						
Operation Expense	8,810,330	8,338,285	7,915,362	7,652,364	6,944,911	2
Maintenance Expense	1,375,446	1,233,355	1,261,753	1,258,738	1,246,731	3
Depreciation and Amortization Expense	1,463,668	1,454,088	1,340,018	1,247,439	1,253,881	4
Taxes Other than Income Taxes	5,907,394	5,929,416	5,912,127	5,585,387	5,855,196	5
Income Taxes	1,009,532	1,146,875	1,202,141	1,034,835	891,467	6
Total Operating Expenses	18,566,370	18,102,019	17,631,401	16,778,763	16,192,186	7
Net Operating Revenues	2,708,540	3,057,877	3,152,767	2,868,427	2,559,332	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	2,708,540	3,057,877	3,152,767	2,868,427	2,559,332	10
<b>OTHER INCOME</b>						
Interest and Dividend Income	244,940	321,998	379,428	365,196	381,045	11
Allowance for Funds Used During Construction	51,905	72,885	88,930	81,446	56,133	12
Miscellaneous Nonoperating Income	118,578	671,423	183,707	147,535	93,385	13
Other Income	(14,626)	(10,941)	(11,974)	(7,828)	(590)	14
Total Other Income	400,797	1,055,365	640,091	586,349	529,973	15
Other Income Deductions			9	4,392	4,392	16
Taxes-Other Income and Deductions	141,208	362,526	225,716	197,769	180,611	17
<b>Income Available</b>	2,968,129	3,750,716	3,567,133	3,252,615	2,904,302	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt	1,260,189	1,292,544	1,340,221	1,314,831	1,315,771	19
Interest on Debt to Associated Co.						20
Other Interest Expense	12,323	1,298	1,043	1,365	1,187	21
Total Interest Charges	1,272,512	1,293,842	1,341,264	1,316,196	1,316,958	22
Income Before Extraordinary Items	1,695,617	2,456,874	2,225,869	1,936,419	1,587,344	23
Net Extraordinary Items						24
<b>Net Income</b>	\$1,695,617	\$2,456,874	\$2,225,869	\$1,936,419	\$1,587,344	25
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$16,894,814	\$17,363,666	\$18,270,795	\$36,903,598	\$37,372,694	26
Balance Transferred from Income	1,695,617	2,456,874	2,225,869	1,936,419	1,587,344	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock	1,900,000	3,375,000	3,000,000	19,708,425	1,500,000	30
Adjustments to Retained Earnings	(42,348)	449,274	(132,998)	(860,797)	(556,440)	31
Net Change	(246,731)	(468,852)	(907,129)	(18,632,803)	(469,096)	32
Unappropriated (EOP)	16,648,083	16,894,814	17,363,666	18,270,795	36,903,598	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	\$16,648,083	\$16,894,814	\$17,363,666	\$18,270,795	\$36,903,598	35

**Notes:**

1 Net Income restated in 1998 to reflect elimination of \$10,721 extraordinary item, reported in error in 1998.

**NEW YORK WATER SERVICE CORP**  
**STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$1,695,617	\$2,456,874	\$2,225,869	\$1,936,419	\$1,587,344
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	1,552,823	1,486,689	1,505,688	1,639,750	1,373,030
3 Deferred Taxes & ITCs	335,130	955,577	268,350	727,691	1,204,233
4 Receivables and Inventory	(130,194)	563,255	(397,589)	(282,893)	(96,573)
5 Payables and Accrued Expenses	81,033	(2,002,332)	1,380,120	(577,113)	(2,438,304)
6 Capitalized AFUDC - Equity Funds	(51,905)	(72,885)	(89,930)	(81,446)	(56,133)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	(1,811,271)	(3,211,428)	(127,567)	5,210,463	1,470,721
9					
10					
11 Net Cash From Operating Activities	<u>1,671,233</u>	<u>175,750</u>	<u>4,764,941</u>	<u>8,572,871</u>	<u>3,044,318</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(1,427,628)	(1,448,354)	(3,693,995)	(1,655,160)	(1,057,529)
13 Acquisition Of Other Non-Current Assets	46,865	(148,180)	(150,102)	(55,350)	(468,213)
14 Investments In & Advances to Affiliates					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies				12,416,734	
18 Other Debt & Equity Investments	4,112,568	3,148,480	942,944	1,053,649	83,061
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>2,731,805</u>	<u>1,551,946</u>	<u>(2,901,153)</u>	<u>11,759,873</u>	<u>(1,442,681)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	(240,000)	(240,000)	(240,000)	3,130,000	(240,000)
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid	(1,900,000)	(3,375,000)	(3,000,000)	(19,708,425)	(1,500,000)
29 Other Cash Flows - Financing Activities	(42,348)	449,274	(132,998)	(860,797)	(556,440)
30					
31					
32 Net Cash From Financing Activities	<u>(2,182,348)</u>	<u>(3,165,726)</u>	<u>(3,372,998)</u>	<u>(17,439,222)</u>	<u>(2,296,440)</u>
33 Net Increase/(Decrease) In Cash Equivalents	2,220,690	(1,438,030)	(1,509,210)	2,893,522	(694,803)
34 Cash & Cash Equivalents At Beginning Of Year	2,448,021	3,886,051	5,395,261	2,501,739	3,196,542
35 Cash & Cash Equivalents At End Of Year	\$4,668,711	\$2,448,021	\$3,886,051	\$5,395,261	\$2,501,739

**NEW YORK WATER SERVICE CORP**  
**COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$17,861,846	\$17,553,909	\$17,296,489	\$18,068,182	\$17,185,928	1
Sales to Other Water Companies	1,890,349	2,074,520	1,935,525			2
Other Sales of Water	1,515,350	1,521,097	1,545,655	1,565,011	1,562,250	3
Total Revenues from Sales of Water	21,267,545	21,149,526	20,777,669	19,633,193	18,748,178	4
Other Water Operating Revenues	7,365	10,370	6,499	13,997	3,340	5
Total Water Operating Revenues	\$21,274,910	\$21,159,896	\$20,784,168	\$19,647,190	\$18,751,518	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	4,944,594	5,077,781	5,533,080	5,511,693	5,004,554	8
Sales to Other Water Companies						9
Other Sales of Water						10
Total Sales of Water	4,944,594	5,077,781	5,533,080	5,511,693	5,004,554	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	44,876	44,528	44,511	44,445	44,402	13
Sales to Other Water Companies						14
Other Sales of Water	246	236	226	219	215	15
Total Customers	45,122	44,764	44,737	44,664	44,617	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$398.03	\$394.22	\$388.59	\$406.53	\$387.05	18
Average Consumption per Customer (T.Gal)	110.18	114.04	124.31	124.01	112.71	19
Average Revenue per T Gallons Sold	\$3.61	\$3.46	\$3.13	\$3.28	\$3.43	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$50,676	\$42,676	\$81,267	\$89,213	\$75,130	24
Power and Pumping	1,615,137	1,391,204	1,462,264	1,318,944	1,258,177	25
Purification	832,705	833,986	788,407	884,890	724,529	26
Transmission and Distribution	1,339,999	1,279,194	1,102,863	1,243,772	1,177,867	27
Customer Accounting and Collecting	1,299,235	1,338,632	1,419,769	1,401,013	1,341,429	28
Administrative and General	5,048,024	4,685,948	4,322,545	3,973,270	3,614,510	29
<b>Total O &amp; M Expense</b>	<b>\$10,185,776</b>	<b>\$9,571,640</b>	<b>\$9,177,115</b>	<b>\$8,911,102</b>	<b>\$8,191,642</b>	<b>30</b>

**NEW YORK WATER SERVICE CORP  
DISTRIBUTION OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31,**

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
1 Revenues	\$21,274,910	\$21,159,896	\$20,784,168	\$19,647,190	\$18,751,518
2 Sales (Thousands of Gallons)	4,944,594	5,077,781	5,533,080	5,511,693	5,004,554
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$1,466,499	\$1,392,055	\$1,301,370	\$1,326,428	\$1,077,391
4 Wages and Benefits	6,543,734	6,274,398	6,112,926	6,168,335	5,804,581
5 Other Operation and Maintenance Expense	2,175,543	1,905,187	1,762,819	1,416,339	1,309,670
6 Depreciation and Amortization Expense	1,463,668	1,454,088	1,340,018	1,247,439	1,253,881
7 Income Taxes-Operating	1,009,532	1,146,875	1,202,141	1,034,835	891,467
8 Other Taxes-Operating	5,907,394	5,929,416	5,912,127	5,585,387	5,855,196
9 Capital Costs	2,708,540	3,057,877	3,152,767	2,868,427	2,559,332
10 Total	\$21,274,910	\$21,159,896	\$20,784,168	\$19,647,190	\$18,751,518
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	6.9	6.6	6.3	6.8	5.7
12 Wages and Benefits	30.8	29.7	29.4	31.4	31.0
13 Other Operation and Maintenance Expense	10.2	9.0	8.5	7.2	7.0
14 Depreciation and Amortization Expense	6.9	6.9	6.4	6.3	6.7
15 Income Taxes-Operating	4.7	5.4	5.8	5.3	4.8
16 Other Taxes-Operating	27.8	28.0	28.4	28.4	31.2
17 Capital Costs	12.7	14.5	15.2	14.6	13.6
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.30	0.27	0.24	0.24	0.22
20 Wages and Benefits	1.32	1.24	1.10	1.12	1.16
21 Other Operation and Maintenance Expense	0.44	0.38	0.32	0.26	0.26
22 Depreciation and Amortization Expense	0.30	0.29	0.24	0.23	0.25
23 Income Taxes-Operating	0.20	0.23	0.22	0.19	0.18
24 Other Taxes-Operating	1.19	1.17	1.07	1.01	1.17
25 Capital Costs	0.55	0.60	0.57	0.52	0.51
26 Total	4.30	4.17	3.76	3.56	3.75

