

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS & ACCESSORIES - C.I. - 6, 8 & 10"

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 100-R3                            |                         |                              |                               |                              |                     |                          |
| 1996  | 5,355,809.58            | 959,761                      | 859,104                       | 4,496,706                    | 73.29               | 61,355                   |
| 1997  | 11,493,450.77           | 1,930,900                    | 1,728,394                     | 9,765,057                    | 74.29               | 131,445                  |
| 1998  | 17,941,296.01           | 2,813,195                    | 2,518,156                     | 15,423,140                   | 75.29               | 204,850                  |
| 1999  | 13,308,849.13           | 1,937,768                    | 1,734,541                     | 11,574,308                   | 76.29               | 151,715                  |
| 2000  | 19,508,582.65           | 2,645,364                    | 2,367,927                     | 17,140,656                   | 76.50               | 224,061                  |
| 2001  | 20,306,045.38           | 2,524,041                    | 2,259,328                     | 18,046,717                   | 77.50               | 232,861                  |
| 2002  | 26,652,973.29           | 3,011,786                    | 2,695,920                     | 23,957,053                   | 78.50               | 305,185                  |
| 2003  | 31,737,209.27           | 3,227,674                    | 2,889,166                     | 28,848,043                   | 79.50               | 362,868                  |
| 2004  | 33,998,381.21           | 3,100,652                    | 2,775,466                     | 31,222,915                   | 79.72               | 391,657                  |
| 2005  | 49,379,068.39           | 3,940,450                    | 3,527,188                     | 45,851,880                   | 80.72               | 568,036                  |
| 2006  | 45,318,033.99           | 3,126,944                    | 2,799,000                     | 42,519,034                   | 80.96               | 525,186                  |
| 2007  | 65,951,622.37           | 3,792,218                    | 3,394,503                     | 62,557,119                   | 81.96               | 763,264                  |
| 2008  | 74,350,119.44           | 3,420,105                    | 3,061,416                     | 71,288,703                   | 82.96               | 859,314                  |
| 2009  | 102,782,097.71          | 3,576,817                    | 3,201,692                     | 99,580,406                   | 83.21               | 1,196,736                |
| 2010  | 150,346,626.93          | 3,518,111                    | 3,149,143                     | 147,197,484                  | 83.47               | 1,763,478                |
| 2011  | 37,873,597.15           | 446,908                      | 400,038                       | 37,473,559                   | 83.75               | 447,445                  |
| 2012  | 102,566,121.50          | 307,698                      | 275,427                       | 102,290,695                  | 83.08               | 1,231,231                |
|   | 987,708,977.23          | 92,885,822                   | 83,144,261                    | 904,564,712                  |                     | 11,688,614               |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 77.4                | 1.18                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS & ACCESSORIES - C.I. - 12" & OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                  | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 110-R3 |                         |                              |                               |                              |                     |                          |
| 1884                         | 27,044.47               | 17,822                       | 15,953                        | 11,091                       | 14.86               | 746                      |
| 1886                         | 49,670.13               | 32,643                       | 29,220                        | 20,450                       | 14.85               | 1,377                    |
| 1887                         | 37,623.57               | 24,196                       | 21,658                        | 15,966                       | 15.85               | 1,007                    |
| 1890                         | 1,149.72                | 721                          | 645                           | 505                          | 16.89               | 30                       |
| 1891                         | 2,478.98                | 1,578                        | 1,413                         | 1,066                        | 15.99               | 67                       |
| 1892                         | 16,283.35               | 10,148                       | 9,084                         | 7,199                        | 16.99               | 424                      |
| 1893                         | 5,547.28                | 3,384                        | 3,029                         | 2,518                        | 17.99               | 140                      |
| 1894                         | 6,269.49                | 3,880                        | 3,473                         | 2,796                        | 17.14               | 163                      |
| 1895                         | 3,807.24                | 2,306                        | 2,064                         | 1,743                        | 18.14               | 96                       |
| 1896                         | 3,081.46                | 1,947                        | 1,743                         | 1,338                        | 17.33               | 77                       |
| 1897                         | 4,742.84                | 2,851                        | 2,552                         | 2,191                        | 18.33               | 120                      |
| 1898                         | 29,413.35               | 17,313                       | 15,497                        | 13,916                       | 19.33               | 720                      |
| 1899                         | 193,123.82              | 118,385                      | 105,969                       | 87,155                       | 18.58               | 4,691                    |
| 1900                         | 54,248.13               | 32,576                       | 29,160                        | 25,088                       | 19.58               | 1,281                    |
| 1901                         | 7,023.76                | 4,009                        | 3,589                         | 3,435                        | 20.58               | 167                      |
| 1902                         | 6,198.19                | 3,681                        | 3,295                         | 2,903                        | 19.87               | 146                      |
| 1903                         | 10,472.48               | 6,095                        | 5,456                         | 5,016                        | 20.87               | 240                      |
| 1904                         | 15,697.75               | 8,686                        | 7,775                         | 7,923                        | 21.87               | 362                      |
| 1905                         | 147,099.01              | 84,626                       | 75,751                        | 71,348                       | 21.21               | 3,364                    |
| 1906                         | 55,071.31               | 31,049                       | 27,793                        | 27,278                       | 22.21               | 1,228                    |
| 1907                         | 66,110.86               | 35,442                       | 31,725                        | 34,386                       | 23.21               | 1,482                    |
| 1908                         | 70,946.20               | 39,524                       | 35,379                        | 35,567                       | 22.58               | 1,575                    |
| 1909                         | 313,767.79              | 171,286                      | 153,322                       | 160,446                      | 23.58               | 6,804                    |
| 1910                         | 10,171.63               | 5,441                        | 4,870                         | 5,302                        | 24.58               | 216                      |
| 1911                         | 3,866.36                | 2,084                        | 1,865                         | 2,001                        | 24.00               | 83                       |
| 1912                         | 12,882.56               | 6,805                        | 6,091                         | 6,792                        | 25.00               | 272                      |
| 1913                         | 48,830.71               | 25,285                       | 22,633                        | 26,198                       | 26.00               | 1,008                    |
| 1914                         | 7,612.56                | 3,965                        | 3,549                         | 4,064                        | 25.46               | 160                      |
| 1916                         | 9,372.38                | 4,691                        | 4,199                         | 5,173                        | 27.46               | 188                      |
| 1918                         | 126,089.79              | 62,238                       | 55,711                        | 70,379                       | 27.95               | 2,518                    |
| 1919                         | 562.72                  | 272                          | 243                           | 320                          | 28.95               | 11                       |
| 1920                         | 42,055.33               | 19,955                       | 17,862                        | 24,193                       | 29.95               | 808                      |
| 1921                         | 1,384.01                | 679                          | 608                           | 776                          | 29.48               | 26                       |
| 1922                         | 8,503.11                | 3,976                        | 3,559                         | 4,944                        | 30.48               | 162                      |
| 1923                         | 168,666.67              | 77,351                       | 69,239                        | 99,428                       | 31.48               | 3,158                    |
| 1924                         | 184,090.36              | 87,240                       | 78,091                        | 105,999                      | 31.05               | 3,414                    |
| 1925                         | 267,335.21              | 120,782                      | 108,115                       | 159,220                      | 32.05               | 4,968                    |
| 1926                         | 505,598.76              | 224,031                      | 200,535                       | 305,064                      | 33.05               | 9,230                    |
| 1927                         | 79,831.77               | 36,563                       | 32,728                        | 47,104                       | 32.65               | 1,443                    |

## AQUA PENNSYLVANIA, INC.

## ACCOUNT 331.03 MAINS &amp; ACCESSORIES - C.I. - 12" &amp; OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                  | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 110-R3 |                         |                              |                               |                              |                     |                          |
| 1928                         | 74,209.19               | 33,335                       | 29,839                        | 44,370                       | 33.65               | 1,319                    |
| 1929                         | 122,990.84              | 52,640                       | 47,119                        | 75,872                       | 34.65               | 2,190                    |
| 1930                         | 50,236.66               | 22,205                       | 19,876                        | 30,361                       | 34.28               | 886                      |
| 1931                         | 104,202.68              | 45,193                       | 40,453                        | 63,750                       | 35.28               | 1,807                    |
| 1932                         | 39,374.06               | 16,762                       | 15,004                        | 24,370                       | 36.28               | 672                      |
| 1933                         | 92,203.30               | 37,379                       | 33,459                        | 58,744                       | 37.28               | 1,576                    |
| 1934                         | 24,286.44               | 10,174                       | 9,107                         | 15,179                       | 36.94               | 411                      |
| 1935                         | 60,746.28               | 24,973                       | 22,354                        | 38,392                       | 37.94               | 1,012                    |
| 1936                         | 2,219.19                | 896                          | 802                           | 1,417                        | 38.94               | 36                       |
| 1937                         | 59,801.98               | 24,178                       | 21,642                        | 38,160                       | 38.64               | 988                      |
| 1938                         | 884.91                  | 351                          | 314                           | 571                          | 39.64               | 14                       |
| 1939                         | 18,254.37               | 7,110                        | 6,364                         | 11,890                       | 40.64               | 293                      |
| 1940                         | 120,020.21              | 45,896                       | 41,083                        | 78,937                       | 41.64               | 1,896                    |
| 1941                         | 55,676.57               | 21,335                       | 19,097                        | 36,580                       | 41.36               | 884                      |
| 1942                         | 114,288.54              | 42,995                       | 38,486                        | 75,803                       | 42.36               | 1,789                    |
| 1943                         | 1,228.10                | 454                          | 406                           | 822                          | 43.36               | 19                       |
| 1944                         | 8,990.07                | 3,261                        | 2,919                         | 6,071                        | 44.36               | 137                      |
| 1945                         | 27,971.70               | 10,459                       | 9,362                         | 18,610                       | 44.11               | 422                      |
| 1946                         | 8,315.87                | 2,965                        | 2,654                         | 5,662                        | 45.11               | 126                      |
| 1947                         | 516,203.18              | 180,723                      | 161,769                       | 354,434                      | 46.11               | 7,687                    |
| 1948                         | 602,967.77              | 217,551                      | 194,735                       | 408,233                      | 45.89               | 8,896                    |
| 1949                         | 368,709.44              | 130,671                      | 116,967                       | 251,742                      | 46.89               | 5,369                    |
| 1950                         | 677,564.82              | 229,017                      | 204,998                       | 472,567                      | 47.89               | 9,868                    |
| 1951                         | 441,280.45              | 146,461                      | 131,101                       | 310,179                      | 48.89               | 6,344                    |
| 1952                         | 448,800.37              | 153,579                      | 137,472                       | 311,328                      | 48.70               | 6,393                    |
| 1953                         | 1,819,485.23            | 611,711                      | 547,557                       | 1,271,928                    | 49.70               | 25,592                   |
| 1954                         | 853,893.34              | 282,041                      | 252,461                       | 601,432                      | 50.70               | 11,863                   |
| 1955                         | 384,439.41              | 121,022                      | 108,330                       | 276,109                      | 51.70               | 5,341                    |
| 1956                         | 265,796.74              | 86,278                       | 77,229                        | 188,568                      | 51.53               | 3,659                    |
| 1957                         | 267,680.67              | 85,390                       | 76,435                        | 191,246                      | 52.53               | 3,641                    |
| 1958                         | 569,010.03              | 178,385                      | 159,677                       | 409,333                      | 53.53               | 7,647                    |
| 1959                         | 1,303,901.94            | 389,476                      | 348,629                       | 955,273                      | 54.53               | 17,518                   |
| 1960                         | 570,458.63              | 175,758                      | 157,325                       | 413,134                      | 54.38               | 7,597                    |
| 1961                         | 682,527.50              | 206,738                      | 185,056                       | 497,472                      | 55.38               | 8,983                    |
| 1962                         | 1,018,159.80            | 303,106                      | 271,317                       | 746,843                      | 56.38               | 13,247                   |
| 1963                         | 694,236.13              | 203,203                      | 181,892                       | 512,344                      | 57.38               | 8,929                    |
| 1964                         | 1,117,965.00            | 326,893                      | 292,610                       | 825,355                      | 57.26               | 14,414                   |
| 1965                         | 1,409,469.76            | 405,223                      | 362,725                       | 1,046,745                    | 58.26               | 17,967                   |
| 1966                         | 2,114,718.39            | 597,831                      | 535,132                       | 1,579,586                    | 59.26               | 26,655                   |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS & ACCESSORIES - C.I. - 12" & OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                  | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 110-R3 |                         |                              |                               |                              |                     |                          |
