

Figure 4. Right Modal or "R" Iowa Type Survivor Curves

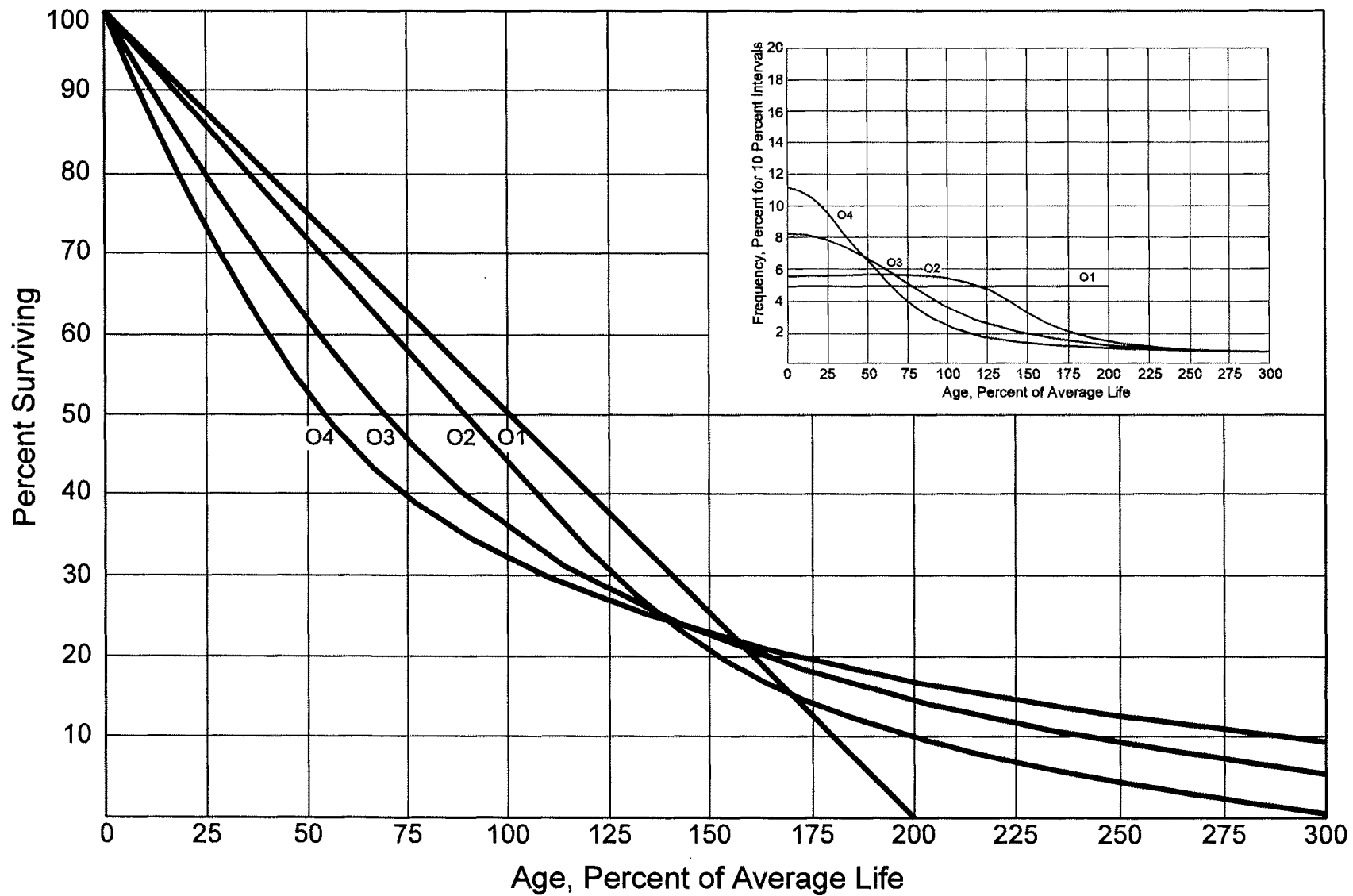


Figure 5. Origin Modal or "O" Iowa Type Survivor Curves

property groups for which aged accounting experience is available or for which aged accounting experience is developed by statistically aging unaged amounts and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text, and is also explained in several publications, including "Statistical Analyses of Industrial Property Retirements,"⁴ "Engineering Valuation and Depreciation,"⁵ and "Depreciation Systems."⁶

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginnings of the age intervals during the same period. The period of observation is referred to as the experience band, and the band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table, and illustrations of smoothing the stub survivor curve.

Schedules of Annual Transactions in Plant Records. The property group used to illustrate the retirement rate method is observed for the experience band 2001-2010 during which there were placements during the years 1996-2010. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner

⁴Winfrey, Robley, Supra Note 1.

⁵Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 2.

⁶Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994

presented in Tables 1 and 2 on pages II-12 and II-13. In Table 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, \$10,000 of the dollars invested in 1996 were retired in 2001. The \$10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of \$143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Table 1 immediately above the stairstep line drawn on the table beginning with the 2001 retirements of 1996 installations and ending with the 2010 retirements of the 2005 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

$$10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.$$

In Table 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are

TABLE 1. RETIREMENTS FOR EACH YEAR 2001-2010
SUMMARIZED BY AGE INTERVAL

Experience Band 2001-2010

Placement Band 1996-2010

Year Placed (1)	Retirements, Thousands of Dollars										Total During Age Interval (12)	Age Interval (13)
	During Year											
	<u>2001</u> (2)	<u>2002</u> (3)	<u>2003</u> (4)	<u>2004</u> (5)	<u>2005</u> (6)	<u>2006</u> (7)	<u>2007</u> (8)	<u>2008</u> (9)	<u>2009</u> (10)	<u>2010</u> (11)		
1996	10	11	12	13	14	16	23	24	25	26	26	13½-14½
1997	11	12	13	15	16	18	20	21	22	19	44	12½-13½
1998	11	12	13	14	16	17	19	21	22	18	64	11½-12½
1999	8	9	10	11	11	13	14	15	16	17	83	10½-11½
2000	9	10	11	12	13	14	16	17	19	20	93	9½-10½
2001	4	9	10	11	12	13	14	15	16	20	105	8½-9½
2002		5	11	12	13	14	15	16	18	20	113	7½-8½
2003			6	12	13	15	16	17	19	19	124	6½-7½
2004				6	13	15	16	17	19	19	131	5½-6½
2005					7	14	16	17	19	20	143	4½-5½
2006						8	18	20	22	23	146	3½-4½
2007							9	20	22	25	150	2½-3½
2008								11	23	25	151	1½-2½
2009									11	24	153	½-1½
2010	—	—	—	—	—	—	—	—	—	13	80	0-½
Total	<u>53</u>	<u>68</u>	<u>86</u>	<u>106</u>	<u>128</u>	<u>157</u>	<u>196</u>	<u>231</u>	<u>273</u>	<u>308</u>	<u>1,606</u>	

TABLE 2. OTHER TRANSACTIONS FOR EACH YEAR 2001-2010
SUMMARIZED BY AGE INTERVAL

Experience Band 2001-2010											Placement Band 1996-2010	
Year Placed (1)	Acquisitions, Transfers and Sales, Thousands of Dollars										Total During Age Interval (12)	Age Interval (13)
	During Year											
	2001 (2)	2002 (3)	2003 (4)	2004 (5)	2005 (6)	2006 (7)	2007 (8)	2008 (9)	2009 (10)	2010 (11)		
1996	-	-	-	-	-	-	60 ^a	-	-	-	-	13½-14½
1997	-	-	-	-	-	-	-	-	-	-	-	12½-13½
1998	-	-	-	-	-	-	-	-	-	-	-	11½-12½
1999	-	-	-	-	-	-	-	(5) ^b	-	-	60	10½-11½
2000	-	-	-	-	-	-	-	6 ^a	-	-	-	9½-10½
2001	-	-	-	-	-	-	-	-	-	-	(5)	8½-9½
2002	-	-	-	-	-	-	-	-	-	-	6	7½-8½
2003	-	-	-	-	-	-	-	-	-	-	-	6½-7½
2004	-	-	-	-	-	-	-	(12) ^b	-	-	-	5½-6½
2005	-	-	-	-	-	-	-	-	22 ^a	-	-	4½-5½
2006	-	-	-	-	-	-	-	(19) ^b	-	-	10	3½-4½
2007	-	-	-	-	-	-	-	-	-	-	-	2½-3½
2008	-	-	-	-	-	-	-	-	-	(102) ^c	(121)	1½-2½
2009	-	-	-	-	-	-	-	-	-	-	-	½-1½
2010	-	-	-	-	-	-	-	-	-	-	-	0-½
Total	-	-	-	-	-	-	60	(30)	22	(102)	(50)	

^a Transfer Affecting Exposures at Beginning of Year

^b Transfer Affecting Exposures at End of Year

^c Sale with Continued Use

Parentheses denote Credit amount.

not totaled with the retirements but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement. The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Table 3 on page II-15.

The surviving plant at the beginning of each year from 2001 through 2010 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Table 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Tables 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2006 are calculated in the following manner:

Exposures at age 0	= amount of addition	= \$750,000
Exposures at age ½	= \$750,000 - \$ 8,000	= \$742,000
Exposures at age 1½	= \$742,000 - \$18,000	= \$724,000
Exposures at age 2½	= \$724,000 - \$20,000 - \$19,000	= \$685,000
Exposures at age 3½	= \$685,000 - \$22,000	= \$663,000

For the entire experience band 2001-2010, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing

TABLE 3. PLANT EXPOSED TO RETIREMENT
JANUARY 1 OF EACH YEAR 2001-2010
SUMMARIZED BY AGE INTERVAL

Experience Band 2001-2010

Placement Band 1996-2010

Year Placed (1)	Exposures, Thousands of Dollars										Total at Beginning of Age Interval (12)	Age Interval (13)
	Annual Survivors at the Beginning of the Year											
	2001 (2)	2002 (3)	2003 (4)	2004 (5)	2005 (6)	2006 (7)	2007 (8)	2008 (9)	2009 (10)	2010 (11)		
1996	255	245	234	222	209	195	239	216	192	167	167	13½-14½
1997	279	268	256	243	228	212	194	174	153	131	323	12½-13½
1998	307	296	284	271	257	241	224	205	184	162	531	11½-12½
1999	338	330	321	311	300	289	276	262	242	226	823	10½-11½
2000	376	367	357	346	334	321	307	297	280	261	1,097	9½-10½
2001	420 ^a	416	407	397	386	374	361	347	332	316	1,503	8½-9½
2002		460 ^a	455	444	432	419	405	390	374	356	1,952	7½-8½
2003			510 ^a	504	492	479	464	448	431	412	2,463	6½-7½
2004				580 ^a	574	561	546	530	501	482	3,057	5½-6½
2005					660 ^a	653	639	623	628	609	3,789	4½-5½
2006						750 ^a	742	724	685	663	4,332	3½-4½
2007							850 ^a	841	821	799	4,955	2½-3½
2008								960 ^a	949	926	5,719	1½-2½
2009									1,080 ^a	1,069	6,579	½-1½
2010										1,220 ^a	7,490	0-½
Total	<u>1,975</u>	<u>2,382</u>	<u>2,824</u>	<u>3,318</u>	<u>3,872</u>	<u>4,494</u>	<u>5,247</u>	<u>6,017</u>	<u>6,852</u>	<u>7,799</u>	<u>44,780</u>	

^a Additions during the year.

of the retirements during an age interval (Table 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

$$255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.$$

Original Life Table. The original life table, illustrated in Table 4 on page II-17, is developed from the totals shown on the schedules of retirements and exposures, Tables 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15	
Exposures at age 4½	=	3,789,000	
Retirements from age 4½ to 5½	=	143,000	
Retirement Ratio	=	143,000 ÷ 3,789,000	= 0.0377
Survivor Ratio	=	1.000 - 0.0377	= 0.9623
Percent surviving at age 5½	=	(88.15) x (0.9623)	= 84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Tables 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless.

TABLE 4. ORIGINAL LIFE TABLE
CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2001-2010

Placement Band 1996-2010

(Exposure and Retirement Amounts are in Thousands of Dollars)

<u>Age at Beginning of Interval</u>	<u>Exposures at Beginning of Age Interval</u>	<u>Retirements During Age Interval</u>	<u>Retirement Ratio</u>	<u>Survivor Ratio</u>	<u>Percent Surviving at Beginning of Age Interval</u>
(1)	(2)	(3)	(4)	(5)	(6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	<u>167</u>	<u>26</u>	0.1557	0.8443	42.24
					35.66
Total	<u>44,780</u>	<u>1,606</u>			

Column 2 from Table 3, Column 12, Plant Exposed to Retirement.

Column 3 from Table 1, Column 12, Retirements for Each Year.

Column 4 = Column 3 divided by Column 2.

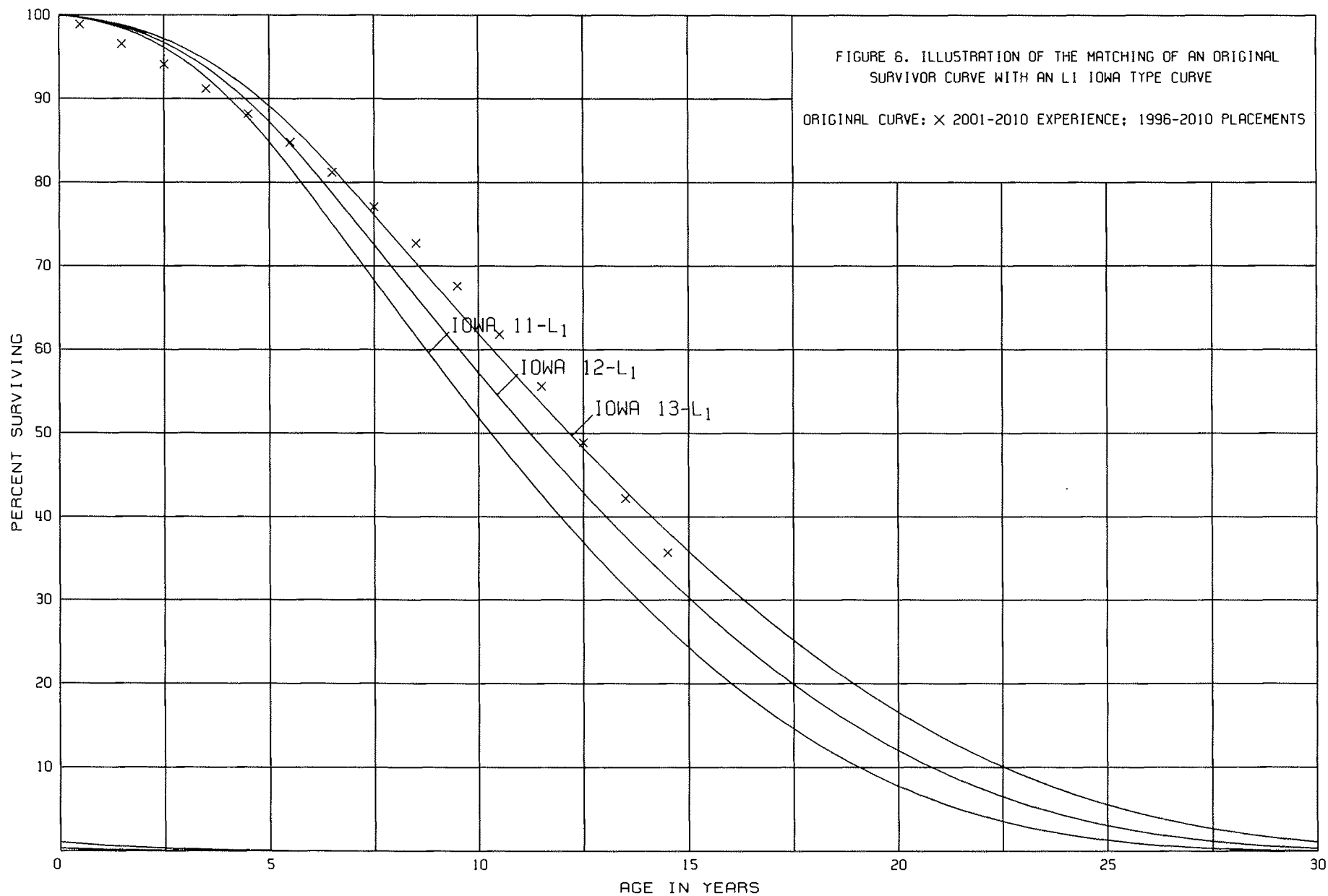
Column 5 = 1.0000 minus Column 4.

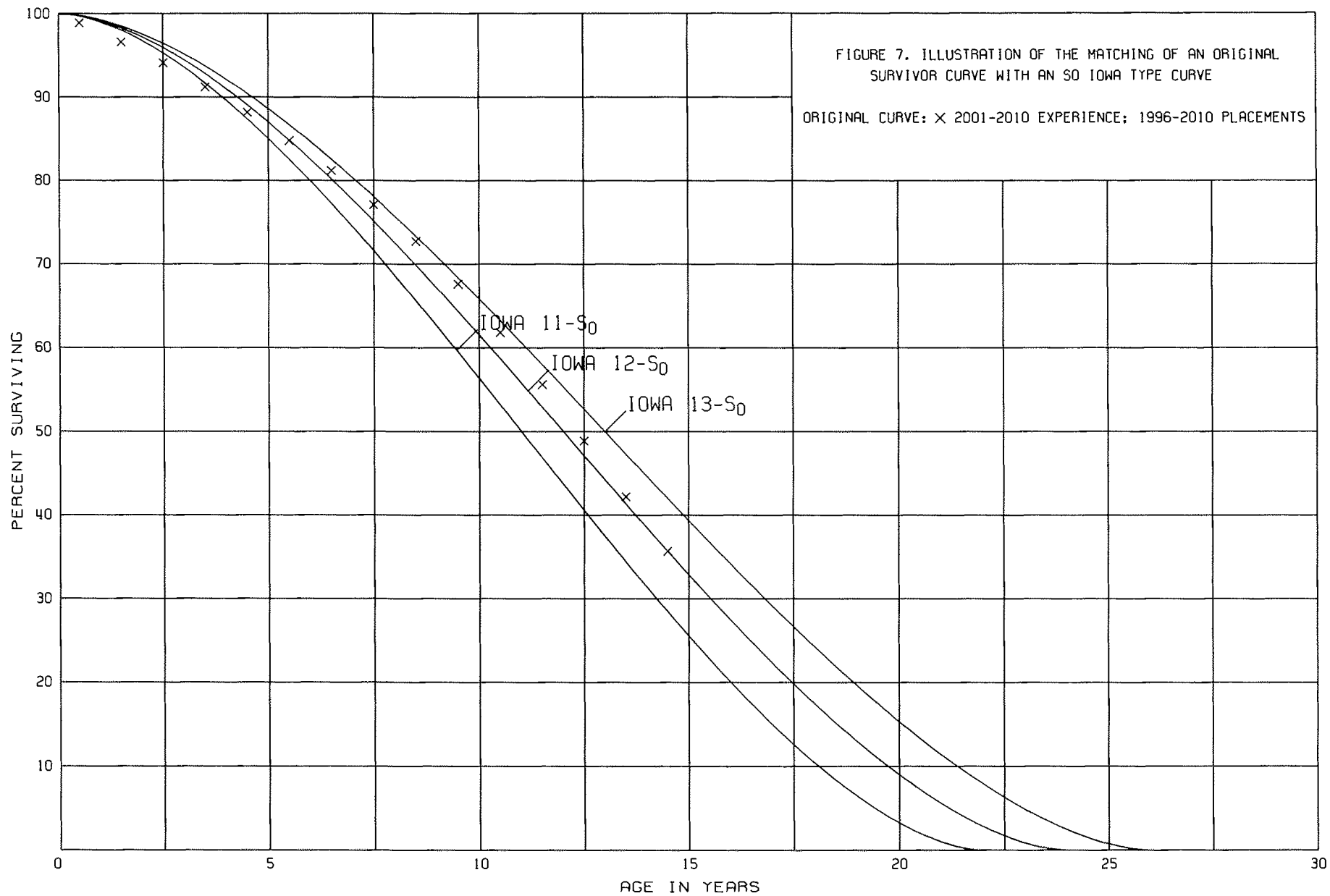
Column 6 = Column 5 multiplied by Column 6 as of the Preceding Age Interval.

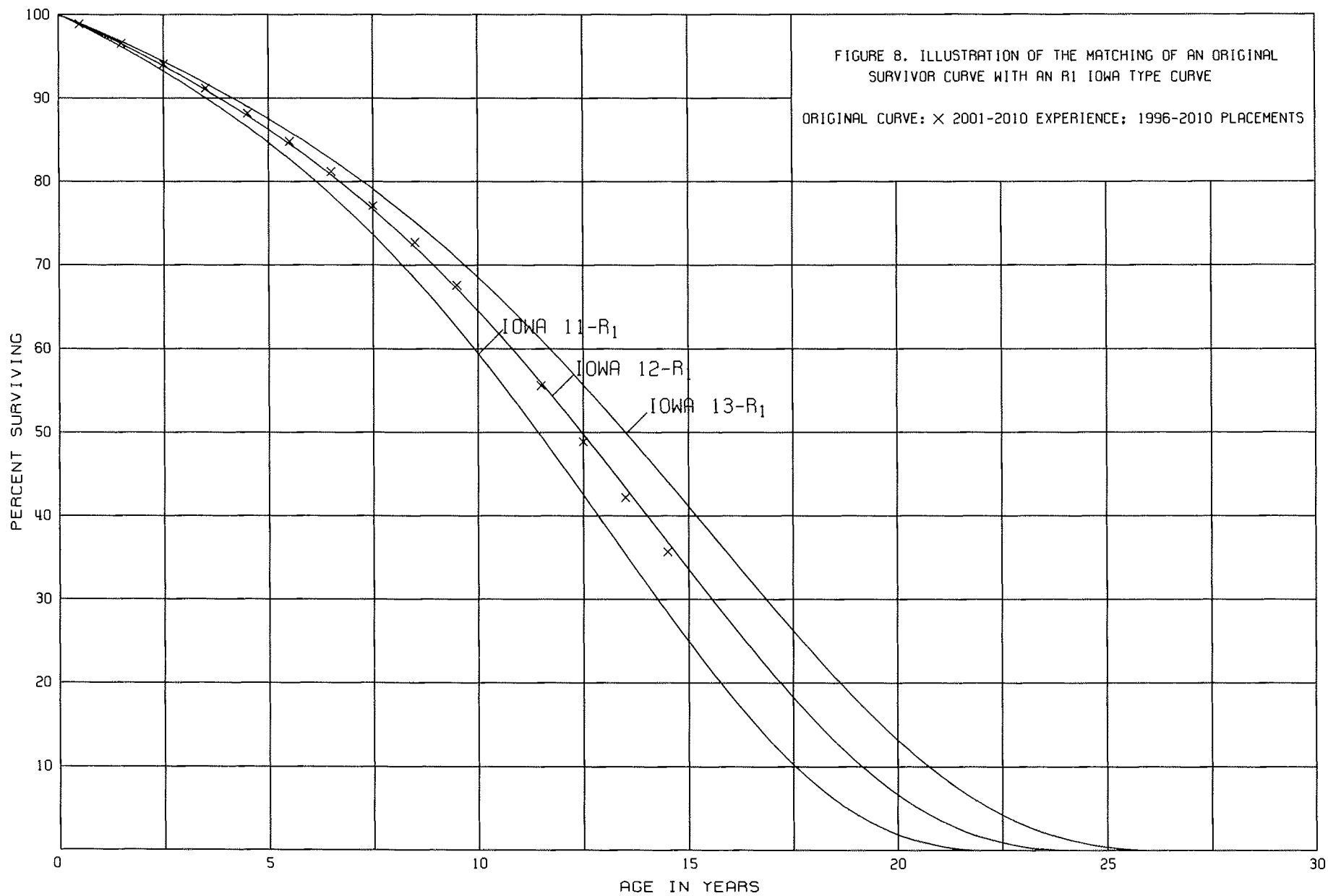
The original survivor curve is plotted from the original life table (column 6, Table 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

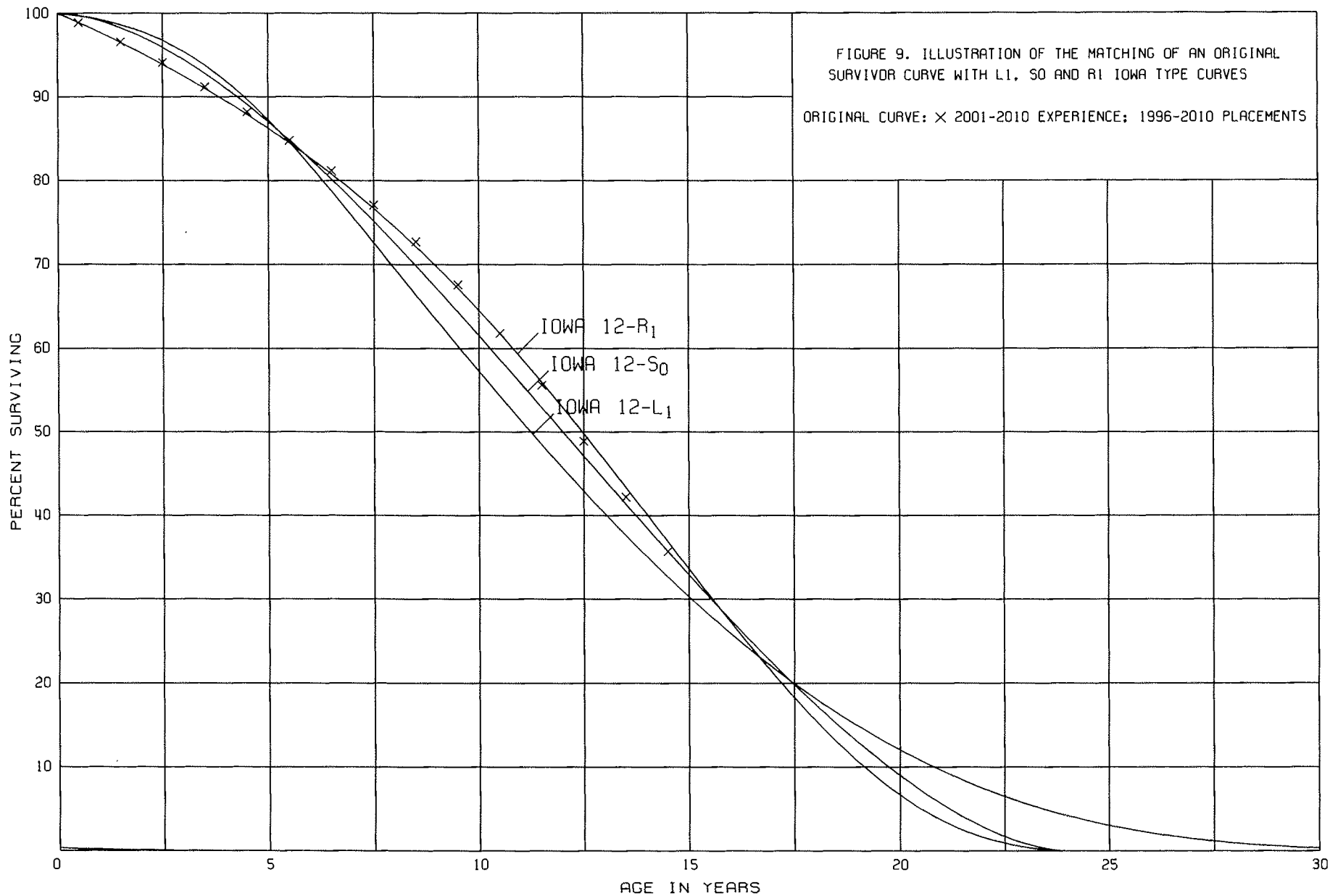
Smoothing the Original Survivor Curve. The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8 the original curve developed in Table 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6 the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7 the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8 the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0. In Figure 9 the three fittings, 12-L1, 12-S0, and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group, assuming no contrary relevant factors external to the analysis of historical data.