**Purchased Water, Fuel or Power for Pumping and Chemicals**

Purchased Water					
Fuel for Pumping	1,058,078	1,002,208	957,218	886,962	775,979
Chemicals	408,421	389,847	344,152	439,466	301,412

Total PW, Fuel and Chemicals 1,466,499 1,392,055 1,301,370 1,326,428 1,077,391

Total - Ultimate Customers 1,466,499 1,392,055 1,301,370 1,326,428 1,077,391

**Wages and Benefits**

Salaries	3,750,851	3,656,685	3,580,613	3,614,205	3,577,700
Pensions and Benefits	2,792,883	2,617,713	2,532,313	2,554,130	2,226,881
Total Wages and Benefits	6,543,734	6,274,398	6,112,926	6,168,335	5,804,581

**Other Expenses**

Total O&M Expenses	10,185,776	9,571,640	9,177,115	8,911,102	8,191,642
-Total PW, Fuel and Chemicals	1,466,499	1,392,055	1,301,370	1,326,428	1,077,391
-Wages and Benefits	6,543,734	6,274,398	6,112,926	6,168,335	5,804,581
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	2,175,543	1,905,187	1,762,819	1,416,339	1,309,670

**Depreciation and Amortization**

Depreciation Exp	1,463,668	1,454,088	1,340,018	1,247,439	1,253,881
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					

Total Depre and Amort 1,463,668 1,454,088 1,340,018 1,247,439 1,253,881

**Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)**

Total PW, Fuel and Chemicals	1,466,499	1,392,055	1,301,370	1,326,428	1,077,391
divided by Total Gallons	4,944,594	5,077,781	5,533,080	5,511,693	5,004,554
Cost per KWH	0.0003	0.0003	0.0002	0.0002	0.0002
times Sales for Resale MWHs					
Sales for Resale Cost					

**NEW YORK WATER SERVICE CORP**  
**COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$31,152	\$31,152	\$31,152	\$31,152	\$31,152	1
Source of Supply	2,035,976	2,035,976	2,035,976	2,035,976	2,036,194	2
Pumping	13,479,272	13,181,736	13,496,282	13,128,622	12,659,671	3
Water Treatment	6,342,517	6,230,156	5,944,160	2,059,499	2,059,499	4
Transmission and Distribution	34,755,008	33,893,892	33,199,648	33,118,025	32,572,777	5
General	3,037,718	2,996,185	2,840,097	2,699,414	2,714,845	6
Purchased or Sold						7
<b>Total Plant in Service</b>	<b>59,681,643</b>	<b>58,369,097</b>	<b>57,547,315</b>	<b>53,072,688</b>	<b>52,074,138</b>	<b>8</b>
Plant Leased To Others						9
Construction Work In Progress	158,323	140,281	425,078	1,189,739	531,693	10
Plant Held For Future Use						11
Plant Acquisition Adjustments				9	4,401	12
Accum. Gains & Losses - Utility Land & Land Rights						13
<b>Total Plant</b>	<b>59,839,966</b>	<b>58,509,378</b>	<b>57,972,393</b>	<b>54,262,436</b>	<b>52,610,232</b>	<b>14</b>
Accum. Prov. - Depr. & Amort.	23,862,108	22,547,385	22,077,552	20,811,503	19,643,854	15
	\$35,977,858	\$35,961,993	\$35,894,841	\$33,450,933	\$32,966,378	16
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	9.79	8.29	3.18	7.23	5.99	17
Total Capitalization	\$38,537,410	\$39,024,141	\$39,732,993	\$40,880,122	\$56,382,925	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	42.1%	42.2%	42.1%	41.5%	24.5%	19
Preferred Stock						20
Common Stock & Retained Earnings	57.9%	57.8%	57.9%	58.5%	75.5%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	3.1	3.8	3.6	3.3	2.9	23
Com. Stock Dividends as a % of Earnings	112.1%	137.4%	134.8%	1017.8%	94.5%	24
Return on Common Equity	7.6%	10.8%	9.5%	5.8%	3.7%	25
Internal Cash Generated as a % of Cash Outflows for Construction	117.1%	12.1%	129.0%	517.9%	-287.9%	26
CWIP as a % of Plant	0.3%	0.2%	0.7%	2.2%	1.0%	27
Number of Employees	60	62	64	66	67	28

**SEA CLIFF WATER COMPANY  
COMPARATIVE BALANCE SHEET  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$5,651,228	\$5,603,567	\$5,291,446	\$4,911,256	\$4,893,985
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	200	200	(3,790)	(7,709)	(22,100)
7 Notes and Accounts Receivables - Net	382,017	360,528	296,369	379,403	292,347
8 Receivables from Associated Companies	(39,087)	38,514	45,002	31,488	23,601
9 Materials and Supplies	48,379	53,075	55,628	58,992	48,832
10 Prepayments	(1,913)	32,363	32,309	57,481	37,322
11 Accrued Utility Revenue	204,000	209,000	207,125	170,100	175,049
12 Misc Current and Accrued Assets	19,745	4,218			
13 Total Current and Accrued Assets	613,341	697,898	632,643	689,755	555,051
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense					
15 Other Deferred Debits	459,332	510,932	459,623	427,686	446,048
16 Accumulated Deferred Income Taxes					
17 Total Deferred Debits	459,332	510,932	459,623	427,686	446,048
18 <b>Total Assets and Other Debits</b>	<b>\$6,723,901</b>	<b>\$6,812,397</b>	<b>\$6,383,712</b>	<b>\$6,028,697</b>	<b>\$5,895,084</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$24,950	\$24,950	\$24,950	\$24,950	\$24,950
20 Preferred Stock Issued					
21 Other Paid-in Capital	319,496	319,496	319,496	319,496	319,496
22 Retained Earnings	2,632,826	2,645,570	2,600,674	2,513,654	2,434,296
23 Reacquired Capital Stock					
24 Total Proprietary Capital	2,977,272	2,990,016	2,945,120	2,858,100	2,778,742
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt					
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable					
27 Accounts Payable	68,992	52,791	138,664	107,841	46,446
28 Payables to Associated Companies	1,900,000	2,200,000	1,600,000	1,500,000	1,600,000
29 Customer Deposits	10,500	10,500	10,500	15,135	8,135
30 Taxes Accrued	(34,000)	(7,437)	21,236	28,600	37,833
31 Interest Accrued	944	944	944	944	944
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	196,910	159,674	198,153	149,393	131,768
34 Total Current and Accrued Liabilities	2,143,346	2,416,472	1,969,497	1,801,913	1,825,126
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	108,080	108,081	140,161	140,161	140,161
36 Other Deferred Credits	242,854	222,156	244,262	170,851	138,253
37 Accumulated Deferred Investment Tax Credits	46,300	46,300	46,300	46,300	46,300
38 Accumulated Deferred Income Taxes	1,206,049	1,029,372	1,038,372	1,011,372	966,502
39 Total Deferred Credits	1,603,283	1,405,909	1,469,095	1,368,684	1,291,216
<b>OPERATING RESERVES</b>					
40 Operating Reserves					
41 <b>Total Liabilities and Other Credits</b>	<b>\$6,723,901</b>	<b>\$6,812,397</b>	<b>\$6,383,712</b>	<b>\$6,028,697</b>	<b>\$5,895,084</b>

**SEA CLIFF WATER COMPANY**  
**COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$2,147,837	\$2,078,333	\$2,243,752	\$2,163,043	\$2,037,544	1
Operating Expense:						
Operation Expense	788,320	776,979	768,756	696,850	629,763	2
Maintenance Expense	182,268	146,548	126,325	131,977	96,384	3
Depreciation and Amortization Expense	129,710	158,513	129,675	124,027	117,524	4
Taxes Other than Income Taxes	845,616	938,750	1,008,021	934,362	943,823	5
Income Taxes	137,910	55,810	90,300	75,700	59,000	6
Total Operating Expenses	2,083,824	2,076,600	2,123,077	1,962,916	1,846,494	7
Net Operating Revenues	64,013	1,733	120,675	200,127	191,050	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	64,013	1,733	120,675	200,127	191,050	10
<b>OTHER INCOME</b>						
Interest and Dividend Income					515	11
Allowance for Funds Used During Construction	7	20,480	1,236			12
Miscellaneous Nonoperating Income						13
Other Income	181,132	166,691	135,909	77,878	47,857	14
Total Other Income	181,139	187,171	137,145	77,878	48,372	15
Other Income Deductions			250	750	725	16
Taxes-Other Income and Deductions	12,090	38,190	36,796	29,300	18,000	17
<b>Income Available</b>	233,062	150,714	220,774	247,955	220,697	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	47,558	5,819	22,716	68,104	91,698	20
Other Interest Expense			11,038	493		21
Total Interest Charges	47,558	5,819	33,754	68,597	91,698	22
Income Before Extraordinary Items	185,504	144,895	187,020	179,358	128,999	23
Net Extraordinary Items						24
<b>Net Income</b>	\$185,504	\$144,895	\$187,020	\$179,358	\$128,999	25
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$2,645,569	\$2,600,674	\$2,513,654	\$2,434,296	\$2,405,297	26
Balance Transferred from Income	185,504	144,895	187,020	179,358	128,999	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock	198,248	100,000	100,000	100,000	100,000	30
Adjustments to Retained Earnings						31
Net Change	(12,744)	44,895	87,020	79,358	28,999	32
Unappropriated (EOP)	2,632,825	2,645,569	2,600,674	2,513,654	2,434,296	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	\$2,632,825	\$2,645,569	\$2,600,674	\$2,513,654	\$2,434,296	35

