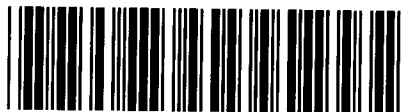




Control Number: 45185



Item Number: 148

Addendum StartPage: 0

45185



**CLASS "A" WATER COMPANY
PUC ANNUAL REPORT
OF**

CCN Number
11421

Official Company Name:

Harper Water Company, Inc

D/B/A Name(s)

Aqua Texas, Inc.

Address:

1106 Clayton Lane, Suite 400W Austin, TX 78723
Address City State Zip

**TO THE
PUBLIC UTILITY COMMISSION
OF TEXAS**

For the Year Ended 12/31/2015

Telephone Number 512-990-4400

Fax Number 512-990-4410

E-Mail kascheibelhut@aquaamerica.com

Web Site Address aqua-texas.com

Officer to whom correspondence
concerning this report should be addressed:

Crandal McDougall
First Name Last Name

Controller
Title

1106 Clayton Lane, Suite 400W Austin, TX 78723
Address City State Zip

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148

(Company Name)

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GENERAL INSTRUCTIONS-Class A Utilities Only

1. This annual report (earnings report) is required by 16 TAC §24.73 and is used to monitor utility earnings and compile annual financial information to monitor financial conditions of Texas investor owned utilities. Each utility shall submit its report of the Commission in the form and manner prescribed herein. The reported information should reflect the 12-month period ending December 31. The report shall be filed not later than June 1 of the following year. Only one report needs to be completed for each Certificate of Convenience and Necessity (CCN) Number regardless of the number of Public Water Systems and/or number of Sewer Systems affiliated with each CCN. However, if you have multiple water CCNs or multiple sewer CCNs, a separate report must be submitted for each CCN, along with a summary report for all Texas water and sewer operations for affiliated entities. The summary should be submitted along with all the affiliated reports. If the utility possesses a water and sewer CCN (not multiples), then the utility may combine the water and sewer operations into one report, although water and sewer operations must be separately reported within that report.
2. Four copies of this report shall be prepared by each utility. Three copies should be mailed or delivered to the Filing Clerk of Central Records at the Commission's offices in Austin, TX by June 1 of the year following the calendar year. The other copy should be retained by the utility for reference. Additionally, the utility shall file an unaltered electronic version (i.e. in native Microsoft Excel format) with all cell references, formulas, links and other electronic information intact) of the information contained in the required schedules and report along with the hard copies. All water and sewer utilities are required by statute to complete and file this annual report. Note, if a utility has a water and sewer CCN and provides both water and sewer service, the utility shall file one annual report which contains information for both the water and sewer utility service. Each sheet of the Excel file is pre-formatted to calculate certain items based on company specific inputs. Any supporting documents or workpapers filed in PDF format should be searchable. For specific instructions regarding the electronic filing of the report, please visit the Commission's website at: <http://www.puc.state.tx.us/industry/filings/FilingProceed.aspx>, and 16 TAC §22.72(g).
3. Pencil entries will not be permitted on hard copy.
4. All accounting terms and phrases used in this report are to be interpreted in accordance with the effective applicable NARUC Uniform System of Accounts prescribed by this Commission, as set forth in 16 TAC §24.72 with detailed sub accounts listed in the form. The Texas Water Code defines Class A utility as a public utility that provides retail water or sewer utility service through 10,000 or more taps or connections. Class A utilities must use the NARUC system of accounts for utilities with operating revenues exceeding \$1 million.
5. Standard accounting procedures shall apply in determining the nature of any entry (e.g. entries of a reverse or contrary character shall be indicated by a parentheses around the number).
6. The report shall be filed consisting of data relative to a calendar year basis (December 31 year end). Revenues and expenses shall include a column for normalization adjustments to produce a normalized net income. All normalization adjustments must be explained with all assumptions defined and rational/best practices referenced.
7. If this report is made for a period less than the calendar year, the period covered must be clearly stated on the front cover and elsewhere throughout the report where the period covered is shown. When operations cease during the year because of the disposition of property, the balance sheet and supporting schedules should consist of balances and items immediately prior to transfer (for accounting purposes). Provide a full explanation.
8. All instructions shall be followed and each question shall be answered fully and accurately. Sufficient answers shall appear to show that no question or schedule has been overlooked. The expression "none" or "not applicable" shall be given as the answer to any particular inquiry or schedule where it truly and completely states the fact. Unless otherwise indicated, no information will be accepted which incorporates by reference information from another document or report. Where information called for herein is not given, state fully the reason for its omission.

GENERAL INSTRUCTIONS

(Continued)

9. Whenever schedules call for comparison of figures of a previous year, the figures reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different figures were used.
10. One copy of the latest annual financial report issued by a certified public accountant should be submitted with this report. If the utility is a member of a group, both parent and subsidiary's annual report should be submitted.
11. Throughout this report money items will be rounded off to the nearest dollar.
12. In the space provided at the top of each page insert the name of the utility and the year to which this report relates.
13. On Schedule 400, column (g), the reporting entity is required to make adjustments to normalize income and expenses for the purpose of determining positive differences between the annual revenues and costs of each utility. Adjusting normalization entries should include adjustments to
 - (1) avoid double counting in affiliates or entities under common control,
 - (2) to record depreciation at the commission's approved rates, amortization at the amount approved in the utility's last rate proceeding in which deferred costs and the amortization of deferred costs are established,
 - (3) to remove any expenses not allowed by the Texas Water Code, or disallowed in previous dockets.
 - (4) other normalization adjustments must be accompanied by all best practice references and an explanation.
14. IF YOU ARE UNDER COMMON CONTROL with other water or sewer utilities operating in Texas, you must file a consolidated income statement and balance sheet including all entities under common control in Texas. These statements should be in addition to the information provided in the-schedules for the utility reporting.
15. Unless otherwise indicated, the information required in this report shall be taken from the reporting entity's financial statements, accounts and other records. Any deviation from records must be fully explained.

EXCERPT FROM TEXAS WATER CODE**CHAPTER 13.136(b)**

(b) The utility commission by rule shall require each utility to annually file a service, financial, and normalized earnings report in a form and at times specified by utility commission rule. The report must include information sufficient to enable the utility commission to properly monitor utilities in this state. The utility commission shall make available to the public information in the report the utility does not file as confidential.

GENERAL UTILITY INFORMATION

1. Name and title of officer having custody of the general books of account and address of the office where such books are kept.

Crandal McDougall, Controller - 1106 Clayton Lane, Suite 400W, Austin, TX 78723

2. Name of State under the laws of which the utility is incorporated and the date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and date organized.

Harper Water Company, Inc. (74-2612492) A Texas Company, August 30, 1991

3. If at any time during the year the property of the utility was held by a receiver or trustee, give: (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created and, (d) date when possession by receiver or trustee ceased.

None

4. State the type(s) of utility service(s) and provide a list of other service(s) furnished by the utility during the year by state and country in each state and country where the utility provides service.

Regulated Water and Sewer Utility, Non-Regulated Water and Sewer Operations - Texas

5. Provide a list of all affiliates including name(s), address(es), state(s) and country(ies) in which the affiliate does business, and contact information.

| Name of Company | Street Address | City | State | Zip |
|-------------------------------------|-------------------------------|-----------|-------|-------|
| Aqua Texas, Inc. | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 |
| Aqua Utilities, Inc. | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 |
| Aqua Development, Inc. | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 |
| Aqua Operations, Inc. | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 |
| Kerrville South Water Company, Inc. | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 |
| Aqua Services, Inc | 762 West Lancaster Ave. | Bryn Mawr | PA | 19010 |
| Aqua America, Inc. | 762 West Lancaster Ave. | Bryn Mawr | PA | 19010 |

6. Provide a list of all entities under common control with the reporting utility including name(s), address(es), and contact information for each states or country in which the entity does business.

See Form 101 Affiliates - Companies Controlled by Reporting Entity

7. Provide a general description of improvements completed since the last annual report for water and wastewater systems.

Water:

Capital for new wells, ground storage tanks, mail line replacement, replacing pumps and motors, etc.

Capital Expenditures for Water Systems: \$12,341

**MATERIAL CHANGES
DURING YEAR**

Hereunder give particulars concerning the items indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry must be answered. However, if the word "None" states the fact, it may be used in answering any inquiry, or if information is given elsewhere in the report which answers any inquiry, reference to such other schedule will be sufficient.

1. Changes in, and additions to franchise rights; describing (a) the actual consideration given therefore, and (b) from whom acquired. If acquired without the payment of any consideration, state that fact.
2. Acquisition of other companies, reorganization, merger or consolidation with other companies; give names of companies involved, particulars concerning the transactions, and reference to commission authorization, including docket numbers for commission reviewed transactions.
3. Purchase or sale of operating units, such as sources, treatment & storage facilities, transmission & distribution systems, etc., specify items, parties, effective dates and also reference to Commission authorization, including docket numbers for commission reviewed transactions.
4. Material leaseholds acquired, given, assigned, or surrendered, effective dates, lengths of terms, names of parties, rents, Commission authorization, (docket numbers), if any, and other conditions.
5. Material extensions of systems, including Commission authorization (docket number), giving location, new

(Company Name)

Material Changes During Year

1 None

2 None

3 None

4 None

5 None

6 None

7 None

8 None

DEFINITIONS

“Accounts” means the accounts prescribed in the National Association of Regulatory Utility Commissioners (NARUC) System of Accounts.

“Amortization” means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, which may be over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

“Book Cost” means the amount at which property is recorded in the applicable account without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

“Control” (including the terms; “controlling,” “controlled by,” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, affiliated companies, contract or any other direct or indirect means.

“Cost” means the amount of money actually paid for property or service. When the consideration given is other than cash, the value of such consideration shall be determined on a cash basis.

“Debt Expense” means all expenses in connection with the issuance and initial sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen or marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

“Depreciation”, as applied to depreciable utility plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of the utility plant in the course of providing service. This includes causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of regulatory bodies.

“Distribution Mains”, mean any pipes whose primary purpose is to distribute treated water throughout a community, and whose components include arterial or primary feeders, secondary feeders, and the distribution grid works.

DEFINITIONS (Continued)

“Investment Advances” means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

“Minor Items of Property” means the associated parts or items of which retirement units are composed.

“Net Salvage Value” means the salvage value of property retired less the cost of removal.

“NARUC” means the National Association of Regulatory Utility Commissioners

“Nominally Issued”, as applied to securities issued or assumed by the utility means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the utility, but which have not been sold, or issued directly to trustees of sinking funds in accordance with contractual requirements.

“Original Cost”, as applied to utility plant, means the actual money cost, or the actual money value of any consideration paid other than money, of the property at the time it was dedicated to public use, whether by the utility that is the present owner or by a predecessor.

“Property Retired”, as applied to utility plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been permanently withdrawn from service.

“Replacing or Replacement”, when not otherwise indicated in the context, means the construction or installation of utility plant in place of property retired, together with the removal of the property retired.

“Retained Earnings” means the accumulated net income of the utility less distributions to stockholders and transfers to other capital accounts, and other adjustments.

“Salvage Value” means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale, or, if retained, the amount at which the material recoverable is chargeable to materials and supplies, or other appropriate account.

“Straight-Line Remaining Life Method”, as applied to depreciation accounting, means the plan under which the service value of property is charged to operating expenses (and to clearing accounts if used), and credited to the accumulated depreciation account through equal annual changes during its service life. "Remaining Life" implies that estimates of the future life and salvage shall be reexamined periodically and that depreciation rates will be corrected to reflect any changes in these estimates.

DEFINITIONS
(Continued)

“Supply Main” means any main, pipe, or aqueduct or canal whose primary purpose is to convey raw untreated water from one unit to another unit in the source of supply and pumping plant, and to the water treatment equipment.

“Transmission Main” means any pipes whose primary purpose is to convey treated water from the water treatment equipment or pumping station to the distribution system serving a community and generally provides no service connections with customers.

“Utility” as used herein and when not otherwise indicated in the context, means any public utility to which the uniform system of accounts is applicable.

(Company Name)

101. AFFILIATES - COMPANIES CONTROLLED BY REPORTING ENTITY

Show below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by at any time during the reporting year.

1. If control ceased prior to end of the year, give particulars in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediates involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

| Line No. | Name of Company Controlled (a) | Kind of Business (b) | Street Address (c) | City (d) | State (e) | Zip (f) | Voting % of Stock (g) | Footnote Ref. (h) |
|----------|-------------------------------------|----------------------|-------------------------------|-----------|-----------|---------|-----------------------|-------------------|
| 1 | Aqua Utilities, Inc. | Regulated | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 | | |
| 2 | Aqua Development, Inc. | Regulated | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 | | |
| 3 | Aqua Operations, Inc. | Non-Regulated | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 | | |
| 4 | Kerrville South Water Company, Inc. | Regulated | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 | | |
| 5 | Aqua Services, Inc. | Non-Regulated | 762 West Lancaster Ave. | Bryn Mawr | PA | 19010 | | |
| 6 | Aqua America, Inc. | Regulated - Parent | 762 West Lancaster Ave. | Bryn Mawr | PA | 19010 | | |
| 7 | | | | | | | | |
| 8 | | | | | | | | |
| 9 | | | | | | | | |
| 10 | | | | | | | | |

4. If the reporting entity is **controlled by** another entity or entities not listed above, list the controlling entity(ies) below.

| | | | | | | | | |
|---|-----------------|--------------------|-------------------------------|--------|----|-------|------|--|
| 1 | Aqua Texas, Inc | Regulated - Parent | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 | 100% | |
| 2 | | | | | | | | |
| 3 | | | | | | | | |

FOOTNOTES:

1. Direct control is that which is exercised without interposition of an intermediary.
2. Indirect control is that which is exercised without interposition of an intermediary which exercises direct control. Control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the NARUC System of Accounts, regardless of the relative voting rights of each party.
3. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the NARUC System of Accounts, regardless of the relative voting rights of each party.