Service Life Considerations

The service life estimates were based on judgment which considered a number of factors. The primary factors were the statistical analyses of data; current company policies and outlook as determined during field reviews of the property and other conversations with management; and the survivor curve estimates from previous studies of this company and other water companies.

For some of the plant accounts and subaccounts, the statistical analyses resulted in good to excellent indications of significant survivor patterns. Generally, the information external to the statistics led to no significant departure from the indicated survivor curves for the accounts listed below.

<u>Account No.</u>	<u>Account Description</u>
304.30	Structures and Improvements - Water Treatment
311.20	Pumping Equipment - Source of Supply and Pumping
320	Water Treatment Equipment
330	Distribution Reservoirs and Standpipes
331	Transmission and Distribution Mains
333	Services
334	Meters and Meter Installations
335	Fire Hydrants

Accounts 333.0, Services, is used to illustrate the manner in which the study was conducted for the accounts in the preceding list. Aged plant accounting data have been compiled for the years through 2010. These data have been coded according to account or property group, type of transaction, year in which the transaction took place, and year in which the utility plant was placed in service. The retirements, other plant transactions and plant additions were analyzed by the retirement rate method.

The survivor curve estimate for this account is the 27-S1.5 and is based on the statistical indication for the period 1998 through 2010. The 27-S1.5 is an excellent fit of the significant portion of the original survivor curve as set forth on page III-49, is consistent

with management outlook for a continuation of the historical experience and is within the typical service life range of 25 to 40 years for water services.

Amortization accounting is proposed for certain General Plant accounts that represent numerous units of property, but a small portion of the depreciable plant in service. These accounts represent approximately 4 percent of total utility plant. A discussion of the basis for the amortization periods is presented in the section "Calculation of Annual and Accrued Amortization".

Generally, the estimates for the remaining accounts were based on judgments which considered the nature of the plant and equipment, the previous estimate for this company and a general knowledge of service lives for similar equipment in other utility companies.

Salvage Analysis

The estimates of net salvage were based in part on historical data compiled for the years 2005 through 2010. Cost of removal and salvage were expressed as percents of the original cost of plant retired, both on annual and three-year moving average bases. The most recent five-year average also was calculated for consideration. The net salvage estimates are expressed as a percent of the original cost of plant retired.

Net Salvage Considerations

The estimates of salvage were based primarily on judgment which considered a number of factors. The primary factors were the analyses of historical data; a knowledge of management's plans and operating policies; and net salvage estimates from previous studies of this company and other water companies. The accounts for which the historical analyses were representative of expectations for future net salvage levels are presented below:

304.2	Structures and Improvements - Source of Supply and Pumping
304.3	Structures and Improvements - Water Treatment
304.5	Structures and Improvements - General
307	Wells and Springs
309	Supply Mains
341	Transportation Equipment

Account 307, Wells and Springs, is used to illustrate the manner in which the study was conducted for the accounts in the preceding list. Depreciation reserve accounting data were compiled for the years 2005 through 2010. These data include the retirements, cost of removal and gross salvage.

The net salvage estimate for this account is negative 5 percent and is based in part on the cost of removal and salvage percents shown in the tabulation on page III-75. Cost of removal as a percent of the original cost retired has been minimal during the experience as a percentage of plant retired. The overall and most recent five-year bands averaged 1 and 3 percent removal cost, respectively. Gross salvage has been zero during the six-year period. The negative 5 percent net salvage estimate is based on the overall cost of removal and gross salvage percent and the net salvage percent of other water companies.

Generally, the net salvage estimates for the remaining accounts were based on judgments which considered the nature of the plant and equipment, reviews of available historical data, and a general knowledge of net salvage percents for similar equipment in other water companies.

CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

After the survivor curve and salvage are estimated, the annual depreciation accrual rate can be calculated. In the average service life procedure, the annual accrual rate is computed by the following equation:

$$\text{Annual Accrual Rate, Percent} = \frac{(100\% - \text{Net Salvage, Percent})}{\text{Average Service Life}}$$

The calculated accrued depreciation for each depreciable property group represents that portion of the depreciable cost of the group which will not be allocated to expense through future depreciation accruals, if current forecasts of life characteristics are used as a basis for straight line depreciation accounting.

The accrued depreciation calculation consists of applying an appropriate ratio to the surviving original cost of each vintage of each account, based upon the attained age and the estimated survivor curve. The accrued depreciation ratios are calculated as follows:

$$\text{Ratio} = \left(1 - \frac{\text{Average Remaining Life Expectancy}}{\text{Average Service Life}}\right) (1 - \text{Net Salvage, Percent}).$$

The application of these procedures is described for a single unit of property and a group of property units. Salvage is omitted from the description for ease of application.

Single Unit of Property

The calculation of straight line depreciation for a single unit of property is straightforward. For example, if a \$1,000 unit of property attains an age of four years and has a life expectancy of six years, the annual accrual over the total life is:

$$\frac{\$1,000}{(4 + 6)} = \$100 \text{ per year.}$$

The accrued depreciation is:

$$\$1,000 \left(1 - \frac{6}{10}\right) = \$400.$$

Group Depreciation Procedures

When more than a single item of property is under consideration, a group procedure for depreciation is appropriate because normally all of the items within a group do not have identical service lives, but have lives that are dispersed over a range of time. There are two primary group procedures, namely, average service life and equal life group.

Remaining Life Annual Accruals. For the purpose of calculating remaining life accruals as of December 31, 2010, the depreciation reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account. Explanations of remaining life accruals and calculated accrued depreciation follow. The detailed calculations as of December 31, 2010, are set forth in the Results of Study section of the report.

Average Service Life Procedure. In the average service life procedure, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the average remaining life of the vintage. The average remaining life is a directly weighted average derived from the estimated future survivor curve in accordance with the average service life procedure.

The calculated accrued depreciation for each depreciable property group represents that portion of the depreciable cost of the group which would not be allocated to expense through future depreciation accruals, if current forecasts of life characteristics are used as the basis for such accruals. The accrued depreciation calculation consists of applying an appropriate ratio to the surviving original cost of each vintage of each account, based upon

the attained age and service life. The straight line accrued depreciation ratios are calculated as follows for the average service life procedure:

$$\text{Ratio} = 1 - \frac{\text{Average Remaining Life}}{\text{Average Service Life}}.$$

CALCULATION OF ANNUAL AND ACCRUED AMORTIZATION

Amortization is the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, 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. Normally, the distribution of the amount is in equal amounts to each year of the amortization period.

The calculation of annual and accrued amortization requires the selection of an amortization period. The amortization periods used in this report were based on judgment which incorporated a consideration of the period during which the assets will render most of their service, the amortization period and service lives used by other utilities, and the service life estimates previously used for the asset under depreciation accounting.

Amortization accounting is proposed for certain General Plant accounts that represent numerous units of property, but a very small portion of depreciable utility plant in service. The accounts and their amortization periods are as follows:

<u>Account</u>	<u>Amortization Period, Years</u>
340.00 Office Furniture and Equipment	10
343.00 Tools, Shop and Garage Equipment	20
344.00 Laboratory Equipment	15
346.00 Communication Equipment	15
347.00 Miscellaneous Equipment	15
348.00 Other Tangible Property	20

The calculated accrued amortization is equal to the original cost multiplied by the ratio of the vintage's age to its amortization period. The annual amortization amount is determined by dividing the original cost by the period of amortization for the account.

PART III. RESULTS OF STUDY

QUALIFICATION OF RESULTS

The calculated annual depreciation accrual rates are the principal results of the study. Continued surveillance and periodic revisions are normally required to maintain continued use of appropriate annual depreciation accrual rates. An assumption that accrual rates can remain unchanged over a long period of time implies a disregard for the inherent variability in service lives and salvage and for the change of the composition of property in service. The annual accrual rates were calculated in accordance with the straight line remaining life method of depreciation using the average service life procedure based on estimates which reflect considerations of current historical evidence and expected future conditions.

The annual depreciation accrual rates are applicable specifically to the water plant in service as of December 31, 2010. For most plant accounts, the application of such rates to future balances that reflect additions subsequent to December 31, 2010, is reasonable for a period of three to five years.

DESCRIPTION OF STATISTICAL SUPPORT

The service life and salvage estimates were based on judgment which incorporated statistical analyses of retirement data, discussions with management and consideration of estimates made for other water utility companies. The results of the statistical analyses of service life are presented in the section titled "Service Life Statistics".

The estimated survivor curves for each account are presented in graphical form. The charts depict the estimated smooth survivor curve and original survivor curve(s), when

applicable, related to each specific group. For groups where the original survivor curve was plotted, the calculation of the original life table is also presented.

The analyses of salvage data are presented in the section titled, "Net Salvage Statistics". The tabulations present annual cost of removal and salvage data, three-year moving averages and the most recent five-year average. Data are shown in dollars and as percentages of original costs retired.

DESCRIPTION OF DEPRECIATION TABULATIONS

A summary table of the results of the study, as applied to the original cost of utility plant as of December 31, 2010, are presented on pages III-4 and III-5 of this report. The schedule sets forth the original cost, the book reserve, future accruals, the calculated annual depreciation rate and amount, and the composite remaining life related to water plant.

The tables of the calculated annual depreciation accruals are presented in account sequence in the section titled "Depreciation Calculations." The tables indicate the estimated survivor curve and salvage percent for the account and set forth for each installation year the original cost, the calculated accrued depreciation, the allocated book reserve, future accruals, the remaining life and the calculated annual accrual amount.

AQUA TEXAS, INC.

ESTIMATED SURVIVOR CURVE, NET SALVAGE, ORIGINAL COST, BOOK RESERVE, AND
CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AS OF DECEMBER 31, 2010

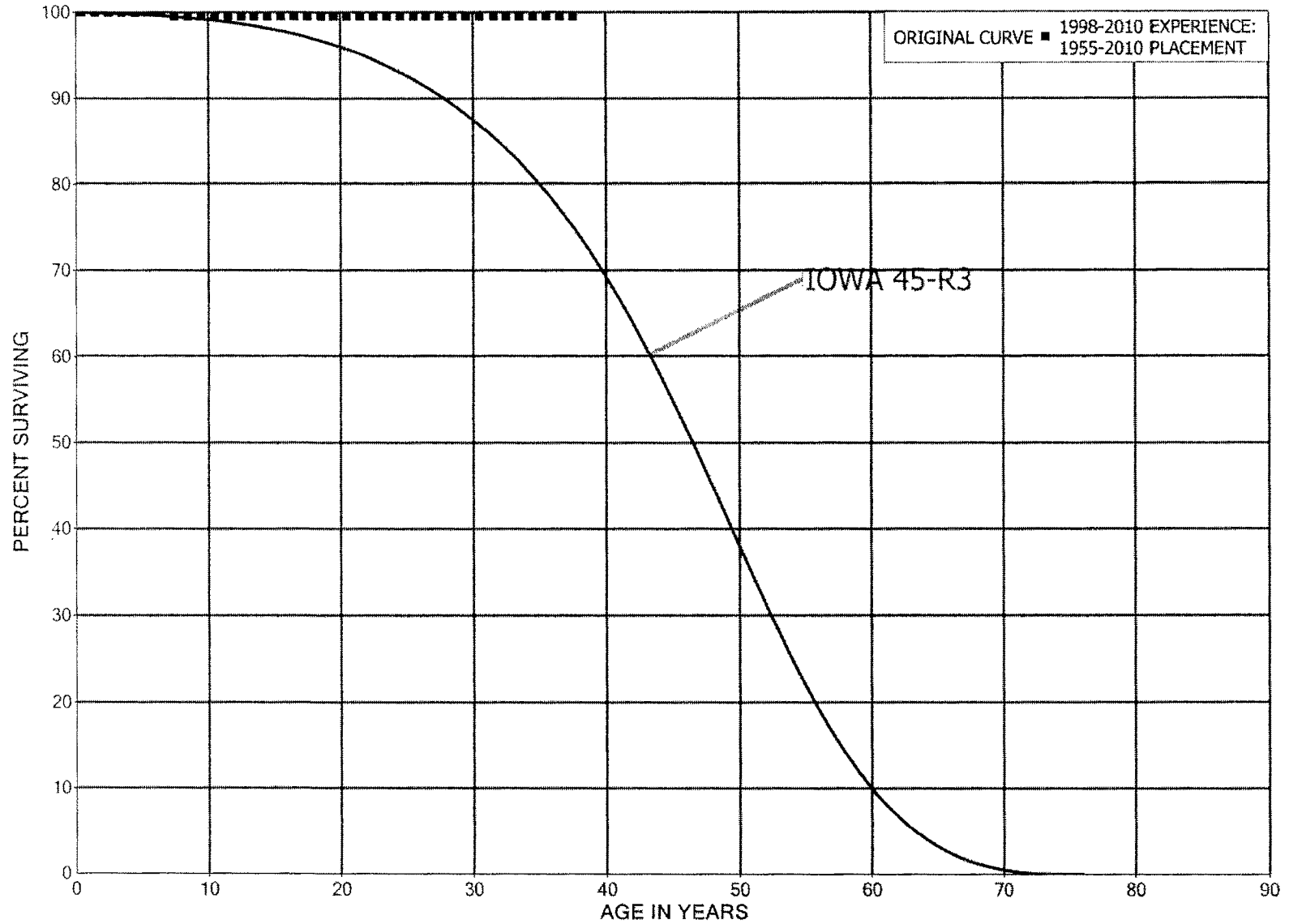
DEPRECIABLE GROUP (1)	SURVIVOR CURVE (2)	NET SALVAGE (3)	ORIGINAL COST AS OF DECEMBER 31, 2010 (4)	BOOK RESERVE (5)	FUTURE ACCRUALS (6)	ANNUAL ACCRUAL AMOUNT (7)	COMPOSITE REMAINING LIFE (8)	ANNUAL ACCRUAL RATE PERCENT (9)=(7)/(4)
DEPRECIABLE PLANT								
STRUCTURES AND IMPROVEMENTS								
304.20 SOURCE OF SUPPLY AND PUMPING	45-R3	(5)	3,591,092.02	959,065	2,811,582	72,224	38.9	2.01
304.30 WATER TREATMENT	55-R3	(5)	5,136,394.86	1,979,920	3,413,295	74,202	46.0	1.44
304.40 TRANSMISSION AND DISTRIBUTION	40-R2.5	(5)	2,090,208.13	410,184	1,784,535	51,903	34.4	2.48
304.50 GENERAL	45-R3	0	3,197,518.54	650,916	2,546,603	66,597	38.2	2.08
TOTAL STRUCTURES AND IMPROVEMENTS			14,015,213.55	4,000,085	10,556,015	264,926	39.8	1.89
PUMPING EQUIPMENT								
305.00 COLLECTING AND IMPOUNDING RESERVOIRS	60-R2.5	0	6,982.99	817	6,166	114	54.1	1.63
306.00 LAKE, RIVER AND OTHER INTAKES	60-S1.5	0	32,946.32	4,108	28,838	522	55.2	1.58
307.00 WELLS AND SPRINGS	50-R3	(5)	33,721,767.87	10,392,615	25,015,241	608,365	41.1	1.80
309.00 SUPPLY MAINS	60-S2.5	(10)	2,340,694.42	440,315	2,134,449	39,762	53.7	1.70
310.20 POWER GENERATION EQUIPMENT	30-S2.5	0	1,397,288.25	228,755	1,168,533	45,864	25.5	3.28
PUMPING EQUIPMENT								
311.20 SOURCE OF SUPPLY AND PUMPING	36-R0.5	(5)	11,766,290.01	5,333,864	7,020,741	214,674	32.7	1.82
311.30 WATER TREATMENT	35-R2.5	(5)	321,954.91	95,343	242,710	8,481	28.6	2.63
311.40 TRANSMISSION AND DISTRIBUTION	35-R2	(5)	5,904,478.18	2,792,591	3,407,111	115,108	29.6	1.95
TOTAL PUMPING EQUIPMENT			17,992,723.10	8,221,798	10,670,562	338,263	31.5	1.88
OTHER PLANT AND MISCELLANEOUS EQUIPMENT								
320.00 WATER TREATMENT EQUIPMENT	45-R2.5	(10)	3,053,199.14	1,000,911	2,357,608	61,467	38.4	2.01
330.00 DISTRIBUTION RESERVOIRS AND STANDPIPES	50-S1	(10)	24,372,987.25	6,766,639	20,043,647	515,426	38.9	2.11
331.00 TRANSMISSION AND DISTRIBUTION MAINS	75-R4	(15)	65,666,383.93	20,752,080	54,764,262	921,731	59.4	1.40
333.00 SERVICES	27-S1.5	(25)	7,307,917.94	253,943	8,880,954	429,642	20.7	5.88
334.00 METERS AND METER INSTALLATIONS	30-S1	0	15,493,732.37	7,489,337	8,004,395	335,943	23.8	2.17
335.00 FIRE HYDRANTS	70-R3	(10)	1,246,583.87	443,788	927,454	16,869	55.0	1.35
OTHER PLANT AND MISCELLANEOUS EQUIPMENT								
339.10 INTANGIBLE	20-R4	0	2,669.27	2,669	0	0	-	-
339.20 SOURCE OF SUPPLY AND PUMPING	30-R3	0	222,231.67	125,644	96,588	4,060	23.8	1.83
339.30 WATER TREATMENT	30-S2.5	0	241,617.03	159,310	82,307	3,495	23.5	1.45
339.40 TRANSMISSION AND DISTRIBUTION	35-R3	0	216,733.28	128,562	88,171	3,138	28.1	1.45
TOTAL OTHER PLANT AND MISCELLANEOUS EQUIPMENT			683,251.25	416,185	267,066	10,693	25.0	1.57
TOTAL DEPRECIABLE PLANT								
340.00 OFFICE FURNITURE AND EQUIPMENT	10-SQ	0	6,029,849.28	584,567	5,445,282	904,433	6.0	15.00
341.00 TRANSPORTATION EQUIPMENT	10-SQ	5	1,435,284.89	9,016	1,354,505	221,781	6.1	15.45
343.00 TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	0	166,431.36	15,219	151,212	11,705	12.9	7.03
344.00 LABORATORY EQUIPMENT	15-SQ	0	1,362.70	140	1,223	116	10.5	8.51
345.00 POWER OPERATED EQUIPMENT	20-L3	0	201,413.33	29,933	171,480	12,015	14.3	5.97
346.00 COMMUNICATION EQUIPMENT	15-SQ	0	251,897.84	48,670	203,228	22,530	9.0	8.94
347.00 MISCELLANEOUS EQUIPMENT	15-SQ	0	267,125.96	22,239	244,887	21,397	11.4	8.01
348.00 OTHER TANGIBLE PLANT	20-SQ	0	1,502,982.94	490,095	1,012,888	119,481	8.5	7.95
TOTAL DEPRECIABLE PLANT			197,188,020.55	61,611,255	153,409,895	4,903,045	31.3	2.49

AQUA TEXAS, INC.
ESTIMATED SURVIVOR CURVE, NET SALVAGE, ORIGINAL COST, BOOK RESERVE, AND
CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AS OF DECEMBER 31, 2010

DEPRECIABLE GROUP (1)	SURVIVOR CURVE (2)	NET SALVAGE (3)	ORIGINAL COST AS OF DECEMBER 31, 2010 (4)	BOOK RESERVE (5)	FUTURE ACCRUALS (6)	ANNUAL ACCRUAL AMOUNT (7)	COMPOSITE REMAINING LIFE (8)	ANNUAL ACCRUAL RATE PERCENT (9)=(7)/(4)
NONDEPRECIABLE PLANT								
301.00 ORGANIZATION			639,444.87	85,190.00				
302.00 FRANCHISES			425,151.40	56,040.00				
303.20 LAND AND LAND RIGHTS - SOURCE OF SUPPLY AND PUMPING			6,572,147.79	48,367.00				
303.30 LAND AND LAND RIGHTS - WATER TREATMENT			269,319.74	0.00				
303.40 LAND AND LAND RIGHTS - TRANSMISSION AND DISTRIBUTION			730,971.55	12,571.00				
303.50 LAND AND LAND RIGHTS - GENERAL			<u>3,036,656.77</u>	<u>(18,676.00)</u>				
TOTAL NONDEPRECIABLE PLANT			11,673,692.12	183,492				
TOTAL WATER PLANT			<u>208,861,712.67</u>	<u>61,794,747</u>	<u>153,409,895</u>	<u>4,903,045</u>		

* ACCRUAL RATES FOR ADDITIONS AS OF JANUARY 1, 2011 SHOULD BE 5.00%.

AQUA TEXAS, INC.
ACCOUNT 304.2 STRUCTURES AND IMPROVEMENTS - SOURCE OF SUPPLY AND PUMPING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 304.2 STRUCTURES AND IMPROVEMENTS - SOURCE OF SUPPLY AND PUMPING

ORIGINAL LIFE TABLE

PLACEMENT BAND 1955-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	3,968,242		0.0000	1.0000	100.00
0.5	4,038,253		0.0000	1.0000	100.00
1.5	3,979,070		0.0000	1.0000	100.00
2.5	3,939,324	2,632	0.0007	0.9993	100.00
3.5	3,502,537		0.0000	1.0000	99.93
4.5	3,134,047		0.0000	1.0000	99.93
5.5	2,673,105		0.0000	1.0000	99.93
6.5	2,458,309	10,465	0.0043	0.9957	99.93
7.5	1,239,321		0.0000	1.0000	99.51
8.5	872,472		0.0000	1.0000	99.51
9.5	446,907		0.0000	1.0000	99.51
10.5	155,516		0.0000	1.0000	99.51
11.5	61,122		0.0000	1.0000	99.51
12.5	53,854		0.0000	1.0000	99.51
13.5	84,768		0.0000	1.0000	99.51
14.5	84,768		0.0000	1.0000	99.51
15.5	84,768		0.0000	1.0000	99.51
16.5	88,630		0.0000	1.0000	99.51
17.5	83,889		0.0000	1.0000	99.51
18.5	95,411		0.0000	1.0000	99.51
19.5	100,082		0.0000	1.0000	99.51
20.5	100,082		0.0000	1.0000	99.51
21.5	100,082		0.0000	1.0000	99.51
22.5	103,934		0.0000	1.0000	99.51
23.5	103,536		0.0000	1.0000	99.51
24.5	97,926		0.0000	1.0000	99.51
25.5	80,085		0.0000	1.0000	99.51
26.5	28,847		0.0000	1.0000	99.51
27.5	28,847		0.0000	1.0000	99.51
28.5	28,847		0.0000	1.0000	99.51
29.5	26,110		0.0000	1.0000	99.51
30.5	14,940		0.0000	1.0000	99.51
31.5	11,465		0.0000	1.0000	99.51
32.5	6,794		0.0000	1.0000	99.51
33.5	6,794		0.0000	1.0000	99.51
34.5	6,794		0.0000	1.0000	99.51
35.5	2,942		0.0000	1.0000	99.51
36.5	2,942		0.0000	1.0000	99.51
37.5	1,125		0.0000	1.0000	99.51
38.5	1,125		0.0000	1.0000	99.51

AQUA TEXAS, INC.