**SEA CLIFF WATER COMPANY**  
**STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$185,504	\$144,896	\$187,020	\$179,358	\$128,999
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	129,710	158,513	129,675	124,027	117,524
3 Deferred Taxes & ITCs	176,677	(10,000)	(4,937)	63,232	2,530
4 Receivables and Inventory	17,293	(61,036)	56,291	(69,876)	27,634
5 Payables and Accrued Expenses	47,571	(211,201)	140,996	109,385	(72,694)
6 Capitalized AFUDC - Equity Funds	7	(19,244)			
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	51,600	(51,309)			
9	(44,613)	(6,663)	(6,918)	(22,391)	(3,045)
10	34,276	(54)	25,172	(20,159)	2,202
11 Net Cash From Operating Activities	<u>598,025</u>	<u>(56,098)</u>	<u>527,299</u>	<u>363,576</u>	<u>203,150</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(177,378)	(450,390)	(509,866)	(141,298)	(359,826)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates.	77,601	6,488	(13,514)	(7,887)	4,361
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(99,777)</u>	<u>(443,902)</u>	<u>(523,380)</u>	<u>(149,185)</u>	<u>(355,465)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt					
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt	(300,000)	600,000	100,000	(100,000)	
28 Dividends Paid	(198,248)	(100,000)	(100,000)	(100,000)	(100,000)
29 Other Cash Flows - Financing Activities		3,990			
30					
31					
32 Net Cash From Financing Activities	<u>(498,248)</u>	<u>503,990</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>(100,000)</u>
33 Net Increase/(Decrease) In Cash Equivalents	(0)	3,990	3,919	14,391	(252,315)
34 Cash & Cash Equivalents At Beginning Of Year	200	(3,790)	(7,709)	(22,100)	230,215
35 Cash & Cash Equivalents At End Of Year	\$200	\$200	(\$3,790)	(\$7,709)	(\$22,100)

**SEA CLIFF WATER COMPANY**  
**COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$1,803,388	\$1,764,488	\$1,950,160	\$1,862,539	\$1,742,812	1
Sales to Other Water Companies						2
Other Sales of Water	306,068	284,761	281,082	287,895	285,046	3
Total Revenues from Sales of Water	2,109,456	2,049,249	2,231,242	2,150,434	2,027,858	4
Other Water Operating Revenues	38,381	29,084	12,510	12,609	9,686	5
Total Water Operating Revenues	\$2,147,837	\$2,078,333	\$2,243,752	\$2,163,043	\$2,037,544	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	438,088	421,714	475,685	459,255	418,272	8
Sales to Other Water Companies					19,801	9
Other Sales of Water						10
Total Sales of Water	438,088	421,714	475,685	459,255	438,073	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	4,286	4,303	4,320	4,332	4,341	13
Sales to Other Water Companies						14
Other Sales of Water	45	45	48	47	47	15
Total Customers	4,331	4,348	4,368	4,379	4,388	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$420.76	\$410.06	\$451.43	\$429.95	\$401.48	18
Average Consumption per Customer (T.Gal)	102.21	98.00	110.11	106.01	96.35	19
Average Revenue per T Gallons Sold	\$4.12	\$4.18	\$4.10	\$4.06	\$4.17	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$60,942	\$14,464	\$8,375	\$14,055	\$9,458	24
Power and Pumping	148,451	146,429	138,326	154,274	129,629	25
Purification	92,024	102,657	110,827	108,941	85,083	26
Transmission and Distribution	179,063	143,692	150,170	107,233	93,173	27
Customer Accounting and Collecting	134,862	125,052	131,229	146,129	152,709	28
Administrative and General	355,246	391,232	356,154	298,195	256,095	29
Total O & M Expense	\$970,588	\$923,526	\$895,081	\$828,827	\$726,147	30

**SEA CLIFF WATER COMPANY  
DISTRIBUTION OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31,**

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
1 Revenues	\$2,147,837	\$2,078,333	\$2,243,752	\$2,163,043	\$2,037,544
2 Sales (Thousands of Gallons)	438,088	421,714	475,685	459,255	438,073
	<b>DOLLAR AMOUNTS</b>				
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$161,840	\$146,173	\$153,678	\$144,259	\$116,825
4 Wages and Benefits	479,089	425,713	371,124	362,099	358,597
5 Other Operation and Maintenance Expense	329,659	923,526	895,081	828,827	250,725
6 Depreciation and Amortization Expense	129,710	158,513	129,675	124,027	117,524
7 Income Taxes-Operating	137,910	55,810	90,300	75,700	59,000
8 Other Taxes-Operating	845,616	938,750	1,008,021	934,362	943,823
9 Capital Costs	64,013	(570,152)	(404,126)	(306,231)	191,050
10 Total	\$2,147,837	\$2,078,333	\$2,243,752	\$2,163,043	\$2,037,544
	<b>PERCENT OF REVENUES</b>				
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	7.5	7.0	6.8	6.7	5.7
12 Wages and Benefits	22.3	20.5	16.5	16.7	17.6
13 Other Operation and Maintenance Expense	15.3	44.4	39.9	38.3	12.3
14 Depreciation and Amortization Expense	6.0	7.6	5.8	5.7	5.8
15 Income Taxes-Operating	6.4	2.7	4.0	3.5	2.9
16 Other Taxes-Operating	39.4	45.2	44.9	43.2	46.3
17 Capital Costs	3.0	(27.4)	(18.0)	(14.2)	9.4
18 Total	100.0	100.0	100.0	100.0	100.0
	<b>DOLLARS PER THOUSAND GALLONS SOLD</b>				
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.37	0.35	0.32	0.31	0.27
20 Wages and Benefits	1.09	1.01	0.78	0.79	0.82
21 Other Operation and Maintenance Expense	0.75	2.19	1.88	1.80	0.57
22 Depreciation and Amortization Expense	0.30	0.38	0.27	0.27	0.27
23 Income Taxes-Operating	0.31	0.13	0.19	0.16	0.13
24 Other Taxes-Operating	1.93	2.23	2.12	2.03	2.15
25 Capital Costs	0.15	-1.35	-0.85	-0.67	0.44
26 Total	4.90	4.93	4.72	4.71	4.65

**Purchased Water, Fuel or Power for Pumping  
and Chemicals**

Purchased Water	8,645				
Fuel for Pumping	105,095	102,919	94,230	96,258	86,928
Chemicals	48,100	43,254	59,448	48,001	29,897

Total PW, Fuel and Chemicals 161,840 146,173 153,678 144,259 116,825

Total - Ultimate Customers

**Wages and Benefits**

Salaries	357,148	297,884	283,286	277,275	267,992
Pensions and Benefits	121,941	127,829	87,837	84,824	90,605
Total Wages and Benefits	479,089	425,713	371,124	362,099	358,597

**Other Expenses**

Total O&M Expenses	970,588	923,526	895,081	828,827	726,147
-Total PW, Fuel and Chemicals	161,840	146,173	153,678	144,259	116,825
-Wages and Benefits	479,089	425,713	371,124	362,099	358,597

Other Expenses 329,659 351,640 370,280 322,469 250,725

**Depreciation and Amortization**

Depreciation Exp	129,710	158,513	129,675	124,027	117,524
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					

Total Depre and Amort 129,710 158,513 129,675 124,027 117,524

**SEA CLIFF WATER COMPANY**  
**COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible						1
Source of Supply	\$151,280	\$299,162	\$299,162	\$299,162	\$299,163	2
Pumping	990,793	968,726	518,212	517,748	510,328	3
Water Treatment	335,853	335,853	319,792	314,612	300,152	4
Transmission and Distribution	5,525,345	5,484,126	5,459,405	5,135,742	5,078,039	5
General	526,877	521,955	464,447	432,823	371,838	6
Purchased or Sold						7
Total Plant in Service	7,530,148	7,609,823	7,061,018	6,700,087	6,559,520	8
Plant Leased To Others						9
Construction Work In Progress	89,795	54,676	148,211			10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
<b>Total Plant</b>	7,619,943	7,664,499	7,209,229	6,700,087	6,559,520	14
Accum. Prov. - Depr. & Amort.	1,968,716	2,060,932	1,917,783	1,788,831	1,665,535	15
<b>Net Plant</b>	\$5,651,227	\$5,603,567	\$5,291,446	\$4,911,256	\$4,893,985	16
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	0.29	0.29	0.32	0.38	0.30	17
Total Capitalization	\$2,977,272	\$2,990,016	\$2,945,120	\$2,858,100	\$2,778,742	18
<u>Percent Of Capitalization (incl. S-T Debt)</u>						
Long-Term Debt						19
Preferred Stock						20
Common Stock & Retained Earnings	100.0%	100.0%	100.0%	100.0%	100.0%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	7.8	35.5	9.2	4.7	3.1	23
Com. Stock Dividends as a % of Earnings	106.9%	69.0%	114.9%	55.8%	77.5%	24
Return on Common Equity	6.2%	4.9%	3.0%	6.4%	4.7%	25
Internal Cash Generated as a % of Cash Outflows for Construction	308.1%	-1.1%	103.4%	257.3%	-56.5%	26
CWIP as a % of Plant	1.2%	0.7%				27
Number of Employees	6	6	6	6	7	28