| 1967                         | 1,700,133.40            | 472,467                      | 422,916                       | 1,277,217                    | 60.26               | 21,195                   |
| 1968                         | 642,229.14              | 183,806                      | 164,529                       | 477,700                      | 60.17               | 7,939                    |
| 1969                         | 492,375.07              | 134,468                      | 120,365                       | 372,010                      | 61.17               | 6,082                    |
| 1970                         | 844,825.37              | 226,920                      | 203,121                       | 641,704                      | 62.17               | 10,322                   |
| 1971                         | 948,680.54              | 250,547                      | 224,270                       | 724,411                      | 63.17               | 11,468                   |
| 1972                         | 1,222,258.11            | 332,699                      | 297,807                       | 924,451                      | 63.09               | 14,653                   |
| 1973                         | 1,496,025.17            | 388,219                      | 347,504                       | 1,148,521                    | 64.09               | 17,920                   |
| 1974                         | 3,070,477.91            | 783,586                      | 701,406                       | 2,369,072                    | 65.09               | 36,397                   |
| 1975                         | 4,912,423.83            | 1,233,510                    | 1,104,144                     | 3,808,280                    | 66.09               | 57,623                   |
| 1976                         | 319,486.84              | 78,913                       | 70,637                        | 248,850                      | 67.09               | 3,709                    |
| 1977                         | 1,121,575.22            | 276,693                      | 247,674                       | 873,901                      | 67.04               | 13,036                   |
| 1978                         | 1,351,950.02            | 328,118                      | 293,706                       | 1,058,244                    | 68.04               | 15,553                   |
| 1979                         | 3,202,698.78            | 764,804                      | 684,594                       | 2,518,105                    | 69.04               | 36,473                   |
| 1980                         | 1,922,865.35            | 451,681                      | 404,310                       | 1,518,555                    | 70.04               | 21,681                   |
| 1981                         | 1,711,430.47            | 401,330                      | 359,240                       | 1,352,190                    | 70.01               | 19,314                   |
| 1982                         | 1,816,308.13            | 419,022                      | 375,076                       | 1,441,232                    | 71.01               | 20,296                   |
| 1983                         | 636,407.28              | 139,628                      | 124,984                       | 511,423                      | 72.01               | 7,102                    |
| 1984                         | 1,443,057.87            | 300,445                      | 268,935                       | 1,174,123                    | 73.01               | 16,082                   |
| 1985                         | 3,256,883.18            | 617,831                      | 553,035                       | 2,703,848                    | 74.01               | 36,534                   |
| 1986                         | 1,901,438.06            | 494,374                      | 442,526                       | 1,458,912                    | 74.00               | 19,715                   |
| 1987                         | 2,707,914.70            | 676,979                      | 605,980                       | 2,101,935                    | 75.00               | 28,026                   |
| 1988                         | 3,746,162.34            | 899,079                      | 804,787                       | 2,941,375                    | 76.00               | 38,702                   |
| 1989                         | 5,281,918.89            | 1,214,841                    | 1,087,433                     | 4,194,486                    | 77.00               | 54,474                   |
| 1990                         | 3,039,502.85            | 675,378                      | 604,547                       | 2,434,956                    | 77.01               | 31,619                   |
| 1991                         | 2,959,191.15            | 627,644                      | 561,819                       | 2,397,372                    | 78.01               | 30,732                   |
| 1992                         | 1,970,158.09            | 397,972                      | 356,234                       | 1,613,924                    | 79.01               | 20,427                   |
| 1993                         | 6,383,730.41            | 1,225,038                    | 1,096,560                     | 5,287,170                    | 80.01               | 66,081                   |
| 1994                         | 8,692,889.55            | 1,580,367                    | 1,414,623                     | 7,278,267                    | 81.01               | 89,844                   |
| 1995                         | 6,767,086.38            | 1,173,413                    | 1,050,349                     | 5,716,737                    | 81.04               | 70,542                   |
| 1996                         | 4,910,125.93            | 801,333                      | 717,292                       | 4,192,834                    | 82.04               | 51,107                   |
| 1997                         | 5,377,339.82            | 822,733                      | 736,447                       | 4,640,893                    | 83.04               | 55,887                   |
| 1998                         | 19,734,273.80           | 2,818,054                    | 2,522,506                     | 17,211,768                   | 84.04               | 204,804                  |
| 1999                         | 11,755,252.47           | 1,558,746                    | 1,395,270                     | 10,359,982                   | 85.04               | 121,825                  |
| 2000                         | 16,673,129.83           | 2,060,799                    | 1,844,669                     | 14,828,461                   | 85.09               | 174,268                  |
| 2001                         | 16,340,190.11           | 1,851,344                    | 1,657,181                     | 14,683,009                   | 86.09               | 170,554                  |
| 2002                         | 12,351,391.06           | 1,272,193                    | 1,138,770                     | 11,212,621                   | 87.09               | 128,748                  |
| 2003                         | 7,524,857.31            | 697,554                      | 624,397                       | 6,900,460                    | 88.09               | 78,334                   |
| 2004                         | 13,188,229.80           | 1,097,261                    | 982,184                       | 12,206,046                   | 88.15               | 138,469                  |
| 2005                         | 11,750,411.93           | 855,430                      | 765,715                       | 10,984,697                   | 89.15               | 123,216                  |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS & ACCESSORIES - C.I. - 12" & OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 110-R3                            |                         |                              |                               |                              |                     |                          |
| 2006  | 21,689,078.32           | 1,353,398                    | 1,211,458                     | 20,477,620                   | 90.15               | 227,151                  |
| 2007  | 6,162,588.79            | 323,536                      | 289,605                       | 5,872,984                    | 90.24               | 65,082                   |
| 2008  | 11,639,052.48           | 488,840                      | 437,572                       | 11,201,480                   | 91.24               | 122,769                  |
| 2009  | 5,890,688.79            | 187,324                      | 167,678                       | 5,723,011                    | 91.34               | 62,656                   |
| 2010  | 2,384,907.02            | 50,560                       | 45,257                        | 2,339,650                    | 92.34               | 25,337                   |
| 2011  | 3,403,972.68            | 36,423                       | 32,603                        | 3,371,370                    | 92.46               | 36,463                   |
| 2012  | 17,365,250.01           | 46,886                       | 41,969                        | 17,323,281                   | 91.50               | 189,325                  |
|   | 283,419,718.92          | 39,841,310                   | 35,662,884                    | 247,756,831                  |                     | 3,087,595                |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 80.2                | 1.09                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.04 MAINS & ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3 |                         |                              |                               |                              |                     |                          |
| 1912                        | 20,800.00               | 18,152                       | 16,248                        | 4,552                        | 4.17                | 1,092                    |
| 1920                        | 4,491.06                | 3,691                        | 3,304                         | 1,187                        | 6.04                | 197                      |
| 1926                        | 325,159.36              | 256,226                      | 229,354                       | 95,805                       | 7.46                | 12,842                   |
| 1927                        | 6.20                    | 5                            | 4                             | 2                            | 8.46                |                          |
| 1928                        | 69.78                   | 53                           | 47                            | 23                           | 8.59                | 3                        |
| 1929                        | 0.03                    |                              |                               |                              |                     |                          |
| 1930                        | 3,776.22                | 2,852                        | 2,553                         | 1,223                        | 8.91                | 137                      |
| 1933                        | 30.08                   | 22                           | 20                            | 10                           | 9.50                | 1                        |
| 1940                        | 4,322.90                | 3,019                        | 2,702                         | 1,621                        | 12.03               | 135                      |
| 1941                        | 72.45                   | 49                           | 44                            | 28                           | 13.03               | 2                        |
| 1943                        | 204,165.02              | 136,239                      | 121,951                       | 82,214                       | 13.64               | 6,027                    |
| 1947                        | 418,222.78              | 263,439                      | 235,810                       | 182,413                      | 15.65               | 11,656                   |
| 1948                        | 5,775.53                | 3,632                        | 3,251                         | 2,525                        | 16.00               | 158                      |
| 1949                        | 38,931.97               | 24,200                       | 21,662                        | 17,270                       | 16.37               | 1,055                    |
| 1950                        | 8,994.47                | 5,529                        | 4,949                         | 4,045                        | 16.74               | 242                      |
| 1952                        | 371.01                  | 220                          | 197                           | 174                          | 18.13               | 10                       |
| 1953                        | 2,654,736.80            | 1,553,021                    | 1,390,146                     | 1,264,591                    | 18.52               | 68,282                   |
| 1954                        | 92,730.51               | 54,090                       | 48,417                        | 44,314                       | 18.92               | 2,342                    |
| 1955                        | 412,939.17              | 237,812                      | 212,871                       | 200,068                      | 19.34               | 10,345                   |
| 1956                        | 84,575.78               | 48,530                       | 43,440                        | 41,136                       | 19.76               | 2,082                    |
| 1957                        | 4,564.25                | 2,530                        | 2,265                         | 2,299                        | 20.76               | 111                      |
| 1958                        | 1,647.65                | 902                          | 807                           | 841                          | 21.19               | 40                       |
| 1959                        | 110.18                  | 60                           | 54                            | 56                           | 21.63               | 3                        |
| 1960                        | 13,250.33               | 7,131                        | 6,383                         | 6,867                        | 22.07               | 311                      |
| 1961                        | 50,514.87               | 26,500                       | 23,721                        | 26,794                       | 23.07               | 1,161                    |
| 1962                        | 18,715.21               | 9,685                        | 8,669                         | 10,046                       | 23.53               | 427                      |
| 1963                        | 67,315.94               | 34,695                       | 31,056                        | 36,260                       | 23.99               | 1,511                    |
| 1964                        | 3,841.16                | 1,912                        | 1,711                         | 2,130                        | 24.99               | 85                       |
| 1965                        | 79,876.28               | 39,211                       | 35,099                        | 44,777                       | 25.46               | 1,759                    |
| 1966                        | 11,577.38               | 5,658                        | 5,065                         | 6,512                        | 25.94               | 251                      |
| 1967                        | 4,713.80                | 2,224                        | 1,991                         | 2,723                        | 26.94               | 101                      |
| 1968                        | 37,655.19               | 17,690                       | 15,835                        | 21,820                       | 27.43               | 795                      |
| 1969                        | 1,032,876.31            | 478,325                      | 428,160                       | 604,716                      | 27.92               | 21,659                   |
| 1970                        | 24,810.10               | 11,202                       | 10,027                        | 14,783                       | 28.92               | 511                      |
| 1971                        | 20,423.44               | 9,090                        | 8,137                         | 12,286                       | 29.42               | 418                      |
| 1972                        | 24,680.34               | 10,933                       | 9,786                         | 14,894                       | 29.93               | 498                      |
| 1973                        | 4,798.95                | 2,052                        | 1,837                         | 2,962                        | 30.93               | 96                       |
| 1974                        | 9,811.57                | 4,177                        | 3,739                         | 6,073                        | 31.44               | 193                      |
| 1975                        | 50,687.45               | 21,253                       | 19,024                        | 31,663                       | 31.97               | 990                      |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.04 MAINS & ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3                             |                         |                              |                               |                              |                     |                          |
| 1976  | 4,261.55                | 1,742                        | 1,559                         | 2,703                        | 32.97               | 82                       |
| 1977  | 2,876.61                | 1,159                        | 1,037                         | 1,840                        | 33.49               | 55                       |
| 1978  | 447.33                  | 179                          | 160                           | 287                          | 34.03               | 8                        |
| 1979  | 53,497.23               | 20,693                       | 18,523                        | 34,974                       | 35.03               | 998                      |
| 1980  | 49,493.83               | 18,852                       | 16,875                        | 32,619                       | 35.57               | 917                      |
| 1981  | 40,020.59               | 15,176                       | 13,584                        | 26,437                       | 36.11               | 732                      |
| 1983  | 160,686.96              | 57,815                       | 51,752                        | 108,935                      | 37.67               | 2,892                    |
| 1984  | 4,531.16                | 1,552                        | 1,389                         | 3,142                        | 38.67               | 81                       |
| 1985  | 122,047.72              | 40,166                       | 35,954                        | 86,094                       | 39.23               | 2,195                    |
| 1986  | 7,626.92                | 2,994                        | 2,680                         | 4,947                        | 40.23               | 123                      |