ACCOUNT 304.2 STRUCTURES AND IMPROVEMENTS - SOURCE OF SUPPLY AND PUMPING

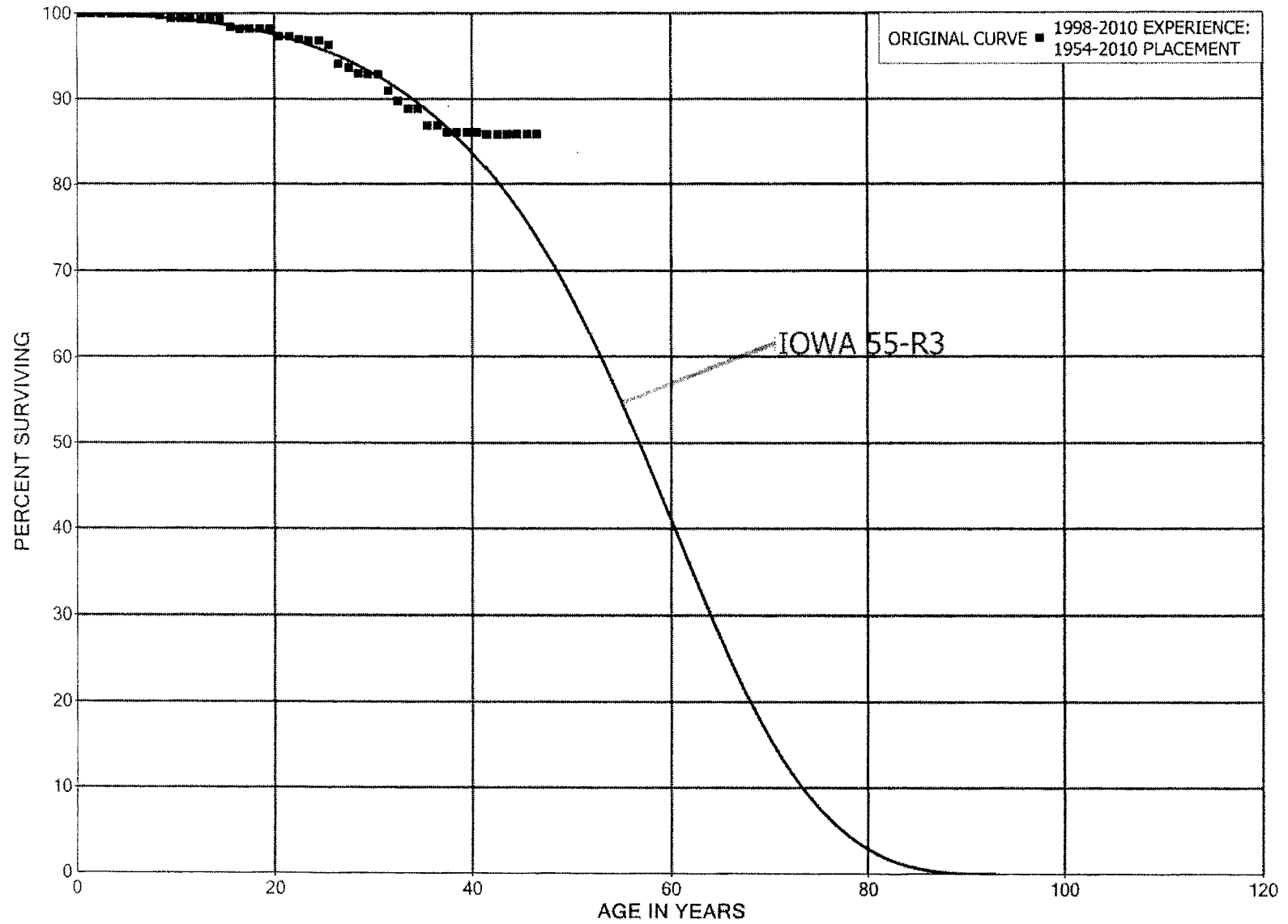
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1955-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,125		0.0000	1.0000	99.51
40.5	1,125		0.0000	1.0000	99.51
41.5	1,125		0.0000	1.0000	99.51
42.5	78		0.0000	1.0000	99.51
43.5	78		0.0000	1.0000	99.51
44.5	78		0.0000	1.0000	99.51
45.5	78		0.0000	1.0000	99.51
46.5	78		0.0000	1.0000	99.51
47.5	78		0.0000	1.0000	99.51
48.5	78		0.0000	1.0000	99.51
49.5	78		0.0000	1.0000	99.51
50.5	78		0.0000	1.0000	99.51
51.5	78		0.0000	1.0000	99.51
52.5	78		0.0000	1.0000	99.51
53.5	78		0.0000	1.0000	99.51
54.5	78		0.0000	1.0000	99.51
55.5					99.51

AQUA TEXAS, INC.
ACCOUNT 304.3 STRUCTURES AND IMPROVEMENTS - WATER TREATMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 304.3 STRUCTURES AND IMPROVEMENTS - WATER TREATMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	4,603,205		0.0000	1.0000	100.00
0.5	4,731,098		0.0000	1.0000	100.00
1.5	4,590,359		0.0000	1.0000	100.00
2.5	4,571,876	1,904	0.0004	0.9996	100.00
3.5	4,507,211		0.0000	1.0000	99.96
4.5	4,321,395		0.0000	1.0000	99.96
5.5	4,026,036		0.0000	1.0000	99.96
6.5	2,196,888		0.0000	1.0000	99.96
7.5	2,016,823	4,679	0.0023	0.9977	99.96
8.5	1,407,259	5,271	0.0037	0.9963	99.73
9.5	873,220		0.0000	1.0000	99.35
10.5	761,613		0.0000	1.0000	99.35
11.5	775,071	500	0.0006	0.9994	99.35
12.5	758,514		0.0000	1.0000	99.29
13.5	799,132	426	0.0005	0.9995	99.29
14.5	856,559	7,634	0.0089	0.9911	99.24
15.5	850,381	1,215	0.0014	0.9986	98.35
16.5	874,837		0.0000	1.0000	98.21
17.5	904,608	382	0.0004	0.9996	98.21
18.5	978,773		0.0000	1.0000	98.17
19.5	1,019,375	8,723	0.0086	0.9914	98.17
20.5	980,180		0.0000	1.0000	97.33
21.5	943,260	3,997	0.0042	0.9958	97.33
22.5	914,380	497	0.0005	0.9995	96.92
23.5	881,639		0.0000	1.0000	96.86
24.5	821,879	4,891	0.0060	0.9940	96.86
25.5	693,137	15,702	0.0227	0.9773	96.29
26.5	601,936	2,876	0.0048	0.9952	94.11
27.5	515,525	4,205	0.0082	0.9918	93.66
28.5	481,329	173	0.0004	0.9996	92.89
29.5	421,042		0.0000	1.0000	92.86
30.5	351,732	7,353	0.0209	0.9791	92.86
31.5	268,354	3,613	0.0135	0.9865	90.92
32.5	243,650	2,346	0.0096	0.9904	89.69
33.5	219,643	119	0.0005	0.9995	88.83
34.5	209,918	4,636	0.0221	0.9779	88.78
35.5	185,857		0.0000	1.0000	86.82
36.5	164,431	1,348	0.0082	0.9918	86.82
37.5	116,445		0.0000	1.0000	86.11
38.5	103,931		0.0000	1.0000	86.11

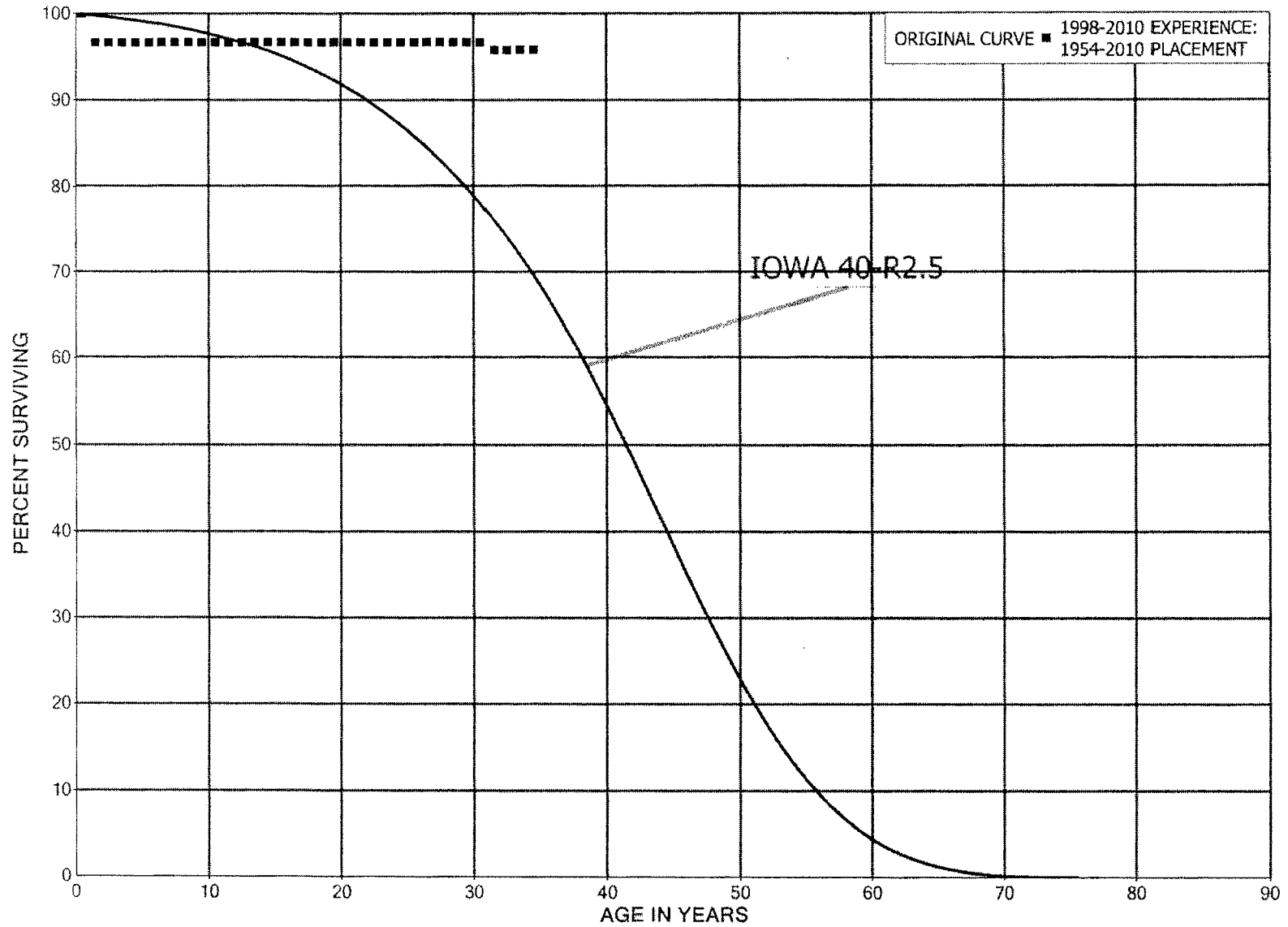
AQUA TEXAS, INC.

ACCOUNT 304.3 STRUCTURES AND IMPROVEMENTS - WATER TREATMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2010			EXPERIENCE BAND 1998-2010		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	47,530	119	0.0000	1.0000	86.11
40.5	34,084		0.0035	0.9965	86.11
41.5	31,935		0.0000	1.0000	85.81
42.5	13,893		0.0000	1.0000	85.81
43.5	9,743		0.0000	1.0000	85.81
44.5	9,743		0.0000	1.0000	85.81
45.5	5,275		0.0000	1.0000	85.81
46.5	4,092		0.0000	1.0000	85.81
47.5	881		0.0000	1.0000	85.81
48.5	881		0.0000	1.0000	85.81
49.5	881		0.0000	1.0000	85.81
50.5	621		0.0000	1.0000	85.81
51.5	621		0.0000	1.0000	85.81
52.5	621		0.0000	1.0000	85.81
53.5	621		0.0000	1.0000	85.81
54.5	74		0.0000	1.0000	85.81
55.5	74		0.0000	1.0000	85.81
56.5					85.81

AQUA TEXAS, INC.
ACCOUNT 304.4 STRUCTURES AND IMPROVEMENTS - TRANSMISSION AND DISTRIBUTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 304.4 STRUCTURES AND IMPROVEMENTS - TRANSMISSION AND DISTRIBUTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	2,524,031		0.0000	1.0000	100.00
0.5	2,683,628	89,603	0.0334	0.9666	100.00
1.5	2,545,649		0.0000	1.0000	96.66
2.5	2,296,657		0.0000	1.0000	96.66
3.5	1,996,339		0.0000	1.0000	96.66
4.5	1,463,990		0.0000	1.0000	96.66
5.5	1,257,474		0.0000	1.0000	96.66
6.5	1,233,863		0.0000	1.0000	96.66
7.5	891,717		0.0000	1.0000	96.66
8.5	579,727		0.0000	1.0000	96.66
9.5	343,425		0.0000	1.0000	96.66
10.5	139,227		0.0000	1.0000	96.66
11.5	49,971		0.0000	1.0000	96.66
12.5	35,989		0.0000	1.0000	96.66
13.5	47,880		0.0000	1.0000	96.66
14.5	47,880		0.0000	1.0000	96.66
15.5	48,185		0.0000	1.0000	96.66
16.5	49,387		0.0000	1.0000	96.66
17.5	55,510		0.0000	1.0000	96.66
18.5	55,826		0.0000	1.0000	96.66
19.5	62,464		0.0000	1.0000	96.66
20.5	59,773		0.0000	1.0000	96.66
21.5	62,130		0.0000	1.0000	96.66
22.5	69,945		0.0000	1.0000	96.66
23.5	59,166		0.0000	1.0000	96.66
24.5	61,428		0.0000	1.0000	96.66
25.5	55,885		0.0000	1.0000	96.66
26.5	40,133		0.0000	1.0000	96.66
27.5	41,874		0.0000	1.0000	96.66
28.5	41,569		0.0000	1.0000	96.66
29.5	41,576		0.0000	1.0000	96.66
30.5	30,274	308	0.0102	0.9898	96.66
31.5	29,302		0.0000	1.0000	95.68
32.5	22,664		0.0000	1.0000	95.68
33.5	22,664		0.0000	1.0000	95.68
34.5	17,348		0.0000	1.0000	95.68
35.5	6,953		0.0000	1.0000	95.68
36.5	6,953		0.0000	1.0000	95.68
37.5	4,691		0.0000	1.0000	95.68
38.5	4,691		0.0000	1.0000	95.68

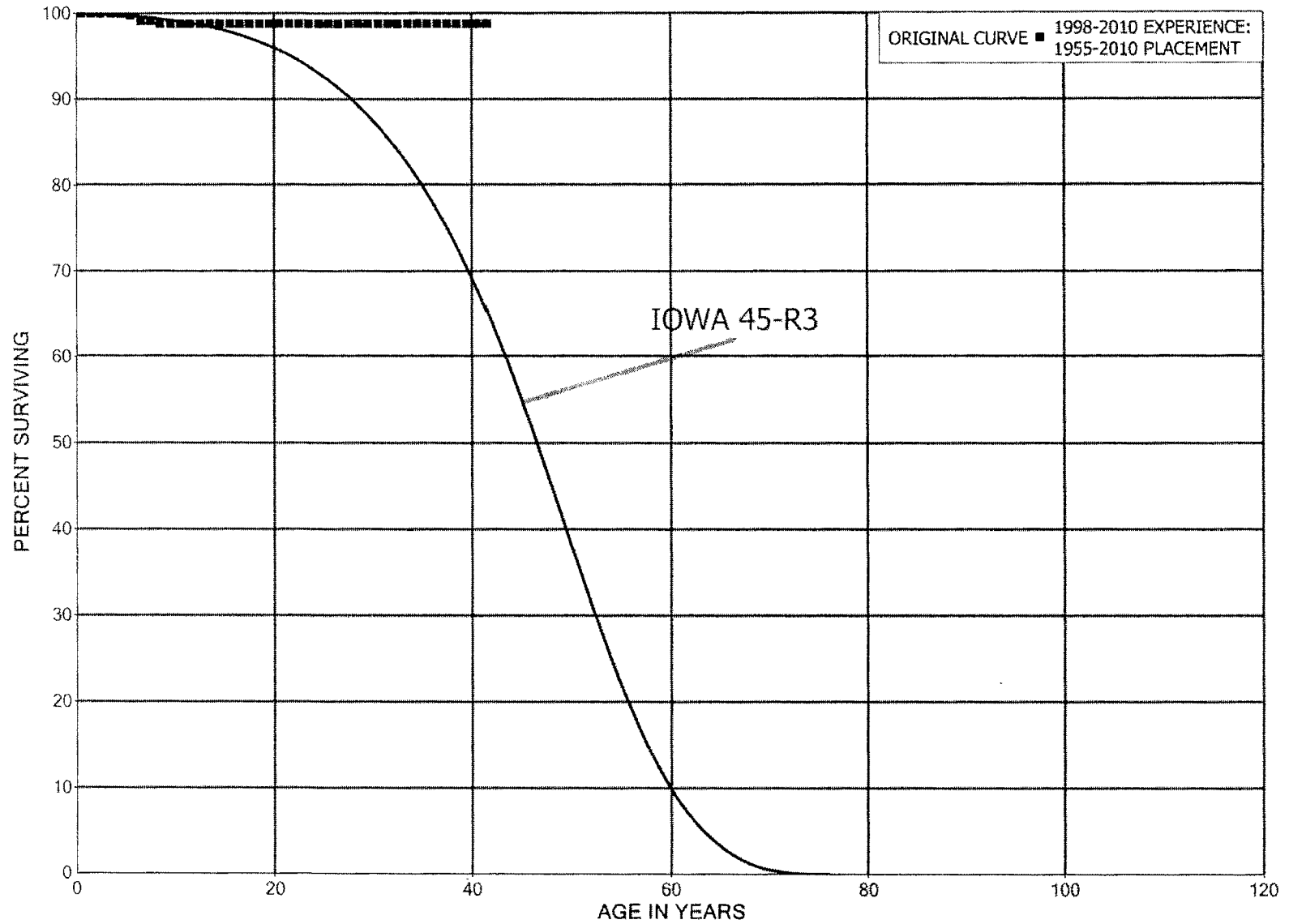
AQUA TEXAS, INC.

ACCOUNT 304.4 STRUCTURES AND IMPROVEMENTS - TRANSMISSION AND DISTRIBUTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2010			EXPERIENCE BAND 1998-2010		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,950		0.0000	1.0000	95.68
40.5	1,209		0.0000	1.0000	95.68
41.5	1,209		0.0000	1.0000	95.68
42.5					95.68
43.5	835		0.0000		
44.5	835		0.0000		
45.5	835		0.0000		
46.5	835		0.0000		
47.5	835		0.0000		
48.5	835		0.0000		
49.5	835		0.0000		
50.5	835		0.0000		
51.5	835		0.0000		
52.5	835		0.0000		
53.5	835		0.0000		
54.5	835		0.0000		
55.5	835		0.0000		
56.5					

AQUA TEXAS, INC.
ACCOUNT 304.5 STRUCTURES AND IMPROVEMENTS - GENERAL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 304.5 STRUCTURES AND IMPROVEMENTS - GENERAL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1955-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	3,431,153		0.0000	1.0000	100.00
0.5	3,361,812		0.0000	1.0000	100.00
1.5	3,542,773	1,752	0.0005	0.9995	100.00
2.5	3,459,301		0.0000	1.0000	99.95
3.5	3,388,244		0.0000	1.0000	99.95
4.5	2,952,294	5,935	0.0020	0.9980	99.95
5.5	2,399,416	16,308	0.0068	0.9932	99.75
6.5	1,909,693		0.0000	1.0000	99.07
7.5	1,626,266	5,957	0.0037	0.9963	99.07
8.5	941,316		0.0000	1.0000	98.71
9.5	528,666		0.0000	1.0000	98.71
10.5	328,761		0.0000	1.0000	98.71
11.5	98,986		0.0000	1.0000	98.71
12.5	32,431		0.0000	1.0000	98.71
13.5	33,174		0.0000	1.0000	98.71
14.5	34,703		0.0000	1.0000	98.71
15.5	37,454		0.0000	1.0000	98.71
16.5	37,929		0.0000	1.0000	98.71
17.5	47,356		0.0000	1.0000	98.71
18.5	47,677		0.0000	1.0000	98.71
19.5	48,665		0.0000	1.0000	98.71
20.5	48,332		0.0000	1.0000	98.71
21.5	39,667		0.0000	1.0000	98.71
22.5	39,437		0.0000	1.0000	98.71
23.5	27,297		0.0000	1.0000	98.71
24.5	22,926		0.0000	1.0000	98.71
25.5	23,888		0.0000	1.0000	98.71
26.5	19,681		0.0000	1.0000	98.71
27.5	21,567		0.0000	1.0000	98.71
28.5	20,216		0.0000	1.0000	98.71
29.5	20,934		0.0000	1.0000	98.71
30.5	10,946		0.0000	1.0000	98.71
31.5	10,625		0.0000	1.0000	98.71
32.5	9,258		0.0000	1.0000	98.71
33.5	9,258		0.0000	1.0000	98.71
34.5	9,258		0.0000	1.0000	98.71
35.5	8,489		0.0000	1.0000	98.71
36.5	8,447		0.0000	1.0000	98.71
37.5	8,447		0.0000	1.0000	98.71
38.5	7,151		0.0000	1.0000	98.71

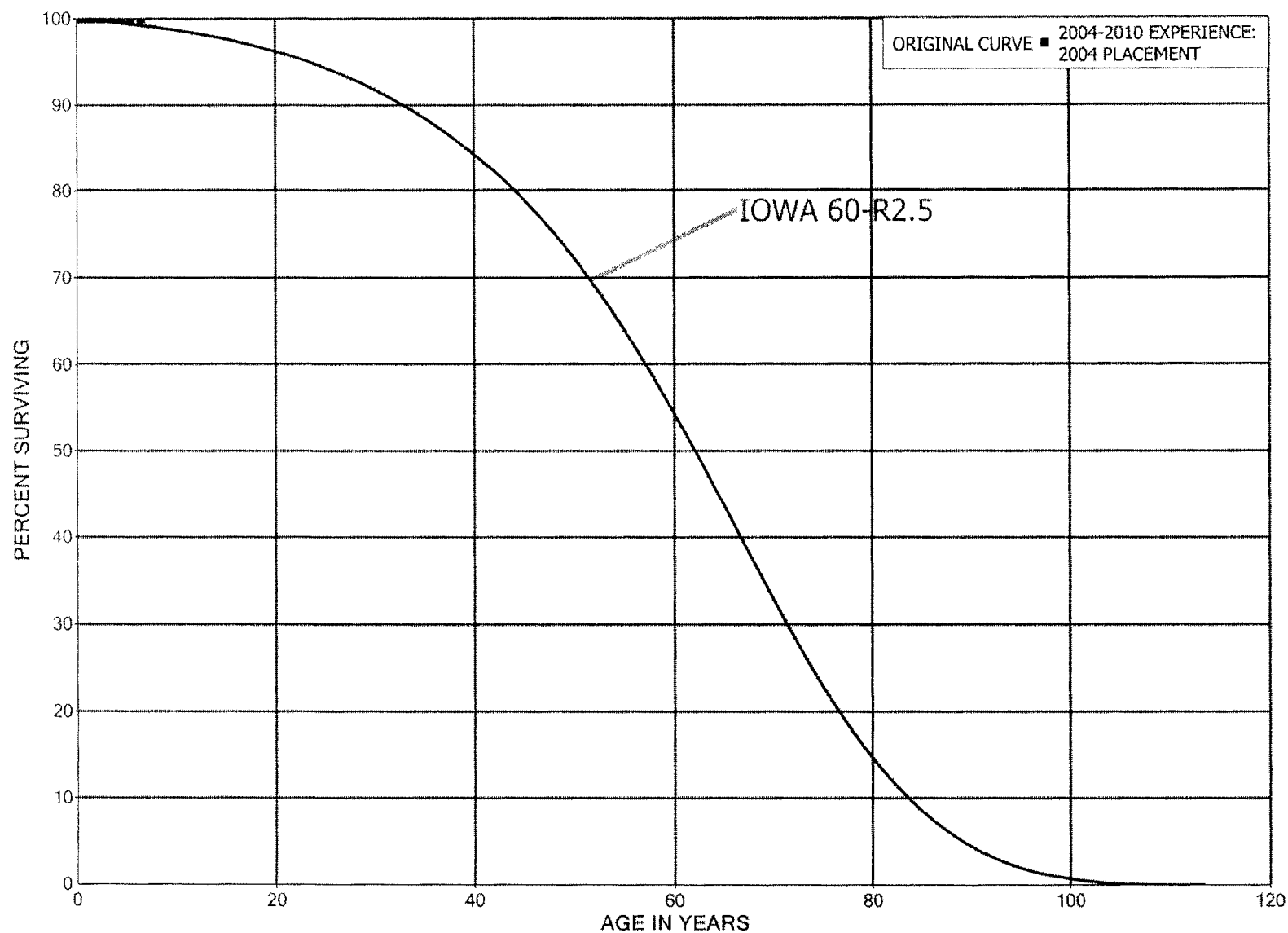
AQUA TEXAS, INC.