**UNITED WATER NEW ROCHELLE  
COMPARATIVE BALANCE SHEET  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$71,064,230	\$64,146,157	\$62,248,545	\$56,644,844	\$52,023,125
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	(509,758)	76,795	170,780	97,718	44,543
7 Notes and Accounts Receivables - Net	1,233,019	2,252,786	1,887,503	2,674,757	1,384,027
8 Receivables from Associated Companies					
9 Materials and Supplies	341,114	328,594	321,855	459,779	283,200
10 Prepayments	2,228,391	2,362,457	3,074,124	2,872,046	2,463,105
11 Accrued Utility Revenue	2,339,068	1,950,444	3,086,459	2,131,959	2,306,856
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	5,631,834	6,971,075	8,540,721	8,236,259	6,481,731
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense					
15 Other Deferred Debits	14,959,398	14,252,530	10,772,165	9,273,690	6,716,611
16 Accumulated Deferred Income Taxes	980,134	1,236,729	1,413,541	795,409	141,775
17 Total Deferred Debits	15,939,532	15,489,259	12,185,706	10,069,099	6,858,386
18 <b>Total Assets and Other Debits</b>	<b>\$92,635,596</b>	<b>\$86,606,491</b>	<b>\$82,974,972</b>	<b>\$74,950,202</b>	<b>\$65,363,243</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
20 Preferred Stock Issued					
21 Other Paid-in Capital	25,786,250	22,886,250	21,886,250	17,830,250	15,377,250
22 Retained Earnings	39,129,736	37,436,374	35,273,641	35,678,478	33,853,108
23 Reacquired Capital Stock					
24 Total Proprietary Capital	64,965,986	60,372,624	57,209,891	53,558,728	49,280,358
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt					
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable					
27 Accounts Payable	1,098,802	708,863	221,134	522,526	215,757
28 Payables to Associated Companies	116,212				
29 Customer Deposits	10,743	5,805	41,728	21,160	21,221
30 Taxes Accrued	(708,957)	(343,375)	165,268	(35,455)	(127,031)
31 Interest Accrued					
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	4,497,518	3,457,058	3,080,628	2,446,631	1,646,604
34 Total Current and Accrued Liabilities	5,014,318	3,828,350	3,508,758	2,954,862	1,756,551
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	785,334	958,582	1,496,718	2,536,193	2,336,059
36 Other Deferred Credits	1,694,799	2,534,409	3,859,959	3,651,906	2,174,030
37 Accumulated Deferred Investment Tax Credits	592,240	608,932	625,624	642,317	659,008
38 Accumulated Deferred Income Taxes	17,695,950	15,863,349	13,276,956	11,606,196	9,157,218
39 Total Deferred Credits	20,768,323	19,965,271	19,259,257	18,436,612	14,326,315
<b>OPERATING RESERVES</b>					
40 Operating Reserves	1,886,969	2,440,245	2,997,066		
41 <b>Total Liabilities and Other Credits</b>	<b>\$92,635,596</b>	<b>\$86,606,491</b>	<b>\$82,974,972</b>	<b>\$74,950,202</b>	<b>\$65,363,224</b>

**UNITED WATER NEW ROCHELLE**  
**COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$19,792,594	\$20,631,279	\$21,061,553	\$20,897,761	\$19,561,134	1
Operating Expense:						
Operation Expense	8,991,939	8,320,847	8,982,765	8,856,867	8,626,600	2
Maintenance Expense	804,907	910,354	667,392	673,681	843,304	3
Depreciation and Amortization Expense	1,640,256	1,691,412	1,702,677	1,580,238	1,628,467	4
Taxes Other than Income Taxes	5,154,622	5,298,091	5,694,375	5,451,130	5,115,981	5
Income Taxes	725,904	972,180	939,678	1,068,103	480,683	6
Total Operating Expenses	17,317,628	17,192,884	17,986,887	17,630,019	16,695,035	7
Net Operating Revenues	2,474,966	3,438,395	3,074,666	3,267,742	2,866,099	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	2,474,966	3,438,395	3,074,666	3,267,742	2,866,099	10
<b>OTHER INCOME</b>						
Interest and Dividend Income	85,672	89,262	212,775	182,193	245,513	11
Allowance for Funds Used During Construction	785,100	594,338	566,099	483,863	433,044	12
Miscellaneous Nonoperating Income	37,040	1,916	64,527	27,398	1,558	13
Other Income	25,882	37,676	(748)	(31,206)	(46,497)	14
Total Other Income	933,694	723,191	842,653	662,248	633,618	15
Other Income Deductions	111,833		23,791	1,741	143,767	16
Taxes-Other Income and Deductions	18	1,786	23	(626)	587	17
<b>Income Available</b>	3,296,810	4,159,800	3,893,505	3,928,875	3,355,363	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	2,340,902	2,172,405	2,261,417	2,069,436	2,006,621	20
Other Interest Expense	72,358	186,596	88,832	34,068	10,219	21
Total Interest Charges	2,413,260	2,359,001	2,350,249	2,103,504	2,016,840	22
Income Before Extraordinary Items	883,550	1,800,799	1,543,256	1,825,371	1,338,523	23
Net Extraordinary Items						24
<b>Net Income</b>	\$883,550	\$1,800,799	\$1,543,256	\$1,825,371	\$1,338,523	25
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$37,436,374	\$35,273,641	\$35,678,478	\$33,853,108	\$32,514,584	26
Balance Transferred from Income	883,550	1,800,799	1,543,256	1,825,370	1,338,524	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock						30
Adjustments to Retained Earnings	809,812	361,934	(1,948,093)			31
Net Change	1,693,362	2,162,733	(404,837)	1,825,370	1,338,524	32
Unappropriated (EOP)	39,129,736	37,436,374	35,273,641	35,678,478	33,853,108	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	\$39,129,736	\$37,436,374	\$35,273,641	\$35,678,478	\$33,853,108	35

**UNITED WATER NEW ROCHELLE  
STATEMENT OF CASH FLOWS  
FOR YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$883,550	\$1,800,799	\$1,543,256	\$1,825,372	\$1,338,524
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	1,629,204	1,669,308	1,680,573	1,569,174	1,628,467
3 Deferred Taxes & ITCs	1,733,294	2,551,625	2,084,908	1,778,653	483,914
4 Receivables and Inventory	618,623	(372,022)	925,178	(1,467,309)	252,633
5 Payables and Accrued Expenses	1,551,549	864,159	332,605	1,106,796	209,916
6 Capitalized AFUDC - Equity Funds	(785,100)	(594,338)	(566,099)	(483,863)	(433,044)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	(706,869)	1,136,015	(954,500)	174,897	(525,574)
9	(839,610)	(508,643)	200,723	91,576	(375,423)
10	(231,516)	(4,875,861)	(2,718,962)	(1,495,626)	532,091
11 Net Cash From Operating Activities	<u>3,853,125</u>	<u>1,671,042</u>	<u>2,527,682</u>	<u>3,099,670</u>	<u>3,111,504</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(7,166,430)	(2,765,027)	(6,510,620)	(5,499,475)	(3,923,020)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(7,166,430)</u>	<u>(2,765,027)</u>	<u>(6,510,620)</u>	<u>(5,499,475)</u>	<u>(3,923,020)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	(173,248)				
25 Common Stock	2,900,000	1,000,000	4,056,000	2,453,000	827,000
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid					
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>2,726,752</u>	<u>1,000,000</u>	<u>4,056,000</u>	<u>2,453,000</u>	<u>827,000</u>
33 Net Increase/(Decrease) In Cash Equivalents	(586,553)	(93,985)	73,062	53,195	15,484
34 Cash & Cash Equivalents At Beginning Of Year	76,797	170,782	97,720	44,525	29,041
35 Cash & Cash Equivalents At End Of Year	(\$509,756)	\$76,797	\$170,782	\$97,720	\$44,525

**Notes:**

1 Cash and Cash Equivalents are restated to reflect inclusion of Working Funds in Cash and Cash Equivalents. Net changes in Working Funds are shown on Line 29 - Other Cash Flows - Financing Activities.

**UNITED WATER NEW ROCHELLE  
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$16,519,925	\$18,064,530	\$17,555,085	\$18,905,920	\$16,560,104	1
Sales to Other Water Companies	1,999,899	1,961,212	1,914,229	1,963,090	171,563	2
Other Sales of Water	282,500	343,692	321,507	351,270	2,040,543	3
Total Revenues from Sales of Water	18,802,324	20,369,434	19,790,821	21,220,280	18,772,210	4
Other Water Operating Revenues	990,270	261,846	1,270,732	(322,518)	788,925	5
Total Water Operating Revenues	\$19,792,594	\$20,631,280	\$21,061,553	\$20,897,762	\$19,561,135	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	5,096,469	5,461,723	5,290,945	5,818,777	5,088,282	8
Sales to Other Water Companies	207,221	183,970	98,266	98,694	91,490	9
Other Sales of Water	90,226	116,647	114,696	120,574	117,435	10
Total Sales of Water	5,393,916	5,762,340	5,503,907	6,038,045	5,297,207	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	30,262	30,159	30,023	29,942	29,796	13
Sales to Other Water Companies	2	2	2	2	3	14
Other Sales of Water	707	701	667	672	643	15
Total Customers	30,971	30,862	30,692	30,616	30,442	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$545.90	\$598.98	\$584.72	\$631.42	\$555.78	18
Average Consumption per Customer (T.Gal)	168.41	181.10	176.23	194.33	170.77	19
Average Revenue per T Gallons Sold	\$3.24	\$3.31	\$3.32	\$3.25	\$3.25	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$3,044,157	\$2,862,672	\$3,121,474	\$3,376,047	\$2,950,214	24
Power and Pumping	1,211,314	1,207,043	1,197,183	1,431,653	1,277,862	25
Purification	322,701	268,944	269,099	274,489	275,398	26
Transmission and Distribution	1,351,434	1,530,551	1,244,485	1,254,838	1,402,143	27
Customer Accounting and Collecting	958,112	894,614	1,026,827	952,917	1,044,456	28
Administrative and General	2,909,128	2,467,377	2,790,699	2,240,604	2,519,831	29
<b>Total O &amp; M Expense</b>	<b>\$9,796,845</b>	<b>\$9,231,201</b>	<b>\$9,649,767</b>	<b>\$9,530,549</b>	<b>\$9,469,904</b>	<b>30</b>