| 1991  | 422.63                  | 137                          | 123                           | 300                          | 43.94               | 7                        |
| 1992  | 232,964.03              | 72,219                       | 64,645                        | 168,319                      | 44.52               | 3,781                    |
| 1993  | 19,252.54               | 5,670                        | 5,075                         | 14,178                       | 45.52               | 311                      |
| 2001  | 8,153.30                | 1,435                        | 1,285                         | 6,868                        | 51.50               | 133                      |
| 2003  | 1,118.30                | 162                          | 145                           | 973                          | 53.11               | 18                       |
| 2004  | 322,827.62              | 41,580                       | 37,219                        | 285,609                      | 54.11               | 5,278                    |
| 2006  | 37,074.72               | 3,604                        | 3,226                         | 33,849                       | 55.73               | 607                      |
|   | 6,809,344.56            | 3,581,146                    | 3,205,567                     | 3,603,777                    |                     | 165,746                  |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 21.7                | 2.43                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.05 MAINS & ACCESSORIES - LOCK JOINT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 110-R3                            |                         |                              |                               |                              |                     |                          |
| 1926  | 45,348.63               | 20,094                       | 17,987                        | 27,362                       | 33.05               | 828                      |
| 1948  | 24,210.18               | 8,735                        | 7,819                         | 16,391                       | 45.89               | 357                      |
| 1949  | 123.62                  | 44                           | 39                            | 85                           | 46.89               | 2                        |
| 1950  | 162.88                  | 55                           | 49                            | 114                          | 47.89               | 2                        |
| 1954  | 483,662.05              | 159,754                      | 143,000                       | 340,662                      | 50.70               | 6,719                    |
| 1955  | 366,389.65              | 115,339                      | 103,243                       | 263,147                      | 51.70               | 5,090                    |
| 1956  | 616,270.84              | 200,042                      | 179,062                       | 437,209                      | 51.53               | 8,485                    |
| 1957  | 880,961.74              | 281,027                      | 251,554                       | 629,408                      | 52.53               | 11,982                   |
| 1958  | 1,682,233.60            | 527,380                      | 472,070                       | 1,210,164                    | 53.53               | 22,607                   |
| 1959  | 236,604.70              | 70,674                       | 63,262                        | 173,343                      | 54.53               | 3,179                    |
| 1960  | 676,799.71              | 208,522                      | 186,653                       | 490,147                      | 54.38               | 9,013                    |
| 1961  | 27,898.84               | 8,451                        | 7,565                         | 20,334                       | 55.38               | 367                      |
| 1965  | 8,977.56                | 2,581                        | 2,310                         | 6,668                        | 58.26               | 114                      |
| 1967  | 32,827.20               | 9,123                        | 8,166                         | 24,661                       | 60.26               | 409                      |
| 1973  | 321,313.36              | 83,381                       | 74,636                        | 246,677                      | 64.09               | 3,849                    |
| 1977  | 293,080.82              | 72,303                       | 64,720                        | 228,361                      | 67.04               | 3,406                    |
| 1981  | 72,845.89               | 17,082                       | 15,291                        | 57,555                       | 70.01               | 822                      |
| 1983  | 128,469.86              | 28,186                       | 25,230                        | 103,240                      | 72.01               | 1,434                    |
| 1989  | 115,771.95              | 26,628                       | 23,835                        | 91,937                       | 77.00               | 1,194                    |
| 2012  | 545.47                  | 1                            | 1                             | 544                          | 91.50               | 6                        |
|   | 6,014,498.55            | 1,839,402                    | 1,646,492                     | 4,368,009                    |                     | 79,865                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 54.7                | 1.33                     |



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS & ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3 |                         |                              |                               |                              |                     |                          |
| 1902                        | 373.00                  | 343                          | 307                           | 66                           | 2.36                | 28                       |
| 1903                        | 1,037.32                | 963                          | 862                           | 175                          | 2.11                | 83                       |
| 1904                        | 3,486.62                | 3,280                        | 2,936                         | 551                          | 1.89                | 292                      |
| 1905                        | 3,848.36                | 3,497                        | 3,130                         | 718                          | 2.89                | 248                      |
| 1906                        | 4,436.74                | 4,056                        | 3,631                         | 806                          | 2.70                | 299                      |
| 1907                        | 3,699.88                | 3,262                        | 2,920                         | 780                          | 3.70                | 211                      |
| 1908                        | 3,219.32                | 2,854                        | 2,555                         | 664                          | 3.53                | 188                      |
| 1909                        | 6,680.60                | 5,950                        | 5,326                         | 1,355                        | 3.38                | 401                      |
| 1910                        | 1,167.02                | 1,002                        | 897                           | 270                          | 4.38                | 62                       |
| 1911                        | 1,407.11                | 1,225                        | 1,097                         | 310                          | 4.26                | 73                       |
| 1912                        | 1,149.57                | 1,003                        | 898                           | 252                          | 4.17                | 60                       |
| 1913                        | 1,412.31                | 1,235                        | 1,105                         | 307                          | 4.09                | 75                       |
| 1914                        | 482.92                  | 407                          | 364                           | 119                          | 5.09                | 23                       |
| 1915                        | 1,241.07                | 1,048                        | 938                           | 303                          | 5.04                | 60                       |
| 1916                        | 247.82                  | 210                          | 188                           | 60                           | 5.01                | 12                       |
| 1917                        | 8.89                    | 7                            | 6                             | 3                            | 6.01                |                          |
| 1918                        | 7,738.93                | 6,373                        | 5,705                         | 2,034                        | 6.00                | 339                      |
| 1919                        | 2,388.36                | 1,965                        | 1,759                         | 629                          | 6.01                | 105                      |
| 1920                        | 6,500.55                | 5,342                        | 4,782                         | 1,719                        | 6.04                | 285                      |
| 1921                        | 7,156.60                | 5,870                        | 5,254                         | 1,903                        | 6.09                | 312                      |
| 1922                        | 11,288.98               | 8,926                        | 7,990                         | 3,299                        | 7.09                | 465                      |
| 1923                        | 21,506.97               | 16,969                       | 15,189                        | 6,318                        | 7.15                | 884                      |
| 1924                        | 22,998.81               | 18,263                       | 16,348                        | 6,651                        | 7.24                | 919                      |
| 1925                        | 39,071.91               | 30,918                       | 27,675                        | 11,397                       | 7.34                | 1,553                    |
| 1926                        | 59,875.75               | 47,182                       | 42,234                        | 17,642                       | 7.46                | 2,365                    |
| 1927                        | 23,430.91               | 17,798                       | 15,931                        | 7,500                        | 8.46                | 887                      |
| 1928                        | 19,665.47               | 15,017                       | 13,442                        | 6,223                        | 8.59                | 724                      |
| 1929                        | 16,567.11               | 12,584                       | 11,264                        | 5,303                        | 8.74                | 607                      |
| 1930                        | 15,463.52               | 11,680                       | 10,455                        | 5,009                        | 8.91                | 562                      |
| 1931                        | 22,389.63               | 16,806                       | 15,043                        | 7,347                        | 9.09                | 808                      |
| 1932                        | 5,318.94                | 4,001                        | 3,581                         | 1,738                        | 9.29                | 187                      |
| 1933                        | 6,346.36                | 4,741                        | 4,244                         | 2,102                        | 9.50                | 221                      |
| 1934                        | 3,543.52                | 2,555                        | 2,287                         | 1,257                        | 10.50               | 120                      |
| 1935                        | 7,456.76                | 5,337                        | 4,777                         | 2,680                        | 10.72               | 250                      |
| 1936                        | 8,102.31                | 5,806                        | 5,197                         | 2,905                        | 10.96               | 265                      |
| 1937                        | 13,075.84               | 9,294                        | 8,319                         | 4,757                        | 11.21               | 424                      |
| 1938                        | 10,022.94               | 7,063                        | 6,322                         | 3,701                        | 11.47               | 323                      |
| 1939                        | 15,398.02               | 10,848                       | 9,710                         | 5,688                        | 11.75               | 484                      |
| 1940                        | 16,109.56               | 11,249                       | 10,069                        | 6,041                        | 12.03               | 502                      |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS & ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3 |                         |                              |                               |                              |                     |                          |
| 1941                        | 12,401.66               | 8,362                        | 7,485                         | 4,917                        | 13.03               | 377                      |
| 1942                        | 9,405.07                | 6,338                        | 5,673                         | 3,732                        | 13.33               | 280                      |
| 1943                        | 15,019.72               | 10,023                       | 8,972                         | 6,048                        | 13.64               | 443                      |
| 1944                        | 5,709.59                | 3,771                        | 3,376                         | 2,334                        | 13.97               | 167                      |
| 1945                        | 7,230.08                | 4,768                        | 4,268                         | 2,962                        | 14.30               | 207                      |
| 1946                        | 9,236.93                | 6,025                        | 5,393                         | 3,844                        | 14.65               | 262                      |
| 1947                        | 74,975.28               | 47,227                       | 42,274                        | 32,701                       | 15.65               | 2,090                    |
| 1948                        | 64,071.92               | 40,288                       | 36,063                        | 28,009                       | 16.00               | 1,751                    |
| 1949                        | 61,562.93               | 38,268                       | 34,255                        | 27,308                       | 16.37               | 1,668                    |
| 1950                        | 113,188.41              | 69,577                       | 62,280                        | 50,908                       | 16.74               | 3,041                    |
| 1951                        | 111,406.28              | 68,270                       | 61,110                        | 50,296                       | 17.13               | 2,936                    |
| 1952                        | 87,849.08               | 51,998                       | 46,545                        | 41,304                       | 18.13               | 2,278                    |
| 1953                        | 176,663.21              | 103,348                      | 92,509                        | 84,154                       | 18.52               | 4,544                    |
| 1954                        | 125,641.42              | 73,287                       | 65,601                        | 60,040                       | 18.92               | 3,173                    |
| 1955                        | 107,479.59              | 61,897                       | 55,405                        | 52,075                       | 19.34               | 2,693                    |
| 1956                        | 121,399.37              | 69,659                       | 62,353                        | 59,046                       | 19.76               | 2,988                    |
| 1957                        | 106,097.40              | 58,810                       | 52,642                        | 53,455                       | 20.76               | 2,575                    |
| 1958                        | 130,991.68              | 71,679                       | 64,162                        | 66,830                       | 21.19               | 3,154                    |
| 1959                        | 172,368.84              | 93,958                       | 84,104                        | 88,265                       | 21.63               | 4,081                    |
| 1960                        | 151,927.27              | 81,767                       | 73,192                        | 78,735                       | 22.07               | 3,568                    |
| 1961                        | 117,863.18              | 61,831                       | 55,346                        | 62,517                       | 23.07               | 2,710                    |
| 1962                        | 180,505.01              | 93,411                       | 83,614                        | 96,891                       | 23.53               | 4,118                    |
| 1963                        | 163,940.64              | 84,495                       | 75,633                        | 88,308                       | 23.99               | 3,681                    |
| 1964                        | 127,691.40              | 63,565                       | 56,899                        | 70,792                       | 24.99               | 2,833                    |
| 1965                        | 189,247.99              | 92,902                       | 83,159                        | 106,089                      | 25.46               | 4,167                    |
| 1966                        | 172,367.10              | 84,236                       | 75,402                        | 96,965                       | 25.94               | 3,738                    |
| 1967                        | 150,557.78              | 71,033                       | 63,583                        | 86,975                       | 26.94               | 3,228                    |
| 1968                        | 149,479.44              | 70,225                       | 62,860                        | 86,619                       | 27.43               | 3,158                    |
| 1969                        | 150,779.09              | 69,826                       | 62,503                        | 88,276                       | 27.92               | 3,162                    |
| 1970                        | 129,359.46              | 58,406                       | 52,281                        | 77,078                       | 28.92               | 2,665                    |
| 1971                        | 164,575.70              | 73,253                       | 65,570                        | 99,006                       | 29.42               | 3,365                    |