Harper Water Co, Inc (CCN: 11421)

For the Year Ended 12/31/2015

(Company Name)

102. OFFICERS

| Line No. | Official Title & Name (a) | Principal Business Address | | | | | | |
|----------|------------------------------|-------------------------------|-------------|--------------|------------|------------------|--------------|------------------------------|
| | | Street Address (b) | City (c) | State (d) | Zip (e) | Telephone (f) | Fax (g) | Email (h) |
| 1 | President | | | | | | | |
| 2 | Robert L. Laughman | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 | 512-990-4400 | 512-990-4410 | RLLaughman@aquaaamerica.com |
| 3 | Vice-President, Operations | | | | | | | |
| 4 | Dan Rimann | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 | 512-990-4400 | 512-990-4410 | DERimann@aquaaamerica.com |
| 5 | | | | | | | | |
| 6 | | | | | | | | |
| 7 | | | | | | | | |
| 8 | Treasurer | | | | | | | |
| 9 | Diana Moy Kelly | 762 West Lancaster Ave | Bryn Mawr | PA | 19010 | 610-525-1400 | 610-645-1055 | DMoyKelly@aquaaamerica.com |
| 10 | Assistant Treasurer | | | | | | | |
| 11 | Stan Szczygiel | 762 West Lancaster Ave | Bryn Mawr | PA | 19010 | 610-525-1400 | 610-645-1055 | Szczygiel@aquaaamerica.com |
| 12 | Comptroller | | | | | | | |
| 13 | Robert A. Kopas | 6650 South Avenue | Boardman | OH | 44512 | 330-397-0772 | 330-726-8003 | RAKopas@aquaaamerica.com |
| 14 | Crandal McDougall | 1106 Clayton Lane, Suite 400W | Austin | TX | 78723 | 512-990-4400 | 512-990-4410 | KCMcDougall@aquaaamerica.com |
| 15 | | | | | | | | |
| 16 | Auditor | | | | | | | |
| 17 | Price Waterhouse Coopers | 762 West Lancaster Ave | Bryn Mawr | PA | 19010 | 610-525-1400 | 610-645-1055 | |
| 18 | Engineer | | | | | | | |
| 19 | William C. Ross | 762 West Lancaster Ave | Bryn Mawr | PA | 19010 | 610-525-1400 | 610-645-1055 | WCRoss@aquaaamerica.com |
| 20 | | | | | | | | |
| 21 | General Manager | | | | | | | |
| 22 | | | | | | | | |
| 23 | | | | | | | | |
| 24 | | | | | | | | |

150. RATE BASE AND EARNINGS CALCULATION

RATE BASE SUMMARY

| Line No. | Description | Water (a) | Sewer (b) | Total (c)=(a) + (b) | Reference |
|----------|---------------------------------------------|-----------|-----------|---------------------|-----------|
| 1 | Additions: | xxxx | xxxx | xxxx | |
| 2 | Utility plant | 1,591,362 | - | 1,591,362 | 201 |
| 3 | Materials and supplies | 4,658 | | 4,658 | 200 |
| 4 | Working cash (capital) (attach schedule) | 27,110 | | 27,110 | 200-1 |
| 5 | Prepayments | 2,727 | | 2,727 | 200 |
| 6 | Other (attach schedule or itemize) | 480,406 | | 480,406 | |
| 7 | TOTAL ADDITIONS (Add Lines 2 through 6) | 2,106,263 | - | 2,106,263 | |
| 8 | Deductions: | xxxx | xxxx | xxxx | |
| 9 | Reserve for depreciation (Accumulated) | 534,978 | - | 534,978 | 202 |
| 10 | Advances for construction | - | | - | 200 |
| 11 | Contributions in aid of construction | 5,246 | | 5,246 | 200 |
| 12 | Accumulated deferred income taxes | 316,813 | | 316,813 | 200 |
| 13 | Accumulated deferred investment tax credits | | | - | 200 |
| 14 | Other (attach schedule or itemize) | 3,407 | | 3,407 | |
| 15 | TOTAL DEDUCTIONS (Add lines 9 through 14) | 860,445 | - | 860,445 | |
| 16 | RATE BASE (Line 7, less Line 15) | 1,245,818 | - | 1,245,818 | |

EARNINGS CALCULATION

(Except for the cells in blue below, the values in this table will populate automatically after completion of Schedules 400 and 200-3.)

| | | |
|----|---------------------------------------------|---------|
| 17 | Return (Note 1) | 181,539 |
| 18 | Rate of Return (Line 17/Line 16) | 14.57% |
| 19 | Earned Return on Ending Equity (Notes 2, 3) | 23.79% |

Note 1: [Schedule 400, Line 59, Column (h)] + [Schedule 400, Line 51, Column (h)] - [Schedule 400, Line 45, Column (h)] - [Schedule 400, Line 58, Column (h)]

Note 2: Based on reported capital structure on Schedule 200.3 as reflected in "Capital Structure" section below.

Note 3: Line 19 (above) will automatically calculate correctly only after Schedule 200.3, Schedule 400, and the rate-base portion of this schedule (above) have been completed.

Capital Structure & Weighted-Average Cost of Capital

| | Balance | Percent of Total | Cost | Weighted Cost of Capital |
|------------------------------------------------------|-----------|------------------|--------|--------------------------|
| | (a) | (b) | (c) | (d)=(b) x (c) |
| Long-Term Debt (balance carries over from tab 200-3) | 568,631 | 49.55% | 5.18% | 2.57% |
| Common Equity* (balance carries over from tab 200-3) | 579,064 | 50.45% | 12.00% | 6.05% |
| Total | 1,147,695 | 100.00% | | 8.62% |

*If the company currently has an authorized return on equity (ROE), enter that ROE in column (c) and provide the docket number in which that ROE was granted here =====>> TCEQ Docket Nos. 2004-1671-UCR and 2004-1120-UCR

If the company does not currently have an authorized ROE, enter in column (c) the average of the most current ROE values for all other Class A Utilities with authorized ROE values.

If the company does not currently have an authorized ROE, enter in the box that follows the ROE that the company believes reflects its current cost of equity (this will in virtually every circumstance be different from the ROE that is actually earned) and place an "X" here====>>

(Company Name)

200-1. BALANCE SHEET
UTILITY PLANT AND OTHER DEBITS

Balances at Beginning of Year must be consistent with balances at end of previous year

| Line No. | Account Number and Title (a) | Schedule No. (b) | Balance End of Year (d) | Balance Beginning of Year (e) |
|----------|-------------------------------------------------------------------------|---------------------|----------------------------|----------------------------------|
| 1 | UTILITY PLANT | | xxx | |
| 2 | 101.0 Utility Plant in Service | 201 | 1,591,362 | 1,514,958 |
| 3 | 102.0 Utility Plant Leased To Others | 202 | | |
| 4 | 103.0 Property Held for Future Use | 203 | | |
| 5 | 104.0 Utility Plant Purchased or Sold | | 136 | |
| 6 | 105.0 Construction Work in Progress | 204 | 18,330 | 15,792 |
| 7 | 106.0 Completed Construction Not Classified | | 25,709 | 48,847 |
| 8 | Total Utility Plant | | 1,635,537 | 1,579,597 |
| 9 | ACCUMULATED DEPRECIATION | | xxx | xxx |
| 10 | 108.1 Utility Plant in Service | 205 | 534,979 | 523,541 |
| 11 | 108.2 Utility Plant Leased to Others | 205 | | |
| 12 | 108.3 Property Held for Future Use | 205 | | |
| 13 | Total Accumulated Depreciation | | 534,979 | 523,541 |
| 14 | ACCUMULATED AMORTIZATION | | xxx | xxx |
| 15 | 110.1 Utility Plant In Service | | | |
| 16 | 110.2 Utility Plant Leased to Others | | | |
| 17 | Total Accumulated Amortization | | | |
| 18 | UTILITY PLANT ADJUSTMENTS | | xxx | xxx |
| 19 | 114.0 Utility Plant Acquisition Adjustments | 203 | | |
| 20 | 115.0 Accumulated Amortization of Utility Plant Acquisition Adjustments | | | |
| 21 | 116.0 Other Utility Plant Adjustments | | 433,846 | 433,846 |
| 22 | Total Utility Plant Adjustments | | 433,846 | 433,846 |
| 23 | 117.0 Pending Reclass of Utility Plant | | | |
| 24 | TOTAL NET UTILITY PLANT | | 1,534,404 | 1,489,903 |
| 25 | OTHER PROPERTY AND INVESTMENTS | | xxx | xxx |
| 26 | OTHER PROPERTY | | xxx | xxx |
| 27 | 121.0 Non-Utility Property | | | |
| 28 | 122.0 Accumulated Depreciation & Amortization of Non-Utility Property | | | |
| 29 | Total Other Property | | | |
| 30 | INVESTMENTS | | xxx | xxx |
| 31 | 123.0 Investments in Affiliated Companies | | | |
| 32 | 123.1 Other Investments | | | |
| 33 | 123.2 Sinking Funds | | | |
| 34 | 123.3 Other Special Funds | | | |
| 35 | 124.0 Utility Investments | | | |
| 36 | 125.0 Other Investments | | | |
| 37 | 126.0 Sinking Funds | | | |
| 38 | 127.0 Other Special Funds | | | |
| 39 | Total Investments | | | |
| 40 | TOTAL OTHER PROPERTY AND INVESTMENTS | | | |

(Company Name)

200-2. BALANCE SHEET
CURRENT ASSETS AND OTHER DEBITS

Balances at Beginning of Year must be consistent with balances at end of previous year

| Line No. | Account Number and Title (a) | Schedule No. (b) | Balance End of Year (d) | Balance Beginning of Year (d) |
|----------|---------------------------------------------------------------|---------------------|----------------------------|----------------------------------|
| 1 | CURRENT AND ACCRUED ASSETS | | XXX | XXX |
| 2 | 131.1 Cash on Hand | | | |
| 3 | 131.2 Cash in Bank | | 883 | 1,733 |
| 4 | 132.0 Special Deposits - Interest and Dividends | | | |
| 5 | 133.0 Other Special Deposits | | | |
| 6 | 134.0 Working Funds | | | |
| 7 | 135.0 Temporary Cash Investments | | | |
| 8 | 141.0 Customers Accounts Receivable | | 17,768 | 17,602 |
| 9 | 142.0 Other Accounts Receivable | | | |
| 10 | 143.0 Accumulated Provision for Uncollectible Accounts-Credit | | (957) | (369) |
| 11 | 144.0 Notes Receivable | | | |
| 12 | 145.0 Accounts Receivable from Affiliated Company | | (325,546) | (503,152) |
| 13 | 146.0 Notes Receivable from Affiliated Company | | | |
| 14 | 151.0 Plant Materials and Supplies | | 4,658 | 4,497 |
| 15 | 152.0 Merchandise | | | |
| 16 | 153.0 Other Materials and Supplies | | | |
| 17 | 161.0 Stores Expense | | | |
| 18 | 162.0 Prepayments | | 2,727 | 3,098 |
| 19 | 171.0 Accrued Interest & Dividends Receivable | | | |
| 20 | 172.0 Rents Receivable | | | |
| 21 | 173.0 Accrued Utility Revenues | | 35,343 | 35,404 |
| 22 | 174.0 Miscellaneous Current & Accrued Assets | | 124 | 1,945 |
| 23 | TOTAL CURRENT & ACCRUED ASSETS | | (265,000) | (439,241) |
| 24 | DEFERRED DEBITS | | XXX | XXX |
| 25 | 181.0 Unamortized Debt Discount and Expense | | | |
| 26 | 182.0 Extraordinary Property Losses | | 1,243 | 1,302 |
| 27 | 183.0 Preliminary Survey and Investigation Charges | | | |
| 28 | 184.0 Clearing Accounts | 204 | | |
| 29 | 185.0 Temporary Facilities | | | |
| 30 | 186.1 Deferred Rate Case Expense | | 0 | |
| 31 | 186.2 Other Deferred Debits | | | |
| 32 | 186.3 Regulatory Assets | | 2,385 | 2,401 |
| 33 | 187.0 Research & Development Expenditures | | | |
| 34 | 190.1 Accumulated Deferred Federal Income Taxes | | | |
| 35 | 190.2 Accumulated Deferred State Income Taxes | | | |
| 36 | TOTAL DEFERRED DEBITS | | 3,628 | 3,702 |
| 37 | TOTAL ASSETS & OTHER DEBITS | | 1,273,033 | 1,054,364 |