ACCOUNT 304.5 STRUCTURES AND IMPROVEMENTS - GENERAL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1955-2010			EXPERIENCE BAND 1998-2010		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,009		0.0000	1.0000	98.71
40.5	2,594		0.0000	1.0000	98.71
41.5	1,194		0.0000	1.0000	98.71
42.5	144		0.0000	1.0000	98.71
43.5	144		0.0000	1.0000	98.71
44.5	144		0.0000	1.0000	98.71
45.5	144		0.0000	1.0000	98.71
46.5	144		0.0000	1.0000	98.71
47.5	144		0.0000	1.0000	98.71
48.5	144		0.0000	1.0000	98.71
49.5	144		0.0000	1.0000	98.71
50.5	144		0.0000	1.0000	98.71
51.5	144		0.0000	1.0000	98.71
52.5	144		0.0000	1.0000	98.71
53.5	144		0.0000	1.0000	98.71
54.5	144		0.0000	1.0000	98.71
55.5					98.71

AQUA TEXAS, INC.
ACCOUNT 305.0 COLLECTING AND IMPOUNDING RESERVOIRS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 305.0 COLLECTING AND IMPOUNDING RESERVOIRS

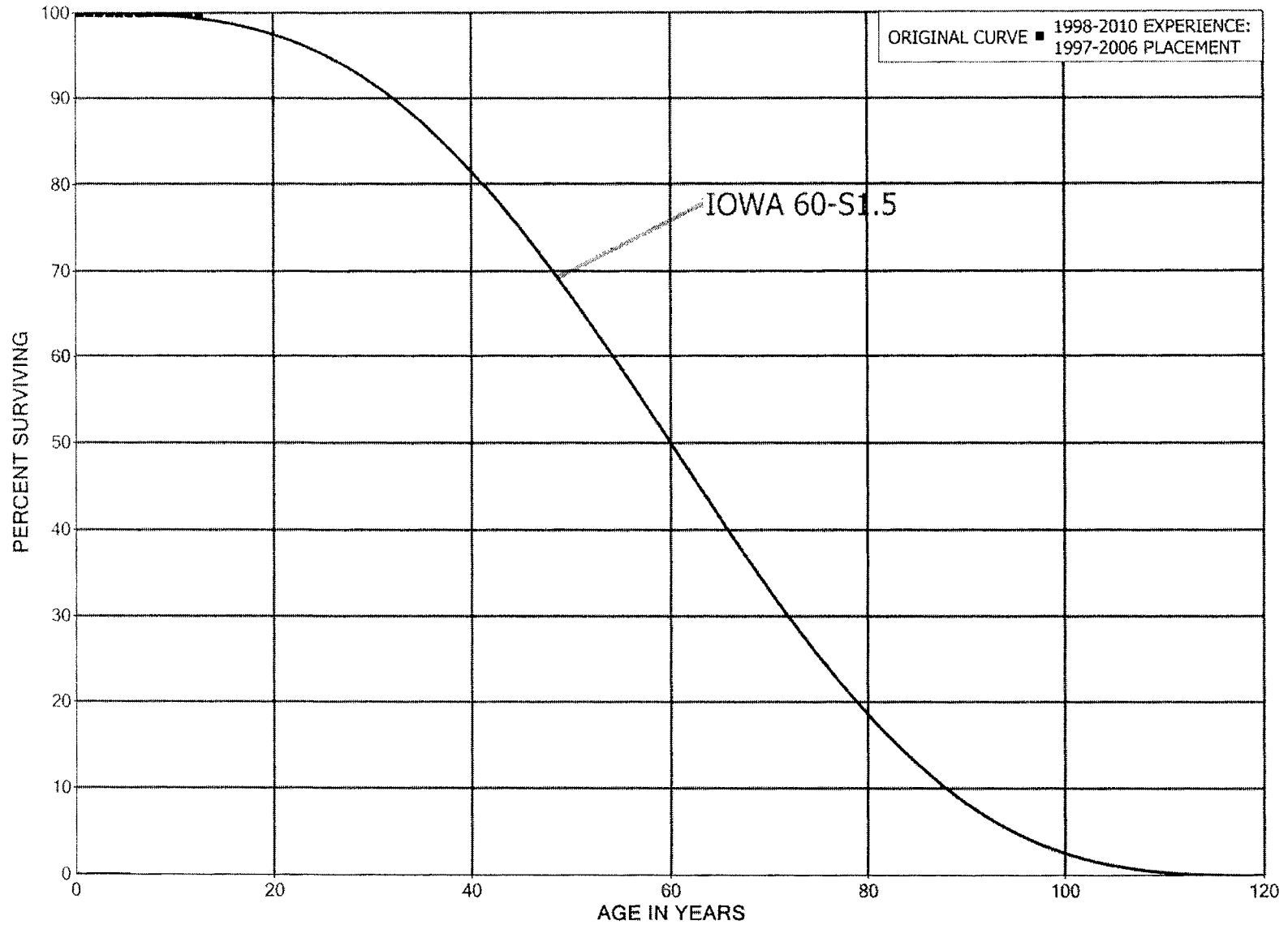
ORIGINAL LIFE TABLE

PLACEMENT BAND 2004

EXPERIENCE BAND 2004-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	6,983		0.0000	1.0000	100.00
0.5	6,983		0.0000	1.0000	100.00
1.5	6,983		0.0000	1.0000	100.00
2.5	6,983		0.0000	1.0000	100.00
3.5	6,983		0.0000	1.0000	100.00
4.5	6,983		0.0000	1.0000	100.00
5.5	6,983		0.0000	1.0000	100.00
6.5					100.00

AQUA TEXAS, INC.
ACCOUNT 306.0 LAKE, RIVER AND OTHER INTAKES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 306.0 LAKE, RIVER AND OTHER INTAKES

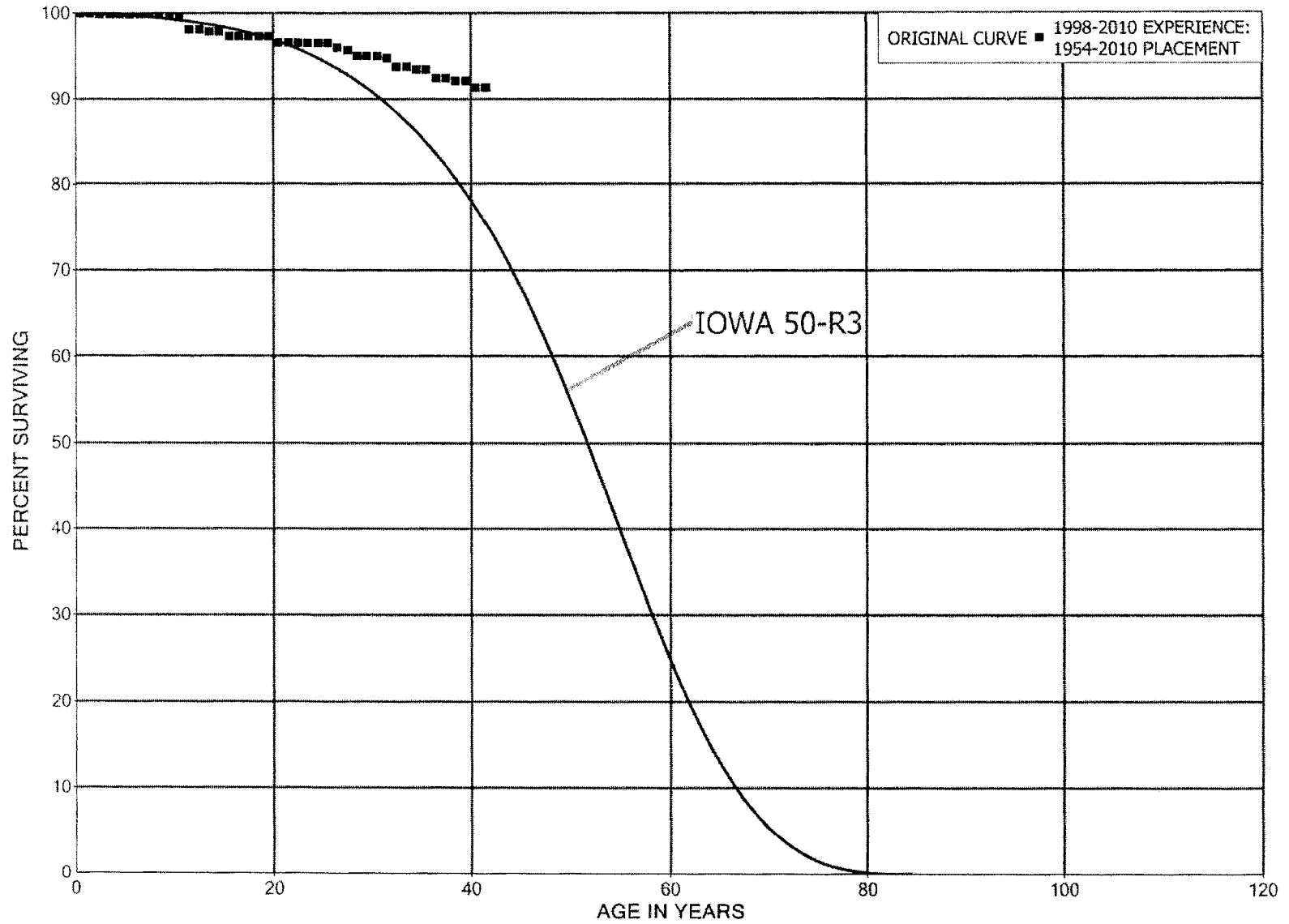
ORIGINAL LIFE TABLE

PLACEMENT BAND 1997-2006

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	32,946		0.0000	1.0000	100.00
0.5	33,961		0.0000	1.0000	100.00
1.5	33,961		0.0000	1.0000	100.00
2.5	33,961		0.0000	1.0000	100.00
3.5	33,961		0.0000	1.0000	100.00
4.5	5,808		0.0000	1.0000	100.00
5.5	5,808		0.0000	1.0000	100.00
6.5	1,014		0.0000	1.0000	100.00
7.5	1,014		0.0000	1.0000	100.00
8.5	1,014		0.0000	1.0000	100.00
9.5	1,014		0.0000	1.0000	100.00
10.5	1,014		0.0000	1.0000	100.00
11.5	1,014		0.0000	1.0000	100.00
12.5					100.00

AQUA TEXAS, INC.
ACCOUNT 307.0 WELLS AND SPRINGS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 307.0 WELLS AND SPRINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	28,914,999	2,680	0.0001	0.9999	100.00
0.5	29,930,225		0.0000	1.0000	99.99
1.5	29,861,493	31,399	0.0011	0.9989	99.99
2.5	27,194,783		0.0000	1.0000	99.89
3.5	25,505,097	9,643	0.0004	0.9996	99.89
4.5	24,558,617	2,137	0.0001	0.9999	99.85
5.5	20,946,951		0.0000	1.0000	99.84
6.5	17,607,591		0.0000	1.0000	99.84
7.5	14,607,560		0.0000	1.0000	99.84
8.5	11,193,484		0.0000	1.0000	99.84
9.5	8,125,159	16,050	0.0020	0.9980	99.84
10.5	6,381,271	103,798	0.0163	0.9837	99.64
11.5	4,796,217		0.0000	1.0000	98.02
12.5	4,695,437	7,109	0.0015	0.9985	98.02
13.5	4,659,525		0.0000	1.0000	97.87
14.5	4,782,922	29,417	0.0062	0.9938	97.87
15.5	4,907,148		0.0000	1.0000	97.27
16.5	5,117,755		0.0000	1.0000	97.27
17.5	5,108,312		0.0000	1.0000	97.27
18.5	5,290,379		0.0000	1.0000	97.27
19.5	5,164,517	40,965	0.0079	0.9921	97.27
20.5	4,983,564		0.0000	1.0000	96.50
21.5	4,935,041		0.0000	1.0000	96.50
22.5	4,837,644		0.0000	1.0000	96.50
23.5	4,798,822		0.0000	1.0000	96.50
24.5	4,426,448		0.0000	1.0000	96.50
25.5	3,579,668	22,005	0.0061	0.9939	96.50
26.5	2,865,393	7,486	0.0026	0.9974	95.91
27.5	2,453,317	18,480	0.0075	0.9925	95.66
28.5	2,221,018		0.0000	1.0000	94.93
29.5	1,992,194		0.0000	1.0000	94.93
30.5	1,815,164	4,000	0.0022	0.9978	94.93
31.5	1,527,140	16,476	0.0108	0.9892	94.73
32.5	1,429,337		0.0000	1.0000	93.70
33.5	1,332,724	3,733	0.0028	0.9972	93.70
34.5	1,145,377		0.0000	1.0000	93.44
35.5	983,860	11,139	0.0113	0.9887	93.44
36.5	792,147		0.0000	1.0000	92.38
37.5	501,419	2,013	0.0040	0.9960	92.38
38.5	375,288		0.0000	1.0000	92.01

AQUA TEXAS, INC.

ACCOUNT 307.0 WELLS AND SPRINGS

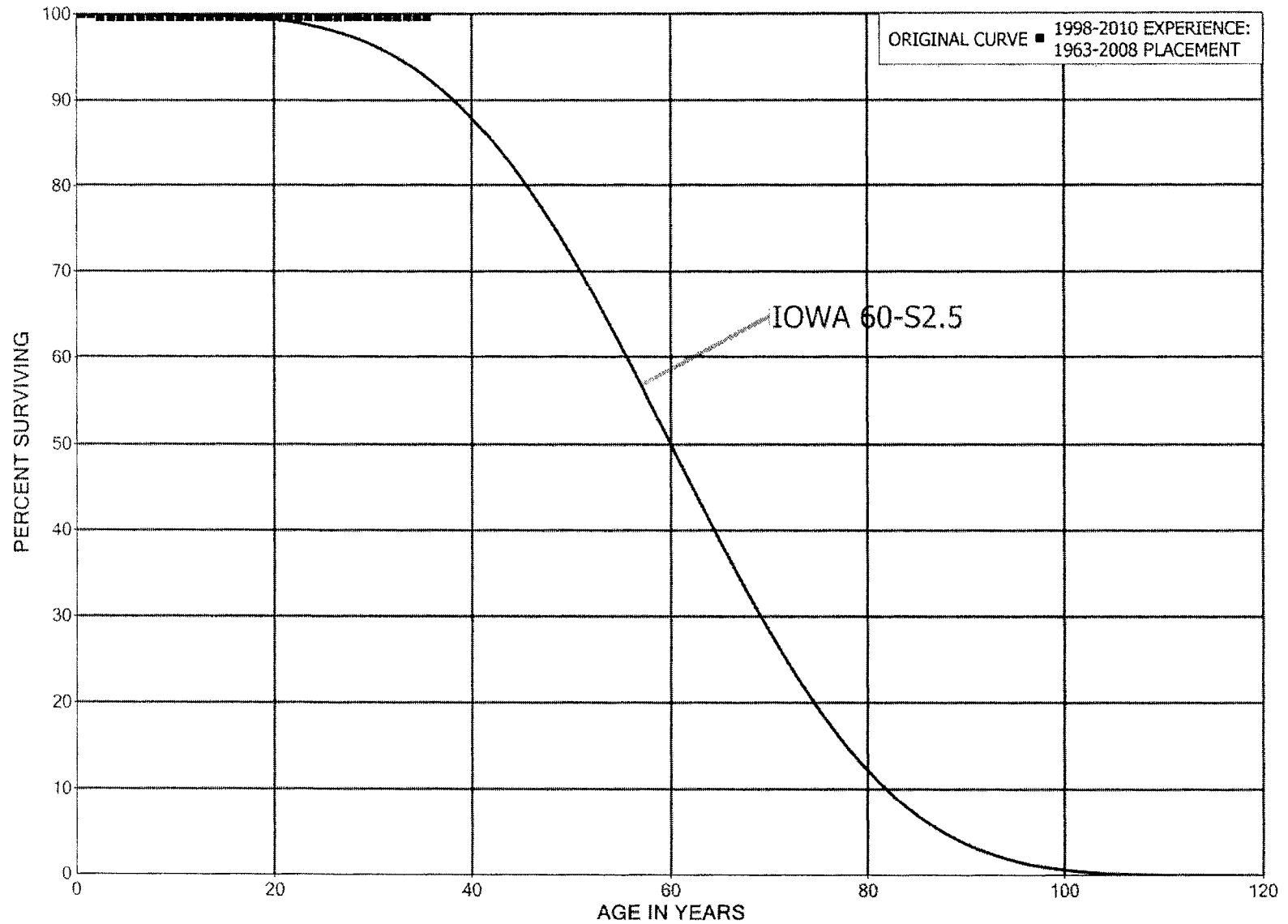
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	318,371	2,614	0.0082	0.9918	92.01
40.5	184,673		0.0000	1.0000	91.26
41.5	181,252	500	0.0028	0.9972	91.26
42.5	53,076		0.0000	1.0000	91.01
43.5	35,459		0.0000	1.0000	91.01
44.5	35,459		0.0000	1.0000	91.01
45.5	26,323		0.0000	1.0000	91.01
46.5	21,842		0.0000	1.0000	91.01
47.5	16,049		0.0000	1.0000	91.01
48.5	16,049		0.0000	1.0000	91.01
49.5	15,182		0.0000	1.0000	91.01
50.5	14,329		0.0000	1.0000	91.01
51.5	14,329		0.0000	1.0000	91.01
52.5	14,329		0.0000	1.0000	91.01
53.5	14,329	2,144	0.1496	0.8504	91.01
54.5	3,855		0.0000	1.0000	77.39
55.5	657		0.0000	1.0000	77.39
56.5					77.39

AQUA TEXAS, INC.
ACCOUNT 309.0 SUPPLY MAINS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 309.0 SUPPLY MAINS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1963-2008

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	2,485,268		0.0000	1.0000	100.00
0.5	2,621,679		0.0000	1.0000	100.00
1.5	2,622,311	10,659	0.0041	0.9959	100.00
2.5	2,175,791		0.0000	1.0000	99.59
3.5	2,004,858		0.0000	1.0000	99.59
4.5	1,618,439		0.0000	1.0000	99.59
5.5	1,345,615		0.0000	1.0000	99.59
6.5	1,225,238		0.0000	1.0000	99.59
7.5	974,799		0.0000	1.0000	99.59
8.5	896,814		0.0000	1.0000	99.59
9.5	207,249		0.0000	1.0000	99.59
10.5	104,208		0.0000	1.0000	99.59
11.5	2,181		0.0000	1.0000	99.59
12.5	2,347		0.0000	1.0000	99.59
13.5	40,852		0.0000	1.0000	99.59
14.5	40,852		0.0000	1.0000	99.59
15.5	40,852		0.0000	1.0000	99.59
16.5	40,966		0.0000	1.0000	99.59
17.5	38,785		0.0000	1.0000	99.59
18.5	38,785		0.0000	1.0000	99.59
19.5	38,785		0.0000	1.0000	99.59
20.5	38,785		0.0000	1.0000	99.59
21.5	49,956		0.0000	1.0000	99.59
22.5	50,476		0.0000	1.0000	99.59
23.5	50,476		0.0000	1.0000	99.59
24.5	50,952		0.0000	1.0000	99.59
25.5	50,786		0.0000	1.0000	99.59
26.5	13,521		0.0000	1.0000	99.59
27.5	13,521		0.0000	1.0000	99.59
28.5	13,521		0.0000	1.0000	99.59
29.5	13,407		0.0000	1.0000	99.59
30.5	13,407		0.0000	1.0000	99.59
31.5	13,407		0.0000	1.0000	99.59
32.5	13,407		0.0000	1.0000	99.59
33.5	13,407		0.0000	1.0000	99.59
34.5	3,110		0.0000	1.0000	99.59
35.5	2,590		0.0000	1.0000	99.59
36.5	2,590		0.0000	1.0000	99.59
37.5	2,114		0.0000	1.0000	99.59
38.5	2,114		0.0000	1.0000	99.59

AQUA TEXAS, INC.

ACCOUNT 309.0 SUPPLY MAINS

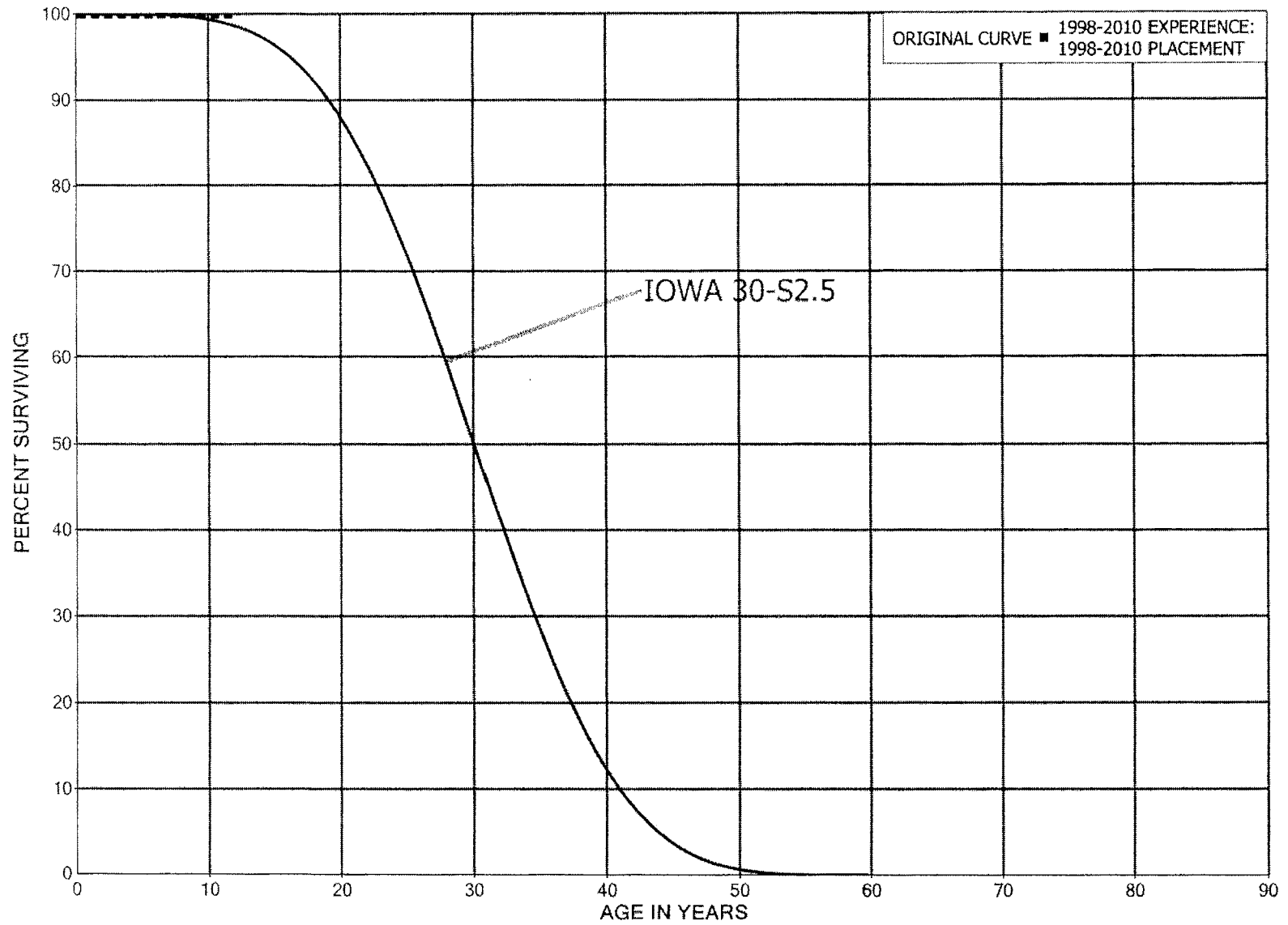
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1963-2008