| 1972                        | 206,058.04              | 91,284                       | 81,710                        | 124,348                      | 29.93               | 4,155                    |
| 1973                        | 152,286.07              | 65,102                       | 58,274                        | 94,012                       | 30.93               | 3,040                    |
| 1974                        | 152,768.75              | 65,034                       | 58,213                        | 94,556                       | 31.44               | 3,008                    |
| 1975                        | 148,177.10              | 62,131                       | 55,615                        | 92,562                       | 31.97               | 2,895                    |
| 1976                        | 79,736.23               | 32,596                       | 29,177                        | 50,559                       | 32.97               | 1,533                    |
| 1977                        | 185,579.40              | 74,770                       | 66,928                        | 118,651                      | 33.49               | 3,543                    |
| 1978                        | 333,288.89              | 133,616                      | 119,603                       | 213,686                      | 34.03               | 6,279                    |
| 1979                        | 291,300.13              | 112,675                      | 100,858                       | 190,442                      | 35.03               | 5,437                    |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS & ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3 |                         |                              |                               |                              |                     |                          |
| 1980                        | 209,882.59              | 79,944                       | 71,560                        | 138,323                      | 35.57               | 3,889                    |
| 1981                        | 183,273.69              | 69,497                       | 62,208                        | 121,066                      | 36.11               | 3,353                    |
| 1982                        | 234,677.59              | 85,822                       | 76,821                        | 157,857                      | 37.11               | 4,254                    |
| 1983                        | 305,847.53              | 110,044                      | 98,503                        | 207,345                      | 37.67               | 5,504                    |
| 1984                        | 343,578.85              | 117,710                      | 105,365                       | 238,214                      | 38.67               | 6,160                    |
| 1985                        | 451,803.22              | 148,688                      | 133,094                       | 318,709                      | 39.23               | 8,124                    |
| 1986                        | 413,847.79              | 162,477                      | 145,437                       | 268,411                      | 40.23               | 6,672                    |
| 1987                        | 403,770.71              | 153,433                      | 137,342                       | 266,429                      | 40.79               | 6,532                    |
| 1988                        | 462,416.77              | 169,799                      | 151,991                       | 310,426                      | 41.36               | 7,505                    |
| 1989                        | 483,853.68              | 170,268                      | 152,411                       | 331,443                      | 42.36               | 7,824                    |
| 1990                        | 614,316.18              | 208,130                      | 186,302                       | 428,014                      | 42.94               | 9,968                    |
| 1991                        | 551,150.46              | 178,242                      | 159,549                       | 391,601                      | 43.94               | 8,912                    |
| 1992                        | 267,864.00              | 83,038                       | 74,329                        | 193,535                      | 44.52               | 4,347                    |
| 1993                        | 554,604.86              | 163,331                      | 146,202                       | 408,403                      | 45.52               | 8,972                    |
| 1994                        | 919,108.00              | 258,086                      | 231,019                       | 688,089                      | 46.10               | 14,926                   |
| 1995                        | 826,315.97              | 219,139                      | 196,157                       | 630,159                      | 47.10               | 13,379                   |
| 1996                        | 710,932.93              | 178,586                      | 159,857                       | 551,076                      | 47.69               | 11,555                   |
| 1997                        | 941,832.25              | 221,801                      | 198,539                       | 743,293                      | 48.69               | 15,266                   |
| 1998                        | 697,611.75              | 154,312                      | 138,128                       | 559,484                      | 49.29               | 11,351                   |
| 1999                        | 1,000,369.16            | 205,476                      | 183,926                       | 816,443                      | 50.29               | 16,235                   |
| 2000                        | 909,453.20              | 173,524                      | 155,326                       | 754,127                      | 50.89               | 14,819                   |
| 2001                        | 701,798.29              | 123,516                      | 110,562                       | 591,236                      | 51.50               | 11,480                   |
| 2002                        | 1,268,567.50            | 202,971                      | 181,684                       | 1,086,884                    | 52.50               | 20,703                   |
| 2003                        | 260,444.51              | 37,738                       | 33,780                        | 226,665                      | 53.11               | 4,268                    |
| 2004                        | 1,016,523.93            | 130,928                      | 117,197                       | 899,327                      | 54.11               | 16,620                   |
| 2005                        | 549,106.51              | 62,269                       | 55,738                        | 493,369                      | 54.73               | 9,015                    |
| 2006                        | 1,489,015.52            | 144,732                      | 129,553                       | 1,359,463                    | 55.73               | 24,394                   |
| 2007                        | 1,206,867.14            | 98,360                       | 88,045                        | 1,118,822                    | 56.35               | 19,855                   |
| 2008                        | 1,332,916.48            | 87,439                       | 78,269                        | 1,254,647                    | 56.98               | 22,019                   |
| 2009                        | 982,488.71              | 48,633                       | 43,533                        | 938,956                      | 57.61               | 16,298                   |
| 2010                        | 2,235,759.35            | 74,227                       | 66,442                        | 2,169,317                    | 58.24               | 37,248                   |
| 2011                        | 1,691,986.39            | 28,425                       | 25,444                        | 1,666,542                    | 58.52               | 28,478                   |
| 2012                        | 4,946,593.99            | 21,270                       | 19,039                        | 4,927,555                    | 58.57               | 84,131                   |
|                             | 34,474,082.93           | 7,108,495                    | 6,362,979                     | 28,111,107                   |                     | 608,753                  |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. 46.2 1.77

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS & ACCESSORIES - SPECIAL CONSTRUCTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 65-R3 |                         |                              |                               |                              |                     |                          |
| 1886                        | 14,332.14               | 14,332                       | 14,332                        |                              |                     |                          |
| 1903                        | 2,469.31                | 2,469                        | 2,469                         |                              |                     |                          |
| 1907                        | 17,946.14               | 17,119                       | 15,319                        | 2,627                        | 1.38                | 1,904                    |
| 1909                        | 689.40                  | 663                          | 593                           | 96                           | 1.17                | 82                       |
| 1914                        | 14.87                   | 13                           | 12                            | 3                            | 3.01                | 1                        |
| 1917                        | 510.94                  | 461                          | 413                           | 98                           | 3.04                | 32                       |
| 1919                        | 2,787.27                | 2,427                        | 2,172                         | 615                          | 4.09                | 150                      |
| 1920                        | 716.93                  | 623                          | 557                           | 160                          | 4.15                | 39                       |
| 1921                        | 213.40                  | 185                          | 166                           | 47                           | 4.24                | 11                       |
| 1922                        | 165.52                  | 143                          | 128                           | 38                           | 4.34                | 9                        |
| 1923                        | 688.04                  | 574                          | 514                           | 174                          | 5.34                | 33                       |
| 1925                        | 2,310.76                | 1,914                        | 1,713                         | 598                          | 5.59                | 107                      |
| 1926                        | 4,832.73                | 3,986                        | 3,567                         | 1,266                        | 5.74                | 221                      |
| 1927                        | 732.17                  | 601                          | 538                           | 194                          | 5.91                | 33                       |
| 1929                        | 152.93                  | 124                          | 111                           | 42                           | 6.29                | 7                        |
| 1930                        | 512.33                  | 413                          | 370                           | 142                          | 6.50                | 22                       |
| 1931                        | 10,980.58               | 8,850                        | 7,919                         | 3,062                        | 6.72                | 456                      |
| 1932                        | 658.71                  | 527                          | 472                           | 187                          | 6.96                | 27                       |
| 1940                        | 689.34                  | 516                          | 462                           | 227                          | 9.30                | 24                       |
| 1941                        | 228.86                  | 169                          | 151                           | 78                           | 9.65                | 8                        |
| 1942                        | 2,231.94                | 1,634                        | 1,462                         | 770                          | 10.00               | 77                       |
| 1943                        | 1,439.73                | 1,042                        | 932                           | 508                          | 10.37               | 49                       |
| 1944                        | 451.38                  | 325                          | 291                           | 160                          | 10.74               | 15                       |
| 1945                        | 344.10                  | 245                          | 219                           | 125                          | 11.13               | 11                       |
| 1946                        | 1,456.89                | 1,025                        | 917                           | 540                          | 11.52               | 47                       |
| 1947                        | 21,306.11               | 14,806                       | 13,249                        | 8,057                        | 11.92               | 676                      |
| 1948                        | 19,385.40               | 13,298                       | 11,900                        | 7,485                        | 12.34               | 607                      |
| 1949                        | 3,471.29                | 2,367                        | 2,118                         | 1,353                        | 12.76               | 106                      |
| 1950                        | 38,417.12               | 25,855                       | 23,136                        | 15,281                       | 13.19               | 1,159                    |
| 1951                        | 25,014.54               | 16,267                       | 14,556                        | 10,459                       | 14.19               | 737                      |
| 1952                        | 7,855.24                | 5,040                        | 4,510                         | 3,345                        | 14.63               | 229                      |
| 1953                        | 11,845.42               | 7,555                        | 6,761                         | 5,084                        | 15.07               | 337                      |
| 1954                        | 92,377.27               | 58,096                       | 51,987                        | 40,390                       | 15.53               | 2,601                    |
| 1955                        | 8,287.11                | 5,140                        | 4,600                         | 3,687                        | 15.99               | 231                      |
| 1956                        | 79,904.43               | 49,221                       | 44,045                        | 35,859                       | 16.46               | 2,179                    |
| 1957                        | 22,739.44               | 13,805                       | 12,353                        | 10,386                       | 16.94               | 613                      |
| 1958                        | 54,479.85               | 32,590                       | 29,163                        | 25,317                       | 17.43               | 1,452                    |
| 1959                        | 50,483.63               | 29,760                       | 26,631                        | 23,853                       | 17.92               | 1,331                    |
| 1960                        | 5,536.83                | 3,240                        | 2,899                         | 2,638                        | 18.42               | 143                      |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS & ACCESSORIES - SPECIAL CONSTRUCTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 65-R3 |                         |                              |                               |                              |                     |                          |
| 1961                        | 11,677.36               | 6,727                        | 6,020                         | 5,657                        | 18.93               | 299                      |
| 1962                        | 31,757.93               | 17,676                       | 15,817                        | 15,941                       | 19.93               | 800                      |
| 1963                        | 47,618.34               | 26,309                       | 23,543                        | 24,075                       | 20.44               | 1,178                    |
| 1964                        | 59,254.76               | 32,211                       | 28,824                        | 30,431                       | 20.97               | 1,451                    |
| 1965                        | 54,478.71               | 29,386                       | 26,296                        | 28,183                       | 21.49               | 1,311                    |
| 1966                        | 163,954.78              | 87,027                       | 77,876                        | 86,079                       | 22.03               | 3,907                    |
| 1967                        | 206,706.15              | 107,983                      | 96,628                        | 110,078                      | 22.57               | 4,877                    |
| 1968                        | 140,549.51              | 71,483                       | 63,966                        | 76,584                       | 23.57               | 3,249                    |
| 1969                        | 153,123.13              | 76,623                       | 68,566                        | 84,557                       | 24.11               | 3,507                    |
| 1970                        | 110,671.28              | 54,461                       | 48,734                        | 61,937                       | 24.67               | 2,511                    |
| 1971                        | 83,199.97               | 40,602                       | 36,333                        | 46,867                       | 25.23               | 1,858                    |
| 1972                        | 180,965.45              | 86,863                       | 77,729                        | 103,236                      | 25.79               | 4,003                    |
| 1973                        | 61,434.03               | 28,708                       | 25,689                        | 35,745                       | 26.79               | 1,334                    |
| 1974                        | 72,611.59               | 33,372                       | 29,863                        | 42,749                       | 27.36               | 1,562                    |
| 1975                        | 300,151.68              | 135,579                      | 121,323                       | 178,829                      | 27.94               | 6,400                    |