(Company Name)

200-3. BALANCE SHEET
EQUITY AND LONG TERM LIABILITIES

Balances at Beginning of Year must be consistent with balances at end of previous year

| Line No. | Account Number and Title (a) | Schedule No. (b) | Balance End of Year (d) | Balance Beginning of Year (d) |
|----------|---------------------------------------------------------------------|---------------------|----------------------------|----------------------------------|
| 1 | EQUITY CAPITAL & LIABILITIES | | XXX | XXX |
| 2 | EQUITY CAPITAL | | XXX | XXX |
| 3 | 201.0 Common Stock Issued | | | |
| 4 | 202.0 Common Stock Subscribed | | | |
| 5 | 203.0 Common Stock Liability for Conversion | | | |
| 6 | 207.0 Premium on Capital Stock | | 992,853 | 747,781 |
| 7 | 209.0 Reduction in Par or Stated Value of Capital Stock | | | |
| 8 | 210.0 Gain on Resale or Cancellation of Reacquired Capital Stock | | | |
| 9 | 211.0 Other Paid-In Capital | | (955,480) | (573,456) |
| 10 | 212.0 Discount on Capital Stock | | | |
| 11 | 213.0 Capital Stock Expense | | | |
| 12 | 214.0 Appropriated Retained Earnings | 205 | | |
| 13 | 215.0 Unappropriated Retained Earnings | 205 | 541,691 | 389,465 |
| 14 | 216.0 Reacquired Capital Stock | | | |
| 15 | 218.0 Proprietary Capital (proprietorships & partnerships) | | | |
| 16 | TOTAL EQUITY CAPITAL | | 579,064 | 563,790 |
| 17 | LONG-TERM DEBT | | XXX | XXX |
| 18 | 221.0 Bonds | | 527,086 | 398,147 |
| 19 | 222.0 Reacquired Bonds | | | |
| 20 | 223.0 Advances from Affiliated Companies | 208 | | |
| 21 | 224.0 Other Long-term Debt | 206 | 41,545 | 33,731 |
| 22 | TOTAL LONG-TERM DEBT | | 568,631 | 431,878 |

(Company Name)

200-4. BALANCE SHEET
CURRENT LIABILITIES AND OTHER CREDITS

Balances at Beginning of Year must be consistent with balances at end of previous year

| Line No. | Account Number and Title (a) | Schedule No. (b) | Balance End of Year (d) | Balance Beginning of Year (d) |
|----------|----------------------------------------------------------------------------|---------------------|----------------------------|----------------------------------|
| 1 | CURRENT AND ACCRUED LIABILITIES | | XXX | XXX |
| 2 | 231.00 Accounts Payable | | 18,825 | 37,933 |
| 3 | 232.00 Notes Payable | 206 | | |
| 4 | 233.00 Accounts Payable to Affiliated Companies | 208 | | |
| 5 | 234.00 Notes Payable to Affiliated Companies | 206 | | |
| 6 | 235.00 Customers' Deposits-Billing | | 3,407 | 3,357 |
| 7 | 236.11 Accrued Taxes, Taxes Other Than Income | | 2,067 | (70) |
| 8 | 236.12 Accrued Taxes, Income Taxes | | (235,616) | (294,741) |
| 9 | 236.20 Accrued Taxes, Other Income & Deductions | | | |
| 10 | 237.10 Accrued Interest on Long-term Debt | | | |
| 11 | 237.20 Accrued Interest on Other Liabilities | | 32 | 39 |
| 12 | 238.00 Accrued Dividends | | | |
| 13 | 239.00 Matured Long-term Debt | | | |
| 14 | 240.00 Matured Interest | | | |
| 15 | 241.00 Miscellaneous Current and Accrued Liabilities | | 7,676 | 8,259 |
| 16 | TOTAL CURRENT AND ACCRUED LIABILITIES | | (203,609) | (245,223) |
| 17 | DEFERRED CREDITS | | XXX | XXX |
| 18 | 251.00 Unamortized Premium on Debt | | | |
| 19 | 252.00 Advances for Construction | | | |
| 20 | 252.10 Accumulated Amortization of Advances for Construction | | | |
| 21 | 253.00 Other Deferred Credits | | 5,334 | 5,479 |
| 22 | 255.10 Accumulated Deferred Investment Tax Credit (Utility Operations) | | | |
| 23 | 255.20 Accumulated Deferred Investment Tax Credit (Non-Utility Operations) | | | |
| 24 | TOTAL DEFERRED CREDITS | | 5,334 | 5,479 |
| 25 | OPERATING RESERVES | | XXX | XXX |
| 26 | 261.00 Property Insurance Reserve | | | |
| 27 | 262.00 Injuries & Damages Reserve | | | |
| 28 | 263.00 Pensions & Benefits Reserve | | 1,554 | 1,017 |
| 29 | 265.00 Miscellaneous Operating Reserve | | | |
| 30 | TOTAL OPERATING RESERVES | | 1,554 | 1,017 |
| 31 | CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) | | XXX | XXX |
| 32 | 271.10 Customer Contributions | | 6,713 | 3,850 |
| 33 | 271.20 Developer Contributions | | | |
| 34 | 271.30 Grant(s) in Aid | | | |
| 35 | 271.40 Other | | | |
| 36 | 272.00 Accumulated Amortization | | (1,467) | (1,328) |
| 37 | TOTAL NET (CIAC) | | 5,246 | 2,522 |
| 38 | ACCUMULATED DEFERRED INCOME TAXES | | XXX | XXX |
| 39 | 281.00 Accelerated Amortization | | | |
| 40 | 282.00 Liberalized Depreciation | | 314,268 | 294,276 |
| 41 | 283.00 Other | | 2,545 | 625 |
| 42 | TOTAL ACCUMULATED DEFERRED INCOME TAXES | | 316,813 | 294,900 |
| 43 | TOTAL LIABILITIES & OTHER CREDITS | | 1,273,033 | 1,054,364 |

(Company Name)

201-W. WATER UTILITY PLANT IN SERVICE - Account No. 101.0

- 1 Report by prescribed accounts the original cost of utility plant in service and the additions and retirements of such plant during the year.
 2 Do not include as adjustments, corrections to additions and retirements for the current or preceding year. Such items should be included in appropriate Column (c) or (d)
 3 Credit adjustments in Column (e) should be shown in red, or in black enclosed in parenthesis. State in a footnote the general character of any adjustments in Column (e).
 4 Submit, in a footnote, an explanation of amounts included in Columns (e) and/or (f), Line 34, for lowering or changing the location of mains.

| Line No. | Account Number and Title (a) | Balance Previous Year (b) | Additions (c) | Retirements (d) | Adjustments +/- (e) | Balance End of Year (f) |
|----------|------------------------------------------------|------------------------------|------------------|--------------------|------------------------|----------------------------|
| 1 | .1 INTANGIBLE PLANT | XXX | XXX | XXX | XXX | XXX |
| 2 | 301.10 Organization | | | | | - |
| 3 | 302.10 Franchises | | | | | - |
| 4 | 339.10 Other Plant and Miscellaneous Equipment | | | | | - |
| 5 | Total Intangible Plant | - | - | - | - | - |
| 6 | .2 SOURCE OF SUPPLY AND PUMPING PLANT | XXX | XXX | XXX | XXX | XXX |
| 7 | 303.20 Land and Land Rights | 5,218 | | | | 5,218 |
| 8 | 304.20 Structures and Improvements | 37,474 | | | | 37,474 |
| 9 | 305.20 Collection and Impounding Reservoirs | | | | | - |
| 10 | 306.20 Lake, Rivers and Other Intakes | | | | | - |
| 11 | 307.20 Wells and Springs | 346,301 | | 2,000 | | 344,301 |
| 12 | 308.20 Infiltration Galleries and Tunnels | | | | | - |
| 13 | 309.20 Supply Mains | 18,468 | 5,035 | 146 | | 23,357 |
| 14 | 310.20 Power Generation Equipment | | | | | - |
| 15 | 311.20 Pumping Equipment | 51,152 | 2,165 | | | 53,317 |
| 16 | 339.20 Other Plant and Miscellaneous Equipment | 12,233 | | | | 12,233 |
| 17 | Total Source of Supply and Pumping Plant | 470,846 | 7,200 | 2,146 | - | 475,900 |
| 18 | .3 WATER TREATMENT EQUIPMENT | XXX | XXX | XXX | XXX | XXX |
| 19 | 303.30 Land and Land Rights | | | | | - |
| 20 | 304.30 Structures and Improvements | 12,375 | | | | 12,375 |
| 21 | 310.30 Power Generation Equipment | | | | | - |
| 22 | 311.30 Pumping Equipment | | | | | - |
| 23 | 320.30 Water Treatment Equipment | 13,261 | 4,015 | 1,912 | | 15,365 |
| 24 | 339.30 Other Plant and Miscellaneous Equipment | | | | | - |
| 25 | 349.30 Instrumentation | | | | | - |
| 26 | 350.30 Sewer Treatment Equipment | | | | | - |
| 27 | Total Water Treatment Equipment | 25,636 | 4,015 | 1,912 | - | 27,740 |
| 28 | .4 TRANSMISSION AND DISTRIBUTION PLANT | XXX | XXX | XXX | XXX | XXX |
| 29 | 303.40 Land and Land Rights | 32,548 | | | | 32,548 |
| 30 | 304.40 Structures and Improvements | 30,385 | | | | 30,385 |
| 31 | 310.40 Power Generation Equipment | | | | | - |
| 32 | 311.40 Pumping Equipment | | | | | - |
| 33 | 330.40 Distribution Reservoirs and Standpipes | | | | | - |
| 34 | 331.40 Transmission and Distribution Mains | 80,310 | 9,235 | 15,497 | | 74,048 |
| 35 | 333.40 Services | 219,550 | 12,976 | | | 232,526 |
| 36 | 334.40 Meters and Meter Installations | 401,066 | 44,758 | 549 | | 445,276 |
| 37 | 335.40 Hydrants | 15,840 | 5,575 | 2,901 | | 18,514 |
| 38 | 336.40 Backflow Prevention Devices | 140,752 | 614 | | | 141,366 |
| 39 | 339.40 Other Plant and Miscellaneous Equipment | | 2,181 | | | 2,181 |
| 40 | Total Transmission and Distribution Plant | 920,451 | 75,339 | 18,947 | - | 976,843 |
| 41 | .5 GENERAL PLANT | XXX | XXX | XXX | XXX | XXX |
| 42 | 303.50 Land and Land Rights | | | | | - |
| 43 | 304.50 Structures and Improvements | 1,190 | | | | 1,190 |
| 44 | 340.50 Office Furniture and Equipment | 93,649 | 9,830 | | | 103,480 |
| 45 | 341.50 Transportation Equipment | | | | | - |
| 46 | 342.50 Stores Equipment | | | | | - |
| 47 | 343.50 Tools, Shop and Garage Equipment | | | | | - |
| 48 | 344.50 Laboratory Furniture & Equipment | | | | | - |
| 49 | 345.50 Power Operated Equipment | | | | | - |
| 50 | 346.50 Communication Equipment | 3,185 | 3,024 | | | 6,209 |
| 51 | 347.50 Miscellaneous Equipment | | | | | - |
| 52 | 348.50 Other Tangible Plant | | | | | - |
| 53 | Total General Plant | 98,024 | 12,855 | - | - | 110,879 |
| 54 | TOTAL WATER PLANT-IN-SERVICE | 1,514,958 | 99,409 | 23,005 | - | 1,591,362 |

201-S. SEWER UTILITY PLANT IN SERVICE - Account No. 101.0

- 1 Report by prescribed accounts the original cost of utility plant in service and the additions and retirements of such plant during the year
- 2 Do not include as adjustments, corrections to additions and retirements for the current or preceding year. Such items should be included in appropriate Column (c) or (d)
- 3 Credit adjustments in Column (e) should be shown in red, or in black enclosed in parenthesis. State in a footnote the general character of any adjustments in Column (e)
- 4 Submit, in a footnote, an explanation of amounts included in Columns (e) and/or (f). Line 34, for lowering or changing the location of mains.