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	874		0.0000	1.0000	99.59
40.5	874		0.0000	1.0000	99.59
41.5	874		0.0000	1.0000	99.59
42.5	874		0.0000	1.0000	99.59
43.5	874		0.0000	1.0000	99.59
44.5	874		0.0000	1.0000	99.59
45.5	874		0.0000	1.0000	99.59
46.5	874		0.0000	1.0000	99.59
47.5					99.59

AQUA TEXAS, INC.
ACCOUNT 310.2 POWER GENERATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 310.2 POWER GENERATION EQUIPMENT

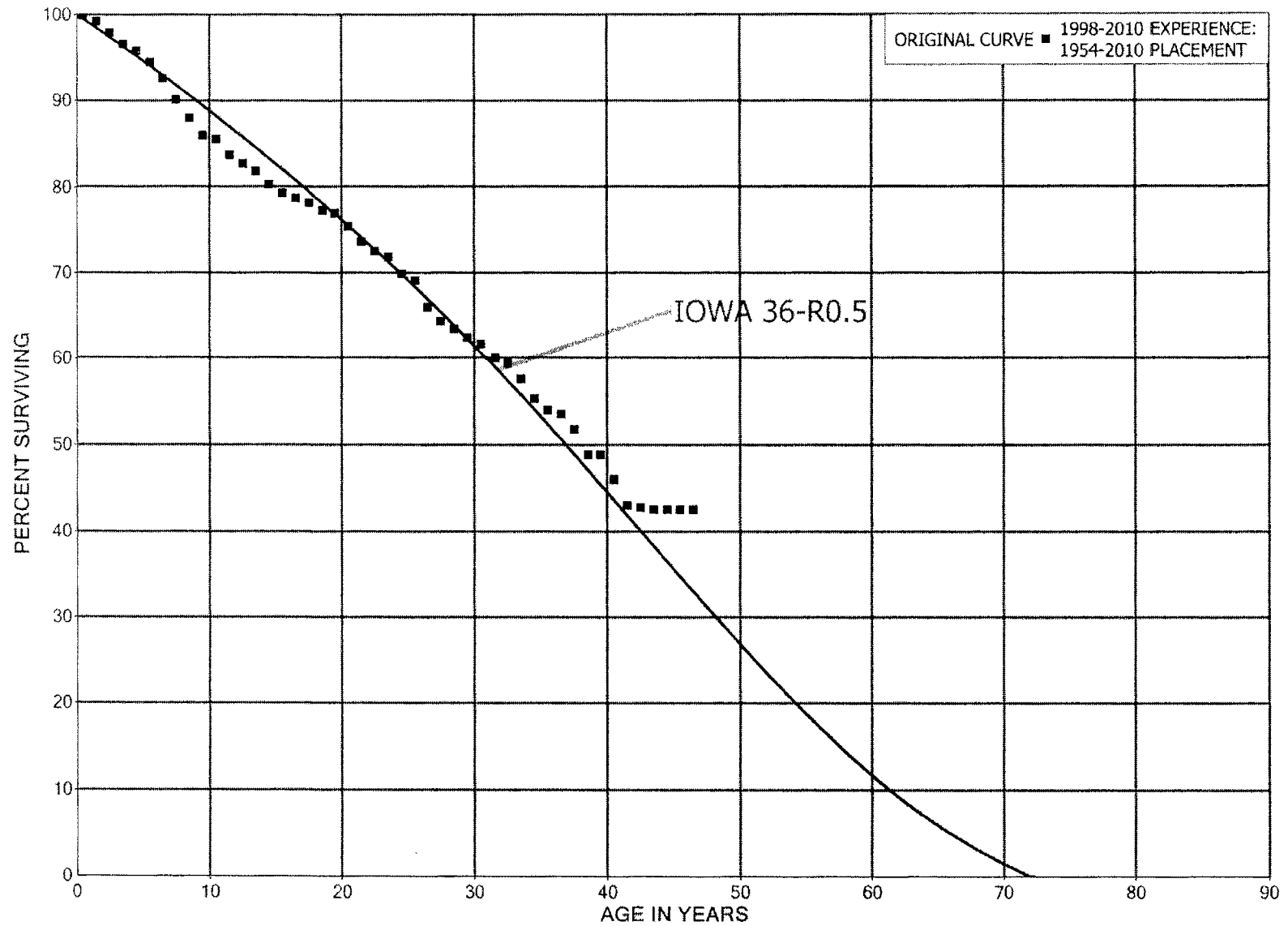
ORIGINAL LIFE TABLE

PLACEMENT BAND 1998-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,467,117		0.0000	1.0000	100.00
0.5	1,340,518		0.0000	1.0000	100.00
1.5	1,331,968		0.0000	1.0000	100.00
2.5	897,919		0.0000	1.0000	100.00
3.5	802,895		0.0000	1.0000	100.00
4.5	562,337		0.0000	1.0000	100.00
5.5	488,996		0.0000	1.0000	100.00
6.5	518,004		0.0000	1.0000	100.00
7.5	321,803		0.0000	1.0000	100.00
8.5	153,306		0.0000	1.0000	100.00
9.5	86,138		0.0000	1.0000	100.00
10.5	28,343		0.0000	1.0000	100.00
11.5					100.00

AQUA TEXAS, INC.
ACCOUNT 311.2 PUMPING EQUIPMENT - SOURCE OF SUPPLY AND PUMPING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 311.2 PUMPING EQUIPMENT - SOURCE OF SUPPLY AND PUMPING

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	12,006,326	21,207	0.0018	0.9982	100.00
0.5	11,898,504	79,987	0.0067	0.9933	99.82
1.5	11,485,730	153,986	0.0134	0.9866	99.15
2.5	10,354,314	143,719	0.0139	0.9861	97.82
3.5	9,510,356	73,658	0.0077	0.9923	96.47
4.5	7,615,666	101,588	0.0133	0.9867	95.72
5.5	7,187,126	143,547	0.0200	0.9800	94.44
6.5	6,013,201	160,445	0.0267	0.9733	92.56
7.5	5,249,786	121,003	0.0230	0.9770	90.09
8.5	3,916,603	91,156	0.0233	0.9767	88.01
9.5	2,408,461	11,328	0.0047	0.9953	85.96
10.5	1,883,525	40,302	0.0214	0.9786	85.56
11.5	1,642,783	19,979	0.0122	0.9878	83.73
12.5	1,587,662	17,771	0.0112	0.9888	82.71
13.5	1,654,728	30,261	0.0183	0.9817	81.78
14.5	1,669,781	20,489	0.0123	0.9877	80.29
15.5	1,659,686	12,377	0.0075	0.9925	79.30
16.5	1,646,003	10,643	0.0065	0.9935	78.71
17.5	1,679,101	20,325	0.0121	0.9879	78.20
18.5	1,663,168	7,104	0.0043	0.9957	77.25
19.5	1,624,033	31,705	0.0195	0.9805	76.92
20.5	1,563,209	37,505	0.0240	0.9760	75.42
21.5	1,514,557	23,686	0.0156	0.9844	73.61
22.5	1,465,722	13,239	0.0090	0.9910	72.46
23.5	1,379,758	38,868	0.0282	0.9718	71.81
24.5	1,295,717	12,515	0.0097	0.9903	69.78
25.5	1,057,569	47,864	0.0453	0.9547	69.11
26.5	841,195	21,144	0.0251	0.9749	65.98
27.5	741,699	10,964	0.0148	0.9852	64.32
28.5	663,200	9,853	0.0149	0.9851	63.37
29.5	529,489	6,850	0.0129	0.9871	62.43
30.5	453,087	11,698	0.0258	0.9742	61.62
31.5	393,651	4,238	0.0108	0.9892	60.03
32.5	357,862	10,942	0.0306	0.9694	59.39
33.5	300,165	11,685	0.0389	0.9611	57.57
34.5	253,471	6,090	0.0240	0.9760	55.33
35.5	215,935	1,811	0.0084	0.9916	54.00
36.5	184,710	6,389	0.0346	0.9654	53.55
37.5	128,078	7,104	0.0555	0.9445	51.69
38.5	100,364		0.0000	1.0000	48.83

AQUA TEXAS, INC.

ACCOUNT 311.2 PUMPING EQUIPMENT - SOURCE OF SUPPLY AND PUMPING

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	79,945	4,652	0.0582	0.9418	48.83
40.5	50,550	3,325	0.0658	0.9342	45.99
41.5	48,021	214	0.0045	0.9955	42.96
42.5	25,171	154	0.0061	0.9939	42.77
43.5	21,559		0.0000	1.0000	42.51
44.5	21,559		0.0000	1.0000	42.51
45.5	14,817		0.0000	1.0000	42.51
46.5	11,793		0.0000	1.0000	42.51
47.5	5,761		0.0000	1.0000	42.51
48.5	5,761	395	0.0685	0.9315	42.51
49.5	5,099		0.0000	1.0000	39.60
50.5	4,624	439	0.0949	0.9051	39.60
51.5	3,465		0.0000	1.0000	35.84
52.5	3,465		0.0000	1.0000	35.84
53.5	3,465		0.0000	1.0000	35.84
54.5	1,722		0.0000	1.0000	35.84
55.5	1,722		0.0000	1.0000	35.84
56.5					35.84
57.5					
58.5					
59.5					
60.5					
61.5					
62.5					
63.5					
64.5					
65.5					
66.5					
67.5					
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74.5					
75.5					
76.5					
77.5					
78.5					

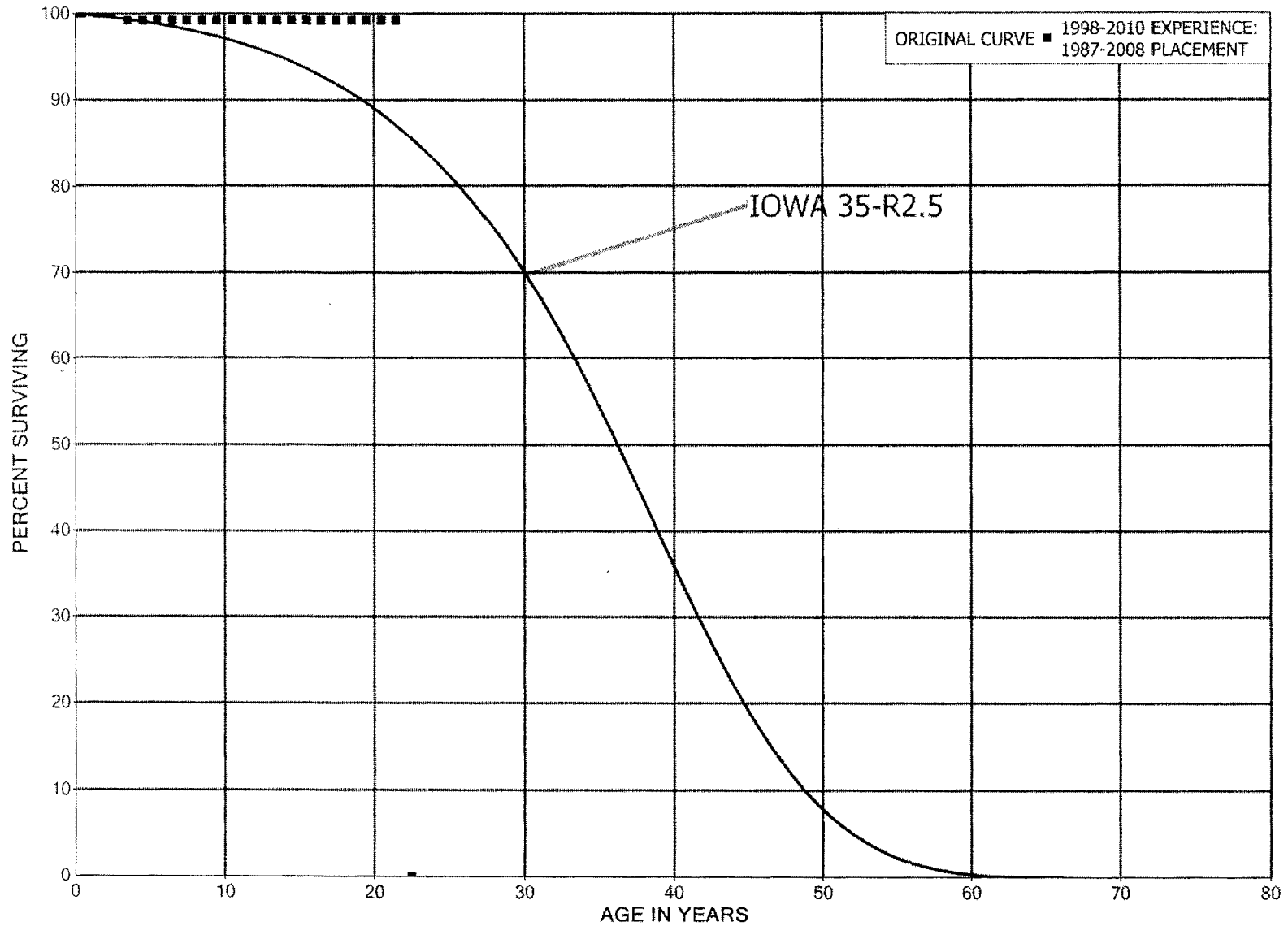
AQUA TEXAS, INC.

ACCOUNT 311.2 PUMPING EQUIPMENT - SOURCE OF SUPPLY AND PUMPING

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2010			EXPERIENCE BAND 1998-2010		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5					
80.5					
81.5					
82.5					
83.5					
84.5					
85.5					
86.5					
87.5					
88.5					
89.5					
90.5					
91.5					
92.5					
93.5					
94.5					
95.5					
96.5					
97.5					
98.5					
99.5					
100.5					
101.5					
102.5					
103.5					
104.5	39,671	39,671	1.0000		
105.5					

AQUA TEXAS, INC.
ACCOUNT 311.3 PUMPING EQUIPMENT - WATER TREATMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 311.3 PUMPING EQUIPMENT - WATER TREATMENT

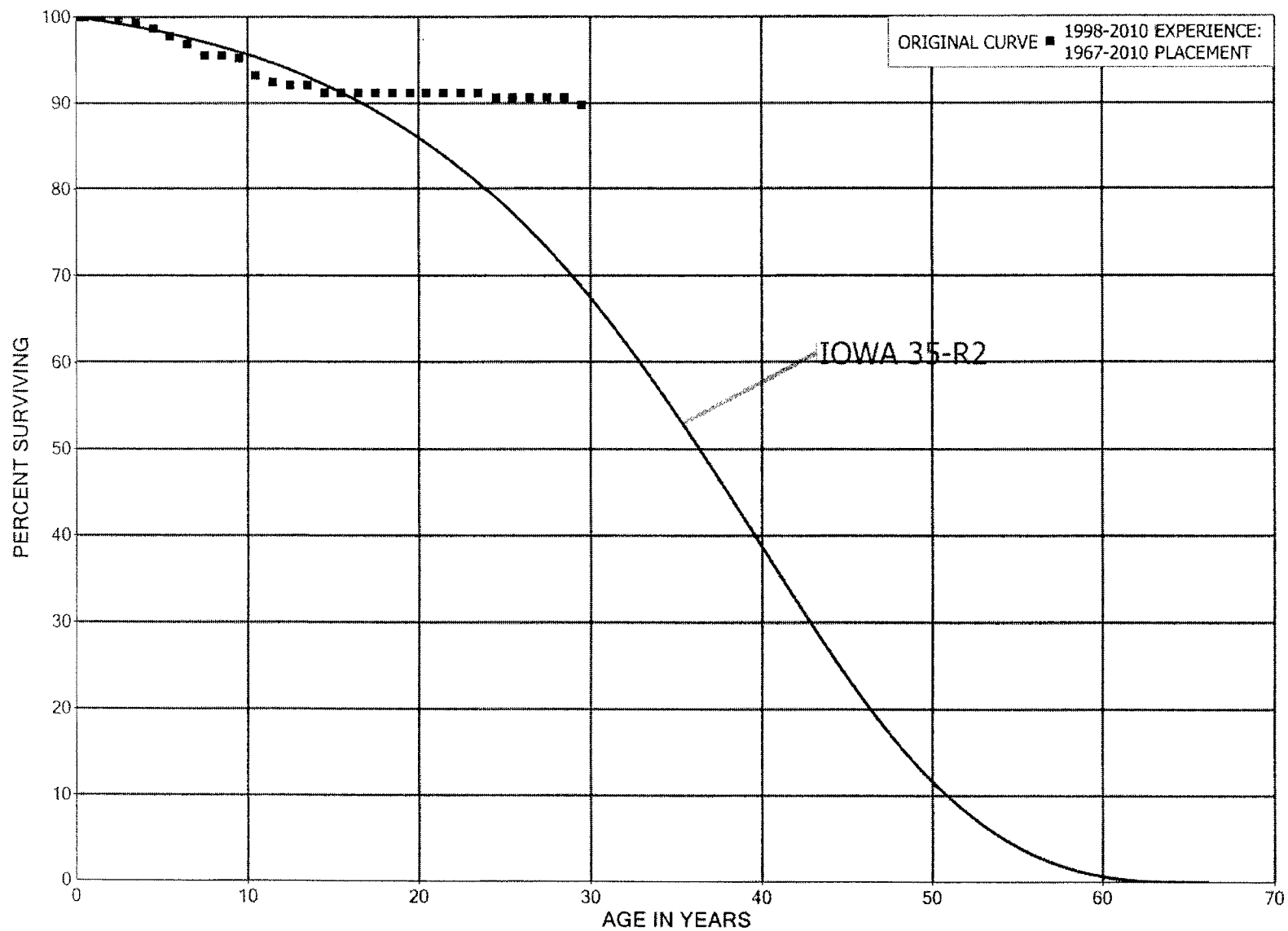
ORIGINAL LIFE TABLE

PLACEMENT BAND 1987-2008

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	407,038		0.0000	1.0000	100.00
0.5	408,720		0.0000	1.0000	100.00
1.5	408,720	306	0.0007	0.9993	100.00
2.5	403,007	3,143	0.0078	0.9922	99.93
3.5	377,506		0.0000	1.0000	99.15
4.5	317,683		0.0000	1.0000	99.15
5.5	311,183		0.0000	1.0000	99.15
6.5	214,654		0.0000	1.0000	99.15
7.5	201,601		0.0000	1.0000	99.15
8.5	149,670		0.0000	1.0000	99.15
9.5	113,293		0.0000	1.0000	99.15
10.5	41,544		0.0000	1.0000	99.15
11.5	3,787		0.0000	1.0000	99.15
12.5	3,787		0.0000	1.0000	99.15
13.5	3,787		0.0000	1.0000	99.15
14.5	3,787		0.0000	1.0000	99.15
15.5	3,787		0.0000	1.0000	99.15
16.5	3,787		0.0000	1.0000	99.15
17.5	3,787		0.0000	1.0000	99.15
18.5	3,787		0.0000	1.0000	99.15
19.5	3,787		0.0000	1.0000	99.15
20.5	3,787		0.0000	1.0000	99.15
21.5	3,787	3,787	1.0000		99.15
22.5					
23.5					
24.5	3,037		0.0000		
25.5					

AQUA TEXAS, INC.
ACCOUNT 311.4 PUMPING EQUIPMENT - TRANSMISSION AND DISTRIBUTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 311.4 PUMPING EQUIPMENT - TRANSMISSION AND DISTRIBUTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 1967-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	6,181,882		0.0000	1.0000	100.00
0.5	6,435,960		0.0000	1.0000	100.00
1.5	6,380,611	9,076	0.0014	0.9986	100.00
2.5	6,082,219	32,900	0.0054	0.9946	99.86
3.5	5,905,815	40,499	0.0069	0.9931	99.32
4.5	4,292,018	41,873	0.0098	0.9902	98.64
5.5	3,886,928	35,351	0.0091	0.9909	97.67
6.5	3,146,537	43,428	0.0138	0.9862	96.79
7.5	2,612,643		0.0000	1.0000	95.45
8.5	1,910,932	4,684	0.0025	0.9975	95.45
9.5	977,620	20,870	0.0213	0.9787	95.22
10.5	811,139	7,063	0.0087	0.9913	93.18
11.5	458,664	1,665	0.0036	0.9964	92.37
12.5	392,426		0.0000	1.0000	92.04
13.5	395,871	3,726	0.0094	0.9906	92.04
14.5	407,411		0.0000	1.0000	91.17
15.5	428,193		0.0000	1.0000	91.17
16.5	439,399		0.0000	1.0000	91.17
17.5	442,934		0.0000	1.0000	91.17
18.5	452,718		0.0000	1.0000	91.17
19.5	411,235		0.0000	1.0000	91.17
20.5	398,467		0.0000	1.0000	91.17
21.5	394,732		0.0000	1.0000	91.17
22.5	350,238		0.0000	1.0000	91.17
23.5	280,217	1,753	0.0063	0.9937	91.17
24.5	305,583		0.0000	1.0000	90.60
25.5	212,935		0.0000	1.0000	90.60
26.5	164,046		0.0000	1.0000	90.60
27.5	147,053		0.0000	1.0000	90.60
28.5	122,536	1,129	0.0092	0.9908	90.60
29.5	118,768		0.0000	1.0000	89.77
30.5	108,166		0.0000	1.0000	89.77
31.5	89,653		0.0000	1.0000	89.77
32.5	85,157		0.0000	1.0000	89.77
33.5	85,157		0.0000	1.0000	89.77
34.5	73,761		0.0000	1.0000	89.77
35.5	54,389		0.0000	1.0000	89.77
36.5	50,181		0.0000	1.0000	89.77
37.5	40,050		0.0000	1.0000	89.77
38.5	31,658		0.0000	1.0000	89.77

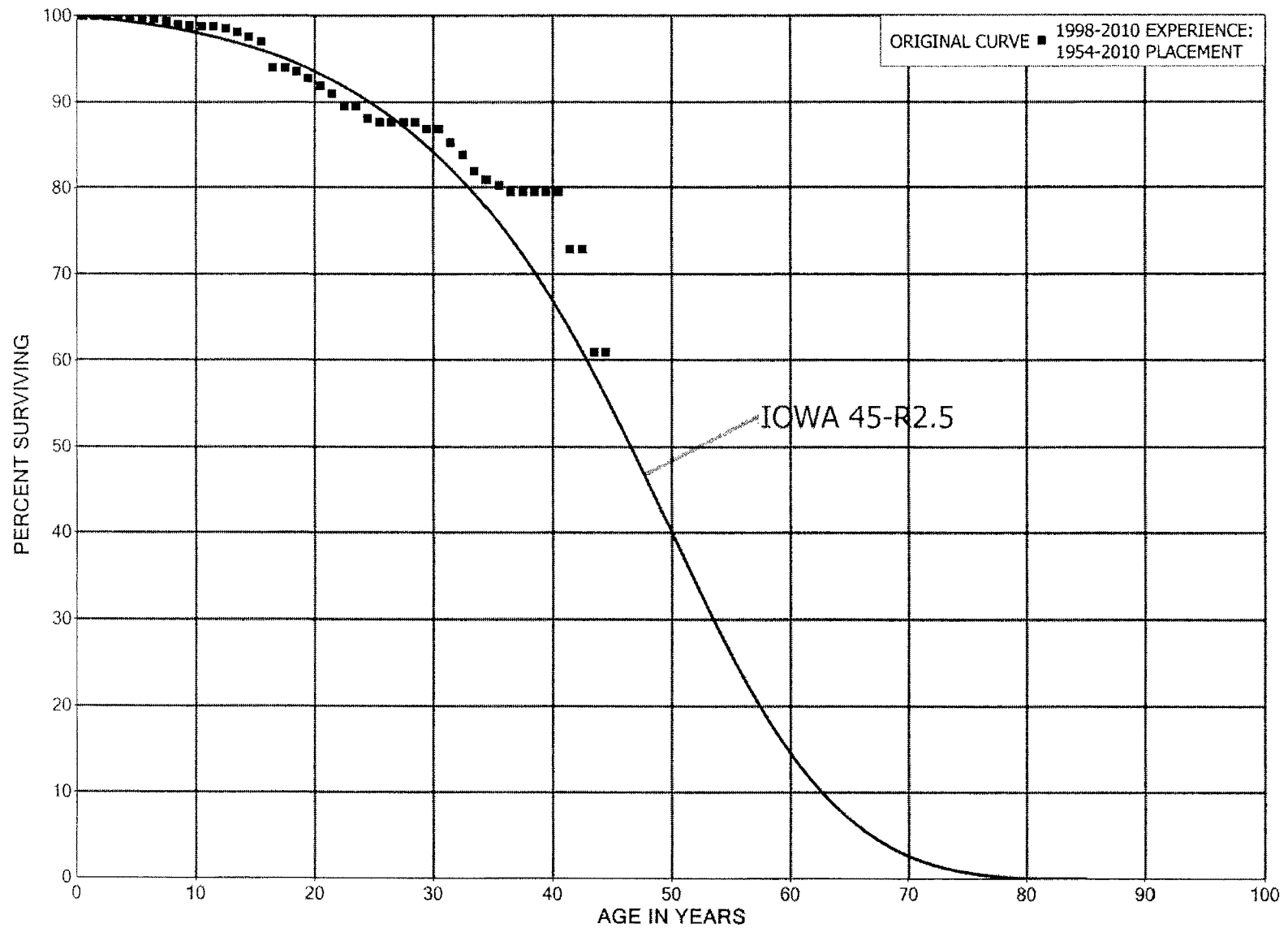
AQUA TEXAS, INC.