| 1976                        | 43,760.80               | 19,596                       | 17,535                        | 26,226                       | 28.52               | 920                      |
| 1977                        | 26,219.19               | 11,332                       | 10,140                        | 16,079                       | 29.52               | 545                      |
| 1978                        | 8,343.41                | 3,576                        | 3,200                         | 5,143                        | 30.10               | 171                      |
| 1979                        | 3,640.14                | 1,534                        | 1,373                         | 2,267                        | 30.69               | 74                       |
| 1980                        | 4,257.91                | 1,762                        | 1,577                         | 2,681                        | 31.29               | 86                       |
| 1981                        | 54,658.70               | 21,820                       | 19,526                        | 35,133                       | 32.29               | 1,088                    |
| 1982                        | 98,663.86               | 38,686                       | 34,618                        | 64,046                       | 32.89               | 1,947                    |
| 1983                        | 1,811.55                | 698                          | 625                           | 1,187                        | 33.50               | 35                       |
| 1984                        | 3,476.13                | 1,290                        | 1,154                         | 2,322                        | 34.50               | 67                       |
| 1985                        | 232,009.53              | 82,874                       | 74,160                        | 157,850                      | 35.11               | 4,496                    |
| 1986                        | 423.18                  | 178                          | 159                           | 264                          | 35.73               | 7                        |
| 1987                        | 751.61                  | 306                          | 274                           | 478                          | 36.35               | 13                       |
| 1988                        | 953,582.05              | 373,041                      | 333,815                       | 619,767                      | 37.35               | 16,593                   |
| 1989                        | 428,976.05              | 161,810                      | 144,795                       | 284,181                      | 37.98               | 7,482                    |
| 1990                        | 2,636,828.06            | 957,169                      | 856,521                       | 1,780,307                    | 38.61               | 46,110                   |
| 1991                        | 807,053.99              | 279,644                      | 250,239                       | 556,815                      | 39.61               | 14,057                   |
| 1992                        | 628,149.09              | 208,545                      | 186,616                       | 441,533                      | 40.24               | 10,972                   |
| 1993                        | 470,449.96              | 148,380                      | 132,778                       | 337,672                      | 41.24               | 8,188                    |
| 1994                        | 509,092.97              | 153,033                      | 136,941                       | 372,152                      | 41.88               | 8,886                    |
| 1995                        | 95,697.86               | 27,331                       | 24,457                        | 71,241                       | 42.52               | 1,675                    |
| 1996                        | 572,763.59              | 153,959                      | 137,770                       | 434,994                      | 43.52               | 9,995                    |
| 1997                        | 15,841.65               | 4,016                        | 3,594                         | 12,248                       | 44.17               | 277                      |
| 1998                        | 8,577.78                | 2,030                        | 1,817                         | 6,761                        | 45.17               | 150                      |
| 1999                        | 17,411.78               | 3,848                        | 3,443                         | 13,969                       | 45.82               | 305                      |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS & ACCESSORIES - SPECIAL CONSTRUCTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 65-R3                             |                         |                              |                               |                              |                     |                          |
| 2000  | 1,634,702.04            | 335,441                      | 300,169                       | 1,334,533                    | 46.48               | 28,712                   |
| 2001  | 273,862.58              | 51,514                       | 46,097                        | 227,766                      | 47.48               | 4,797                    |
| 2002  | 7,781,273.00            | 1,338,379                    | 1,197,647                     | 6,583,626                    | 48.14               | 136,760                  |
| 2003  | 881,606.59              | 137,266                      | 122,832                       | 758,775                      | 48.80               | 15,549                   |
| 2004  | 1,110,771.97            | 153,731                      | 137,566                       | 973,206                      | 49.80               | 19,542                   |
| 2005  | 286,335.33              | 34,876                       | 31,209                        | 255,126                      | 50.47               | 5,055                    |
| 2006  | 1,610,948.56            | 169,150                      | 151,364                       | 1,459,585                    | 51.14               | 28,541                   |
| 2007  | 206,064.40              | 18,031                       | 16,135                        | 189,929                      | 52.14               | 3,643                    |
| 2008  | 3,391,844.80            | 238,786                      | 213,677                       | 3,178,168                    | 52.82               | 60,170                   |
| 2009  | 1,024,848.15            | 54,419                       | 48,697                        | 976,151                      | 53.50               | 18,246                   |
| 2010  | 1,865,506.80            | 66,412                       | 59,428                        | 1,806,079                    | 54.18               | 33,335                   |
| 2011  | 666.60                  | 12                           | 11                            | 656                          | 54.56               | 12                       |
| 2012  | 818,158.53              | 3,764                        | 3,368                         | 814,791                      | 54.39               | 14,981                   |
|   | 30,695,844.95           | 6,430,669                    | 5,756,241                     | 24,939,606                   |                     | 557,495                  |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 44.7                | 1.82                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.08 MAINS & ACCESSORIES - CEMENT WROUGHT IRON

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 90-R3                             |                         |                              |                               |                              |                     |                          |
| 1902  | 789.01                  | 571                          | 511                           | 278                          | 10.48               | 27                       |
| 1903  | 34,452.22               | 25,626                       | 22,938                        | 11,514                       | 10.05               | 1,146                    |
| 1904  | 104,295.74              | 74,342                       | 66,546                        | 37,750                       | 11.05               | 3,416                    |
| 1905  | 26,127.91               | 19,120                       | 17,115                        | 9,013                        | 10.65               | 846                      |
| 1906  | 27,590.69               | 19,355                       | 17,325                        | 10,266                       | 11.65               | 881                      |
| 1907  | 44,365.98               | 31,930                       | 28,581                        | 15,785                       | 11.28               | 1,399                    |
| 1908  | 34,503.62               | 23,804                       | 21,308                        | 13,196                       | 12.28               | 1,075                    |
| 1909  | 28,422.59               | 20,098                       | 17,990                        | 10,433                       | 11.94               | 874                      |
| 1910  | 2,831.38                | 1,919                        | 1,718                         | 1,113                        | 12.94               | 86                       |
| 1911  | 2,056.09                | 1,426                        | 1,276                         | 780                          | 12.64               | 62                       |
| 1912  | 1,976.07                | 1,314                        | 1,176                         | 800                          | 13.64               | 59                       |
| 1913  | 13,110.99               | 8,921                        | 7,986                         | 5,125                        | 13.36               | 384                      |
| 1918  | 7,218.80                | 4,803                        | 4,299                         | 2,920                        | 14.70               | 199                      |
| 1921  | 104.58                  | 65                           | 58                            | 47                           | 16.53               | 3                        |
| 1922  | 736.71                  | 469                          | 420                           | 317                          | 16.38               | 19                       |
| 1923  | 191.19                  | 117                          | 105                           | 86                           | 17.38               | 5                        |
| 1927  | 33.05                   | 20                           | 18                            | 15                           | 19.17               | 1                        |
| 1959  | 2,296.30                | 905                          | 810                           | 1,486                        | 37.91               | 39                       |
| 1962  | 848.81                  | 329                          | 294                           | 555                          | 39.29               | 14                       |
| 2006  | 0.14                    |                              |                               |                              |                     |                          |
| 2010  | 15,288.57               | 394                          | 353                           | 14,936                       | 75.52               | 198                      |
|   | 347,240.44              | 235,528                      | 210,827                       | 136,415                      |                     | 10,733                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 12.7                | 3.09                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.09 MAINS & ACCESSORIES - WROUGHT IRON

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 55-R2 |                         |                              |                               |                              |                     |                          |
| 1893                        | 9,203.14                | 9,203                        | 9,203                         |                              |                     |                          |
| 1894                        | 561.76                  | 562                          | 562                           |                              |                     |                          |
| 1895                        | 1,757.11                | 1,757                        | 1,757                         |                              |                     |                          |
| 1896                        | 821.31                  | 821                          | 821                           |                              |                     |                          |
| 1897                        | 2,215.23                | 2,215                        | 2,215                         |                              |                     |                          |
| 1898                        | 3,130.36                | 3,130                        | 3,130                         |                              |                     |                          |
| 1899                        | 2,423.19                | 2,423                        | 2,423                         |                              |                     |                          |
| 1900                        | 879.75                  | 880                          | 880                           |                              |                     |                          |
| 1901                        | 1,942.11                | 1,942                        | 1,942                         |                              |                     |                          |
| 1902                        | 1,250.58                | 1,251                        | 1,251                         |                              |                     |                          |
| 1903                        | 225.18                  | 225                          | 225                           |                              |                     |                          |
| 1904                        | 1,262.53                | 1,263                        | 1,263                         |                              |                     |                          |
| 1905                        | 781.15                  | 781                          | 781                           |                              |                     |                          |
| 1906                        | 863.53                  | 864                          | 864                           |                              |                     |                          |
| 1907                        | 414.15                  | 414                          | 414                           |                              |                     |                          |
| 1908                        | 221.47                  | 221                          | 221                           |                              |                     |                          |
| 1909                        | 745.00                  | 745                          | 745                           |                              |                     |                          |
| 1910                        | 462.37                  | 462                          | 462                           |                              |                     |                          |
| 1911                        | 261.34                  | 261                          | 261                           |                              |                     |                          |
| 1912                        | 164.30                  | 164                          | 164                           |                              |                     |                          |
| 1913                        | 405.35                  | 392                          | 312                           | 93                           | 1.00                | 93                       |
| 1914                        | 988.40                  | 956                          | 761                           | 227                          | 1.01                | 225                      |
| 1915                        | 166.04                  | 160                          | 127                           | 39                           | 1.04                | 38                       |
| 1916                        | 423.11                  | 407                          | 324                           | 99                           | 1.09                | 91                       |
| 1918                        | 169.60                  | 157                          | 125                           | 45                           | 2.15                | 21                       |
| 1919                        | 1,211.35                | 1,122                        | 893                           | 318                          | 2.24                | 142                      |
| 1920                        | 590.84                  | 546                          | 434                           | 157                          | 2.34                | 67                       |
| 1921                        | 4,818.04                | 4,420                        | 3,517                         | 1,301                        | 2.46                | 529                      |
| 1922                        | 716.70                  | 635                          | 505                           | 212                          | 3.46                | 61                       |
| 1923                        | 2,056.16                | 1,816                        | 1,445                         | 611                          | 3.59                | 170                      |
| 1924                        | 317.66                  | 280                          | 223                           | 95                           | 3.74                | 25                       |
| 1925                        | 1,053.56                | 923                          | 735                           | 319                          | 3.91                | 82                       |
| 1926                        | 20.79                   | 18                           | 14                            | 7                            | 4.09                | 2                        |
| 1927                        | 91.71                   | 79                           | 63                            | 29                           | 4.29                | 7                        |
| 1929                        | 145.41                  | 124                          | 99                            | 46                           | 4.72                | 10                       |
| 1931                        | 64.23                   | 52                           | 41                            | 23                           | 5.96                | 4                        |
| 1934                        | 488.95                  | 387                          | 308                           | 181                          | 6.75                | 27                       |
| 1937                        | 139.60                  | 110                          | 88                            | 52                           | 6.97                | 7                        |
| 1940                        | 50.51                   | 39                           | 31                            | 20                           | 8.00                | 3                        |