| Line No. | Account Number and Title | Balance Previous Year (b) | Additions (c) | Retirements (d) | Adjustments +/- (e) | Balance End of Year (f) |
|----------|-------------------------------------------------------------|---------------------------|---------------|-----------------|---------------------|-------------------------|
| 1 | .1 INTANGIBLE PLANT | XXX | XXX | XXX | XXX | XXX |
| 2 | 351 10 Organization | | | | | - |
| 3 | 352 10 Franchises | | | | | - |
| | 389 10 Other Plant and Misc. Equipment | | | | | - |
| 4 | .2 COLLECTION SYSTEM | XXX | XXX | XXX | XXX | XXX |
| 5 | 353 20 Land and Right-of-Ways | | | | | - |
| 6 | 354 20 Pump Station Structures and Improvements | | | | | - |
| 7 | 355 20 Pump Station Power Generation Equipment | | | | | - |
| 8 | 356 20 Pump Station Power Protection and Control Devices | | | | | - |
| 9 | 359 20 Collection Sewers - Pressure | | | | | - |
| 10 | 360 20 Pump Station Force Mains | | | | | - |
| 11 | 361 20 Collection Sewers - Gravity | | | | | - |
| 12 | 362 20 Special Collection Structures | | | | | - |
| 13 | 363 20 Services to Customers | | | | | - |
| 14 | 364 20 Customer's Flow Measuring Devices | | | | | - |
| 15 | 365 20 Customer's Flow Measuring Installations | | | | | - |
| 16 | 366 20 Customer's Grinder Pump Units | | | | | - |
| 17 | 367 20 Customer's Grinder Pump Unit Installations | | | | | - |
| 18 | 370 20 Receiving Wells | | | | | - |
| 19 | 371 20 Pump Station Pumping Equipment | | | | | - |
| 20 | 389 20 Other Plant and Misc. Equipment | | | | | - |
| 21 | 396 20 Pump Station Communication Equipment | | | | | - |
| 22 | 398 20 Other Tangible Plant | | | | | - |
| 23 | .3 SYSTEM PUMPING PLANT | XXX | XXX | XXX | XXX | XXX |
| 24 | 353 30 Land and Right-of-Ways | | | | | - |
| 25 | 354 30 Pump Station Structures and Improvements | | | | | - |
| 26 | 370 30 Receiving Wells | | | | | - |
| 27 | 371 30 Pump Station Pumping Equipment | | | | | - |
| 28 | 389 30 Other Plant and Misc. Equipment | | | | | - |
| 29 | .4 TREATMENT and DISPOSAL FACILITIES | XXX | XXX | XXX | XXX | XXX |
| 30 | 353 40 Land and Right-of-Ways | | | | | - |
| 31 | 354 40 Structures and Improvements | | | | | - |
| 32 | 355 40 Power Generation Equipment | | | | | - |
| 33 | 356 40 Power Protection and Control Devices & Appurtenances | | | | | - |
| 34 | 371 40 Pumping Equipment | | | | | - |
| 35 | 380 40 Treatment and Disposal Equipment | | | | | - |
| 36 | 381 40 Yard Piping | | | | | - |
| 37 | 382 40 Outfall Line and Headwall | | | | | - |
| 38 | 385 40 Instrumentation and Computer Equipment | | | | | - |
| 39 | 389 40 Other Plant and Miscellaneous Equipment | | | | | - |
| 40 | .5 RECLAIMED WATER TREATMENT PLANT | XXX | XXX | XXX | XXX | XXX |
| 41 | 353 50 Land and Right-of-Ways | | | | | - |
| 42 | 354 50 Pump Station Structures and Improvements | | | | | - |
| 43 | 355 50 Pump Station Power Generation Equipment | | | | | - |
| 44 | 371 50 Pump Station Pumping Equipment | | | | | - |
| 45 | 374 50 Reuse Distribution Reservoirs | | | | | - |
| 46 | 380 50 Treatment and Disposal Equipment | | | | | - |
| 47 | 381 50 Yard Piping | | | | | - |
| 48 | 389 50 Other Plant and Misc. Equipment | | | | | - |
| 49 | .6 RECLAIMED WATER DISTRIBUTION PLANT | XXX | XXX | XXX | XXX | XXX |
| 50 | 353 60 Land and Right-of-Ways | | | | | - |
| 51 | 366 60 Customer's Grinder Pump Units | | | | | - |
| 52 | 367 60 Customer's Grinder Pump Unit Installations | | | | | - |
| 53 | 371 60 Pump Station Pumping Equipment | | | | | - |
| 54 | 375 60 Reuse Transmission and Distribution System | | | | | - |
| 55 | .7 GENERAL PLANT | XXX | XXX | XXX | XXX | XXX |
| 56 | 353 70 Land and Right-of-Ways | | | | | - |
| 57 | 354 70 Pump Station Structures and Improvements | | | | | - |
| 58 | 385 70 Instrumentation and Computer Equipment | | | | | - |
| 59 | 390 70 Office Furniture and Equipment | | | | | - |
| 60 | 391 70 Transportation Equipment | | | | | - |
| 61 | 392 70 Stores Equipment | | | | | - |
| 62 | 393 70 Tools, Shop and Garage Equipment | | | | | - |
| 63 | 394 70 Laboratory Equipment | | | | | - |
| 64 | 395 70 Power Operated Equipment | | | | | - |
| 65 | 396 70 Communication Equipment | | | | | - |
| 66 | 397 70 Miscellaneous Equipment | | | | | - |
| 67 | 398 70 Other Tangible Plant | | | | | - |
| 68 | 399 70 Safety Equipment | | | | | - |
| 69 | | | | | | - |
| 70 | TOTAL WASTEWATER UTILITY PLANT ACCOUNT | - | - | - | - | - |

202. ACCUMULATED DEPRECIATION OF UTILITY PLANT - WATER AND SEWER

- Report below an analysis of the changes in accumulated depreciation during the year and the amounts applicable to prescribed functional classifications.
- Explain and give particulars of important adjustments during the year.

| Line No. | Item (a) | Water Plant | Sewer Plant |
|----------|-------------------------------------------------|-----------------|-----------------|
| | | Water Plant (b) | Sewer Plant (c) |
| 1 | Balance Beginning of Year | 523,541 | |
| 2 | Credits During Year | XXXXX | XXXXX |
| 3 | Depreciation Provisions charged to: | XXXXX | XXXXX |
| 4 | 403. Depreciation | 35,645 | |
| 5 | 413. Income from Utility Plant Leased to Others | - | |
| 6 | | - | |
| 7 | Total Depreciation Provisions | 35,645 | - |
| 8 | Recoveries from Insurance | - | |
| 9 | Salvage Realized from Retirements | 418 | |
| 10 | Other Credits (Describe) | - | |
| 11 | | - | |
| 12 | Total Credits During Year | 418 | - |
| 13 | Total Credits | 36,063 | - |
| 14 | Debits During Year | XXXXX | XXXXX |
| 15 | Retirement of Utility Plant | 24,626 | |
| 16 | Cost of Removal | - | |
| 17 | Other Debits (Describe) | - | |
| 18 | | - | |
| 19 | Total Debits During Year | 24,626 | - |
| 20 | Balance at End of Year | 534,978 | - |

Describe the basis upon which depreciation provisions for the year were determined and attach worksheets showing the computations made in arriving at the annual provisions.

203-W. WATER UTILITY PLANT ACQUISITIONS ADJUSTMENTS - Account No. 114.0

| Line No. | Item (a) | Project No. 1 Amount (r) | Project No. 2 | Project No. 3 | Project No. 4 | Totals (f) |
|----------|-----------------------------|--------------------------|---------------|---------------|---------------|------------|
| 1 | Book Plant - Net | | | | | |
| 2 | PUC Difference (Ratemaking) | | | | | |
| 3 | Less Contributions (Net) | | | | | |
| 4 | Net Utility Plant Acquired | | | | | |
| 5 | Purchase Price | | | | | |
| 6 | Acquisition Adjustment | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |

203-S. SEWER UTILITY PLANT ACQUISITIONS ADJUSTMENTS - Account No. 114.0

| Line No. | Item (a) | Project No. 1 Amount (b) | Project No. 2 Amount (c) | Project No. 3 Amount (d) | Project No. 4 Amount (e) | Totals (f) |
|----------|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------|
| 1 | Book Plant - Net | | | | | - |
| 2 | PUC Difference (Ratemaking) | | | | | - |
| 3 | Less Contributions (Net) | | | | | - |
| 4 | Net Utility Plant Acquired | | | | | - |
| 5 | Purchase Price | | | | | - |
| 6 | Acquisition Adjustment | | | | | - |
| 7 | | | | | | - |
| 8 | | | | | | |

Harper Water Co, Inc (CCN: 11421)

For the Year Ended 12/31/2015

(Company Name)

204. CLEARING ACCOUNTS SUPPORTING SCHEDULE - Account No. 184.0

This Schedule should include a breakdown of the accounts that constitute the ending balance in Account No. 184.0 - Clearing Accounts.

| Line No. | Account No. (a) | Balance at Beg. of Year (b) | Additions (c) | Reductions or Deletions (d) | Adjustments (e) | Balance at End of Year (f) |
|----------|--------------------|-----------------------------------|------------------|-----------------------------------|--------------------|----------------------------------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | TOTALS | | | | | |

205. STATEMENT OF RETAINED EARNINGS SUPPORTING SCHEDULE
Account Nos. 214.0 and 215.0

1. Dividends should be shown for each class and series of capital stock. Show amounts of dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 409.0.

| Line No. | Item (a) | Amounts (b) |
|----------|------------------------------------------------------------|----------------|
| 1 | Unappropriated Retained Earnings Account No. 215.0: | XXXXXX |
| 2 | Balance Beginning of Year | 389,465 |
| 3 | Changes to Account: | XXXXXX |
| 4 | Adjustments to Retained Earnings * | |
| 5 | Credits | |
| 6 | Debits | |
| 7 | Balance Transferred From Income | 152,226 |
| 8 | Total Unappropriated Retained Earnings | 541,691 |
| 9 | | |
| 10 | Appropriated Retained Earnings Account No. 214.0: | XXXXXX |
| 11 | Total Appropriations of Retained Earnings | |
| 12 | Dividends Declared: | XXXXXX |
| 13 | Preferred Stock Dividends Declared | |
| 14 | Common Stock Dividend Declared | |
| 15 | Total Dividends Declared | - |
| 16 | Total Appropriated Retained Earnings | - |
| 17 | Total Retained Earnings | 541,691 |

* Indicate whether or not the adjustment was Commission Approved.

Notes to Retained Earnings (for any adjusting journal entries other than closing prior year's income):

Harper Water Co, Inc (CCN: 11421)

(Company Name)

For the Year Ended 12/31/2015

206. LONG-TERM DEBT - Account Nos. 221.0, 222.0, and 224.0
(Excluding Advances from Affiliated Companies)

- 1 Give below the particulars indicated of the long-term debt at end of year represented by unmatured obligations issued or assumed by the respondent, exclusive of advances from affiliated companies.
- 2 Group entries according to accounts and show the total for each account.
- 3 For obligations assumed by the respondent show in Column (a) the name of the issuing company and the class and series of such obligations.
- 4 For Receivers' Certificates show the name of the court and date of court order under which such certificates were issued.
- 5 If respondent has pledged any of its long-term debt securities give particulars in a footnote, including name of the pledge and purpose of pledge.
- 6 If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in Column (g).
- 7 If interest has matured but is unpaid on any obligation, state in a footnote the class, series and principal amount of such obligation and the amount of interest matured thereon.

| Line No. | Class and Series of Obligations (a) | Nominal Date of Issue (b) | Date of Maturity (c) | Principal Amount Authorized (d) | Outstanding Per Balance Sheet* (e) | Interest For Year | | Held By Respondent | |
|----------|-------------------------------------|---------------------------|----------------------|---------------------------------|------------------------------------|-------------------|------------|---------------------------------|------------------------------|
| | | | | | | Rate (f) | Amount (g) | As Reacquired Lg.-Term Debt (h) | In Sinking & Other Funds (i) |
| 1 | | XXXXXX | XXXXXX | XXXXXX | XXXXXX | XXXXXX | XXXXXX | XXXXXX | XXXXXX |
| 2 | Aqua America, Inc. | 6/14/2012 | 6/14/2027 | 43,387 | 54,054 | 3.57% | 1,739 | | |
| 3 | Aqua America, Inc. | 12/7/2009 | 12/17/2019 | 62,569 | 62,569 | 4.72% | 2,953 | | |
| 4 | Aqua America, Inc. | 7/31/2003 | 7/31/2016 | 24,387 | - | 4.87% | 1,089 | | |
| 5 | Aqua America, Inc. | 7/31/2003 | 7/31/2017 | 24,387 | 27,687 | 4.87% | 1,268 | | |
| 6 | Aqua America, Inc. | 7/31/2003 | 7/31/2020 | 24,387 | 27,687 | 4.87% | 1,268 | | |
| 7 | Aqua America, Inc. | 7/31/2003 | 7/31/2023 | 36,580 | 39,924 | 4.87% | 1,863 | | |
| 8 | Aqua America, Inc. | 6/24/2010 | 6/24/2021 | 24,387 | 26,616 | 4.87% | 1,242 | | |
| 9 | Aqua America, Inc. | 6/24/2010 | 6/24/2024 | 9,103 | 9,103 | 4.62% | 421 | | |
| 10 | Aqua America, Inc. | 6/24/2010 | 6/24/2028 | 39,445 | 39,445 | 4.83% | 1,905 | | |
| 11 | Aqua America, Inc. | 2/3/2005 | 2/3/2015 | 45,514 | 45,514 | 5.22% | 2,376 | | |
| 12 | Aqua America, Inc. | 2/3/2005 | 2/3/2020 | - | - | 5.01% | - | | |
| 13 | Aqua America, Inc. | 12/28/2006 | 12/31/2017 | 44,392 | 44,392 | 5.20% | 2,308 | | |
| 14 | Aqua America, Inc. | 12/28/2006 | 12/31/2018 | 41,177 | 41,177 | 5.54% | 2,281 | | |
| 15 | Aqua America, Inc. | 2/28/2007 | 2/28/2022 | 41,177 | 41,177 | 5.54% | 2,281 | | |
| 16 | Aqua America, Inc. | 2/28/2007 | 2/28/2037 | 33,871 | 33,871 | 5.63% | 1,907 | | |
| 17 | North Channel Water Authority | 2/28/2007 | 2/28/2037 | 33,871 | 33,871 | 5.85% | 1,981 | | |
| 18 | | Various | Various | 44,786 | 41,545 | 4.16%-5.86% | 2,450 | | |
| 19 | | | | | | | | | |
| 20 | TOTAL OBLIGATIONS | | | 573,418 | 568,631 | | 29,332 | | |

* Total amount outstanding without reduction for amount held by respondent.