**UNITED WATER NEW ROCHELLE  
DISTRIBUTION OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31,**

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
1 Revenues	\$19,792,594	\$20,631,280	\$21,061,553	\$20,897,762	\$19,561,134
2 Sales (Thousands of Gallons)	5,393,916	5,762,340	5,503,907	6,038,045	5,297,207
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$3,795,750	\$3,613,487	\$3,858,068	\$4,348,074	\$3,813,359
4 Wages and Benefits	2,673,145	2,641,436	2,937,000	2,720,846	2,733,507
5 Other Operation and Maintenance Expense	3,327,950	2,976,279	2,854,699	2,461,629	2,923,038
6 Depreciation and Amortization Expense	1,629,204	1,669,308	1,680,573	1,569,174	1,628,467
7 Income Taxes-Operating	725,904	972,180	939,678	1,068,103	480,683
8 Other Taxes-Operating	5,154,622	5,298,091	5,694,375	5,451,130	5,115,981
9 Capital Costs	2,486,018	3,460,499	3,097,160	3,278,806	2,866,099
10 Total	\$19,792,594	\$20,631,280	\$21,061,553	\$20,897,762	\$19,561,134
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	19.2	17.5	18.3	20.8	19.5
12 Wages and Benefits	13.5	12.8	13.9	13.0	14.0
13 Other Operation and Maintenance Expense	16.8	14.4	13.6	11.8	14.9
14 Depreciation and Amortization Expense	8.2	8.1	8.0	7.5	8.3
15 Income Taxes-Operating	3.7	4.7	4.5	5.1	2.5
16 Other Taxes-Operating	26.0	25.7	27.0	26.1	26.2
17 Capital Costs	12.6	16.8	14.7	15.7	14.7
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.70	0.63	0.70	0.72	0.72
20 Wages and Benefits	0.50	0.46	0.53	0.45	0.52
21 Other Operation and Maintenance Expense	0.62	0.52	0.52	0.41	0.55
22 Depreciation and Amortization Expense	0.30	0.29	0.31	0.26	0.31
23 Income Taxes-Operating	0.13	0.17	0.17	0.18	0.09
24 Other Taxes-Operating	0.96	0.92	1.03	0.90	0.97
25 Capital Costs	0.46	0.60	0.56	0.54	0.54
26 Total	3.67	3.58	3.83	3.46	3.69

**Purchased Water, Fuel or Power for Pumping  
and Chemicals**

Purchased Water	2,978,845	2,802,200	3,070,297	3,342,287	2,935,903
Fuel for Pumping	701,783	706,081	684,539	890,201	773,633
Chemicals	115,123	105,205	103,232	115,585	103,823

Total PW, Fuel and Chemicals 3,795,750 3,613,487 3,858,068 4,348,074 3,813,359

Total - Ultimate Customers 3,795,750 3,613,487 3,858,068 4,348,074 3,813,359

**Wages and Benefits**

Salaries	2,033,693	2,214,178	2,112,893	2,159,573	2,384,679
Pensions and Benefits	639,452	427,258	824,108	561,273	348,828
Total Wages and Benefits	2,673,145	2,641,436	2,937,000	2,720,846	2,733,507

**Other Expenses**

Total O&M Expenses	9,796,846	9,231,201	9,649,767	9,530,549	9,469,904
-Total PW, Fuel and Chemicals	3,795,750	3,613,487	3,858,068	4,348,074	3,813,359
-Wages and Benefits	2,673,145	2,641,436	2,937,000	2,720,846	2,733,507
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	3,327,950	2,976,279	2,854,699	2,461,629	2,923,038

**Depreciation and Amortization**

Depreciation Exp	1,640,256	1,691,412	1,702,677	1,580,238	1,628,467
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	1,640,256	1,691,412	1,702,677	1,580,238	1,628,467

**Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)**

Total PW, Fuel and Chemicals	3,795,750	3,613,487	3,858,068	4,348,074	3,813,359
divided by Total Gallons	5,393,916	5,762,340	5,503,907	6,038,045	5,297,207
Cost per KWH	0.0007	0.0006	0.0007	0.0007	0.0007
times Sales for Resale MWHs					
Sales for Resale Cost					

**UNITED WATER NEW ROCHELLE  
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$47,428	\$47,428	\$47,428	\$43,578	\$43,578	1
Source of Supply	244,548	244,548	244,548	244,548	248,211	2
Pumping	2,605,219	2,605,219	2,588,471	2,565,701	2,586,737	3
Water Treatment	1,110,499	1,110,499	1,098,854	1,104,328	1,025,479	4
Transmission and Distribution	69,464,563	64,298,397	62,164,088	57,897,802	52,874,511	5
General	5,606,405	4,897,042	5,293,546	5,683,986	5,603,890	6
Purchased or Sold						7
Total Plant in Service	79,078,662	73,203,132	71,436,935	67,539,943	62,382,406	8
Plant Leased To Others						9
Construction Work In Progress	8,713,763	7,029,301	6,303,444	5,446,564	5,142,334	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights	(90,846)	(90,846)	(90,846)	(90,846)	(90,846)	13
<b>Total Plant</b>	<b>87,701,579</b>	<b>80,141,587</b>	<b>77,649,533</b>	<b>72,895,661</b>	<b>67,433,894</b>	<b>14</b>
Accum. Prov. - Depr. & Amort.	16,637,349	15,995,430	15,400,987	16,250,818	15,410,769	15
<b>Net Plant</b>	<b>\$71,064,230</b>	<b>\$64,146,157</b>	<b>\$62,248,546</b>	<b>\$56,644,843</b>	<b>\$52,023,125</b>	<b>16</b>
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	1.12	1.82	2.43	2.79	3.69	17
Total Capitalization	\$64,965,986	\$60,372,624	\$57,209,891	\$53,558,728	\$49,280,358	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt						19
Preferred Stock						20
Common Stock & Retained Earnings	100.0%	100.0%	100.0%	100.0%	100.0%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	1.7	2.2	2.1	2.4	1.9	23
Com. Stock Dividends as a % of Earnings						24
Return on Common Equity	1.4%	3.1%	2.8%	3.5%	2.8%	25
Internal Cash Generated as a % of Cash Outflows for Construction	53.8%	60.4%	38.8%	56.4%	-79.3%	26
CWIP as a % of Plant	9.9%	8.8%	8.1%	7.5%	7.6%	27
Number of Employees	49	43	54	52	57	28

**UNITED WATER NEW YORK  
COMPARATIVE BALANCE SHEET  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$174,391,378	\$169,558,655	\$154,860,386	\$150,728,395	\$145,733,901
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)			662	662	662
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments			662	662	662
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	868,824	(766,201)	1,048,675	54,455	1,013,221
7 Notes and Accounts Receivables - Net	2,697,931	3,781,428	3,090,941	4,194,606	3,430,330
8 Receivables from Associated Companies		40	1,129	23,665	14,362
9 Materials and Supplies	1,271,123	901,431	898,761	677,495	719,041
10 Prepayments	14,157,546	14,239,601	14,831,946	13,886,021	12,442,648
11 Accrued Utility Revenue					
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	18,995,424	18,156,299	19,871,452	18,836,242	17,619,602
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense	2,985,312	3,138,708	3,292,104	3,445,500	3,601,155
15 Other Deferred Debits	13,604,165	12,506,800	12,537,322	10,577,981	11,275,351
16 Accumulated Deferred Income Taxes	9,249,668	9,432,367	9,024,167	6,595,164	5,753,770
17 Total Deferred Debits	25,839,145	25,077,875	24,853,593	20,618,645	20,630,276
18 <b>Total Assets and Other Debits</b>	<b>\$219,225,947</b>	<b>\$212,792,829</b>	<b>\$199,586,093</b>	<b>\$190,183,944</b>	<b>\$183,984,441</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$13,856,490	\$13,856,490	\$13,856,490	\$13,856,490	\$13,856,490
20 Preferred Stock Issued					5,862,500
21 Other Paid-in Capital	26,874,603	16,874,603	11,874,603	11,874,603	6,546,082
22 Retained Earnings	43,540,806	40,536,360	37,364,778	36,648,337	34,111,070
23 Reacquired Capital Stock					
24 Total Proprietary Capital	84,271,899	71,267,453	63,095,871	62,379,430	60,376,142
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt	51,000,000	51,000,000	51,000,000	51,000,000	51,300,000
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable	19,900,000	29,000,000	25,000,000	23,000,000	26,500,000
27 Accounts Payable	1,641,861	2,501,525	3,198,535	2,141,442	1,798,189
28 Payables to Associated Companies	256,678				
29 Customer Deposits	114,211	122,411	124,720	129,214	138,483
30 Taxes Accrued	1,234,596	(454,353)	1,973,512	1,738,310	(549,117)
31 Interest Accrued	1,270,311	1,311,912	1,313,275	1,340,912	1,407,742
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	732,884	111,115	202,607	66,320	36,215
34 Total Current and Accrued Liabilities	25,150,541	32,592,610	31,812,649	28,416,198	29,331,512
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	4,979,329	4,754,400	5,377,497	7,793,365	6,669,624
36 Other Deferred Credits	14,517,422	14,211,448	14,370,680	13,195,583	10,194,529
37 Accumulated Deferred Investment Tax Credits	842,578	863,703	883,203	903,003	922,803
38 Accumulated Deferred Income Taxes	35,852,793	34,956,142	29,951,661	25,932,313	24,751,779
39 Total Deferred Credits	56,192,122	54,785,693	50,583,041	47,824,264	42,538,734
<b>OPERATING RESERVES</b>					
40 Operating Reserves	2,611,385	3,147,073	3,094,532	564,053	438,053
41 <b>Total Liabilities and Other Credits</b>	<b>\$219,225,947</b>	<b>\$212,792,829</b>	<b>\$199,586,093</b>	<b>\$190,183,944</b>	<b>\$183,984,441</b>