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.09 MAINS & ACCESSORIES - WROUGHT IRON

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 55-R2                             |                         |                              |                               |                              |                     |                          |
| 1941  | 946.87                  | 712                          | 567                           | 380                          | 8.37                | 45                       |
| 1942  | 1,024.41                | 763                          | 607                           | 417                          | 8.74                | 48                       |
| 1943  | 419.98                  | 309                          | 246                           | 174                          | 9.13                | 19                       |
| 1944  | 445.60                  | 322                          | 256                           | 190                          | 9.52                | 20                       |
| 1945  | 1,203.29                | 881                          | 701                           | 502                          | 9.34                | 54                       |
| 1946  | 400.40                  | 290                          | 231                           | 169                          | 9.76                | 17                       |
| 1947  | 279.45                  | 198                          | 158                           | 121                          | 10.19               | 12                       |
| 1948  | 1,727.57                | 1,210                        | 963                           | 765                          | 10.63               | 72                       |
| 1949  | 1,323.39                | 916                          | 729                           | 594                          | 11.07               | 54                       |
| 1950  | 3,340.07                | 2,315                        | 1,842                         | 1,498                        | 10.99               | 136                      |
| 1951  | 577.06                  | 394                          | 314                           | 263                          | 11.46               | 23                       |
| 1952  | 3,549.12                | 2,392                        | 1,903                         | 1,646                        | 11.94               | 138                      |
| 1953  | 373.48                  | 246                          | 196                           | 177                          | 12.43               | 14                       |
| 1954  | 8,423.90                | 5,481                        | 4,361                         | 4,063                        | 12.92               | 314                      |
| 1955  | 102.60                  | 67                           | 53                            | 50                           | 12.93               | 4                        |
| 1956  | 1,074.91                | 688                          | 548                           | 527                          | 13.44               | 39                       |
| 1957  | 693.83                  | 434                          | 345                           | 349                          | 13.97               | 25                       |
| 1958  | 815.13                  | 512                          | 407                           | 408                          | 14.03               | 29                       |
| 1961  | 661.17                  | 390                          | 311                           | 350                          | 15.67               | 22                       |
| 1963  | 150.44                  | 87                           | 69                            | 81                           | 16.36               | 5                        |
|   | 71,036.24               | 60,814                       | 54,436                        | 16,598                       |                     | 2,694                    |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 6.2                 | 3.79                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.10 MAINS & ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 60-R2.5 |                         |                              |                               |                              |                     |                          |
| 1925                          | 351.06                  | 290                          | 260                           | 91                           | 5.59                | 16                       |
| 1926                          | 933.46                  | 769                          | 688                           | 245                          | 5.74                | 43                       |
| 1927                          | 1,253.37                | 1,028                        | 920                           | 333                          | 5.91                | 56                       |
| 1928                          | 897.09                  | 726                          | 650                           | 247                          | 6.09                | 41                       |
| 1929                          | 702.82                  | 566                          | 507                           | 196                          | 6.29                | 31                       |
| 1930                          | 1,588.63                | 1,273                        | 1,139                         | 450                          | 6.50                | 69                       |
| 1931                          | 1,905.56                | 1,518                        | 1,359                         | 547                          | 6.72                | 81                       |
| 1932                          | 1,467.26                | 1,161                        | 1,039                         | 428                          | 6.96                | 61                       |
| 1933                          | 1,712.71                | 1,345                        | 1,204                         | 509                          | 7.21                | 71                       |
| 1934                          | 2,183.41                | 1,702                        | 1,523                         | 660                          | 7.47                | 88                       |
| 1935                          | 1,590.66                | 1,230                        | 1,101                         | 490                          | 7.75                | 63                       |
| 1936                          | 1,984.90                | 1,523                        | 1,363                         | 622                          | 8.03                | 77                       |
| 1937                          | 1,815.56                | 1,381                        | 1,236                         | 580                          | 8.33                | 70                       |
| 1938                          | 4,932.55                | 3,718                        | 3,328                         | 1,605                        | 8.64                | 186                      |
| 1939                          | 2,510.00                | 1,859                        | 1,664                         | 846                          | 8.97                | 94                       |
| 1940                          | 2,900.29                | 2,127                        | 1,904                         | 996                          | 9.30                | 107                      |
| 1941                          | 955.01                  | 693                          | 620                           | 335                          | 9.65                | 35                       |
| 1942                          | 243.45                  | 175                          | 157                           | 86                           | 10.00               | 9                        |
| 1943                          | 29.29                   | 21                           | 19                            | 10                           | 9.74                | 1                        |
| 1944                          | 270.97                  | 195                          | 175                           | 96                           | 10.13               | 9                        |
| 1945                          | 1,925.88                | 1,370                        | 1,226                         | 700                          | 10.52               | 67                       |
| 1946                          | 3,210.03                | 2,256                        | 2,019                         | 1,191                        | 10.92               | 109                      |
| 1947                          | 2,138.30                | 1,484                        | 1,328                         | 810                          | 11.34               | 71                       |
| 1948                          | 4,628.21                | 3,171                        | 2,838                         | 1,790                        | 11.76               | 152                      |
| 1949                          | 4,775.65                | 3,230                        | 2,891                         | 1,885                        | 12.19               | 155                      |
| 1950                          | 4,434.95                | 3,026                        | 2,709                         | 1,726                        | 12.07               | 143                      |
| 1951                          | 3,707.78                | 2,495                        | 2,233                         | 1,475                        | 12.53               | 118                      |
| 1952                          | 4,993.87                | 3,314                        | 2,966                         | 2,028                        | 12.99               | 156                      |
| 1953                          | 3,627.40                | 2,374                        | 2,125                         | 1,502                        | 13.46               | 112                      |
| 1954                          | 8,210.79                | 5,296                        | 4,741                         | 3,470                        | 13.94               | 249                      |
| 1955                          | 10,896.27               | 6,925                        | 6,199                         | 4,697                        | 14.43               | 326                      |
| 1956                          | 11,322.43               | 7,091                        | 6,347                         | 4,975                        | 14.92               | 333                      |
| 1957                          | 8,290.37                | 5,114                        | 4,578                         | 3,712                        | 15.42               | 241                      |
| 1958                          | 4,393.85                | 2,670                        | 2,390                         | 2,004                        | 15.93               | 126                      |
| 1959                          | 5,277.29                | 3,218                        | 2,881                         | 2,396                        | 15.97               | 150                      |
| 1960                          | 4,660.64                | 2,798                        | 2,505                         | 2,156                        | 16.49               | 131                      |
| 1961                          | 4,089.05                | 2,415                        | 2,162                         | 1,927                        | 17.03               | 113                      |
| 1962                          | 8,589.58                | 4,957                        | 4,437                         | 4,153                        | 17.57               | 236                      |
| 1963                          | 2,338.74                | 1,327                        | 1,188                         | 1,151                        | 18.11               | 64                       |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.10 MAINS & ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 60-R2.5 |                         |                              |                               |                              |                     |                          |
| 1964                          | 4,387.26                | 2,449                        | 2,192                         | 2,195                        | 18.67               | 118                      |
| 1965                          | 5,430.12                | 2,980                        | 2,667                         | 2,763                        | 19.23               | 144                      |
| 1966                          | 5,168.47                | 2,789                        | 2,497                         | 2,671                        | 19.79               | 135                      |
| 1967                          | 2,393.03                | 1,269                        | 1,136                         | 1,257                        | 20.36               | 62                       |
| 1968                          | 1,033.59                | 538                          | 482                           | 552                          | 20.94               | 26                       |
| 1969                          | 7,737.62                | 3,959                        | 3,544                         | 4,194                        | 21.52               | 195                      |
| 1970                          | 6,924.88                | 3,481                        | 3,116                         | 3,809                        | 22.10               | 172                      |
| 1971                          | 1,168.97                | 573                          | 513                           | 656                          | 22.69               | 29                       |
| 1972                          | 6,554.59                | 3,151                        | 2,821                         | 3,734                        | 23.29               | 160                      |
| 1973                          | 2,295.82                | 1,083                        | 969                           | 1,327                        | 23.89               | 56                       |
| 1974                          | 5,683.51                | 2,631                        | 2,355                         | 3,329                        | 24.50               | 136                      |
| 1975                          | 5,117.06                | 2,305                        | 2,063                         | 3,054                        | 25.11               | 122                      |
| 1976                          | 7,845.75                | 3,465                        | 3,102                         | 4,744                        | 25.73               | 184                      |
| 1977                          | 16,853.82               | 7,242                        | 6,482                         | 10,372                       | 26.35               | 394                      |
| 1978                          | 11,759.48               | 5,042                        | 4,513                         | 7,246                        | 26.61               | 272                      |
| 1979                          | 11,158.94               | 4,652                        | 4,164                         | 6,995                        | 27.24               | 257                      |
| 1980                          | 15,274.06               | 6,183                        | 5,535                         | 9,739                        | 27.88               | 349                      |
| 1981                          | 975.42                  | 380                          | 340                           | 635                          | 28.52               | 22                       |
| 1982                          | 4,103.69                | 1,551                        | 1,388                         | 2,716                        | 29.17               | 93                       |
| 1983                          | 23,079.01               | 8,302                        | 7,431                         | 15,648                       | 29.82               | 525                      |
| 1984                          | 1,155.56                | 391                          | 350                           | 806                          | 30.48               | 26                       |
| 1985                          | 4,313.21                | 1,259                        | 1,127                         | 3,186                        | 31.14               | 102                      |
| 1986                          | 8,624.02                | 3,879                        | 3,472                         | 5,152                        | 31.80               | 162                      |
| 1988                          | 3,792.65                | 1,593                        | 1,426                         | 2,367                        | 33.14               | 71                       |
| 1989                          | 2,192.70                | 888                          | 795                           | 1,398                        | 33.82               | 41                       |
| 1990                          | 22,065.48               | 8,592                        | 7,691                         | 14,374                       | 34.50               | 417                      |
| 1991                          | 17,768.06               | 6,642                        | 5,946                         | 11,822                       | 35.18               | 336                      |
| 1992                          | 21,053.68               | 7,537                        | 6,747                         | 14,307                       | 35.87               | 399                      |
| 1993                          | 3,924.96                | 1,342                        | 1,201                         | 2,724                        | 36.56               | 75                       |
| 1994                          | 4,318.61                | 1,415                        | 1,267                         | 3,052                        | 36.95               | 83                       |
| 1996                          | 7,072.46                | 2,082                        | 1,864                         | 5,208                        | 38.35               | 136                      |
| 1997                          | 3,525.19                | 978                          | 875                           | 2,650                        | 39.05               | 68                       |
| 1999                          | 397.83                  | 97                           | 87                            | 311                          | 40.48               | 8                        |
| 2000                          | 42,721.77               | 9,689                        | 8,672                         | 34,050                       | 40.91               | 832                      |
| 2001                          | 4,149.36                | 867                          | 776                           | 3,373                        | 41.63               | 81                       |
| 2003                          | 897.03                  | 156                          | 140                           | 757                          | 42.81               | 18                       |
| 2011                          | 89,593.20               | 1,944                        | 1,740                         | 87,853                       | 45.08               | 1,949                    |