(Company Name)

207. NOTES PAYABLE SUPPORTING SCHEDULE - Account No. 232.0

This schedule should include a breakdown of the accounts that constitute the ending balance in Account No. 232.0 - Notes Payable.

| Line No. | Name of Creditor (a) | Description of Transaction (b) | Date of Issue (c) | Date of Maturity (d) | Amount at End of Year (e) | Interest Rate Per Annum (f) |
|----------|-------------------------|-----------------------------------|----------------------|-------------------------|------------------------------|--------------------------------|
| 1 | None | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | TOTAL | - | |

**208. ACCOUNTS PAYABLE TO AFFILIATED COMPANIES
SUPPORTING SCHEDULE - Account No. 233.0**

This schedule should include a breakdown of the accounts that constitute the ending balance in Account No. 233.0 - Accounts Payable to Affiliated Companies.

| Line No. | Name of Affiliated Company (a) | Description of Transaction (b) | Date of Issue (c) | Date of Maturity (d) | Amount at End of Year (e) | Interest Rate Per Annum (f) |
|----------|-----------------------------------|-----------------------------------|----------------------|-------------------------|------------------------------|--------------------------------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | TOTAL | | |

**400. INCOME STATEMENT
REVENUES AND EXPENSES**

| Line No | Account Number and Title (a) | Schedule No (c) | Balance End of Year (d) | Normalization ¹ Adjustment (g) | End of Year Normalized Amount (h) |
|---------|--------------------------------------------------------------------------------------|--------------------|----------------------------|----------------------------------------------|--------------------------------------|
| 1 | 400.0 Operating Revenues-Water | | | | |
| | 500.0 Operating Revenues-Sewer | 401-W | 495,826 | | 495,826 |
| 2 | | | - | | - |
| 3 | UTILITY OPERATING EXPENSES | | | | |
| 4 | 401.0 Operating Expenses | | XXX | XXX | XXX |
| 5 | 403.0 Depreciation Expense | | 191,332 | | 191,332 |
| 6 | 406.0 Amortization of Utility Plant Acquisition Adjustment | | 35,645 | | 35,645 |
| 7 | 407.1 Amortization of Limited Term Plant | | | | - |
| 8 | 407.2 Amortization of Property Losses | | | | - |
| 9 | 407.3 Amortization of Other Utility Plant | | | | - |
| 10 | 407.4 Amortization of Regulatory Assets | | (140) | | (140) |
| 11 | 408.0 Taxes Other Than Income | | | | - |
| 12 | 409.10 Federal Income Taxes, Utility Operating Income | | 25,550 | | 25,550 |
| 13 | 409.11 State Income Taxes, Utility Operating Income | | 40,253 | | 40,253 |
| 14 | 409.12 Local Income Taxes, Utility Operating Income | | 5,124 | | 5,124 |
| 15 | 410.0 Deferred Income Tax | | | | - |
| 16 | 410.10 Federal | | | | - |
| 17 | 410.11 State | | 16,524 | | 16,524 |
| 18 | Total Deferred Income Tax | | | | - |
| 19 | 411.1 Provision for Deferred Income Taxes | | 16,524 | | 16,524 |
| | - Credit, Utility Operating Income | | XXX | XXX | XXX |
| 20 | Tax Credits | | | | - |
| 21 | 412.1 Investment Tax Credit, Deferred to Future Periods, Utility Operating Income | | XXX | XXX | XXX |
| 22 | 412.2 Investment Tax Credits, Restored to Operating Income, Utility Operating Income | | XXX | XXX | XXX |
| 23 | Total Tax Credits | | | | - |
| 24 | TOTAL UTILITY OPERATING EXPENSES | | - | | - |
| 25 | | | 314,287 | | 314,287 |
| 26 | NET UTILITY OPERATING INCOME (LOSS) | | | | - |
| 27 | | | 181,539 | | 181,539 |
| 28 | OTHER OPERATING INCOME (LOSS) | | | | - |
| 29 | 413.0 Income from Utility Plant Leased to Others | | XXX | XXX | XXX |
| 30 | 414.0 Gains (Losses) from Disposition of Utility Property | | | | - |
| 31 | TOTAL OTHER OPERATING INCOME (LOSS) | | | | - |
| 32 | | | - | | - |
| 33 | NON-OPERATING INCOME | | | | - |
| 34 | 415.0 Revenues from Merchandising, Jobbing and Contract Work | | XXX | XXX | XXX |
| 35 | 419.0 Interest & Dividend Income | | - | | - |
| 36 | 420.0 Allowance for Funds Used During Construction (AFUDC) | | - | | - |
| 37 | 421.0 Non-Utility Income | | 340 | | 340 |
| 38 | TOTAL NON-OPERATING INCOME | | - | | - |
| 39 | | | 340 | | 340 |
| 40 | NON-OPERATING DEDUCTIONS | | | | - |
| 41 | 408.2 Taxes Other Than Income, Other Income and Deductions (attach schedule) | | XXX | XXX | XXX |
| 42 | 409.2 Income Taxes, Other Income and Deductions | | | | - |
| 43 | 416.0 Costs & Expenses of Merchandising, Jobbing and Contract Work | | | | - |
| 44 | 426.0 Miscellaneous Non-Utility Expenses | | | | - |
| 45 | TOTAL NON-OPERATING INCOME & DEDUCTIONS | | 194 | | 194 |
| 46 | | | 146 | | 146 |
| 47 | INTEREST EXPENSE | | | | - |
| 48 | 427.0 Interest Expense | | XXX | XXX | XXX |
| 49 | 428.0 Amortization of Debt Discount & Expenses | | 29,332 | | 29,332 |
| 50 | 429.0 Amortization of Premium on Debt | | 128 | | 128 |
| 51 | TOTAL INTEREST EXPENSE | | | | - |
| 52 | | | 29,460 | | 29,460 |
| 53 | EXTRAORDINARY ITEMS | | | | - |
| 54 | 433.0 Income | | XXX | XXX | XXX |
| 55 | 434.0 Deductions | | | | - |
| 56 | 409.3 Income Taxes | | | | - |
| 57 | 409.4 Other | | | | - |
| 58 | TOTAL EXTRAORDINARY ITEMS | | | | - |
| 59 | NET INCOME (LOSS) | | - | | - |
| | | | 152,225 | | 152,225 |

¹ Attach an explanation and calculations for all normalized adjustments. The reporting entity must use any normalization adjustment methodologies that were approved in the entity's most recent rate proceeding

401-W. WATER OPERATING REVENUES SUPPORTING SCHEDULE - Account No. 400.0

This schedule is breakdown of the accounts that constitute the ending balance in Account No. 400.0 - Operating Revenues (Water).

Schedules 401-W and 401-S totals should equal Schedule 400.

| Line No. | Account Number and Title (a) | Schedule No. (b) | Balance End of Year (c) | Normalization ¹ Adjustment (e) | Normalized Amount (e) |
|----------|-------------------------------------------------|---------------------|-------------------------------|-------------------------------------------------|-----------------------------|
| 1 | WATER SALES REVENUE | | | | |
| 2 | 460.0 Unmetered Water Revenue | | | | |
| 3 | 460.1 Residential | | | | |
| 4 | 460.2 Commercial | | | | |
| 5 | 460.3 Industrial | | | | |
| 6 | 460.4 Public | | | | |
| 7 | 460.5 Other | | | | |
| 8 | | | | | |
| 9 | Total Unmetered Water Revenue | | | | |
| 10 | | | | | |
| 11 | 461.0 Metered Water Revenue | | | | |
| 12 | 461.1 Residential | | 479,974 | | 479,974 |
| 13 | 461.2 Commercial | | 2,897 | | 2,897 |
| 14 | 461.3 Industrial | | | | |
| 15 | 461.4 Public | | | | |
| 16 | 461.5 Multiple Family Dwellings | | | | |
| 17 | 461.6 Other | | 92 | | 92 |
| 18 | | | | | |
| 19 | Total Metered Water Revenue | | 482,962 | | 482,962 |
| 20 | | | | | |
| 21 | 462.1 Public Fire Protection | | | | |
| 22 | 462.2 Private Fire Protection | | | | |
| 23 | 464.0 Other Sales to Public (Special Contracts) | 404 | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | TOTAL WATER SALES | | 482,962 | | 482,962 |
| 27 | | | | | |
| 28 | OTHER WATER REVENUES | | | | |
| 29 | | | | | |
| 30 | 466.0 Sales for Resale | 405 | | | |
| 31 | 467.0 Interdepartmental Sales | | | | |
| 32 | 470.0 Forfeited Discounts | | | | |
| 33 | 471.0 Miscellaneous Service Revenues | | 12,864 | | 12,864 |
| 34 | 472.0 Rents from Water Property | | | | |
| 35 | 473.0 Interdepartmental Rents | | | | |
| 36 | 474.0 Other Water Revenues | 406 | | | |
| 37 | | | | | |
| 38 | TOTAL OTHER WATER REVENUES | | 12,864 | | 12,864 |
| 39 | | | | | |
| 40 | TOTAL WATER SALES & OTHER REVENUES | | 495,826 | | 495,826 |

1 Attach an explanation and calculations for all normalized.

401-S. SEWER OPERATING REVENUES SUPPORTING SCHEDULE - Account No. 400.0

This schedule should include a breakdown of the accounts that constitute the ending balance in Account No. 400.0 - Operating Revenue

| Line No. | Account Number and Title (a) | Schedule No. (b) | Balance End of Year (c) | Normalization Adjustment | Normalized Amount |
|----------|----------------------------------------------|---------------------|----------------------------|--------------------------|-------------------|
| 1 | SEWER SALES REVENUE | | XXX | | |
| 2 | 521.0 Flat Rate Revenues - General Customers | | XXX | | |
| 3 | 521.1 Residential | | | | 0 |
| 4 | 521.2 Commercial | | | | 0 |
| 5 | 521.3 Industrial | | | | |
| 6 | 521.4 Public Authorities | | | | |
| 7 | 521.5 Multiple Family Dwelling Revenues | | | | |
| 8 | 521.6 Other Revenues (Availability) | | | | |
| 9 | | | | | |
| 10 | Total Unmetered Sewer Revenue | | 0 | | 0 |
| 11 | | | | | |
| 12 | 522.0 Measured Revenues - General Customers | 402 | XXX | | |
| 13 | 522.1 Residential | | | | |
| 14 | 522.2 Commercial | | | | 0 |
| 15 | 522.3 Industrial | | | | |
| 16 | 522.4 Public Authorities | | | | |
| 17 | 522.5 Multiple Family Dwellings Revenues | | | | |
| 18 | 523.0 Revenues from Public Authorities | 404 | | | |
| 19 | 524.0 Revenues from Other Systems | 404 | | | |
| 20 | 525.0 Interdepartmental Revenues | 404 | | | |
| 21 | | | | | |
| 22 | Total Measured Sewer Revenue | | 0 | | 0 |
| 23 | | | | | |
| 24 | OTHER SEWER REVENUES | | XXX | | |
| 25 | 530.0 Guaranteed Revenues | 406 | | | |
| 26 | 531.0 Sale of Biosolids | | | | |
| 27 | 532.0 Forfeited Discounts | | | | 0 |
| 28 | 534.0 Rents from Sewer Property | 406 | | | |
| 29 | 535.0 Interdepartmental Rents | | | | |
| 30 | 536.0 Other Sewer Revenues | 406 | | | 0 |
| 31 | 536.1 Reserve Capacity Fees | | | | |
| 32 | 536.2 Sludge Processing Fees | | | | |
| 33 | 536.3 Sewer Processing Surcharges | | | | |
| 34 | | | | | |
| 35 | TOTAL SEWER SALES ¹ | | 0 | | 0 |
| 36 | | | | | |
| 37 | RECLAIMED WATER SALES | | XXX | | |
| 38 | 540.0 Flat Rate Reuse Revenues | | | | |
| 39 | 540.1 Residential Reuse Revenues | | | | |
| 40 | 540.2 Commercial Reuse Revenues | | | | |
| 41 | 540.3 Industrial Reuse Revenues | | | | |
| 42 | 540.4 Reuse Revenues from Public Authorities | | | | |
| 43 | 541.0 Measured Reuse Revenue | | | | |
| 39 | 541.1 Residential Reuse Revenues | | | | |
| 40 | 541.2 Commercial Reuse Revenues | | | | |
| 41 | 541.3 Industrial Reuse Revenues | | | | |
| 42 | 541.4 Reuse Revenues from Public Authorities | | | | |
| 43 | 544.0 Reuse Revenues from Other Systems | | | | |
| 44 | | | | | |
| 45 | Total Reclaimed Water Sales | | 0 | | |
| 46 | | | | | |
| 47 | TOTAL SEWER SALES & OTHER REVENUES | | 0 | | 0 |

¹ This line - Total Water Sales - is to be entered in Section 2 of the Revised Annual Assessment Report (Form GAO-10).