**UNITED WATER NEW YORK**  
**COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$43,309,503	\$43,501,221	\$43,114,999	\$44,925,646	\$44,435,872	1
Operating Expense:						
Operation Expense	13,504,614	13,654,862	13,685,561	12,836,752	13,199,860	2
Maintenance Expense	2,453,321	2,132,286	2,642,232	2,466,481	2,829,603	3
Depreciation and Amortization Expense	5,113,250	4,761,919	4,476,947	4,331,562	4,171,524	4
Taxes Other than Income Taxes	9,241,656	9,641,516	8,939,510	10,798,065	11,514,314	5
Income Taxes	3,248,890	3,787,864	3,794,273	3,978,126	2,900,000	6
Total Operating Expenses	33,561,731	33,978,447	33,538,523	34,410,986	34,615,301	7
Net Operating Revenues	9,747,772	9,522,774	9,576,476	10,514,660	9,820,571	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	9,747,772	9,522,774	9,576,476	10,514,660	9,820,571	10
<b>OTHER INCOME</b>						
Interest and Dividend Income	88,635	521,273	420,984	435,752	288,469	11
Allowance for Funds Used During Construction	83,991	890,345	244,694	173,516	54,565	12
Miscellaneous Nonoperating Income	143,555	228,666	121,050	86,979	66,048	13
Other Income	7,822					14
Total Other Income	324,003	1,640,284	786,728	696,247	409,082	15
Other Income Deductions	86,870	181,772	295,072	31,024	417,312	16
Taxes-Other Income and Deductions		3,136	689	5,710	1,035	17
<b>Income Available</b>	9,984,905	10,978,150	10,067,443	11,174,173	9,811,306	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt	3,591,996	3,591,996	3,591,996	3,608,318	3,638,708	19
Interest on Debt to Associated Co.						20
Other Interest Expense	1,393,868	1,669,746	1,521,670	1,995,817	2,261,650	21
Total Interest Charges	4,985,864	5,261,742	5,113,666	5,604,135	5,900,358	22
Income Before Extraordinary Items	4,999,041	5,716,408	4,953,777	5,570,038	3,910,948	23
Net Extraordinary Items						24
<b>Net Income</b>	\$4,999,041	\$5,716,408	\$4,953,777	\$5,570,038	\$3,910,948	25
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$40,536,360	\$37,364,778	\$36,648,337	\$34,111,070	\$33,181,143	26
Balance Transferred from Income	4,999,041	5,716,408	4,953,777	5,570,038	3,910,948	27
Appropriated						28
Dividends Declared-Preferred Stock	2,600,000			532,771	581,021	29
Dividends Declared-Common Stock		2,600,000	2,600,000	2,500,000	2,400,000	30
Adjustments to Retained Earnings	605,405	55,174	(1,637,336)			31
Net Change	3,004,446	3,171,582	716,441	2,537,267	929,927	32
Unappropriated (EOP)	43,540,806	40,536,360	37,364,778	36,648,337	34,111,070	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	\$43,540,806	\$40,536,360	\$37,364,778	\$36,648,337	\$34,111,070	35

**UNITED WATER NEW YORK  
STATEMENT OF CASH FLOWS  
FOR YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$4,999,041	\$5,716,408	\$4,953,777	\$5,570,038	\$3,910,948
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	5,863,111	4,961,549	2,984,067	4,478,277	4,320,504
3 Deferred Taxes & ITCs	1,058,225	7,262,450	(1,115,124)	319,340	116,814
4 Receivables and Inventory	713,845	(692,068)	904,935	(732,033)	180,034
5 Payables and Accrued Expenses	(31,018)	(792,174)	1,161,250	297,258	253,906
6 Capitalized AFUDC - Equity Funds	(83,991)	(890,345)	(244,694)	(173,516)	(54,565)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	(1,097,365)	30,522	(1,959,341)	697,370	(319,766)
9	305,974	(2,844,901)	3,860,766	3,001,054	3,229,440
10	1,235,316	(1,782,979)	1,819,756	970,054	(1,547,767)
11 Net Cash From Operating Activities	<u>12,963,138</u>	<u>10,968,462</u>	<u>12,365,392</u>	<u>14,427,842</u>	<u>10,089,548</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(9,853,042)	(18,560,241)	(8,355,304)	(9,143,600)	(8,960,521)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates.					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(9,853,042)</u>	<u>(18,560,241)</u>	<u>(8,355,304)</u>	<u>(9,143,600)</u>	<u>(8,960,521)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	10,224,929	4,376,903	(2,415,868)	6,152,263	(261,444)
25 Common Stock					
26 Preferred Stock				(5,862,500)	(512,500)
27 Short-Term Debt	(9,100,000)	4,000,000	2,000,000	(3,500,000)	1,300,000
28 Dividends Paid	(2,600,000)	(2,600,000)	(2,600,000)	(3,032,771)	(2,981,021)
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>(1,475,071)</u>	<u>5,776,903</u>	<u>(3,015,868)</u>	<u>(6,243,008)</u>	<u>(2,454,965)</u>
33 Net Increase/(Decrease) In Cash Equivalents	1,635,025	(1,814,876)	994,220	(958,766)	(1,325,938)
34 Cash & Cash Equivalents At Beginning Of Year	(766,201)	1,048,675	54,455	1,013,221	2,339,159
35 Cash & Cash Equivalents At End Of Year	\$868,824	(\$766,201)	\$1,048,675	\$54,455	\$1,013,221

**UNITED WATER NEW YORK**  
**COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$37,025,495	\$36,615,751	\$35,245,501	\$39,283,152	\$37,032,163	1
Sales to Other Water Companies						2
Other Sales of Water	4,860,272	4,815,240	4,736,325	4,799,408	4,577,605	3
Total Revenues from Sales of Water	41,885,767	41,430,991	39,981,826	44,082,560	41,609,768	4
Other Water Operating Revenues*	1,411,200	2,070,230	3,133,173	843,086	2,826,104	5
Total Water Operating Revenues	\$43,296,967	\$43,501,221	\$43,114,999	\$44,925,646	\$44,435,872	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	8,755,694	8,526,911	8,236,290	9,039,941	8,687,342	7
Sales to Other Water Companies						8
Other Sales of Water	73,693	60,716	67,722	87,756	74,836	9
Total Sales of Water	8,829,387	8,587,627	8,304,012	9,127,697	8,762,178	10
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	68,251	67,703	67,105	66,420	65,834	11
Sales to Other Water Companies					1	12
Other Sales of Water	1,067	1,036	996	973	921	13
Total Customers	69,318	68,739	68,101	67,393	66,756	14
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$542.49	\$540.83	\$525.23	\$591.44	\$562.51	15
Average Consumption per Customer (T.Gal)	128.29	125.95	122.74	136.10	131.96	16
Average Revenue per T Gallons Sold	\$4.23	\$4.29	\$4.28	\$4.35	\$4.26	17
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	18
Average Consumption per Customer (T.Gal)	---	---	---	---	---	19
Average Revenue per T Gallons Sold	---	---	---	---	---	20
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$364,967	\$536,401	\$852,359	\$817,877	\$848,217	21
Power and Pumping	3,373,437	3,332,709	2,774,184	3,418,532	2,903,919	22
Purification	1,733,840	1,939,196	1,611,250	1,462,469	1,325,115	23
Transmission and Distribution	3,299,643	2,901,582	3,042,566	3,122,215	3,491,384	24
Customer Accounting and Collecting	2,226,023	2,148,981	2,287,560	2,327,244	2,350,543	25
Administrative and General	4,960,025	4,928,279	5,759,874	4,154,895	5,110,285	26
<b>Total O &amp; M Expense</b>	<b>\$15,957,935</b>	<b>\$15,787,148</b>	<b>\$16,327,793</b>	<b>\$15,303,232</b>	<b>\$16,029,463</b>	<b>27</b>