|                               | 514,249.99              | 201,207                      | 180,105                       | 334,146                      |                     | 12,515                   |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. 26.7 2.43

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.11 MAINS & ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 90-R4 |                         |                              |                               |                              |                     |                          |
| 1939                        | 8,619.35                | 4,872                        | 4,361                         | 4,258                        | 22.24               | 191                      |
| 1940                        | 356.57                  | 203                          | 182                           | 175                          | 22.34               | 8                        |
| 1941                        | 13,373.03               | 7,450                        | 6,669                         | 6,704                        | 23.34               | 287                      |
| 1942                        | 1,464.18                | 810                          | 725                           | 739                          | 23.46               | 32                       |
| 1943                        | 147.18                  | 80                           | 72                            | 75                           | 24.46               | 3                        |
| 1945                        | 6,684.25                | 3,565                        | 3,191                         | 3,493                        | 25.59               | 136                      |
| 1946                        | 1,675.83                | 874                          | 782                           | 894                          | 26.59               | 34                       |
| 1947                        | 3,028.07                | 1,569                        | 1,404                         | 1,624                        | 26.74               | 61                       |
| 1948                        | 921.62                  | 467                          | 418                           | 504                          | 27.74               | 18                       |
| 1949                        | 103.88                  | 52                           | 47                            | 57                           | 28.74               | 2                        |
| 1952                        | 47,774.00               | 22,884                       | 20,484                        | 27,290                       | 30.91               | 883                      |
| 1953                        | 60,914.24               | 29,397                       | 26,314                        | 34,600                       | 31.09               | 1,113                    |
| 1954                        | 165,632.35              | 78,294                       | 70,083                        | 95,549                       | 32.09               | 2,978                    |
| 1955                        | 15,583.22               | 7,103                        | 6,358                         | 9,225                        | 33.09               | 279                      |
| 1956                        | 15,348.76               | 7,053                        | 6,313                         | 9,036                        | 33.29               | 271                      |
| 1957                        | 14,415.41               | 6,488                        | 5,808                         | 8,607                        | 34.29               | 251                      |
| 1958                        | 39,649.92               | 17,486                       | 15,652                        | 23,998                       | 35.29               | 680                      |
| 1959                        | 11,761.40               | 5,083                        | 4,550                         | 7,211                        | 36.29               | 199                      |
| 1960                        | 130,906.54              | 57,049                       | 51,066                        | 79,841                       | 36.50               | 2,187                    |
| 1961                        | 43,379.98               | 18,536                       | 16,592                        | 26,788                       | 37.50               | 714                      |
| 1962                        | 139,495.24              | 58,449                       | 52,319                        | 87,176                       | 38.50               | 2,264                    |
| 1963                        | 132,322.57              | 54,371                       | 48,669                        | 83,654                       | 39.50               | 2,118                    |
| 1964                        | 299,230.67              | 124,031                      | 111,023                       | 188,208                      | 39.72               | 4,738                    |
| 1965                        | 164,764.38              | 67,010                       | 59,982                        | 104,782                      | 40.72               | 2,573                    |
| 1966                        | 693,182.24              | 276,649                      | 247,635                       | 445,547                      | 41.72               | 10,679                   |
| 1967                        | 76,658.54               | 29,514                       | 26,419                        | 50,240                       | 42.72               | 1,176                    |
| 1968                        | 110,892.81              | 43,104                       | 38,583                        | 72,310                       | 42.96               | 1,683                    |
| 1969                        | 173,241.45              | 66,092                       | 59,160                        | 114,081                      | 43.96               | 2,595                    |
| 1970                        | 239,076.48              | 89,534                       | 80,144                        | 158,932                      | 44.96               | 3,535                    |
| 1971                        | 74,927.56               | 27,551                       | 24,662                        | 50,266                       | 45.96               | 1,094                    |
| 1972                        | 1,101,548.69            | 397,769                      | 356,052                       | 745,497                      | 46.96               | 15,875                   |
| 1973                        | 386,383.06              | 137,050                      | 122,677                       | 263,706                      | 47.96               | 5,498                    |
| 1974                        | 350,332.83              | 125,559                      | 112,391                       | 237,942                      | 48.21               | 4,936                    |
| 1975                        | 429,126.19              | 151,138                      | 135,287                       | 293,839                      | 49.21               | 5,971                    |
| 1976                        | 319,686.76              | 110,644                      | 99,040                        | 220,647                      | 50.21               | 4,394                    |
| 1977                        | 208,897.03              | 71,067                       | 63,614                        | 145,283                      | 51.21               | 2,837                    |
| 1978                        | 465,247.03              | 155,579                      | 139,262                       | 325,985                      | 52.21               | 6,244                    |
| 1979                        | 869,021.52              | 285,734                      | 255,767                       | 613,255                      | 53.21               | 11,525                   |
| 1980                        | 377,208.31              | 121,951                      | 109,161                       | 268,047                      | 54.21               | 4,945                    |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.11 MAINS & ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 90-R4                             |                         |                              |                               |                              |                     |                          |
| 1981  | 263,925.92              | 86,330                       | 77,276                        | 186,650                      | 54.47               | 3,427                    |
| 1982  | 354,001.40              | 113,918                      | 101,971                       | 252,030                      | 55.47               | 4,544                    |
| 1983  | 419,983.69              | 132,967                      | 119,022                       | 300,962                      | 56.47               | 5,330                    |
| 1984  | 524,278.76              | 163,313                      | 146,185                       | 378,094                      | 57.47               | 6,579                    |
| 1985  | 825,592.40              | 253,127                      | 226,579                       | 599,013                      | 58.47               | 10,245                   |
| 2000  | 27,815.16               | 3,939                        | 3,526                         | 24,289                       | 72.75               | 334                      |
| 2001  | 16,152.15               | 2,097                        | 1,877                         | 14,275                       | 73.75               | 194                      |
| 2002  | 34,608.19               | 4,084                        | 3,656                         | 30,952                       | 74.75               | 414                      |
| 2003  | 123,262.53              | 13,090                       | 11,717                        | 111,546                      | 75.75               | 1,473                    |
| 2004  | 85.77                   | 8                            | 7                             | 79                           | 76.75               | 1                        |
| 2006  | 66,349.68               | 4,698                        | 4,205                         | 62,145                       | 78.75               | 789                      |
| 2007  | 832.28                  | 49                           | 44                            | 788                          | 79.75               | 10                       |
| 2008  | 48,850.71               | 2,306                        | 2,064                         | 46,787                       | 80.75               | 579                      |
|   | 9,898,721.78            | 3,442,037                    | 3,081,047                     | 6,817,675                    |                     | 138,926                  |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 49.1                | 1.40                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.12 MAINS & ACCESSORIES - GALVANIZED STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 50-S0 |                         |                              |                               |                              |                     |                          |
| 1918                        | 1,041.74                | 972                          | 870                           | 172                          | 2.15                | 80                       |
| 1919                        | 320.54                  | 298                          | 267                           | 54                           | 2.24                | 24                       |
| 1920                        | 1,145.64                | 1,026                        | 918                           | 228                          | 3.24                | 70                       |
| 1921                        | 989.46                  | 884                          | 791                           | 198                          | 3.34                | 59                       |
| 1922                        | 247.55                  | 221                          | 198                           | 50                           | 3.46                | 14                       |
| 1923                        | 5,457.84                | 4,848                        | 4,340                         | 1,118                        | 3.59                | 311                      |
| 1924                        | 1,282.80                | 1,101                        | 986                           | 297                          | 4.59                | 65                       |
| 1925                        | 4,872.75                | 4,170                        | 3,733                         | 1,140                        | 4.74                | 241                      |
| 1926                        | 2,009.60                | 1,713                        | 1,533                         | 477                          | 4.91                | 97                       |
| 1927                        | 1,611.70                | 1,359                        | 1,216                         | 396                          | 5.09                | 78                       |
| 1928                        | 728.76                  | 594                          | 532                           | 197                          | 6.09                | 32                       |
| 1929                        | 1,579.88                | 1,282                        | 1,148                         | 432                          | 6.29                | 69                       |
| 1930                        | 1,939.48                | 1,567                        | 1,403                         | 536                          | 6.50                | 82                       |
| 1931                        | 1,053.32                | 840                          | 752                           | 301                          | 6.72                | 45                       |
| 1932                        | 919.42                  | 730                          | 653                           | 266                          | 6.96                | 38                       |
| 1933                        | 344.21                  | 272                          | 243                           | 101                          | 7.21                | 14                       |
| 1934                        | 1,170.54                | 886                          | 793                           | 378                          | 8.21                | 46                       |
| 1935                        | 1,126.15                | 848                          | 759                           | 367                          | 8.47                | 43                       |
| 1936                        | 1,443.28                | 1,071                        | 959                           | 484                          | 8.75                | 55                       |
| 1937                        | 1,554.60                | 1,148                        | 1,028                         | 527                          | 9.03                | 58                       |
| 1938                        | 380.79                  | 277                          | 248                           | 133                          | 9.33                | 14                       |
| 1939                        | 1,450.46                | 1,049                        | 939                           | 511                          | 9.64                | 53                       |
| 1940                        | 4,942.20                | 3,517                        | 3,148                         | 1,794                        | 9.97                | 180                      |
| 1941                        | 1,383.57                | 978                          | 875                           | 509                          | 10.30               | 49                       |
| 1942                        | 1,543.71                | 1,074                        | 961                           | 583                          | 10.65               | 55                       |
| 1943                        | 383.59                  | 263                          | 235                           | 149                          | 11.00               | 14                       |
| 1944                        | 148.55                  | 101                          | 90                            | 59                           | 11.37               | 5                        |
| 1945                        | 9,782.50                | 6,543                        | 5,857                         | 3,926                        | 11.74               | 334                      |
| 1946                        | 625.79                  | 411                          | 368                           | 258                          | 12.13               | 21                       |
| 1948                        | 220.24                  | 140                          | 125                           | 95                           | 12.92               | 7                        |
| 1949                        | 291.05                  | 182                          | 163                           | 128                          | 13.34               | 10                       |
| 1950                        | 384.08                  | 236                          | 211                           | 173                          | 13.76               | 13                       |
| 1951                        | 2,280.83                | 1,410                        | 1,262                         | 1,019                        | 13.63               | 75                       |
| 1952                        | 3,890.36                | 2,361                        | 2,113                         | 1,777                        | 14.07               | 126                      |
| 1953                        | 27,705.26               | 16,501                       | 14,771                        | 12,934                       | 14.53               | 890                      |
| 1954                        | 333.73                  | 195                          | 175                           | 159                          | 14.99               | 11                       |
| 1955                        | 3,465.84                | 1,969                        | 1,763                         | 1,703                        | 15.46               | 110                      |
| 1956                        | 1,248.96                | 713                          | 638                           | 611                          | 15.43               | 40                       |
| 1957                        | 1,779.32                | 997                          | 892                           | 887                          | 15.92               | 56                       |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.12 MAINS & ACCESSORIES - GALVANIZED STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 50-S0                             |                         |                              |                               |                              |                     |                          |
| 1958  | 950.00                  | 517                          | 463                           | 487                          | 16.42               | 30                       |
| 1959  | 603.93                  | 327                          | 293                           | 311                          | 16.44               | 19                       |
| 1960  | 3,478.77                | 1,843                        | 1,650                         | 1,829                        | 16.97               | 108                      |