402-W. OPERATING REVENUES SUPPORTING SCHEDULE - CUSTOMER DATA - WATER

Customers should be reported on the basis of number of meters, (except where multiple customers have one meter) plus number of flat rate accounts. Where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters so added.

| Line No. | Customer Classes (a) | Customers End of Previous Year (b) | Customers End of Current Year (c) | Normalization Adjustment (c) | Normalized Customer Count Current Year (c) |
|----------|-------------------------|---------------------------------------|--------------------------------------|---------------------------------|-----------------------------------------------|
| 1 | Unmetered Sales | XXX | XXX | XXX | XXX |
| 2 | Residential | | | | |
| 3 | Other (specify): | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 12 | Total Unmetered Sales | | | | |
| 13 | | | | | |
| 14 | Metered Sales | XXX | XXX | XXX | XXX |
| 15 | 5/8" or 3/4" | 666 | 670 | | |
| 16 | 3/4" | | | | |
| 17 | 1" | 6 | 6 | | |
| 18 | 1 1/2" | | | | |
| 19 | 2" | | | | |
| 20 | 3" | | | | |
| 21 | 4" | | | | |
| 22 | 6" | | | | |
| 23 | 8" | | | | |
| 24 | 10" | | | | |
| 25 | Total Metered Sales | 672 | 676 | | |

402-S. OPERATING REVENUES SUPPORTING SCHEDULE - CUSTOMER DATA - SEWER

Customers should be reported on the basis of number of meters, (except where multiple customers have one meter) plus number of flat rate accounts. Where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters so added.

| Line No. | Customer Classes (a) | Customers End of Previous Year (b) | Customers End of Current Year (c) | Normalization Adjustment (c) | Normalized Customer Count Current Year (c) |
|----------|-------------------------|---------------------------------------|--------------------------------------|---------------------------------|-----------------------------------------------|
| 1 | Unmetered Sales | XXX | XXX | XXX | XXX |
| 2 | Residential | | | | |
| 3 | Other (specify): | | | | |
| 4 | Commercial | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | Total Unmetered Sales | | | | |
| 8 | | | | | |
| 9 | Metered Sales, if any | XXX | XXX | XXX | XXX |
| 10 | 5/8" or 3/4" | | | | |
| 11 | 3/4" | | | | |
| 12 | 1" | | | | |
| 13 | 1 1/2" | | | | |
| 14 | 2" | | | | |
| 15 | 3" | | | | |
| 16 | 4" | | | | |
| 17 | 6" | | | | |
| 18 | 8" | | | | |
| 19 | 10" | | | | |
| 20 | Total Metered Sales | | | | |

Harper Water Co, Inc (CCN: 11421)

(Company Name)

For the Year Ended 12/31/2015

403. OPERATING REVENUES SUPPORTING SCHEDULE - GALLONS SOLD

1. Report below the gallons sold for the current year and the previous year for each customer class.
2. How the quantities of water sold to unmetered flat-rate customers were determined should be explained in a footnote.

| Line No. | Account (a) | Gallons Sold Previous Year (000 omitted) (b) | Gallons Sold Current Year (000 omitted) (c) | Normalization Adjustment (000 omitted) (c) | Normalized Gallons Sold Current Year (000 omitted) (c) |
|----------|-------------------------|----------------------------------------------|---------------------------------------------|--------------------------------------------|--------------------------------------------------------|
| 1 | WATER SALES: | | | | |
| 2 | Unmetered Sales | XXX | XXX | XXX | XXX |
| 3 | Residential | | | | |
| 4 | Non-Residential | | | | |
| 5 | Total Unmetered Sales | | | | |
| 6 | | | | | |
| 7 | Metered Sales | XXX | XXX | XXX | XXX |
| 8 | 5/8" or 3/4" | 45,574 | 45,245 | | |
| 9 | 3/4" | | | | |
| 10 | 1" | 612 | 773 | | |
| 11 | 1 1/2" | | | | |
| 12 | 2" | | | | |
| 13 | 3" | | | | |
| 14 | 4" | | | | |
| 15 | 6" | | | | |
| 16 | 8" | | | | |
| 17 | 10" | | | | |
| 18 | | 46,186 | 46,018 | | |
| 19 | Interdepartmental Sales | | | | |
| 20 | | | | | |
| 21 | Total Water Sales | 46,186 | 46,018 | | |

FOOTNOTES: Please explain any rates set not using meter size.
If metering is provided on sewer service, please provide a similar schedule.

Harper Water Co, Inc (CCN: 11421)
(Company Name)

For the Year Ended 12/31/2015

405. SALES FOR RESALE SUPPORTING SCHEDULE - Account No. 466.0

- 1 Designate by asterisk in Column (a) purchases which are affiliated with respondent.
2 The entries on Lines 1 to 8 under Columns (h) to (s) must correspond to the entries on the same lines under Columns (a) to (g). The totals of Columns (h) to (s), inclusive, must agree with respective quantities reported in Column (e).

| Line No | Name of Purchaser (a) | Point of Delivery (b) | Service* Capacity (c) | Quantity of Water Sold (1,000-Gal.) (e) | Revenues \$ (f) | Revenue \$ Per (1,000-Gal.) (g) |
|------------|--------------------------|--------------------------|-----------------------------|--------------------------------------------------|-----------------------|------------------------------------------|
| 1 | None | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| Totals | | | | | | |

* Size of meter from which delivery is made.

Harper Water Co, Inc (CCN: 11421)

For the Year Ended 12/31/2015

(Company Name)

406. OTHER WATER REVENUES SUPPORTING SCHEDULE - Account No. 474.0

Provide a breakdown of Other Water Revenues - Account No. 474.0 not shown in any other revenue account.

| Line No. | Description (a) | Amounts (b) |
|-------------|--------------------|----------------|
| 1 | None | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | TOTALS | |

407-W. WATER OPERATION AND MAINTENANCE EXPENSE ACCOUNTS

| Line No. | Account Number and Title (a) | Schedule No. (b) | Amount of Operating Expenses | | | Amount Disallowed previous rate case (f) Docket # |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------------|------------------------------|--------------------------|---------------------------------------------------------|
| | | | Current Year (c) | Normalized Adjustment (d) | Normalized Amount (e) | |
| 1 | Salaries and Wages | | | | | |
| 2 | 601.0 Employees | | XXX | XXX | XXX | |
| 3 | 603.0 Officers, Directors and Majority Stockholders | 409 | 55,355 | | 55,355 | |
| 4 | Total Salaries and Wages | | | | | |
| 5 | 604.0 Employee Pensions and Benefits | | 55,355 | | 55,355 | |
| 6 | 610.0 Purchased Water | 409-A | 19,925 | | 19,925 | |
| 7 | 615.0 Purchased Power | 408 | | | | |
| 8 | 616.0 Fuel for Power Production | | 6,843 | | 6,843 | |
| 9 | 618.0 Chemicals | | | | | |
| 10 | 620.0 Materials and Supplies | | 4,069 | | 4,069 | |
| 11 | Contractual Services | | 7,435 | | 7,435 | |
| 12 | 631.0 Engineering | | XXX | XXX | XXX | XXX |
| 13 | 632.0 Accounting | | (16) | | (16) | |
| 14 | 633.0 Legal | | 1,129 | | 1,129 | |
| 15 | 634.0 Management Fees | | 2,079 | | 2,079 | |
| 16 | 635.0 Testing | | 26,513 | | 26,513 | |
| 17 | 636.0 Other - Maintenance | | 3,726 | | 3,726 | |
| 18 | Total Contractual Services | | 40,888 | | 40,888 | |
| 19 | 641.0 Rental of Building/Real Property | | 74,320 | | 74,320 | |
| 20 | 642.0 Rental of Equipment | | 4,193 | | 4,193 | |
| 21 | 650.0 Transportation Expenses | | 322 | | 322 | |
| 22 | Insurance | | 4,120 | | 4,120 | |
| 23 | 656.0 Vehicle | | XXX | XXX | XXX | XXX |
| 24 | 657.0 General Liability | | 1,022 | | 1,022 | |
| 25 | 658.0 Workman's Compensation | | 3,554 | | 3,554 | |
| 26 | 659.0 Other | | 1,536 | | 1,536 | |
| 27 | Total Insurance | | 1,098 | | 1,098 | |
| 28 | 660.0 Advertising Expense - Other than Conservation | | 7,211 | | 7,211 | |
| 29 | 666.0 Regulatory Commission Expenses-Amort. Rate Case Expense | | | | | |
| 30 | 667.0 Regulatory Commission Expenses-Other | | | | | |
| 31 | 668.0 Water Resource Conservation Expense | | | | | |
| 32 | 670.0 Bad Debt Expense | | | | | |
| 33 | Miscellaneous Expenses | | 2,591 | | 2,591 | |
| 34 | 675.0 Miscellaneous Other | | XXX | XXX | XXX | XXX |
| 35 | 675.1 Membership Dues | | 1,995 | | 1,995 | |
| 36 | 675.2 Registration Fees for Conventions & Meetings of Industry | | 351 | | 351 | |
| 37 | 675.3 Communication Services | | 638 | | 638 | |
| 38 | 675.4 Trustee Fees and Bank Charges | | 896 | | 896 | |
| 39 | 675.5 Stockholders Expenses | | 67 | | 67 | |
| 40 | 675.6 Office Expenses and Utilities | | | | | |
| 41 | 675.7 Uniforms | | 177 | | 177 | |
| 42 | 675.8 Director's Fees and Expenses | | 2 | | 2 | |
| 43 | 675.9 Mailing | | | | | |
| 44 | 675.10 Subscriptions | | 62 | | 62 | |
| 45 | 675.11 Write off of expenditures for preliminary surveys, plans, investigations etc., included in Account 183.0 - Preliminary Survey and Investigation Charges, relative to projects which have been abandoned. | | 4 | | 4 | |
| | | | XXX | XXX | XXX | XXX |
| | | | XXX | XXX | XXX | XXX |
| | | | XXX | XXX | XXX | XXX |
| 46 | 675.12 Travel | | | | | |
| 47 | 675.13 Education | | 580 | | 580 | |
| 48 | 675.14 Charitable Contributions | | 174 | | 174 | |
| 49 | Total Miscellaneous Expenses | | | | | |
| 50 | Total Water Operation and Maintenance Expense Accounts | | 4,947 | | 4,947 | |
| | | | 191,332 | | 191,332 | |

(Company Name)

407-S. SEWER OPERATION AND MAINTENANCE EXPENSE ACCOUNTS

| Line No. | Account Number and Title (a) | Schedule No. (b) | Amount of Operating Expenses | | | Amount Disallowed previous rate case (f) |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------------|------------------------------|--------------------------|------------------------------------------------|
| | | | Current Year (c) | Normalized Adjustment (d) | Normalized Amount (e) | |
| 1 | Salaries and Wages | | XXX | XXX | XXX | Docket # |
| 2 | 701.0 Employees | 409 | | | | |
| 3 | 703.0 Officers, Directors and Majority Stockholders | | | | | |
| 4 | Total Salaries and Wages | | - | | | |
| 5 | 704.0 Employee Pensions and Benefits | 409-A | | | | |
| 6 | 710.0 Purchased Sewer Treatment | | | | | |
| 7 | 711.0 Sludge Removal Expense | | | | | |
| 8 | 715.0 Purchased Power | | | | | |
| 9 | 716.0 Fuel for Power Production | | | | | |
| 10 | 718.0 Chemicals | | | | | |
| 11 | 720.0 Materials and Supplies | | | | | |
| 12 | Contractual Services | | XXX | XXX | XXX | XXX |
| 13 | 731.0 Engineering | | | | | |
| 14 | 732.0 Accounting | | | | | |
| 15 | 733.0 Legal | | | | | |
| 16 | 734.0 Management Fees | | | | | |
| 17 | 735.0 Testing | | | | | |
| 18 | 736.0 Other - Maintenance | | | | | |
| 19 | Total Contractual Services | | - | | | |
| 20 | 741.0 Rental of Building/Real Property | | | | | |
| 21 | 742.0 Rental of Equipment | | | | | |
| 22 | 750.0 Transportation Expenses | | | | | |
| 23 | Insurance | | XXX | XXX | XXX | XXX |
| 24 | 756.0 Vehicle | | | | | |
| 25 | 757.0 General Liability | | | | | |
| 26 | 758.0 Workman's Compensation | | | | | |
| 27 | 759.0 Other | | | | | |
| 28 | Total Insurance | | - | | | |
| 29 | 760.0 Advertising Expense - Other than Conservation | | | | | |
| 30 | 766.0 Regulatory Commission Expenses-Amort. of Rate Case Expense | | | | | |
| 31 | 767.0 Regulatory Commission Expenses-Other | | | | | |
| 31 | 770.0 Bad Debt Expense | | | | | |
| 32 | Miscellaneous Expenses | | XXX | XXX | XXX | |
| 33 | 775.0 Miscellaneous Other | | | | | XXX |
| 34 | 775.1 Membership Dues | | | | | |
| 35 | 775.2 Registration Fees for Conventions & Meetings of Industry | | | | | |
| 36 | 775.3 Communication Services | | | | | |
| 37 | 775.4 Trustee Fees and Bank Charges | | | | | |
| 38 | 775.5 Stockholders Expenses | | | | | |
| 39 | 775.6 Office Expenses and Utilities | | | | | |
| 40 | 775.7 Uniforms | | | | | |
| 41 | 775.8 Director's Fees and Expenses | | | | | |
| 42 | 775.9 Mailing | | | | | |
| 43 | 775.10 Subscriptions | | | | | |
| 44 | 775.11 Write off of expenditures for preliminary surveys, plans, investigations etc., included in Account 183.0 - Preliminary Survey & Investigation Charges, relative to abandoned projects. | | XXX XXX | XXX XXX | XXX XXX | XXX XXX |
| 45 | 775.12 Travel | | | | | |
| 46 | 775.13 Education | | | | | |
| 47 | 775.14 Charitable Contributions | | | | | |
| 48 | Total Miscellaneous Expenses | | - | | | |
| 49 | Total Wastewater Operation and Maintenance Expense Accounts | | - | | | |