**UNITED WATER NEW YORK  
DISTRIBUTION OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31,**

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
1 Revenues	\$43,296,967	\$43,501,221	\$43,114,999	\$44,925,646	\$44,435,872
2 Sales (Thousands of Gallons)	8,829,387	8,587,627	8,304,012	9,127,697	8,762,178
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$2,710,477	\$2,977,558	\$2,480,059	\$3,188,951	\$2,613,572
4 Wages and Benefits	5,405,272	5,508,434	5,801,586	4,991,155	5,666,002
5 Other Operation and Maintenance Expense	7,842,186	7,301,156	8,046,148	7,123,126	7,749,889
6 Depreciation and Amortization Expense	5,113,250	4,761,919	4,476,947	4,478,277	4,171,524
7 Income Taxes-Operating	3,248,890	3,787,864	3,794,273	3,978,126	2,900,000
8 Other Taxes-Operating	9,241,656	9,641,516	8,939,510	10,798,065	11,514,314
9 Capital Costs	9,735,236	9,522,774	9,576,476	10,367,946	9,820,571
10 Total	\$43,296,967	\$43,501,221	\$43,114,999	\$44,925,646	\$44,435,872
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	6.3	6.8	5.8	7.1	5.9
12 Wages and Benefits	12.5	12.7	13.5	11.1	12.8
13 Other Operation and Maintenance Expense	18.1	16.8	18.7	15.9	17.4
14 Depreciation and Amortization Expense	11.8	10.9	10.4	10.0	9.4
15 Income Taxes-Operating	7.5	8.7	8.8	8.9	6.5
16 Other Taxes-Operating	21.3	22.2	20.7	24.0	25.9
17 Capital Costs	22.5	21.9	22.2	23.1	22.1
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.31	0.35	0.30	0.35	0.30
20 Wages and Benefits	0.61	0.64	0.70	0.55	0.65
21 Other Operation and Maintenance Expense	0.89	0.85	0.97	0.78	0.88
22 Depreciation and Amortization Expense	0.58	0.55	0.54	0.49	0.48
23 Income Taxes-Operating	0.37	0.44	0.46	0.44	0.33
24 Other Taxes-Operating	1.05	1.12	1.08	1.18	1.31
25 Capital Costs	1.10	1.11	1.15	1.14	1.12
26 Total	4.90	5.07	5.19	4.92	5.07

**Purchased Water, Fuel or Power for Pumping and Chemicals**

Purchased Water	18,402	143,425	185,138	188,855	177,550
Fuel for Pumping	2,344,291	2,511,475	1,920,286	2,620,300	2,106,345
Chemicals	347,784	322,658	374,635	379,796	329,677

Total PW, Fuel and Chemicals 2,710,477 2,977,558 2,480,059 3,188,951 2,613,572

Total - Ultimate Customers 2,710,477 2,977,558 2,480,059 3,188,951 2,613,572

**Wages and Benefits**

Salaries	4,378,534	4,477,468	4,462,708	4,292,837	4,877,248
Pensions and Benefits	1,026,738	1,030,966	1,338,878	698,318	788,754
Total Wages and Benefits	5,405,272	5,508,434	5,801,586	4,991,155	5,666,002

**Other Expenses**

Total O&M Expenses	15,957,935	15,787,148	16,327,793	15,303,232	16,029,463
-Total PW, Fuel and Chemicals	2,710,477	2,977,558	2,480,059	3,188,951	2,613,572
-Wages and Benefits	5,405,272	5,508,434	5,801,586	4,991,155	5,666,002
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	7,842,186	7,301,156	8,046,148	7,123,126	7,749,889

**Depreciation and Amortization**

Depreciation Exp	5,113,250	4,761,919	4,476,947	4,331,562	4,171,524
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					

Total Depre and Amort 5,113,250 4,761,919 4,476,947 4,331,562 4,171,524

**Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)**

Total PW, Fuel and Chemicals	2,710,477	2,977,558	2,480,059	3,188,951	2,613,572
divided by Total Gallons	8,829,387	8,587,627	8,304,012	9,127,697	8,762,178
Cost per Gallon	0.0003	0.0003	0.0003	0.0003	0.0003

**UNITED WATER NEW YORK**  
**COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$80,005	\$80,005	\$80,005	\$80,005	\$80,005	1
Source of Supply	23,892,857	23,808,184	17,362,308	17,263,810	17,284,588	2
Pumping	19,220,215	18,003,221	17,686,677	17,740,315	17,147,038	3
Water Treatment	22,621,378	22,961,330	12,404,878	10,705,375	7,692,175	4
Transmission and Distribution	141,667,531	135,827,065	130,626,487	129,157,293	124,994,531	5
General	18,741,057	17,290,816	16,777,450	16,015,182	15,693,625	6
Purchased or Sold						7
Plant In Service	226,223,043	217,970,621	194,937,805	190,961,980	182,891,962	8
Plant Leased To Others						9
Construction Work In Progress	2,462,225	1,607,514	7,361,944	3,317,651	2,939,449	10
Plant Held For Future Use	8,751,908	8,749,983	8,892,667	8,892,667	8,892,667	11
Plant Acquisition Adjustments	1,001,391	1,001,391	1,001,391	(178,017)	(178,017)	12
Accum. Gains & Losses - Utility Land & Land Rights	(1,179,408)	(1,179,408)	(1,179,408)			13
<b>Total Plant</b>	<b>237,259,159</b>	<b>228,150,101</b>	<b>211,014,399</b>	<b>202,994,281</b>	<b>194,546,061</b>	<b>14</b>
Accum. Prov. - Depr. & Amort.	62,867,781	58,591,446	56,154,013	52,265,886	48,812,159	15
<b>Net Plant</b>	<b>\$174,391,378</b>	<b>\$169,558,655</b>	<b>\$154,860,386</b>	<b>\$150,728,395</b>	<b>\$145,733,902</b>	<b>16</b>
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	0.76	0.56	0.62	0.66	0.60	17
Total Capitalization	\$155,171,899	\$151,267,453	\$139,095,871	\$136,379,430	\$138,176,142	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	32.9%	33.7%	36.7%	37.4%	37.1%	19
Preferred Stock					4.2%	20
Common Stock & Retained Earnings	54.3%	47.1%	45.4%	45.7%	39.5%	21
Short-Term Debt	12.8%	19.2%	18.0%	16.9%	19.2%	22
Pretax Coverage of Interest Expense	2.7	2.8	2.8	2.7	2.2	23
Com. Stock Dividends as a % of Earnings	108.4%	45.5%	52.5%	60.2%	72.1%	24
Return on Common Equity	3.1%	8.5%	7.9%	8.6%	6.2%	25
Internal Cash Generated as a % of Cash Outflows for Construction	131.6%	59.1%	148.0%	157.8%	-112.6%	26
CWIP as a % of Plant	1.0%	0.7%	3.5%	1.6%	1.5%	27
Number of Employees	91	90	95	97	98	28

**UNITED WATER OWEGO  
COMPARATIVE BALANCE SHEET  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$2,567,820	\$2,453,732	\$2,295,147	\$2,044,155	\$1,933,294
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)					
3 Other Investments	371,439	330,072	335,163	214,567	210,687
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	371,439	330,072	335,163	214,567	210,687
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	283,272	71,202	32,842	7,445	65,998
7 Notes and Accounts Receivables - Net	97,036	63,033	19,997	73,365	96,870
8 Receivables from Associated Companies					
9 Materials and Supplies	25,256	20,882	20,910	18,477	21,407
10 Prepayments	(278,661)	(213,445)	(134,725)	(105,453)	103,763
11 Accrued Utility Revenue	83,968	88,461	118,212	87,233	113,450
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	210,871	30,133	57,236	81,067	401,488
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense					
15 Other Deferred Debits	(222,185)	84,089	166,545	442,461	146,737
16 Accumulated Deferred Income Taxes	73,378	89,642	103,941	13,288	13,312
17 Total Deferred Debits	(148,807)	173,731	270,486	455,749	160,049
18 <b>Total Assets and Other Debits</b>	<b>\$3,001,323</b>	<b>\$2,987,668</b>	<b>\$2,958,032</b>	<b>\$2,795,538</b>	<b>\$2,705,518</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$33,600	\$33,600	\$33,600	\$33,600	\$33,600
20 Preferred Stock Issued					
21 Other Paid-in Capital	1,651,181	1,211,181	1,211,181	892,181	892,181
22 Retained Earnings	507,860	469,619	785,733	1,093,789	1,125,691
23 Reacquired Capital Stock					
24 Total Proprietary Capital	2,192,642	1,714,400	2,030,514	2,019,570	2,051,472
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt					
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable					
27 Accounts Payable	60,033	185,409	14,426	49,715	11,626
28 Payables to Associated Companies	7,256				
29 Customer Deposits					28
30 Taxes Accrued	4,653	55,311	(90,195)	(3,320)	6,149
31 Interest Accrued					
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	24,149	31,331	25,991	15,978	15,792
34 Total Current and Accrued Liabilities	96,091	272,051	(49,777)	62,373	33,595
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	242,968	198,591	1,000		88,973
36 Other Deferred Credits	130,922	193,494	309,756	328,233	167,822
37 Accumulated Deferred Investment Tax Credits	18,855	19,563	20,271	20,979	21,687
38 Accumulated Deferred Income Taxes	159,175	390,044	404,741	360,384	337,971
39 Total Deferred Credits	551,920	801,692	735,768	709,596	616,453
<b>OPERATING RESERVES</b>					
40 Operating Reserves	160,671	199,525	241,527	3,998	3,998
41 <b>Total Liabilities and Other Credits</b>	<b>\$3,001,323</b>	<b>\$2,987,668</b>	<b>\$2,958,032</b>	<b>\$2,795,537</b>	<b>\$2,705,518</b>