ACCOUNT 311.4 PUMPING EQUIPMENT - TRANSMISSION AND DISTRIBUTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1967-2010			EXPERIENCE BAND 1998-2010		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	23,897		0.0000	1.0000	89.77
40.5	12,606		0.0000	1.0000	89.77
41.5	12,606		0.0000	1.0000	89.77
42.5	1,948		0.0000	1.0000	89.77
43.5					89.77

AQUA TEXAS, INC.
ACCOUNT 320.0 WATER TREATMENT EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 320.0 WATER TREATMENT EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	4,057,143		0.0000	1.0000	100.00
0.5	4,006,383	1,849	0.0005	0.9995	100.00
1.5	3,938,459	2,634	0.0007	0.9993	99.95
2.5	3,632,967	2,244	0.0006	0.9994	99.89
3.5	3,558,390	3,417	0.0010	0.9990	99.83
4.5	3,650,710		0.0000	1.0000	99.73
5.5	2,385,204	3,539	0.0015	0.9985	99.73
6.5	1,992,538	6,253	0.0031	0.9969	99.58
7.5	1,427,071	5,243	0.0037	0.9963	99.27
8.5	1,038,530	973	0.0009	0.9991	98.90
9.5	815,085	951	0.0012	0.9988	98.81
10.5	627,150		0.0000	1.0000	98.70
11.5	455,281	1,000	0.0022	0.9978	98.70
12.5	461,398	2,069	0.0045	0.9955	98.48
13.5	473,813	2,539	0.0054	0.9946	98.04
14.5	470,410	2,964	0.0063	0.9937	97.51
15.5	450,260	13,437	0.0298	0.9702	96.90
16.5	413,631		0.0000	1.0000	94.01
17.5	215,595	1,058	0.0049	0.9951	94.01
18.5	221,744	2,074	0.0094	0.9906	93.55
19.5	215,908	1,905	0.0088	0.9912	92.67
20.5	199,948	2,035	0.0102	0.9898	91.85
21.5	180,383	2,715	0.0151	0.9849	90.92
22.5	172,651		0.0000	1.0000	89.55
23.5	160,800	2,582	0.0161	0.9839	89.55
24.5	158,906	970	0.0061	0.9939	88.11
25.5	119,233		0.0000	1.0000	87.57
26.5	88,768		0.0000	1.0000	87.57
27.5	75,039		0.0000	1.0000	87.57
28.5	71,323	600	0.0084	0.9916	87.57
29.5	57,182		0.0000	1.0000	86.84
30.5	48,012	851	0.0177	0.9823	86.84
31.5	38,574	676	0.0175	0.9825	85.30
32.5	35,668	796	0.0223	0.9777	83.80
33.5	30,010	350	0.0117	0.9883	81.93
34.5	26,913	224	0.0083	0.9917	80.98
35.5	23,089	224	0.0097	0.9903	80.30
36.5	17,975		0.0000	1.0000	79.52
37.5	9,405		0.0000	1.0000	79.52
38.5	8,334		0.0000	1.0000	79.52

AQUA TEXAS, INC.

ACCOUNT 320.0 WATER TREATMENT EQUIPMENT

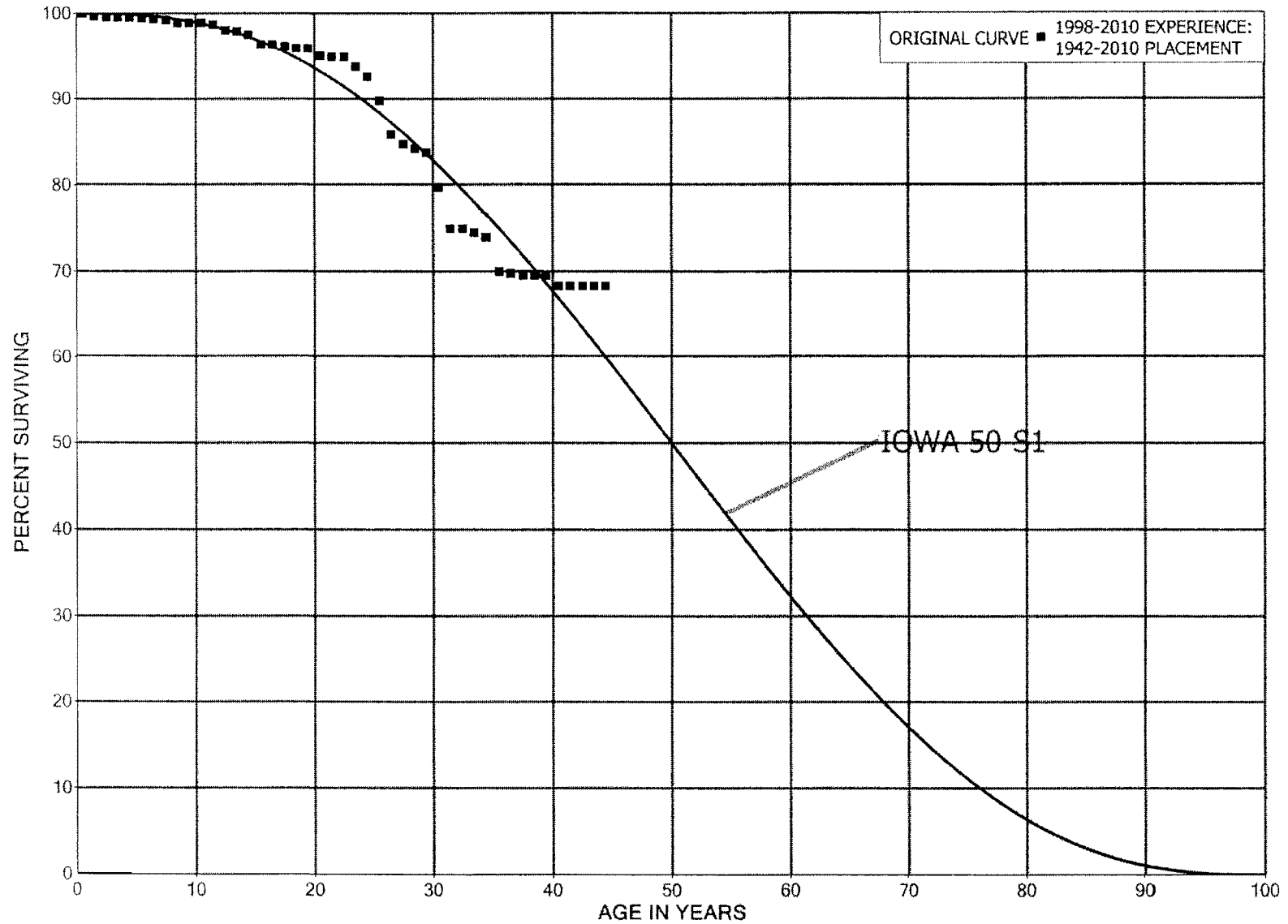
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,873		0.0000	1.0000	79.52
40.5	5,154	430	0.0834	0.9166	79.52
41.5	4,319		0.0000	1.0000	72.89
42.5	2,651	432	0.1631	0.8369	72.89
43.5	846		0.0000	1.0000	61.00
44.5	846		0.0000	1.0000	61.00
45.5	221		0.0000	1.0000	61.00
46.5	130		0.0000	1.0000	61.00
47.5	130		0.0000	1.0000	61.00
48.5	130		0.0000	1.0000	61.00
49.5	130		0.0000	1.0000	61.00
50.5	130		0.0000	1.0000	61.00
51.5	130		0.0000	1.0000	61.00
52.5	130		0.0000	1.0000	61.00
53.5	130		0.0000	1.0000	61.00
54.5	130		0.0000	1.0000	61.00
55.5	130		0.0000	1.0000	61.00
56.5					61.00

AQUA TEXAS, INC.
ACCOUNT 330.0 DISTRIBUTION RESERVOIRS AND STANDPIPES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 330.0 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1942-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	18,567,048		0.0000	1.0000	100.00
0.5	19,794,705	66,800	0.0034	0.9966	100.00
1.5	19,491,117	32,417	0.0017	0.9983	99.66
2.5	18,750,928	2,500	0.0001	0.9999	99.50
3.5	18,242,456		0.0000	1.0000	99.48
4.5	17,000,139	7,980	0.0005	0.9995	99.48
5.5	15,364,487	21,988	0.0014	0.9986	99.44
6.5	13,557,693	23,230	0.0017	0.9983	99.29
7.5	12,323,055	34,748	0.0028	0.9972	99.12
8.5	9,920,257	3,874	0.0004	0.9996	98.84
9.5	6,744,608		0.0000	1.0000	98.81
10.5	6,099,396	13,809	0.0023	0.9977	98.81
11.5	5,580,865	35,655	0.0064	0.9936	98.58
12.5	5,365,028	4,347	0.0008	0.9992	97.95
13.5	4,897,297	21,840	0.0045	0.9955	97.87
14.5	4,959,879	61,088	0.0123	0.9877	97.44
15.5	4,945,781		0.0000	1.0000	96.24
16.5	5,037,762	10,507	0.0021	0.9979	96.24
17.5	5,195,998	9,666	0.0019	0.9981	96.04
18.5	5,403,704		0.0000	1.0000	95.86
19.5	5,395,035	51,066	0.0095	0.9905	95.86
20.5	5,274,788	3,579	0.0007	0.9993	94.95
21.5	5,515,074	1,144	0.0002	0.9998	94.89
22.5	5,471,359	68,303	0.0125	0.9875	94.87
23.5	5,325,292	68,041	0.0128	0.9872	93.68
24.5	4,832,294	145,559	0.0301	0.9699	92.48
25.5	4,216,514	183,251	0.0435	0.9565	89.70
26.5	3,607,595	44,959	0.0125	0.9875	85.80
27.5	3,423,243	24,684	0.0072	0.9928	84.73
28.5	3,082,303	15,243	0.0049	0.9951	84.12
29.5	2,563,119	122,416	0.0478	0.9522	83.70
30.5	2,226,898	133,803	0.0601	0.9399	79.71
31.5	1,880,083	54	0.0000	1.0000	74.92
32.5	1,742,343	8,399	0.0048	0.9952	74.92
33.5	1,261,676	9,209	0.0073	0.9927	74.55
34.5	990,627	53,889	0.0544	0.9456	74.01
35.5	834,394	2,481	0.0030	0.9970	69.98
36.5	737,611	2,341	0.0032	0.9968	69.78
37.5	520,789		0.0000	1.0000	69.55
38.5	415,623		0.0000	1.0000	69.55

AQUA TEXAS, INC.

ACCOUNT 330.0 DISTRIBUTION RESERVOIRS AND STANDPIPES

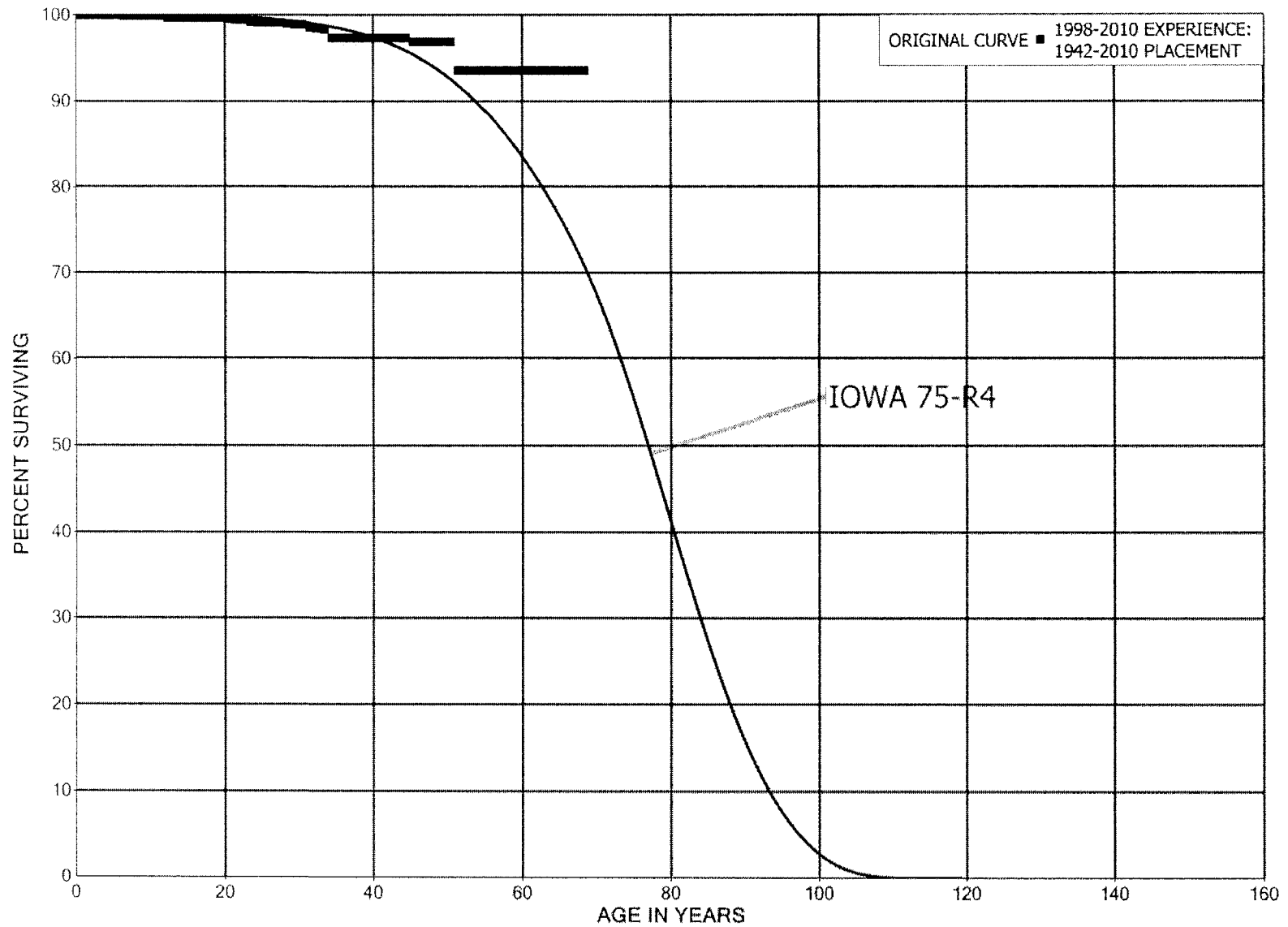
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1942-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	357,440	6,381	0.0179	0.9821	69.55
40.5	278,023		0.0000	1.0000	68.31
41.5	275,819		0.0000	1.0000	68.31
42.5	209,184		0.0000	1.0000	68.31
43.5	237,729		0.0000	1.0000	68.31
44.5	179,207		0.0000	1.0000	68.31
45.5	56,468		0.0000	1.0000	68.31
46.5	54,625		0.0000	1.0000	68.31
47.5	49,889		0.0000	1.0000	68.31
48.5	49,889	1,547	0.0310	0.9690	68.31
49.5	48,342		0.0000	1.0000	66.19
50.5	47,804		0.0000	1.0000	66.19
51.5	47,804		0.0000	1.0000	66.19
52.5	47,804		0.0000	1.0000	66.19
53.5	47,804		0.0000	1.0000	66.19
54.5	46,789		0.0000	1.0000	66.19
55.5	99,453		0.0000	1.0000	66.19
56.5	52,663		0.0000	1.0000	66.19
57.5	52,663		0.0000	1.0000	66.19
58.5	52,663		0.0000	1.0000	66.19
59.5	52,663		0.0000	1.0000	66.19
60.5	52,663		0.0000	1.0000	66.19
61.5	52,663		0.0000	1.0000	66.19
62.5	52,663		0.0000	1.0000	66.19
63.5	52,663		0.0000	1.0000	66.19
64.5	52,663		0.0000	1.0000	66.19
65.5	52,663		0.0000	1.0000	66.19
66.5	52,663		0.0000	1.0000	66.19
67.5	52,663		0.0000	1.0000	66.19
68.5					66.19

AQUA TEXAS, INC.
ACCOUNT 331.0 TRANSMISSION AND DISTRIBUTION MAINS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 331.0 TRANSMISSION AND DISTRIBUTION MAINS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1942-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	37,302,502		0.0000	1.0000	100.00
0.5	37,316,753		0.0000	1.0000	100.00
1.5	37,914,551	595	0.0000	1.0000	100.00
2.5	37,264,272	2,228	0.0001	0.9999	100.00
3.5	36,752,595	2,142	0.0001	0.9999	99.99
4.5	29,343,906	9,638	0.0003	0.9997	99.99
5.5	28,226,191	35,547	0.0013	0.9987	99.95
6.5	26,082,027		0.0000	1.0000	99.83
7.5	22,191,684		0.0000	1.0000	99.83
8.5	18,485,947		0.0000	1.0000	99.83
9.5	16,010,662		0.0000	1.0000	99.83
10.5	14,767,307		0.0000	1.0000	99.83
11.5	13,895,483	23,109	0.0017	0.9983	99.83
12.5	14,826,756		0.0000	1.0000	99.66
13.5	15,308,799		0.0000	1.0000	99.66
14.5	16,254,435		0.0000	1.0000	99.66
15.5	16,805,949	22	0.0000	1.0000	99.66
16.5	17,630,807	283	0.0000	1.0000	99.66
17.5	17,822,136	5,894	0.0003	0.9997	99.66
18.5	18,725,121	422	0.0000	1.0000	99.63
19.5	18,868,846	12,940	0.0007	0.9993	99.62
20.5	19,520,833	29,088	0.0015	0.9985	99.56
21.5	18,788,890	430	0.0000	1.0000	99.41
22.5	18,519,622	47,029	0.0025	0.9975	99.41
23.5	18,502,905	10,678	0.0006	0.9994	99.15
24.5	19,232,498	7,433	0.0004	0.9996	99.10
25.5	16,444,945	395	0.0000	1.0000	99.06
26.5	14,963,478	375	0.0000	1.0000	99.06
27.5	14,518,610	23,205	0.0016	0.9984	99.05
28.5	13,070,659	6,136	0.0005	0.9995	98.89
29.5	11,532,540	746	0.0001	0.9999	98.85
30.5	10,778,919	32,049	0.0030	0.9970	98.84
31.5	9,233,418	18,254	0.0020	0.9980	98.55
32.5	8,422,144	3,294	0.0004	0.9996	98.35
33.5	6,490,092	64,613	0.0100	0.9900	98.31
34.5	5,523,585	304	0.0001	0.9999	97.34
35.5	4,736,718		0.0000	1.0000	97.33
36.5	4,352,028	1,813	0.0004	0.9996	97.33
37.5	2,999,514		0.0000	1.0000	97.29
38.5	2,401,745	108	0.0000	1.0000	97.29

AQUA TEXAS, INC.

ACCOUNT 331.0 TRANSMISSION AND DISTRIBUTION MAINS

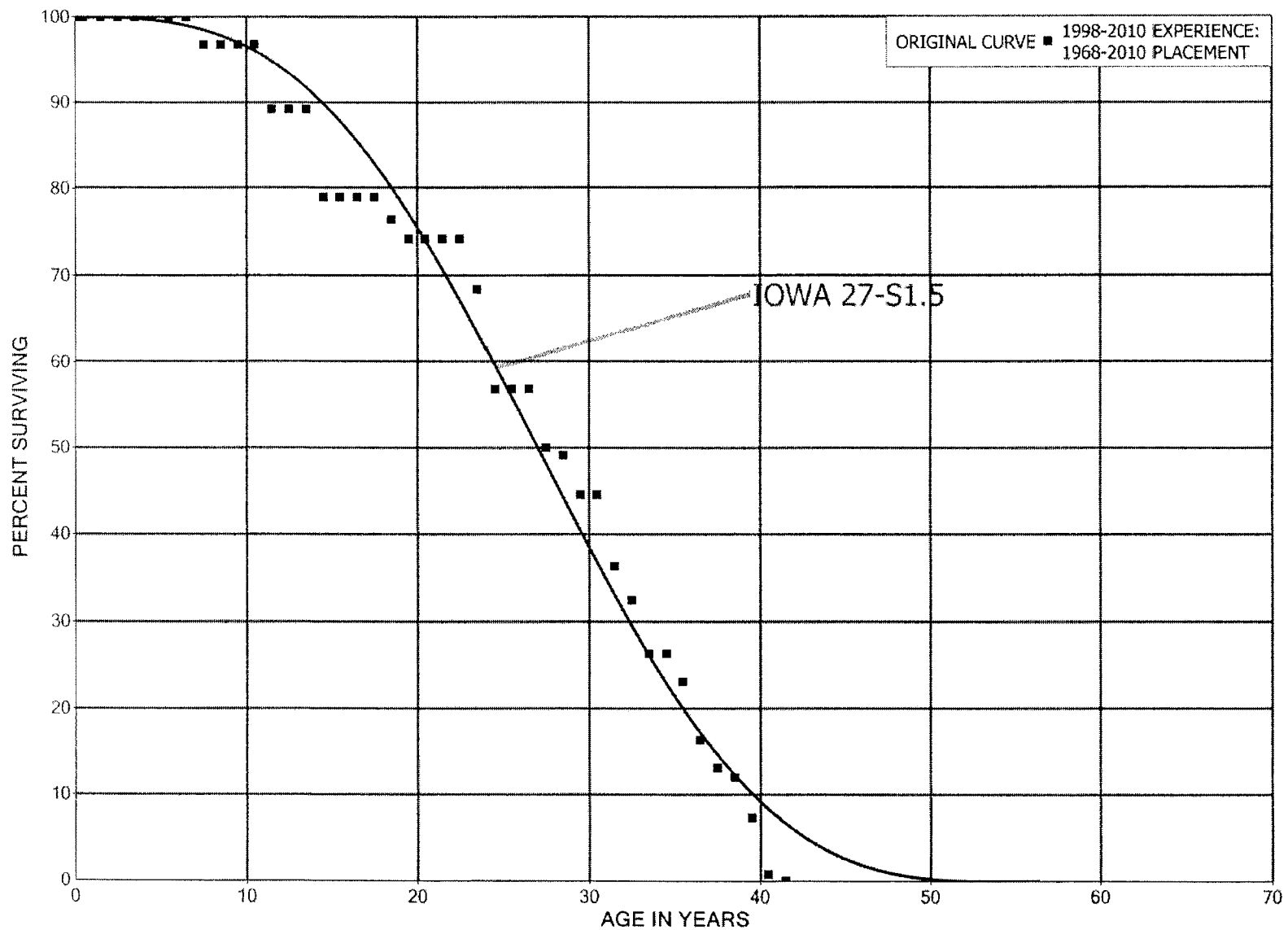
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1942-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,921,510		0.0000	1.0000	97.29
40.5	1,103,406		0.0000	1.0000	97.29
41.5	949,301		0.0000	1.0000	97.29
42.5	425,619		0.0000	1.0000	97.29
43.5	309,004		0.0000	1.0000	97.29
44.5	309,004	1,482	0.0048	0.9952	97.29
45.5	278,207		0.0000	1.0000	96.82
46.5	278,207		0.0000	1.0000	96.82
47.5	221,050		0.0000	1.0000	96.82
48.5	221,050		0.0000	1.0000	96.82
49.5	93,153		0.0000	1.0000	96.82
50.5	74,702	2,539	0.0340	0.9660	96.82
51.5	63,313		0.0000	1.0000	93.53
52.5	62,835		0.0000	1.0000	93.53
53.5	62,835		0.0000	1.0000	93.53
54.5	24,472		0.0000	1.0000	93.53
55.5	51,932		0.0000	1.0000	93.53
56.5	51,932		0.0000	1.0000	93.53
57.5	51,932		0.0000	1.0000	93.53
58.5	51,932		0.0000	1.0000	93.53
59.5	51,932		0.0000	1.0000	93.53
60.5	51,932		0.0000	1.0000	93.53
61.5	51,932		0.0000	1.0000	93.53
62.5	51,932		0.0000	1.0000	93.53
63.5	51,932		0.0000	1.0000	93.53
64.5	51,932		0.0000	1.0000	93.53
65.5	51,932		0.0000	1.0000	93.53
66.5	51,932		0.0000	1.0000	93.53
67.5	51,932		0.0000	1.0000	93.53
68.5					93.53