408. WATER PURCHASED FOR RESALE SUPPORTING SCHEDULE - Account No. 610.0

1. Designate by asterisk in Column (a) vendors which are affiliated with respondent.
2. The entries on Lines 1 to 8 under Columns (h) to (s) must correspond to the entries on the same lines under Columns (a) to (g). The totals of Columns (h) to (s), inclusive, must agree with respective quantities reported in Column (e).

| Line No. | Name of Vender (a) | Point of Delivery (b) | Service* Capacity (c) | Pressure @ Point of Delivery (d) | Quantity of Water Purch. (1,000-Gal.) (e) | Cost of Purchased Water (f) | Cost Per (1,000-Gal.) \$ (g) |
|----------|--------------------|-----------------------|-----------------------|----------------------------------|-------------------------------------------|-----------------------------|------------------------------|
| 1 | None | | | | | | |
| 2 | | | | | | | |
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| 40 | | | | | | | |
| 41 | | | | | | | |
| 42 | | | | | | | |
| | | | | TOTALS | | | |

* Size of meter from which delivery is made.

Harper Water Co, Inc (CCN: 11421)

(Company Name)

For the Year Ended

**409-A. EMPLOYEE PENSIONS AND BENEFITS SUPPORTING SCHEDULE
Account No. 604.0**

This schedule should include a breakdown of the accounts that constitute the ending balance in Account No. 604.0 - Employee Pensions and Benefits.

| Line No. | Benefit Type (a) | Total Water Expenses for Current Year (b) | Total Wastewater Expense for Current Year (b) |
|----------|------------------------------------|----------------------------------------------------|--------------------------------------------------------|
| | | | |
| 1 | Pension | -11 | |
| 2 | Life Insurance | 524 | |
| 3 | Health Insurance | 14,335 | |
| 4 | Dental | 831 | |
| 5 | Eye Care | | |
| 6 | Prescriptions | | |
| 7 | Employee Recognition | 45 | |
| 8 | Physicals | | |
| 9 | Tuition Assistance | | |
| 10 | Death Benefits | | |
| 11 | Other Post Employee Benefits | 0 | |
| 12 | 401K | 2,728 | |
| 13 | Employee Stock Option Program | 1,109 | |
| 14 | Others (Specify) - Relocation Fees | 356 | |
| 15 | Others (Specify) - Other | 8 | |
| 16 | TOTALS | 19,925 | |

410. EMPLOYEE AND PAYROLL STATISTICS

1. Show hereunder the details called for concerning the number of officers and employees at the beginning and end of the year, an aggregate salaries and wages for the year.
2. The data shall be itemized according to the department payroll classification maintained by Respondent at the end of the year (s as, for example, executive, accounting, treasury, engineering, etc).

| Line No. | Payroll Classification (a) | Number End of Year (b) | Aggregate Salaries and Wages for the Year (c) |
|----------|-------------------------------------------------------------------|---------------------------------|-----------------------------------------------------------|
| 1 | Accounting | | |
| 2 | Administrative | 5.0 | 2,866 |
| 3 | Compliance | 4.0 | 3,026 |
| 4 | Executive | 3.0 | 2,589 |
| 5 | Operations | 3.0 | 4,029 |
| 6 | Operations - Administrative | 74.0 | 41,292 |
| 7 | Operations - Management | 9.0 | 2,455 |
| 8 | | 10.0 | 8,051 |
| 9 | Employees at end of year based on Aqua Texas Consolidated Report | | |
| 10 | Aggregate Salaries and Wages allocated to individual CCN based on | | |
| 11 | customer count. | | |
| 12 | | | |
| 13 | | | |
| 14 | | | |
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| 37 | | | |
| 38 | | | |
| 39 | | | |
| 40 | | 108 | 64,309 |

417-W. WATER AMORTIZATION EXPENSES SUPPORTING SCHEDULE - Account Nos. 406.0, 407.1, 407.2 and 407.3

Amortization of Utility Plant Acquisition Adjustment - Account No. 406.0

| Line No. | Year Incurred Date (a) | Name of Company Acquired (b) | Acquisition Adjustment (c) | Yearly Amortization (d) |
|----------|------------------------|------------------------------|----------------------------|-------------------------|
| 1 | | None | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | TOTALS | - | - |

Amortization of Property Losses - Account No. 407.2

| Line No. | Year Incurred Date (a) | Identify Each Item (b) | Total Adjustment (c) | Yearly Amortization (d) |
|----------|------------------------|------------------------|----------------------|-------------------------|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | TOTALS | | |

Amortization of Limited Term Plant - Account No. 407.1

| Line No. | Year Incurred Date (a) | Description of Plant (b) | Total Adjustment (c) | Yearly Amortization (d) |
|----------|------------------------|--------------------------|----------------------|-------------------------|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | TOTALS | | |

Amortization of Other Utility Plant - Account No. 407.3

| Line No. | Year Incurred Date (a) | Plant Item Amortized (b) | Total Adjustment (c) | Yearly Amortization (d) |
|----------|------------------------|--------------------------|----------------------|-------------------------|
| 1 | | See Supporting Schedules | -6,759 | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | TOTALS | -6,759 | |

417-S. SEWER AMORTIZATION EXPENSES SUPPORTING SCHEDULE - Account Nos. 406.0, 407.1, 407.2 and 407.3

Amortization of Utility Plant Acquisition Adjustment - Account No. 406.0

| Line No | Year Incurred Date (a) | Name of Company Acquired (b) | Acquisition Adjustment (c) | Yearly Amortization (d) |
|---------|------------------------|------------------------------|----------------------------|-------------------------|
| 1 | | None | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | TOTALS | - | - |

Amortization of Property Losses - Account No. 407.2

| Line No. | Year Incurred Date (a) | Identify Each Item (b) | Total Adjustment (c) | Yearly Amortization (d) |
|----------|------------------------|------------------------|----------------------|-------------------------|
| 1 | | None | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | TOTALS | 0 | 0 |

Amortization of Limited Term Plant - Account No. 407.1

| Line No | Year Incurred Date (a) | Description of Plant (b) | Total Adjustment (c) | Yearly Amortization (d) |
|---------|------------------------|--------------------------|----------------------|-------------------------|
| 1 | | None | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | 0 | | \$0 | \$0 |
| 7 | | TOTALS | \$0 | \$0 |

Amortization of Other Utility Plant - Account No. 407.3

| Line No. | Year Incurred Date (a) | Plant Item Amortized (b) | Total Adjustment (c) | Yearly Amortization (d) |
|----------|------------------------|--------------------------|----------------------|-------------------------|
| 1 | | None | | 0 |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | TOTALS | 0 | 0 |

**500. WATER PRODUCTION - WATER DELIVERED
INTO SYSTEM DURING YEAR**

Every estimated value shall be supported by such detailed information as will permit a ready identification, analysis, & verification of all relevant facts. The Company shall be prepared to furnish to the Commission this detailed information.

| Line No. | Description (a) | (Gallons) (b) | (gpd) (c) |
|----------|-----------------------------------------------------|---------------|------------|
| 1 | Water Delivered for Distribution & Sale: | | |
| 2 | Water Produced from Company Sources | 51,619 | 141 |
| 3 | Water Purchased from Other Independent Utilities | | |
| 4 | Total Water Delivered | 51,619 | 141 |
| 5 | Metered Sales: | | |
| 6 | Residential | 45,783 | 125 |
| 7 | Commercial | 235 | 1 |
| 8 | Industrial | | |
| 9 | Public | | |
| 10 | Other Water Utilities | | |
| 11 | Private Fire Protection | | |
| 12 | Public Fire Protection | | |
| 13 | Other Metered Sales Identify _____ | | |
| 14 | Total Metered Sales | 46,018 | 126 |
| 15 | Unmetered Sales: | | |
| 16 | Residential | | |
| 17 | Commercial | | |
| 18 | Industrial | | |
| 19 | Private Fire Protection | | |
| 20 | Public Fire Protection | | |
| 21 | Other Unmetered Sales Identify _____ | | |
| 21 | Total Unmetered Sales | | |
| 22 | Total Sales | 46,018 | 126 |
| 23 | Non-Revenue Usage Allowances: | | |
| 24 | Authorized Unmetered Usage: | | |
| 25 | Main Flushing | | |
| 26 | Blow-off Use | | |
| 27 | Others: Identify _____ | | |
| 28 | Unauthorized Use | | |
| 29 | Unavoidable Leakage _____ gpd/mile of main | | |
| 30 | Adjustments: | | |
| 31 | Located & Repaired Breaks in Mains & Services | 1,950 | 5 |
| 32 | Others Identify _____ | | |
| 33 | Total Allowances & Adjustments | 1,950 | 5 |
| 34 | Unaccounted-for-Water | 3,651 | |
| 35 | Percentage Unaccounted-for-Water | 7.1% | |

Harper Water Co, Inc (CCN: 11421)

For the Year Ended 12/31/2015

(Company Name)

502. TCEQ LATEST INSPECTION REPORTS

List all the public water systems owned by the reporting entity below.

Attach copies of the most current public water system (PWS) inspection report completed by the TCEQ for each system owned.

| PWS Name | PWS Number |
|-------------------------------------------------|------------|
| 1 HARPER ROAD ESTATES | 0860005 |
| 2 NORTHWEST HILLS WATER SUPPLY (Fredericksburg) | 0860086 |
| 3 DEERWOOD SUBDIVISION | 0860098 |
| 4 WEST OAK HEIGHTS | 0860100 |
| 5 GUADALUPE HEIGHTS UTILITY | 1330009 |
| 6 AQUA VISTA UTILITIES | 1330062 |
| 7 | |
| 8 | |
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| 24 | |

615. Affiliated Transactions

Charges by an affiliate to the Reporting Utility

Name of Affiliated company: Aqua Services, Inc.

| NARUC Account and/or type of service* | | Total Affiliated Company | Total Texas | Total for reporting entity |
|-------------------------------------------|------------------------------------------------|--------------------------------|-------------------------|-------------------------------|
| Account # Account name or type of service | | (Dollars transacted) | (Dollars transacted) | (Dollars transacted) |
| 636.0 | Aqua Customer Operations - Allocated Costs | 7,470 | | |
| 736.0 | Aqua Customer Operations - Allocated Costs | - | | |
| 636.0 | Aqua Customer Operations - Collection Services | 434 | | |
| 636.0 | Aqua Customer Operations - Postage | 2,225 | | |
| 736.0 | Aqua Customer Operations - Postage | - | | |
| 636.0 | Aqua Customer Operations - Processing | 1,213 | | |
| 736.0 | Aqua Customer Operations - Processing | - | | |
| 636.0 | Aqua Customer Operations Direct Billing | 642 | | |
| 634.0 | Aqua Services - Corporate Services | 14,376 | | |
| 734.0 | Aqua Services - Corporate Services | - | | |
| 634.0 | Aqua Services - Sundry | 9,641 | | |
| 734.0 | Aqua Services - Sundry | - | | |
| 736.0 | Bank Service Fee Charges | 507 | | |
| 636.0 | Level One LLC - Bill Processing | 51 | | |
| | | 36,560 | | |

Charges by an Reporting Utility to Affiliates

Name of Affiliated company:

| NARUC Account and/or type of service | | Total Affiliated Company | Total Texas | Total for reporting entity |
|-------------------------------------------|--|--------------------------------|-------------------------|-------------------------------|
| Account # Account name or type of service | | (Dollars transacted) | (Dollars transacted) | (Dollars transacted) |
| | | | | |

*Report affiliated transactions by NARUC account for each affiliate.