**UNITED WATER OWEGO**  
**COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$935,492	\$935,048	\$946,972	\$846,304	\$957,471	1
Operating Expense:						
Operation Expense	488,134	469,432	813,266	485,237	496,685	2
Maintenance Expense	88,683	78,963	76,430	65,008	85,111	3
Depreciation and Amortization Expense	85,888	93,597	75,116	59,227	57,105	4
Taxes Other than Income Taxes	185,122	215,201	234,007	218,074	198,238	5
Income Taxes	5,494	2,645	(122,215)	(12,459)	28,112	6
Total Operating Expenses	853,321	859,837	1,076,605	815,087	865,251	7
Net Operating Revenues	82,171	75,210	(129,633)	31,217	92,220	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	82,171	75,210	(129,633)	31,217	92,220	10
<b>OTHER INCOME</b>						
Interest and Dividend Income	2,206	2,591	7,545	7,067	11,334	11
Allowance for Funds Used During Construction			5,302	120		12
Miscellaneous Nonoperating Income			822	361	5,088	13
Other Income				308		14
Total Other Income	2,206	2,591	13,669	7,856	16,422	15
Other Income Deductions	109		420			16
Taxes-Other Income and Deductions	(77)	92	92	(25)	85	17
<b>Income Available</b>	84,345	77,709	(116,476)	39,098	108,557	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	60,275	63,058	80,192	74,435	92,633	20
Other Interest Expense	89	2,975	2,591	444	248	21
Total Interest Charges	60,364	66,033	82,783	74,879	92,881	22
Income Before Extraordinary Items	23,981	11,676	(199,259)	(35,781)	15,676	23
Net Extraordinary Items						24
<b>Net Income</b>	\$23,981	\$11,676	(\$199,259)	(\$35,781)	\$15,676	25
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$469,619	\$785,732	\$1,093,789	\$1,125,691	\$1,524,401	26
Balance Transferred from Income	23,981	11,676	(199,259)	(35,781)	15,676	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock		350,000			400,000	30
Adjustments to Retained Earnings	14,260	22,211	(108,798)	3,879	(14,386)	31
Net Change	38,241	(316,113)	(308,057)	(31,902)	(398,710)	32
Unappropriated (EOP)	507,860	469,619	785,732	1,093,789	1,125,691	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	\$507,860	\$469,619	\$785,732	\$1,093,789	\$1,125,691	35

**UNITED WATER OWEGO  
STATEMENT OF CASH FLOWS  
FOR YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$23,981	\$11,676	(\$199,259)	(\$35,781)	\$15,676
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	112,437	141,827	412,125	59,227	57,105
3 Deferred Taxes & ITCs	58,627	18,760	(22,019)	21,729	23,123
4 Receivables and Inventory	(38,377)	(42,592)	50,934	26,434	(41,721)
5 Payables and Accrued Expenses	(125,302)	176,323	(25,276)	38,275	(9,047)
6 Capitalized AFUDC - Equity Funds					
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments					
9	4,493	29,751	(30,979)	26,217	7,877
10	(3,813)	304,797	(83,325)	(21,967)	175,884
11 Net Cash From Operating Activities	<u>32,046</u>	<u>640,542</u>	<u>102,202</u>	<u>114,134</u>	<u>228,897</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(199,976)	(252,182)	(320,805)	(170,088)	(206,550)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates.	(60,000)		(75,000)	(3,879)	14,386
15 Contributions & Advances from Affiliates	440,000				
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					(14,386)
21				3,879	
22 Reduction in Working Funds					100
23 Net Cash From Investing Activities	<u>180,024</u>	<u>(252,182)</u>	<u>(395,805)</u>	<u>(170,088)</u>	<u>(206,450)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt					
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid					(400,000)
29 Other Cash Flows - Financing Activities		(350,000)	319,000	(2,600)	
30					
31					
32 Net Cash From Financing Activities		<u>(350,000)</u>	<u>319,000</u>	<u>(2,600)</u>	<u>(400,000)</u>
33 Net Increase/(Decrease) In Cash Equivalents	212,070	38,360	25,397	(58,554)	(377,553)
34 Cash & Cash Equivalents At Beginning Of Year	71,201	32,842	7,445	65,999	443,552
35 Cash & Cash Equivalents At End Of Year 1	\$283,271	\$71,201	\$32,842	\$7,445	\$65,999

1 Cash and Cash Equivalents are restated to reflect inclusion of Working Funds in Cash and Cash Equivalents. Net changes in Working Funds are shown on Line 29 - Other Cash Flows - Financing Activities.

**UNITED WATER OWEGO  
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE  
FOR THE YEAR ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$766,186	\$760,205	\$781,502	\$732,871	\$836,533	1
Sales to Other Water Companies	49,019	47,873	48,274	42,790	39,752	2
Other Sales of Water	118,556	151,435	81,186	91,219	83,781	3
Total Revenues from Sales of Water	933,761	959,513	910,963	866,880	960,066	4
Other Water Operating Revenues	1,730	(24,465)	36,009	(20,576)	(2,595)	5
Total Water Operating Revenues	\$935,491	\$935,048	\$946,972	\$846,304	\$957,471	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	455,405	428,106	433,375	403,554	351,045	8
Sales to Other Water Companies	35,423	34,758	35,103	34,372	35,759	9
Other Sales of Water	8,605	8,512	6,212	6,653	10,112	10
Total Sales of Water	499,433	471,376	474,690	444,579	396,916	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	1,396	1,381	1,376	1,380	1,405	13
Sales to Other Water Companies	2	2	2	2	3	14
Other Sales of Water	59	58	57	56	27	15
Total Customers	1,457	1,441	1,435	1,438	1,435	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$548.84	\$550.47	\$567.95	\$531.07	\$595.40	18
Average Consumption per Customer (T.Gal)	326.22	310.00	314.95	292.43	249.85	19
Average Revenue per T Gallons Sold	\$1.68	\$1.78	\$1.80	\$1.82	\$2.38	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	8,082	7,163	\$6,851	\$8,440	\$11,602	24
Power and Pumping	152,165	148,920	129,588	150,526	143,205	25
Purification	36,067	25,906	24,979	22,272	31,846	26
Transmission and Distribution	109,798	92,644	88,807	79,758	84,363	27
Customer Accounting and Collecting	59,032	51,042	63,613	51,827	55,930	28
Administrative and General	211,674	222,719	575,859	237,421	254,847	29
<b>Total O &amp; M Expense</b>	\$576,818	\$548,395	\$889,696	\$550,245	\$581,795	30

**UNITED WATER OWEGO  
DISTRIBUTION OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31,**

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
1 Revenues	\$935,491	\$935,048	\$946,972	\$846,304	\$957,471
2 Sales (Thousands of Gallons)	499,433	471,376	474,690	444,579	396,916
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$118,015	\$115,017	\$90,311	\$118,267	\$108,285
4 Wages and Benefits	209,009	205,760	511,650	192,947	219,021
5 Other Operation and Maintenance Expense	249,793	227,618	287,735	239,031	254,489
6 Depreciation and Amortization Expense	85,888	93,597	75,116	59,227	57,105
7 Income Taxes-Operating	5,494	2,645	(122,215)	(12,459)	28,112
8 Other Taxes-Operating	185,122	215,201	234,007	218,074	198,238
9 Capital Costs	82,170	75,211	(129,633)	31,217	92,221
10 Total	\$935,491	\$935,048	\$946,972	\$846,304	\$957,471
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	12.6	12.3	9.5	14.0	11.3
12 Wages and Benefits	22.3	22.0	54.0	22.8	22.9
13 Other Operation and Maintenance Expense	26.7	24.3	30.4	28.2	26.6
14 Depreciation and Amortization Expense	9.2	10.0	7.9	7.0	6.0
15 Income Taxes-Operating	0.6	0.3	(12.9)	(1.5)	2.9
16 Other Taxes-Operating	19.8	23.0	24.7	25.8	20.7
17 Capital Costs	8.8	8.0	(13.7)	3.7	9.6
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.24	0.24	0.19	0.27	0.27
20 Wages and Benefits	0.42	0.44	1.08	0.43	0.55
21 Other Operation and Maintenance Expense	0.50	0.48	0.61	0.54	0.64
22 Depreciation and Amortization Expense	0.17	0.20	0.16	0.13	0.14
23 Income Taxes-Operating	0.01	0.01	-0.26	-0.03	0.07
24 Other Taxes-Operating	0.37	0.46	0.49	0.49	0.50
25 Capital Costs	0.16	0.16	-0.27	0.07	0.23
26 Total	1.87	1.98	1.99	1.90	2.41

**Purchased Water, Fuel or Power for Pumping  
and Chemicals**

Purchased Water					
Fuel for Pumping	113,495	111,078	86,684	114,653	105,341
Chemicals	4,520	3,939	3,627	3,614	2,944

Total PW, Fuel and Chemicals	118,015	115,017	90,311	118,267	108,285
------------------------------	---------	---------	--------	---------	---------

Total - Ultimate Customers	118,015	115,017	90,311	118,267	108,285
----------------------------	---------	---------	--------	---------	---------

**Wages and Benefits**

Salaries	165,109	152,381	145,860	131,466	153,470
Pensions and Benefits	43,900	53,379	365,790	61,481	65,551
Total Wages and Benefits	209,009	205,760	511,650	192,947	219,021

**Other Expenses**

Total O&M Expenses	576,818	548,395	889,696	550,245	581,795
-Total PW, Fuel and Chemicals	118,015	115,017	90,311	118,267	108,285
-Wages and Benefits	209,009	205,760	511,650	192,947	219,021
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	249,793	227,618	287,735	239,031	254,489

**Depreciation and Amortization**

Depreciation Exp	85,888	93,597	75,116	59,227	57,105
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	85,888	93,597	75,116	59,227	57,105

**Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)**

Total PW, Fuel and Chemicals	118,015	115,017	90,311	118,267	108,285
divided by Total Gallons	499,433	471,376	474,690	444,579	396,916
Cost per KWH	0.0002	0.0002	0.0002	0.0003	0.0003
times Sales for Resale MWHs					
Sales for Resale Cost					