AQUA TEXAS, INC.
ACCOUNT 333.0 SERVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 333.0 SERVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1968-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	8,227,911		0.0000	1.0000	100.00
0.5	8,525,869	98	0.0000	1.0000	100.00
1.5	8,720,223		0.0000	1.0000	100.00
2.5	8,209,606		0.0000	1.0000	100.00
3.5	6,310,812		0.0000	1.0000	100.00
4.5	5,953,093		0.0000	1.0000	100.00
5.5	3,814,048		0.0000	1.0000	100.00
6.5	1,894,357	61,082	0.0322	0.9678	100.00
7.5	1,451,104		0.0000	1.0000	96.77
8.5	1,279,766		0.0000	1.0000	96.77
9.5	1,202,177		0.0000	1.0000	96.77
10.5	902,052	70,781	0.0785	0.9215	96.77
11.5	135,853		0.0000	1.0000	89.18
12.5	168,977		0.0000	1.0000	89.18
13.5	363,906	41,836	0.1150	0.8850	89.18
14.5	326,330		0.0000	1.0000	78.93
15.5	332,593		0.0000	1.0000	78.93
16.5	361,822		0.0000	1.0000	78.93
17.5	385,983	12,387	0.0321	0.9679	78.93
18.5	326,077	9,502	0.0291	0.9709	76.40
19.5	331,092		0.0000	1.0000	74.17
20.5	336,724		0.0000	1.0000	74.17
21.5	384,394		0.0000	1.0000	74.17
22.5	417,064	32,579	0.0781	0.9219	74.17
23.5	401,068	67,873	0.1692	0.8308	68.38
24.5	383,930		0.0000	1.0000	56.80
25.5	392,271		0.0000	1.0000	56.80
26.5	258,529	30,963	0.1198	0.8802	56.80
27.5	243,686	4,529	0.0186	0.9814	50.00
28.5	260,591	24,161	0.0927	0.9073	49.07
29.5	238,900		0.0000	1.0000	44.52
30.5	238,900	44,392	0.1858	0.8142	44.52
31.5	194,508	20,927	0.1076	0.8924	36.25
32.5	173,581	32,670	0.1882	0.8118	32.35
33.5	140,911		0.0000	1.0000	26.26
34.5	138,411	16,583	0.1198	0.8802	26.26
35.5	121,828	36,240	0.2975	0.7025	23.11
36.5	85,588	16,927	0.1978	0.8022	16.24
37.5	48,711	4,142	0.0850	0.9150	13.03
38.5	44,569	17,479	0.3922	0.6078	11.92

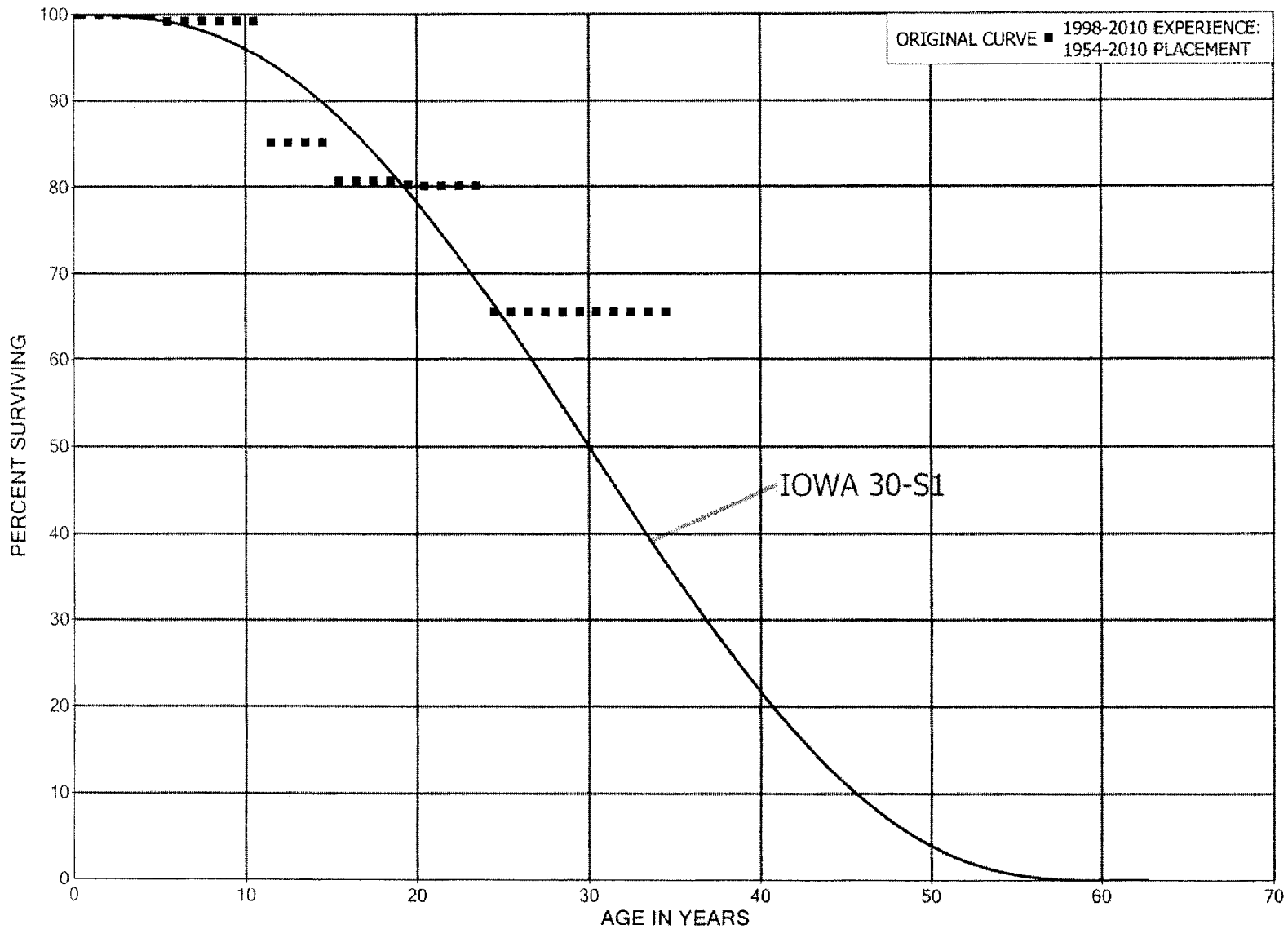
AQUA TEXAS, INC.

ACCOUNT 333.0 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1968-2010			EXPERIENCE BAND 1998-2010		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	23,904	21,434	0.8967	0.1033	7.24
40.5	2,470	2,470	1.0000		0.75
41.5					

AQUA TEXAS, INC.
ACCOUNT 334.0 METERS AND METER INSTALLATIONS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 334.0 METERS AND METER INSTALLATIONS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	16,619,069		0.0000	1.0000	100.00
0.5	16,943,640	256	0.0000	1.0000	100.00
1.5	17,206,251		0.0000	1.0000	100.00
2.5	15,094,745		0.0000	1.0000	100.00
3.5	12,590,859	34,390	0.0027	0.9973	100.00
4.5	11,951,893	66,943	0.0056	0.9944	99.73
5.5	11,575,795		0.0000	1.0000	99.17
6.5	11,088,879	149	0.0000	1.0000	99.17
7.5	9,599,496	116	0.0000	1.0000	99.17
8.5	10,138,773	2,180	0.0002	0.9998	99.16
9.5	1,174,343		0.0000	1.0000	99.14
10.5	308,109	43,498	0.1412	0.8588	99.14
11.5	198,018		0.0000	1.0000	85.15
12.5	149,413		0.0000	1.0000	85.15
13.5	103,095		0.0000	1.0000	85.15
14.5	103,896	5,421	0.0522	0.9478	85.15
15.5	129,754		0.0000	1.0000	80.70
16.5	129,518		0.0000	1.0000	80.70
17.5	95,032		0.0000	1.0000	80.70
18.5	99,739	462	0.0046	0.9954	80.70
19.5	99,281	226	0.0023	0.9977	80.33
20.5	101,345		0.0000	1.0000	80.15
21.5	97,167		0.0000	1.0000	80.15
22.5	96,828		0.0000	1.0000	80.15
23.5	97,962	17,875	0.1825	0.8175	80.15
24.5	136,395		0.0000	1.0000	65.52
25.5	129,602		0.0000	1.0000	65.52
26.5	126,309		0.0000	1.0000	65.52
27.5	123,525	130	0.0011	0.9989	65.52
28.5	90,461		0.0000	1.0000	65.45
29.5	88,028		0.0000	1.0000	65.45
30.5	84,766		0.0000	1.0000	65.45
31.5	81,237		0.0000	1.0000	65.45
32.5	80,154		0.0000	1.0000	65.45
33.5	76,917		0.0000	1.0000	65.45
34.5	79,348		0.0000	1.0000	65.45
35.5	77,521		0.0000	1.0000	65.45
36.5	73,358		0.0000	1.0000	65.45
37.5	7,472		0.0000	1.0000	65.45
38.5	7,261		0.0000	1.0000	65.45

AQUA TEXAS, INC.

ACCOUNT 334.0 METERS AND METER INSTALLATIONS

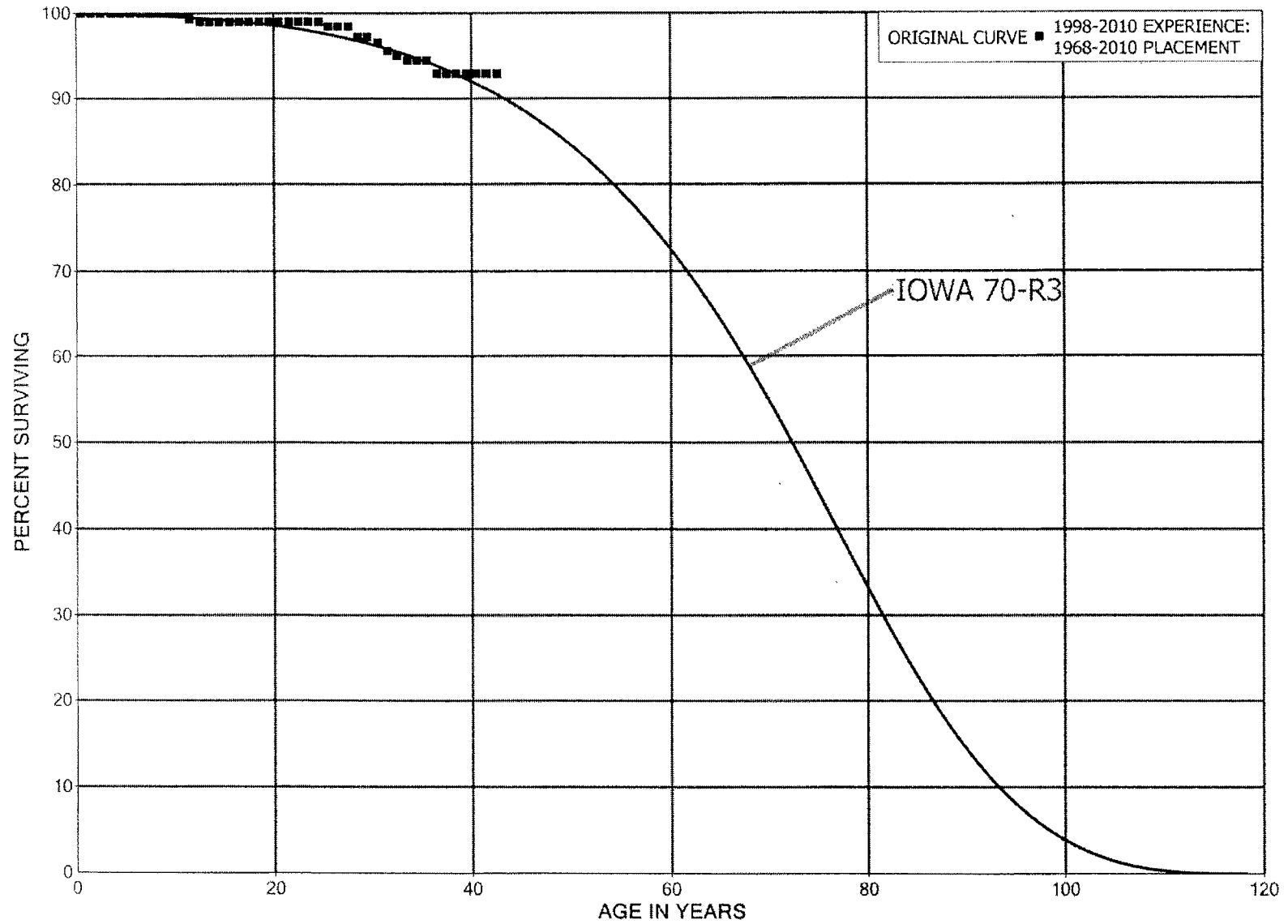
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,621		0.0000	1.0000	65.45
40.5	6,039		0.0000	1.0000	65.45
41.5	5,471		0.0000	1.0000	65.45
42.5	5,083		0.0000	1.0000	65.45
43.5	5,091		0.0000	1.0000	65.45
44.5	5,091		0.0000	1.0000	65.45
45.5	4,661		0.0000	1.0000	65.45
46.5	4,443		0.0000	1.0000	65.45
47.5	73		0.0000	1.0000	65.45
48.5	73		0.0000	1.0000	65.45
49.5	73		0.0000	1.0000	65.45
50.5	24		0.0000	1.0000	65.45
51.5	24		0.0000	1.0000	65.45
52.5	24		0.0000	1.0000	65.45
53.5	24		0.0000	1.0000	65.45
54.5	24		0.0000	1.0000	65.45
55.5	24		0.0000	1.0000	65.45
56.5					65.45

AQUA TEXAS, INC.
ACCOUNT 335.0 FIRE HYDRANTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 335.0 FIRE HYDRANTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1968-2010

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	387,738		0.0000	1.0000	100.00
0.5	478,784		0.0000	1.0000	100.00
1.5	473,036		0.0000	1.0000	100.00
2.5	513,750		0.0000	1.0000	100.00
3.5	550,710		0.0000	1.0000	100.00
4.5	495,527		0.0000	1.0000	100.00
5.5	508,087		0.0000	1.0000	100.00
6.5	499,331		0.0000	1.0000	100.00
7.5	611,234		0.0000	1.0000	100.00
8.5	531,129		0.0000	1.0000	100.00
9.5	489,657		0.0000	1.0000	100.00
10.5	497,323	3,441	0.0069	0.9931	100.00
11.5	523,937	1,583	0.0030	0.9970	99.31
12.5	392,801		0.0000	1.0000	99.01
13.5	377,448		0.0000	1.0000	99.01
14.5	397,174		0.0000	1.0000	99.01
15.5	352,467		0.0000	1.0000	99.01
16.5	321,699		0.0000	1.0000	99.01
17.5	322,692		0.0000	1.0000	99.01
18.5	336,827		0.0000	1.0000	99.01
19.5	346,872		0.0000	1.0000	99.01
20.5	409,074		0.0000	1.0000	99.01
21.5	425,192		0.0000	1.0000	99.01
22.5	354,629		0.0000	1.0000	99.01
23.5	342,872		0.0000	1.0000	99.01
24.5	325,873	2,016	0.0062	0.9938	99.01
25.5	302,039		0.0000	1.0000	98.40
26.5	214,398		0.0000	1.0000	98.40
27.5	194,367	2,430	0.0125	0.9875	98.40
28.5	188,251		0.0000	1.0000	97.17
29.5	190,943	1,332	0.0070	0.9930	97.17
30.5	184,660	1,783	0.0097	0.9903	96.49
31.5	160,829	1,032	0.0064	0.9936	95.56
32.5	128,036	728	0.0057	0.9943	94.94
33.5	65,160		0.0000	1.0000	94.40
34.5	34,743		0.0000	1.0000	94.40
35.5	33,710	574	0.0170	0.9830	94.40
36.5	27,831		0.0000	1.0000	92.80
37.5	15,673		0.0000	1.0000	92.80
38.5	11,051		0.0000	1.0000	92.80

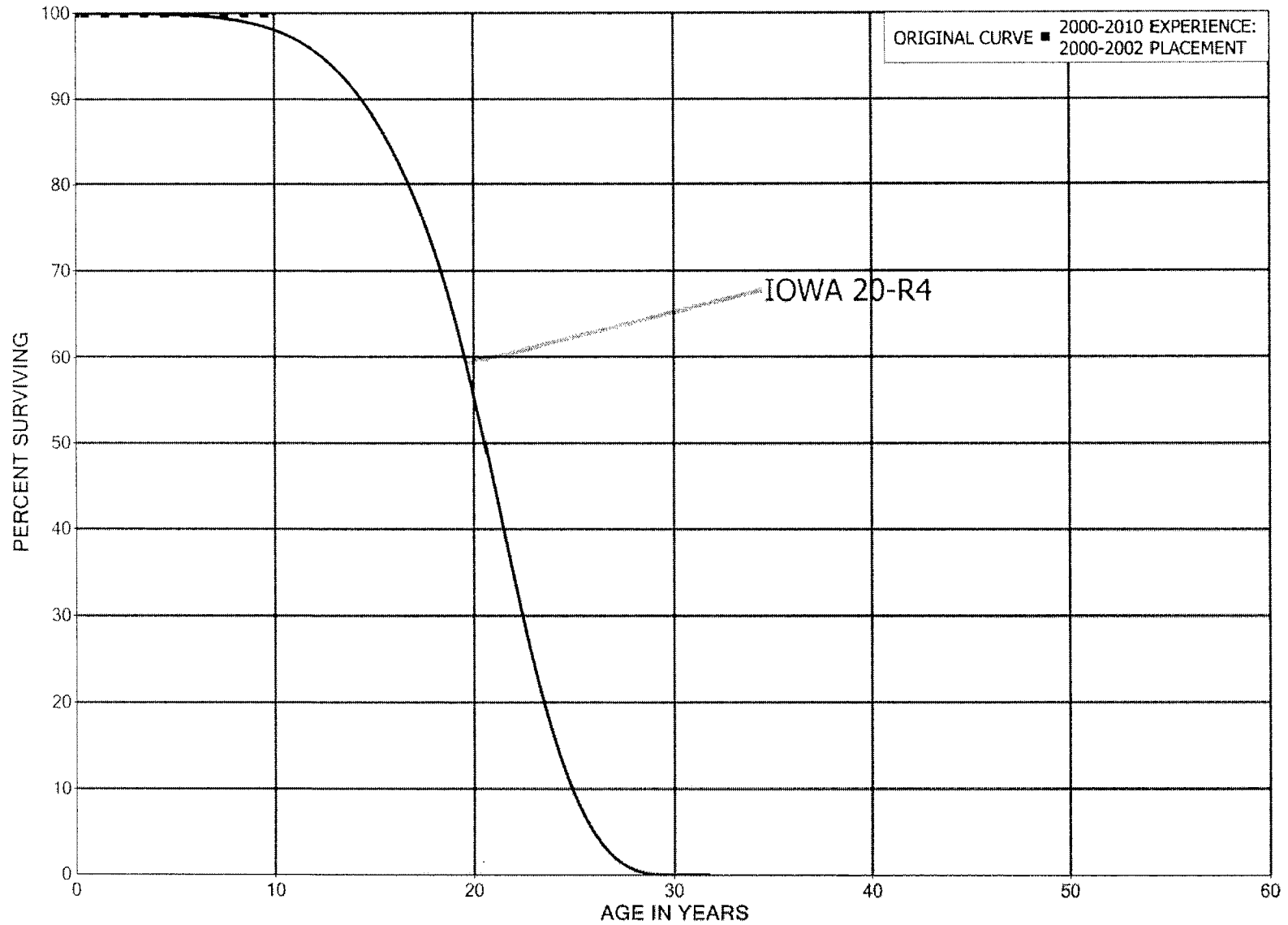
AQUA TEXAS, INC.

ACCOUNT 335.0 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1968-2010			EXPERIENCE BAND 1998-2010		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	8,477		0.0000	1.0000	92.80
40.5	8,076		0.0000	1.0000	92.80
41.5	4,318		0.0000	1.0000	92.80
42.5					92.80

AQUA TEXAS, INC.
ACCOUNT 339.1 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - INTANGIBLE
ORIGINAL AND SMOOTH SURVIVOR CURVES



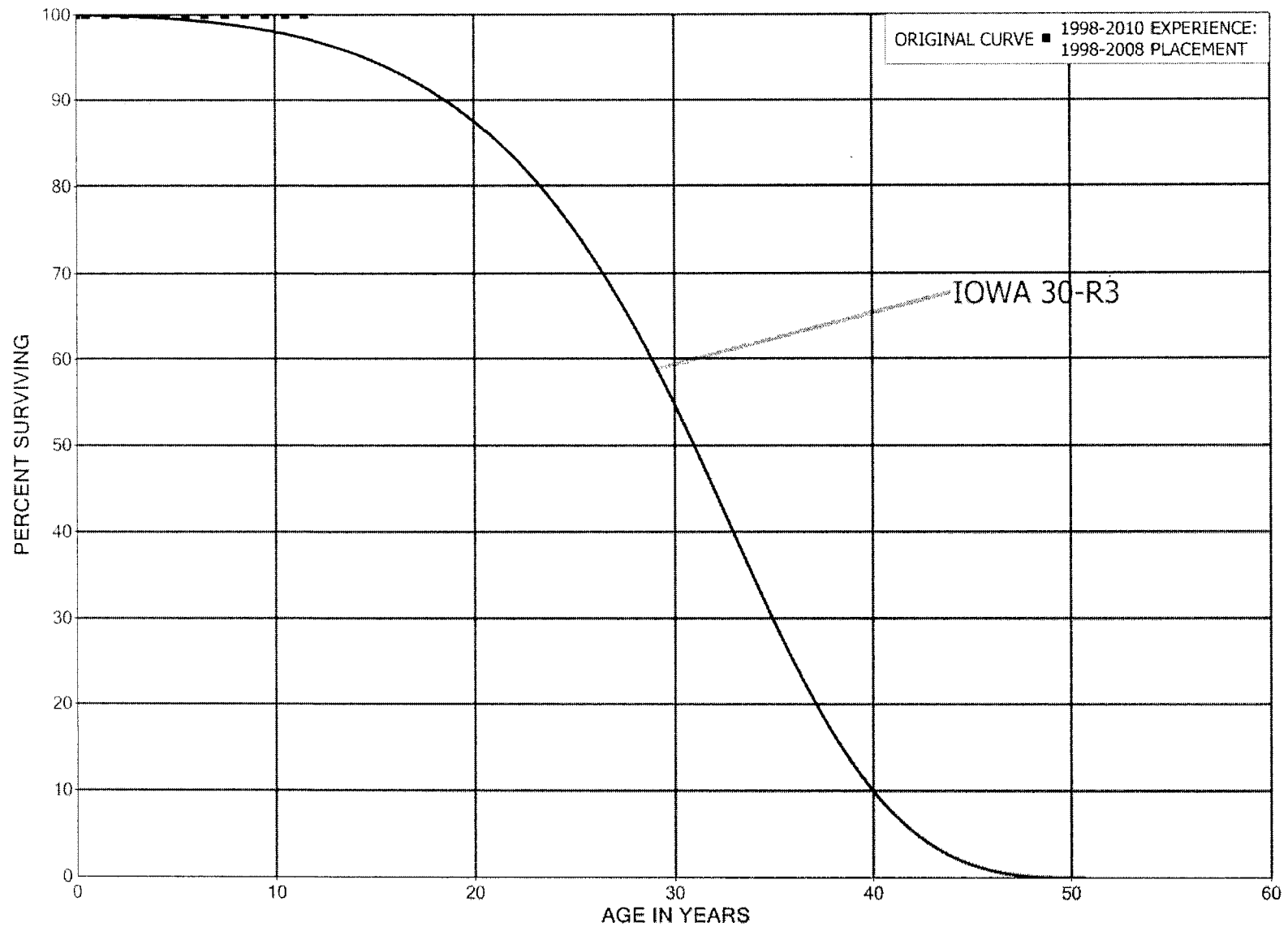
AQUA TEXAS, INC.