For the Year Ended

620. Historical Financial Statistics
(Texas-Jurisdictional Basis)

Note: If Texas-jurisdictional data from audited financial statements cannot be provided and/or unaudited financial statement are used, the company should provide a identification and description of the alternative data used as the basis for the ratio calculations. All calculations should be provided.

| Line | Fiscal Year: | (20XX-4) | (20XX-3) | (20XX-2) | (20XX-1) | Monitoring Period (20XX) |
|------|-------------------------------------------------------------------|---------------------------------------------------------------------------|----------|----------|----------|--------------------------------|
| 1 | Total Debt as a Percent of Total Capital | N/A | N/A | N/A | N/A | 49.55% |
| 2 | | | | | | |
| 3 | Construction Work in Progress as a Percent of Net Plant | N/A | N/A | N/A | N/A | 1.19% |
| 4 | | | | | | |
| 5 | Construction Expenditures as a | N/A | N/A | N/A | N/A | 9.28% |
| 6 | Percent of AverageTotal Capital | | | | | |
| 7 | | | | | | |
| 8 | Pre-Tax Interest Coverage | N/A | N/A | N/A | N/A | 8.26 |
| 9 | | | | | | |
| 10 | Fixed Charge Coverage | N/A | N/A | N/A | N/A | 7.30 |
| 11 | | | | | | |
| 12 | Return on Average Common Equity | N/A | N/A | N/A | N/A | 26.61% |
| | Calculations: | | | | | |
| | Total Debt as a Percent of Total Capital | Debt / Total Capitalization | | | | |
| | Construction Work in Progress as a Percent of Net Plant | CWIP / Net Plant (PPE - UPAA - AD + CWIP) | | | | |
| | Construction Expenditures as a Percent of AverageTotal Capital | PPE (Additions) / Average Capitalization | | | | |
| | Pre-Tax Interest Coverage | EBIT / Interst Expense | | | | |
| | Fixed Charge Coverage | (EBIT + Fixed Expense) / (Interest Expense + Fixed Expense) | | | | |
| | Return on Average Common Equity | (Net Utility Operating Income - Interest Expense) / Average Common Equity | | | | |

VERIFICATION

OATH

(To be made by the officer having control of the accounting of the respondent)

State of Texas

as:

County of Travis

Crandal McDougall

(Name of affiant)

makes oath and says that he/she is Controller

(Official title of affiant)

of Harper Water Co. Inc.

(Exact legal title or name of the respondent)

The signed officer has reviewed the report.

Based on the officer's knowledge, the report does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading.

Based on such officer's knowledge, the financial statements, and other financial information included in the report, fairly present in all material respects the financial condition and results of operations of the issuer as of, and for, the periods presented in the report.

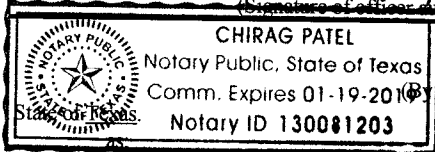
He/she swears that all other statements contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including January 1, 2015 to and including December 31, 2015.

Subscribed and sworn to and before me, a Notary Public
in and for the State and County above-named, this 1st day of July, 2016

(Signature of affiant)

My commission expires

(Signature of officer authorized to administer oaths)



SUPPLEMENTAL OATH

CHIRAG PATEL

Notary Public, State of Texas

Comm. Expires 01-19-2018

Notary ID 130081203

(Signature of the president or other chief officer of the respondent)

County of Travis

Robert L. Laughman

(Name of affiant)

makes oath and says that he/she is

President

(Official title of affiant)

of Harper Water Co. Inc

(Exact legal title or name of the respondent)

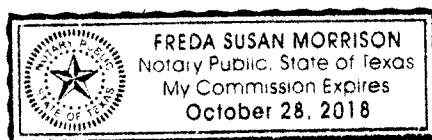
that he/she has carefully examined the foregoing report; that he/she swears that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above named respondent during the period of time from and including January 1, 2015 to and including December 31, 2015

Subscribed and sworn to before me, a Robert L. Laughman
in and for the State and County above-named, this 30th day of June, 2016

(Signature of affiant)

My commission expires

(Signature of officer authorized to administer oaths)



Aqua Texas (Amortization and Depreciation Schedules) - Support for Tabs 202-203 Accum Depr & Acq Adj

| Account | Naruc Account | CCN | Beginning Balance | Provision (403.0) | Retirements | Cost of Removal | Salvage | Transfers | Gain - Loss | Ending Balance |
|---------|---------------|-------|-------------------|-------------------|-------------|-----------------|---------|-----------|-------------|----------------|
| 108000 | 108.1 | 11421 | 523,541 | 35,645 | (24,626) | - | 418 | 0 | - | 534,979 |
| | | | 523,541 | 35,645 | (24,626) | - | 418 | 0 | - | 534,979 |
| Account | Naruc Account | CCN | Beginning Balance | Provision (407.3) | Retirements | Cost of Removal | Salvage | Transfers | Gain - Loss | Ending Balance |
| 272000 | 272.00 | 11421 | (1,328) | (140) | 1 | - | - | (0) | - | (1,467) |
| | | | (1,328) | (140) | 1 | - | - | (0) | - | (1,467) |

Depreciation expense calculation determined by the depreciation study performed by Gannett Fleming study in 2010.

Bryan W. Shaw, Ph.D., *Chairman*
Carlos Rubinstein, *Commissioner*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*



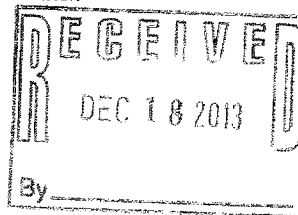
Gay

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 15, 2013

CERTIFIED MAIL NO: 91 7199 9991 7032 8273 2194
RETURN RECEIPT REQUESTED



Mr. Troy Penshorn, Regulatory Compliance Manager
Aqua Texas, Inc.
1106 Clayton Lane, Ste 400W
Austin, Texas 78723

Re: Additional Compliance Documentation Needed for Investigation No. 1054493:
Aqua Vista Utilities, Kerr County, Texas
Regulated Entity No.: RN101282747, TCEQ ID No.: 1330062
Investigation No.: 1124016

Dear Blackhurst:

The Texas Commission on Environmental Quality (TCEQ) San Antonio Region Office has received the compliance documentation that you submitted March 29, 2013 & September 25, 2013 for the alleged violations noted during the investigation of the above-referenced facility conducted on November 28, 2012. The compliance documentation contained in your response appears to indicate that some of the problems documented during the investigation have been corrected. However, information is still needed for the alleged violations listed in the enclosed summary. Please submit to our office by March 15, 2014, a written description of corrective action taken and the required compliance documentation demonstrating that the remaining alleged violation has been resolved.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to protect the State's environment. We look forward to receiving your response for the remaining alleged violations. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements.

If you or members of your staff have any questions, please feel free to contact Ms. Stacy Tanner at the San Antonio Region Office at (210)403-4078.

Sincerely,

Joy Thurston-Cook

Joy Thurston-Cook
Water Section Team Leader
San Antonio Region Office

JTC/st/

Enclosure: Summary of Investigation Findings

TCEQ Region 13 • 14250 Judson Rd. • San Antonio, Texas 78233-4480 • 210-490-3096 • Fax 210-545-4329

Austin Headquarters: 512-239-1000 • tceq.texas.gov • How is our customer service? tceq.texas.gov/customersurvey

printed on recycled paper using soy-based ink

Summary of Investigation Findings

AQUA VISTA UTILITIES

Investigation #

1124016

Investigation Date: 10/16/2013

, KERR COUNTY,

Additional ID(s): 1330062

OUTSTANDING ALLEGED VIOLATION(S)

Track No: 374938 Compliance Due Date: 03/15/2014

30 TAC Chapter 290.46(m)(4)

Alleged Violation:

Investigation: 767411

Comment Date: 08/28/2009

Failure to maintain both the 0.020 MG ground storage tanks and the 0.0025 MG pressure tank in a watertight condition. All of these tanks were observed having water leaks.

Investigation: 1054493

Comment Date: 01/22/2013

Failure to maintain watertight conditions.

At the time of the investigation the pressure tank located on Mountain Way that was previously noted as leaking was offline. However, the ground storage tank located on Mountain Way was still leaking.

290.46(m)(4) All water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances shall be maintained in a watertight condition and be free of excessive solids.

Investigation: 1124016

Comment Date: 11/07/2013

This violation still remains outstanding. Mr. Jeff J. Kallus, P.E., of Southwest Engineers, advised that the plans are to currently abandon the use of that plant and demolish the ground storage and pressure tank. The Water Plant improvement request was submitted to the Public Drinking Water Plan and Technical Review Team on 09/20/2013.

Recommended Corrective Action: Provide by the compliance due date, documentation demonstrating that the leaking ground storage tank has been repaired or replaced in accordance with the requirements.

Bryan W. Shaw, Ph.D., *Chairman*
Carlos Rubinstein, *Commissioner*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

February 4, 2013

CERTIFIED MAIL NO: 91 7199 9991 7031 3432 2849
RETURN RECEIPT REQUESTED

RECEIVED
FEB 11 2013
BY:

Mr. Steve Blackhurst, Environmental Compliance Manager
Aqua Texas, Inc.
1106 Clayton Lane, Ste 400W
Austin, Texas 78723

Re: Notice of Violation for Compliance Evaluation Investigation at:
Aqua Vista Utilities, Kerr County, Texas
Regulated Entity No.: RN101282747, TCEQ ID No.: 1330062
Investigation No.: 1054493

Dear Mr. Blackhurst:

On November 28, 2012, Ms. Stacy Tanner of the Texas Commission on Environmental Quality (TCEQ) San Antonio Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for the public water supply. Enclosed is a summary which lists the investigation findings. During the investigation, some concern were noted which were alleged noncompliances that have been resolved on subsequent corrective action. In addition, a certain outstanding alleged violation was identified for which compliance documentation is required. Please submit to this office by March 28, 2013 a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for the outstanding alleged violation.

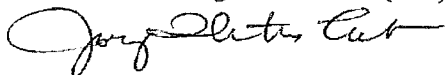
In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the San Antonio Region Office at (210) 490-3096 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violation as required in order to protect the State's environment. If you have additional information that we are unaware of you have the opportunity to contest the violations documented in this notice. Should you choose to do so, you must notify the San Antonio Region Office within 10 days from the date of this letter. At that time, Water Section Program, Ms. Lynn Bumguardner will

Mr. Steve Blackhurst, Environmental Compliance Manager
February 4, 2013
Page 2

schedule a violation review meeting to be conducted within 21 days from the date of this letter. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the enclosed Summary of Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

If you or members of your staff have any questions, please feel free to contact Ms. Tanner in the San Antonio Region Office at (210) 403-4078.



Sincerely,
Joy Thurston-Cook
Water Section Work Leader
San Antonio Region Office

JTC/smt/eg

Enclosure: Summary of Investigation Findings

Summary of Investigation Findings

AQUA VISTA UTILITIES

Investigation #

1054493
Investigation Date: 11/28/2012

, KERR COUNTY,

Additional ID(s): 1330062

OUTSTANDING ALLEGED VIOLATION(S)

Track No: 374938 Compliance Due Date: 05/13/2013

30 TAC Chapter 290.46(m)(4)

Alleged Violation:

Investigation: 767411

Comment Date: 08/28/2009

Failure to maintain both the 0.020 MG ground storage tanks and the 0.0025 MG pressure tank in a watertight condition. All of these tanks were observed having water leaks.

Investigation: 1054493

Comment Date: 01/22/2013

Failure to maintain watertight conditions.

At the time of the investigation the pressure tank located on Mountain Way that was previously noted as leaking was offline. However, the ground storage tank located on Mountain Way was still leaking.

290.46(m)(4) All water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances shall be maintained in a watertight condition and be free of excessive solids.

Recommended Corrective Action: Provide by the compliance due date, documentation demonstrating that the leaking ground storage tank has been repaired or replaced in accordance with the requirements.

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 374929

30 TAC Chapter 290.46(v)

Alleged Violation:

Investigation: 767411

Comment Date: 08/28/2009

Failure to have all electrical wiring securely installed in compliance with a local or national electrical code. Specifically the power supply wiring going into the top of the well head needs to be installed in a securely mounted conduit.

Investigation: 1054493

Comment Date: 01/22/2013

Failure to have all electrical wiring securely installed in compliance with a local or national electrical code. Specifically the power supply wiring going into the top of the well head needs to be installed in a securely mounted conduit.

Recommended Corrective Action: Have the electrical power supply wiring going into the top of the well mounted inside a securely mounted conduit.

Please submit to this office by the Compliance Due Date, photographs or invoices documenting that the electrical power supply wiring for the well is installed inside a securely mounted conduit.

Resolution: At the time of the investigation all electrical wiring was securely installed in compliance with a local or national electrical code. Specifically, the power supply wiring going into the top of the well head.