ACCOUNT 339.1 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - INTANGIBLE

ORIGINAL LIFE TABLE

PLACEMENT BAND 2000-2002			EXPERIENCE BAND 2000-2010		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	52,275		0.0000	1.0000	100.00
0.5	52,275		0.0000	1.0000	100.00
1.5	52,275		0.0000	1.0000	100.00
2.5	52,275		0.0000	1.0000	100.00
3.5	52,275		0.0000	1.0000	100.00
4.5	52,275		0.0000	1.0000	100.00
5.5	52,275		0.0000	1.0000	100.00
6.5	52,275		0.0000	1.0000	100.00
7.5	52,275		0.0000	1.0000	100.00
8.5	49,606		0.0000	1.0000	100.00
9.5					100.00

AQUA TEXAS, INC.
ACCOUNT 339.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - SOURCE OF SUPPLY AND PUMPING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 339.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - SOURCE OF SUPPLY AND
PUMPING

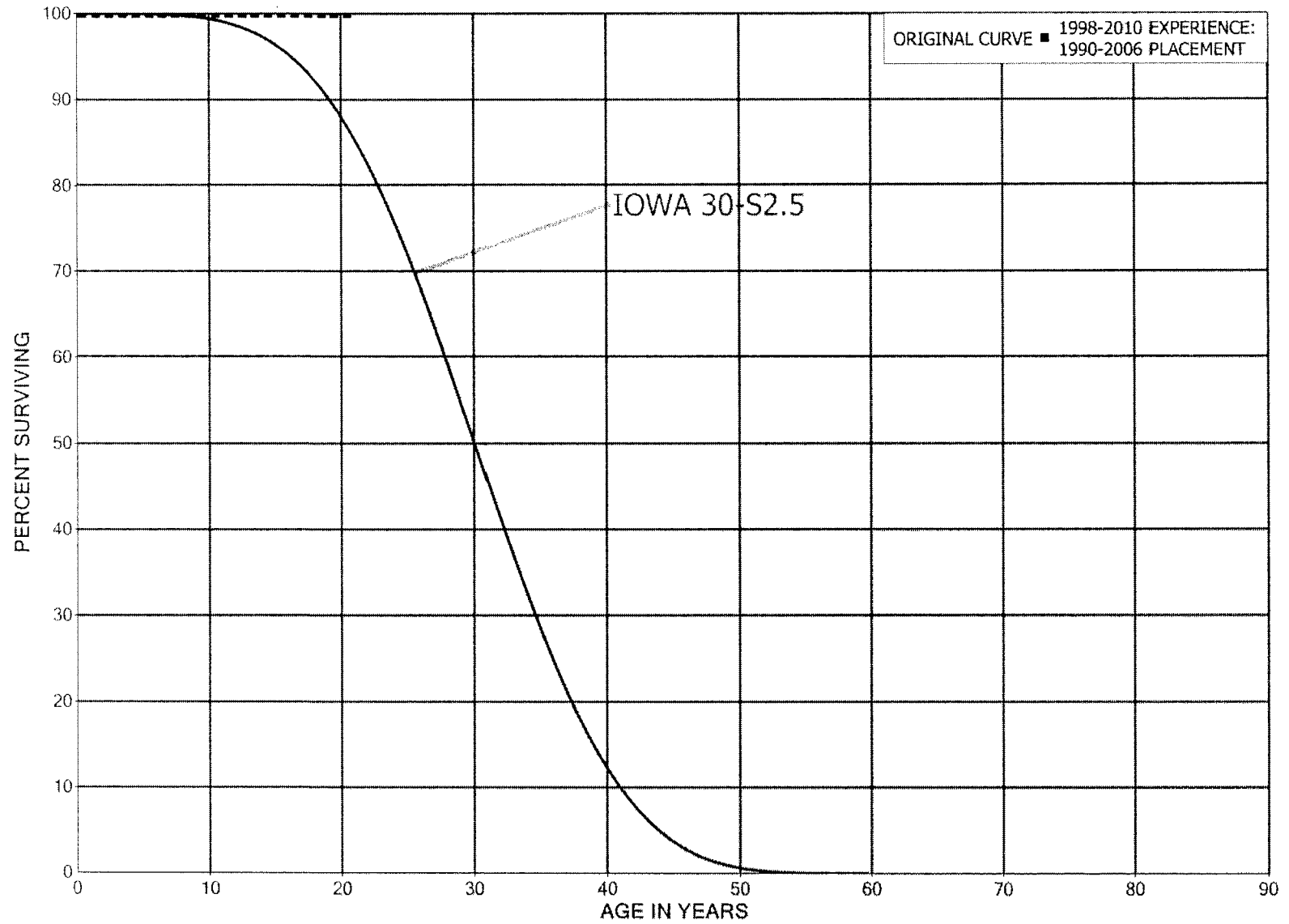
ORIGINAL LIFE TABLE

PLACEMENT BAND 1998-2008

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	461,658		0.0000	1.0000	100.00
0.5	461,658		0.0000	1.0000	100.00
1.5	461,658		0.0000	1.0000	100.00
2.5	449,425		0.0000	1.0000	100.00
3.5	449,445		0.0000	1.0000	100.00
4.5	482,631		0.0000	1.0000	100.00
5.5	529,558		0.0000	1.0000	100.00
6.5	373,802		0.0000	1.0000	100.00
7.5	295,028		0.0000	1.0000	100.00
8.5	271,590		0.0000	1.0000	100.00
9.5	271,366		0.0000	1.0000	100.00
10.5	173,411		0.0000	1.0000	100.00
11.5					100.00

AQUA TEXAS, INC.
ACCOUNT 339.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - WATER TREATMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 339.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - WATER TREATMENT

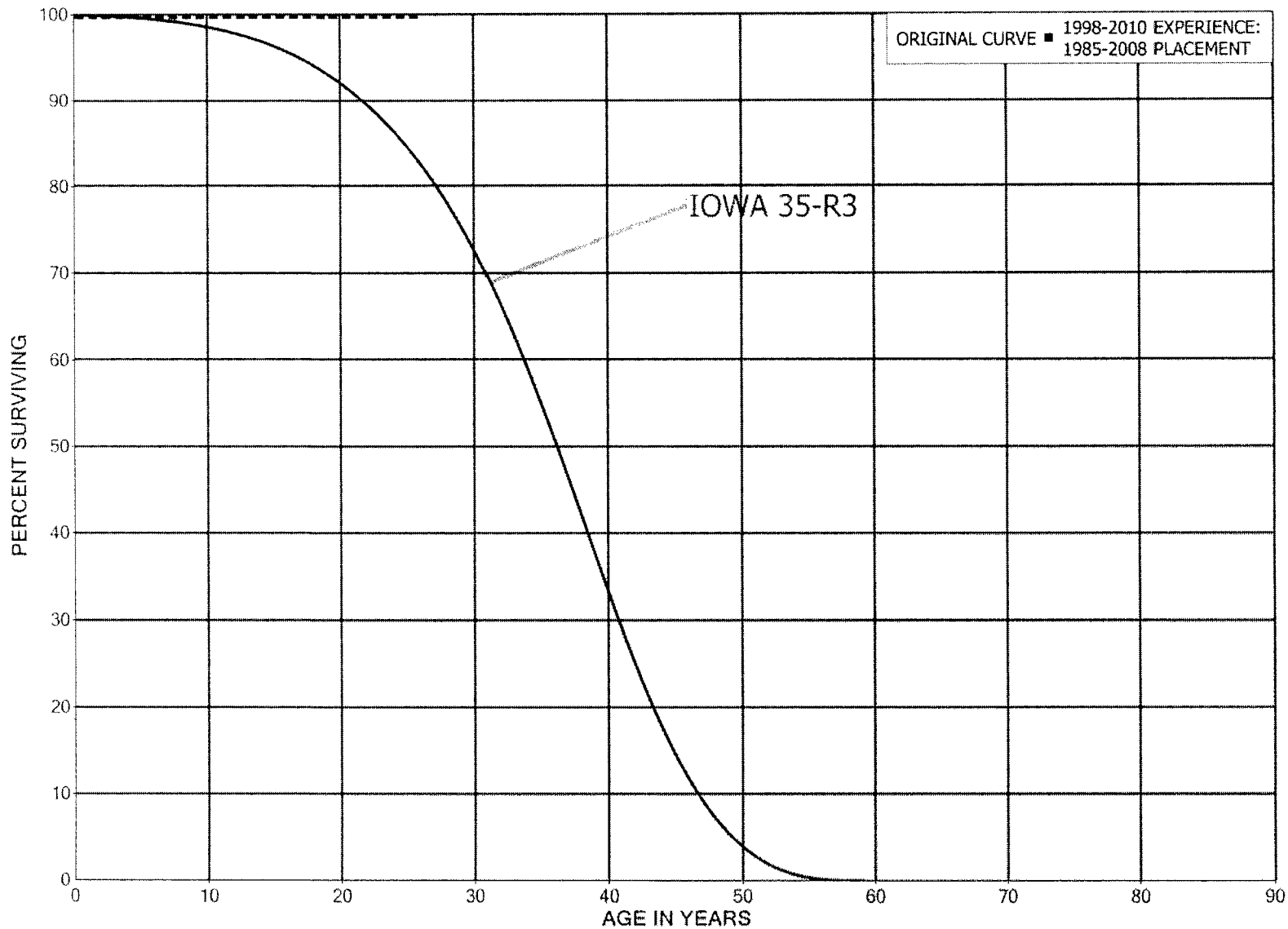
ORIGINAL LIFE TABLE

PLACEMENT BAND 1990-2006

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	311,592		0.0000	1.0000	100.00
0.5	311,592		0.0000	1.0000	100.00
1.5	311,592		0.0000	1.0000	100.00
2.5	311,592		0.0000	1.0000	100.00
3.5	311,592		0.0000	1.0000	100.00
4.5	303,092		0.0000	1.0000	100.00
5.5	303,092		0.0000	1.0000	100.00
6.5	112,098		0.0000	1.0000	100.00
7.5	125,365		0.0000	1.0000	100.00
8.5	125,365		0.0000	1.0000	100.00
9.5	38,148		0.0000	1.0000	100.00
10.5	13,268		0.0000	1.0000	100.00
11.5	13,268		0.0000	1.0000	100.00
12.5	13,268		0.0000	1.0000	100.00
13.5	13,268		0.0000	1.0000	100.00
14.5	13,268		0.0000	1.0000	100.00
15.5	13,268		0.0000	1.0000	100.00
16.5	13,268		0.0000	1.0000	100.00
17.5	13,268		0.0000	1.0000	100.00
18.5	13,268		0.0000	1.0000	100.00
19.5	13,268		0.0000	1.0000	100.00
20.5					100.00

AQUA TEXAS, INC.
ACCOUNT 339.4 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TRANSMISSION AND DISTRIBUTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 339.4 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TRANSMISSION AND
DISTRIBUTION

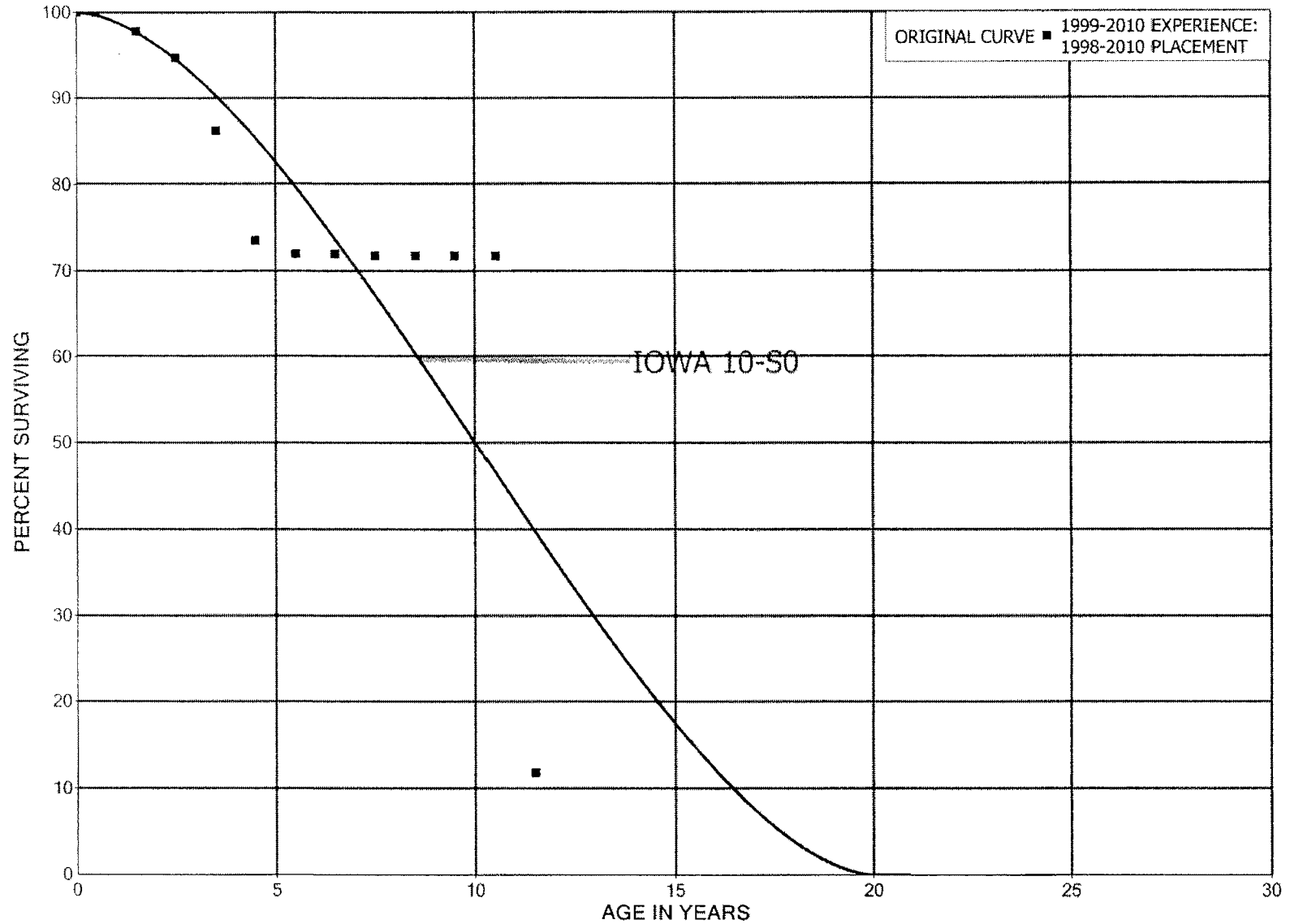
ORIGINAL LIFE TABLE

PLACEMENT BAND 1985-2008

EXPERIENCE BAND 1998-2010

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	762,581		0.0000	1.0000	100.00
0.5	762,581		0.0000	1.0000	100.00
1.5	762,581		0.0000	1.0000	100.00
2.5	792,677		0.0000	1.0000	100.00
3.5	792,703		0.0000	1.0000	100.00
4.5	788,627		0.0000	1.0000	100.00
5.5	731,947		0.0000	1.0000	100.00
6.5	651,863		0.0000	1.0000	100.00
7.5	410,336		0.0000	1.0000	100.00
8.5	36,599		0.0000	1.0000	100.00
9.5	31,800		0.0000	1.0000	100.00
10.5	31,800		0.0000	1.0000	100.00
11.5	31,800		0.0000	1.0000	100.00
12.5	43,420		0.0000	1.0000	100.00
13.5	43,420		0.0000	1.0000	100.00
14.5	11,620		0.0000	1.0000	100.00
15.5	11,620		0.0000	1.0000	100.00
16.5	11,620		0.0000	1.0000	100.00
17.5	11,620		0.0000	1.0000	100.00
18.5	11,620		0.0000	1.0000	100.00
19.5	11,620		0.0000	1.0000	100.00
20.5	11,620		0.0000	1.0000	100.00
21.5	11,620		0.0000	1.0000	100.00
22.5	11,620		0.0000	1.0000	100.00
23.5	11,620		0.0000	1.0000	100.00
24.5	11,620		0.0000	1.0000	100.00
25.5					100.00

AQUA TEXAS, INC.
ACCOUNT 341.0 TRANSPORTATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



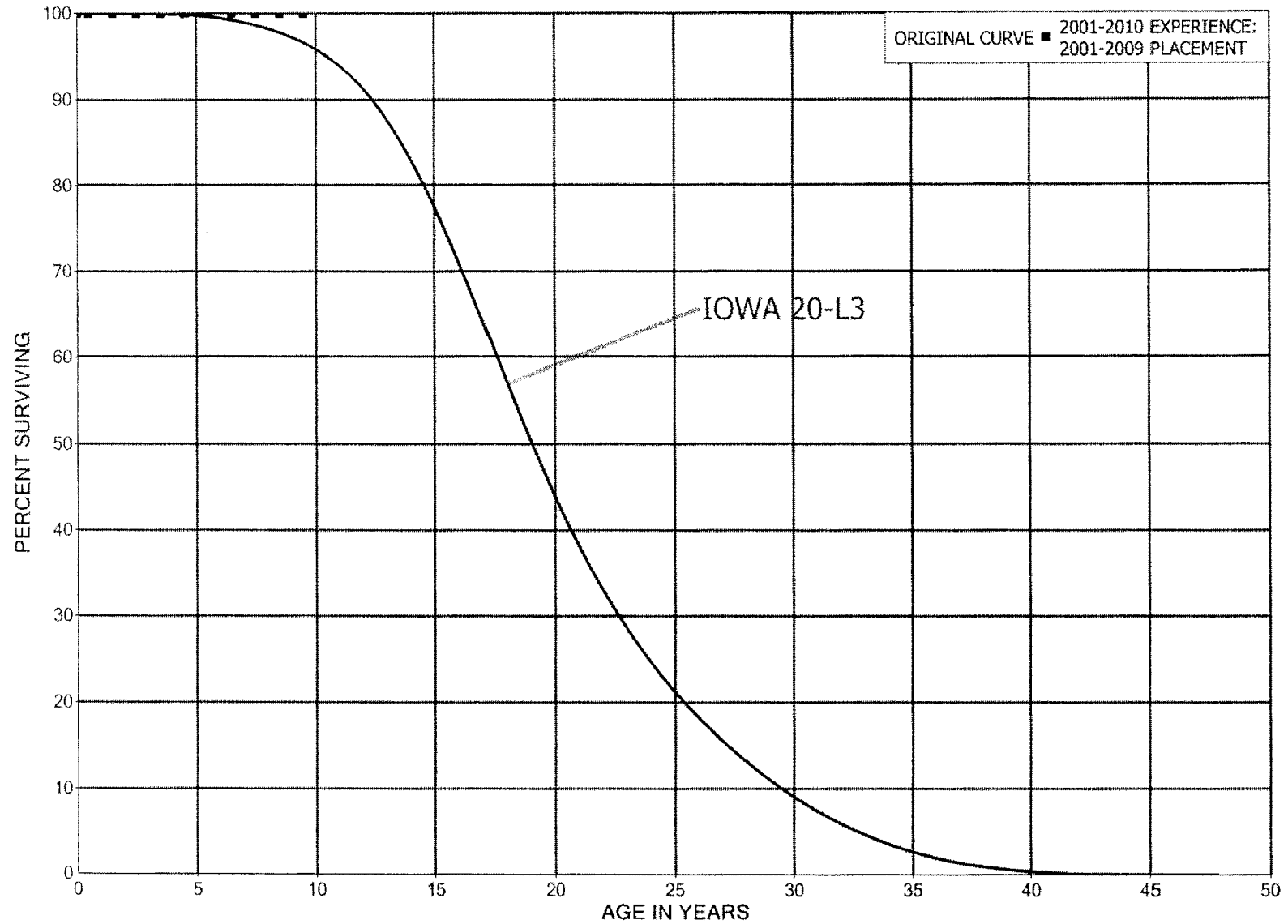
AQUA TEXAS, INC.

ACCOUNT 341.0 TRANSPORTATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1998-2010			EXPERIENCE BAND 1999-2010		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	2,111,925		0.0000	1.0000	100.00
0.5	2,087,442	47,180	0.0226	0.9774	100.00
1.5	1,999,720	64,252	0.0321	0.9679	97.74
2.5	1,718,491	152,857	0.0889	0.9111	94.60
3.5	1,565,633	230,643	0.1473	0.8527	86.18
4.5	801,122	16,973	0.0212	0.9788	73.49
5.5	745,355		0.0000	1.0000	71.93
6.5	427,967	1,319	0.0031	0.9969	71.93
7.5	215,961		0.0000	1.0000	71.71
8.5	21,684		0.0000	1.0000	71.71
9.5	22,726		0.0000	1.0000	71.71
10.5	50,605	42,353	0.8369	0.1631	71.71
11.5					11.69

AQUA TEXAS, INC.
ACCOUNT 345.0 POWER OPERATED EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA TEXAS, INC.

ACCOUNT 345.0 POWER OPERATED EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 2001-2009			EXPERIENCE BAND 2001-2010		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	253,446		0.0000	1.0000	100.00
0.5	253,446		0.0000	1.0000	100.00
1.5	204,226		0.0000	1.0000	100.00
2.5	204,226		0.0000	1.0000	100.00
3.5	204,226		0.0000	1.0000	100.00
4.5	204,226		0.0000	1.0000	100.00
5.5	201,292		0.0000	1.0000	100.00
6.5	92,671		0.0000	1.0000	100.00
7.5	13,068		0.0000	1.0000	100.00
8.5	13,068		0.0000	1.0000	100.00
9.5					100.00

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NET SALVAGE STATISTICS

AQUA TEXAS, INC.

ACCOUNT 304.2 STRUCTURES AND IMPROVEMENTS - SOURCE OF SUPPLY AND PUMPING

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2006	2,632		0		0		0
2007	10,465	317	3		0	317-	3-
2008							
2009							
2010							
TOTAL	13,097	317	2		0	317-	2-

THREE-YEAR MOVING AVERAGES

06-08	4,366	106	2		0	106-	2-
07-09	3,488	106	3		0	106-	3-
08-10							

FIVE-YEAR AVERAGE

06-10	2,619	63	2		0	63-	2-
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AQUA TEXAS, INC.

ACCOUNT 304.3 STRUCTURES AND IMPROVEMENTS - WATER TREATMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2005	10,098		0		0		0
2006	23,644		0		0		0
2007	14,982	2,383	16		0	2,383-	16-
2008							
2009	119		0		0		0
2010	4,825		0		0		0
TOTAL	53,668	2,383	4		0	2,383-	4-

THREE-YEAR MOVING AVERAGES

05-07	16,241	794	5		0	794-	5-
06-08	12,875	794	6		0	794-	6-
07-09	5,034	794	16		0	794-	16-
08-10	1,648		0		0		0

FIVE-YEAR AVERAGE

06-10	8,714	477	5		0	477-	5-
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AQUA TEXAS, INC.

ACCOUNT 304.4 STRUCTURES AND IMPROVEMENTS - TRANSMISSION AND DISTRIBUTION

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2005	86,055		0		0		0
2006							
2007	3,548		0		0		0
2008							
2009							
2010	308		0		0		0
TOTAL	89,911		0		0		0
THREE-YEAR MOVING AVERAGES							
05-07	29,868		0		0		0
06-08	1,183		0		0		0
07-09	1,183		0		0		0
08-10	103		0		0		0
FIVE-YEAR AVERAGE							
06-10	771		0		0		0

AQUA TEXAS, INC.

ACCOUNT 304.5 STRUCTURES AND IMPROVEMENTS - GENERAL

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2006	5,935		0		0		0
2007	16,308		0		0		0
2008							
2009	5,957		0		0		0
2010	1,752		0		0		0
TOTAL	29,953		0		0		0

THREE-YEAR MOVING AVERAGES

06-08	7,415		0		0		0
07-09	7,422		0		0		0
08-10	2,570		0		0		0

FIVE-YEAR AVERAGE

06-10	5,991		0		0		0
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AQUA TEXAS, INC.

ACCOUNT 307.0 WELLS AND SPRINGS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2005	181,404		0		0		0
2006	46,277		0		0		0
2007	49,817	1,790	4		0	1,790-	4-
2008	3,620		0		0		0
2009	7,486		0		0		0
2010	4,156	1,957	47		0	1,957-	47-
TOTAL	292,760	3,748	1		0	3,748-	1-

THREE-YEAR MOVING AVERAGES

05-07	92,499	597	1		0	597-	1-
06-08	33,238	597	2		0	597-	2-
07-09	20,308	597	3		0	597-	3-
08-10	5,087	652	13		0	652-	13-

FIVE-YEAR AVERAGE

06-10	22,271	750	3		0	750-	3-
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AQUA TEXAS, INC.

ACCOUNT 309.0 SUPPLY MAINS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2006	10,659		0		0		0
2007		1,283				1,283-	
2008							
2009							
2010							
TOTAL	10,659	1,283	12		0	1,283-	12-
THREE-YEAR MOVING AVERAGES							
06-08	3,553	428	12		0	428-	12-
07-09		428				428-	
08-10							
FIVE-YEAR AVERAGE							
06-10	2,132	257	12		0	257-	12-

AQUA TEXAS, INC.

ACCOUNT 311.2 PUMPING EQUIPMENT - SOURCE OF SUPPLY AND PUMPING

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2005	152,324		0		0		0
2006	211,409		0		0		0
2007	472,574	5,274	1		0	5,274-	1-
2008	148,392		0		0		0
2009	414,631		0		0		0
2010	165,409		0		0		0
TOTAL	1,564,739	5,274	0		0	5,274-	0

THREE-YEAR MOVING AVERAGES

05-07	278,769	1,758	1		0	1,758-	1-
06-08	277,458	1,758	1		0	1,758-	1-
07-09	345,199	1,758	1		0	1,758-	1-
08-10	242,811		0		0		0

FIVE-YEAR AVERAGE

06-10	282,483	1,055	0		0	1,055-	0
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AQUA TEXAS, INC.

ACCOUNT 311.3 PUMPING EQUIPMENT - TREATMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2006	306		0		0		0
2007	2,246		0		0		0
2008							
2009	4,684		0		0		0
2010							
TOTAL	7,236		0		0		0
THREE-YEAR MOVING AVERAGES							
06-08	850		0		0		0
07-09	2,310		0		0		0
08-10	1,562		0		0		0
FIVE-YEAR AVERAGE							
06-10	1,447		0		0		0