| 1961  | 362.25                  | 186                          | 166                           | 196                          | 17.49               | 11                       |
| 1962  | 1,499.38                | 766                          | 686                           | 813                          | 17.57               | 46                       |
| 1963  | 12,360.45               | 6,118                        | 5,476                         | 6,884                        | 18.11               | 380                      |
| 1964  | 2,923.10                | 1,436                        | 1,285                         | 1,638                        | 18.23               | 90                       |
| 1965  | 3,886.90                | 1,849                        | 1,655                         | 2,232                        | 18.79               | 119                      |
| 1966  | 3,103.89                | 1,464                        | 1,310                         | 1,794                        | 18.94               | 95                       |
| 1967  | 1,922.70                | 891                          | 798                           | 1,125                        | 19.10               | 59                       |
| 1968  | 607.44                  | 272                          | 243                           | 364                          | 19.69               | 18                       |
| 1969  | 2,418.23                | 1,062                        | 951                           | 1,467                        | 19.89               | 74                       |
| 1970  | 3,681.50                | 1,599                        | 1,431                         | 2,251                        | 20.11               | 112                      |
| 1971  | 18,817.75               | 7,796                        | 6,978                         | 11,840                       | 20.73               | 571                      |
| 1972  | 15,275.60               | 6,135                        | 5,492                         | 9,784                        | 20.98               | 466                      |
| 1973  | 73,353.43               | 28,806                       | 25,785                        | 47,568                       | 21.24               | 2,240                    |
| 1974  | 3,340.50                | 1,281                        | 1,147                         | 2,194                        | 21.52               | 102                      |
| 1977  | 788.00                  | 269                          | 241                           | 547                          | 22.47               | 24                       |
| 1981  | 21,111.47               | 5,730                        | 5,129                         | 15,982                       | 23.95               | 667                      |
| 1984  | 785.03                  | 169                          | 151                           | 634                          | 24.63               | 26                       |
| 1997  | 27,209.69               | 9,387                        | 8,403                         | 18,807                       | 28.48               | 660                      |
| 1999  | 2,198.30                | 683                          | 611                           | 1,587                        | 28.84               | 55                       |
| 2000  | 8,065.53                | 2,352                        | 2,105                         | 5,961                        | 29.15               | 204                      |
| 2001  | 3,945.59                | 1,076                        | 963                           | 2,983                        | 29.32               | 102                      |
| 2002  | 113,070.01              | 28,607                       | 25,607                        | 87,463                       | 29.53               | 2,962                    |
| 2003  | 109,750.57              | 25,484                       | 22,812                        | 86,939                       | 29.76               | 2,921                    |
| 2004  | 59,521.48               | 12,523                       | 11,210                        | 48,311                       | 30.02               | 1,609                    |
| 2007  | 499.20                  | 70                           | 63                            | 436                          | 30.46               | 14                       |
|   | 588,610.78              | 213,445                      | 191,060                       | 397,554                      |                     | 17,368                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 22.9                | 2.95                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.13 MAINS & ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 75-R2.5 |                         |                              |                               |                              |                     |                          |
| 1965                          | 23,354.25               | 9,996                        | 8,948                         | 14,406                       | 30.52               | 472                      |
| 1966                          | 214,132.98              | 89,443                       | 80,063                        | 134,070                      | 31.52               | 4,253                    |
| 1967                          | 1,369.53                | 566                          | 507                           | 863                          | 31.92               | 27                       |
| 1968                          | 94,381.55               | 38,536                       | 34,494                        | 59,888                       | 32.34               | 1,852                    |
| 1969                          | 7,422.13                | 2,918                        | 2,612                         | 4,810                        | 33.34               | 144                      |
| 1970                          | 63,408.01               | 24,628                       | 22,045                        | 41,363                       | 33.76               | 1,225                    |
| 1971                          | 166,708.42              | 64,850                       | 58,049                        | 108,659                      | 34.19               | 3,178                    |
| 1972                          | 124,747.54              | 46,718                       | 41,818                        | 82,930                       | 35.19               | 2,357                    |
| 1973                          | 400,246.61              | 148,051                      | 132,524                       | 267,723                      | 35.63               | 7,514                    |
| 1974                          | 314,787.47              | 115,055                      | 102,988                       | 211,799                      | 36.07               | 5,872                    |
| 1975                          | 210,036.28              | 73,786                       | 66,048                        | 143,988                      | 37.07               | 3,884                    |
| 1976                          | 40,190.66               | 13,938                       | 12,476                        | 27,715                       | 37.53               | 738                      |
| 1977                          | 42,884.44               | 14,684                       | 13,144                        | 29,740                       | 37.99               | 783                      |
| 1978                          | 200,833.67              | 65,050                       | 58,228                        | 142,606                      | 38.99               | 3,658                    |
| 1979                          | 119,464.32              | 38,193                       | 34,187                        | 85,277                       | 39.46               | 2,161                    |
| 1980                          | 330,291.00              | 104,141                      | 93,219                        | 237,072                      | 39.94               | 5,936                    |
| 1981                          | 41,534.31               | 12,356                       | 11,060                        | 30,474                       | 40.94               | 744                      |
| 1982                          | 133,272.39              | 38,449                       | 34,417                        | 98,855                       | 41.43               | 2,386                    |
| 1983                          | 1,905.68                | 525                          | 470                           | 1,436                        | 41.92               | 34                       |
| 1984                          | 70,441.44               | 17,547                       | 15,707                        | 54,734                       | 42.92               | 1,275                    |
| 1985                          | 1,448,467.48            | 297,515                      | 266,313                       | 1,182,154                    | 43.42               | 27,226                   |
| 1986                          | 27,589.14               | 10,258                       | 9,182                         | 18,407                       | 43.93               | 419                      |
| 1987                          | 222,198.08              | 79,436                       | 71,105                        | 151,093                      | 44.93               | 3,363                    |
| 1988                          | 133,775.69              | 46,233                       | 41,384                        | 92,392                       | 45.44               | 2,033                    |
| 1989                          | 223,821.87              | 74,645                       | 66,816                        | 157,006                      | 45.97               | 3,415                    |
| 1990                          | 953,343.25              | 306,214                      | 274,099                       | 679,244                      | 46.49               | 14,611                   |
| 1991                          | 35,654.80               | 10,932                       | 9,785                         | 25,870                       | 47.49               | 545                      |
| 1992                          | 157,191.61              | 46,214                       | 41,367                        | 115,825                      | 48.03               | 2,412                    |
| 1993                          | 152,878.75              | 42,990                       | 38,481                        | 114,398                      | 48.57               | 2,355                    |
| 1994                          | 129,918.57              | 34,844                       | 31,190                        | 98,729                       | 49.11               | 2,010                    |
| 1995                          | 665,126.19              | 168,476                      | 150,807                       | 514,319                      | 50.11               | 10,264                   |
| 1996                          | 24,955.36               | 5,989                        | 5,361                         | 19,594                       | 50.67               | 387                      |
| 1997                          | 4,907.52                | 1,112                        | 995                           | 3,913                        | 51.23               | 76                       |
| 1998                          | 91,368.84               | 19,443                       | 17,404                        | 73,965                       | 51.79               | 1,428                    |
| 1999                          | 478,251.13              | 95,124                       | 85,148                        | 393,103                      | 52.36               | 7,508                    |
| 2000                          | 605,237.37              | 111,848                      | 100,118                       | 505,119                      | 52.94               | 9,541                    |
| 2001                          | 834,572.72              | 142,295                      | 127,372                       | 707,201                      | 53.52               | 13,214                   |
| 2002                          | 164,861.05              | 25,718                       | 23,021                        | 141,840                      | 54.10               | 2,622                    |
| 2003                          | 239,352.94              | 33,821                       | 30,274                        | 209,079                      | 54.69               | 3,823                    |



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.13 MAINS & ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 75-R2.5                           |                         |                              |                               |                              |                     |                          |
| 2004  | 1,584.00                | 200                          | 179                           | 1,405                        | 55.29               | 25                       |
| 2005  | 4,432.00                | 493                          | 441                           | 3,991                        | 55.89               | 71                       |
| 2006  | 1,203,042.60            | 116,214                      | 104,026                       | 1,099,017                    | 56.11               | 19,587                   |
| 2007  | 157,801.52              | 12,782                       | 11,441                        | 146,361                      | 56.73               | 2,580                    |
| 2008  | 338,863.69              | 22,229                       | 19,898                        | 318,966                      | 56.98               | 5,598                    |
| 2011  | 408,519.53              | 7,190                        | 6,436                         | 402,084                      | 55.82               | 7,203                    |
|   | 11,309,128.38           | 2,631,645                    | 2,355,647                     | 8,953,483                    |                     | 190,809                  |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 46.9                | 1.69                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.99 MAINS & ACCESSORIES - MAIN CLEANING & LINING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 50-L4 |                         |                              |                               |                              |                     |                          |
| 1986                        | 708,690.29              | 385,102                      | 344,714                       | 363,976                      | 21.85               | 16,658                   |
| 1987                        | 385,760.30              | 201,560                      | 180,421                       | 205,339                      | 22.85               | 8,986                    |
| 1988                        | 324,213.40              | 163,404                      | 146,267                       | 177,946                      | 23.62               | 7,534                    |
| 1989                        | 664,721.49              | 321,060                      | 287,388                       | 377,333                      | 24.62               | 15,326                   |
| 1990                        | 696,457.29              | 323,295                      | 289,389                       | 407,068                      | 25.39               | 16,033                   |
| 1991                        | 764,813.74              | 338,889                      | 303,347                       | 461,467                      | 26.39               | 17,486                   |
| 1992                        | 822,389.65              | 347,048                      | 310,651                       | 511,739                      | 27.39               | 18,683                   |
| 1993                        | 2,104,802.97            | 847,815                      | 758,899                       | 1,345,904                    | 28.17               | 47,778                   |
| 1994                        | 1,884,417.33            | 719,094                      | 643,678                       | 1,240,739                    | 29.17               | 42,535                   |
| 1995                        | 2,253,986.78            | 812,337                      | 727,142                       | 1,526,845                    | 30.17               | 50,608                   |
| 1996                        | 2,275,856.85            | 771,971                      | 691,009                       | 1,584,848                    | 31.17               | 50,845                   |
| 1997                        | 3,058,157.62            | 972,494                      | 870,502                       | 2,187,656                    | 32.17               | 68,003                   |
| 1998                        | 3,870,965.86            | 1,148,903                    | 1,028,410                     | 2,842,556                    | 33.17               | 85,697                   |
| 1999                        | 5,299,090.46            | 1,460,429                    | 1,307,264                     | 3,991,826                    | 34.17               | 116,823                  |
| 2000                        | 6,011,736.64            | 1,529,386                    | 1,368,989                     | 4,642,748                    | 35.17               | 132,009                  |
| 2001                        | 5,786,608.92            | 1,349,437                    | 1,207,912                     | 4,578,697                    | 36.17               | 126,588                  |
| 2002                        | 8,472,230.48            | 1,796,113                    | 1,607,742                     | 6,864,488                    | 37.17               | 184,678                  |
| 2003                        | 226,528.64              | 43,222                       | 38,689                        | 187,840                      | 38.17               | 4,921                    |
| 2005                        | 1,799,778.13            | 267,087                      | 239,076                       | 1,560,702                    | 40.17               | 38,852                   |
| 2006                        | 7,477,272.69            | 951,109                      | 851,360                       | 6,625,913                    | 41.17               | 160,940                  |
| 2007                        | 4,249,150.86            | 450,410                      | 403,172                       | 3,845,979                    | 42.17               | 91,202                   |
| 2008                        | 9,399,542.06            | 797,081                      | 713,486                       | 8,686,056                    | 43.17               | 201,206                  |
| 2009                        | 9,383,302.28            | 596,778                      | 534,190                       | 8,849,112                    | 44.17               | 200,342                  |
| 2010                        | 5,670,818.08            | 240,443                      | 215,226                       | 5,455,592                    | 45.17               | 120,779                  |
| 2011                        | 1,872,090.10            | 39,688                       | 35,525                        | 1,836,565                    | 46.17               | 39,778                   |
| 2012                        | 7,894,605.84            | 41,841                       | 37,453                        | 7,857,153                    | 46.92               | 167,459                  |
|                             | 93,357,988.75           | 16,915,996                   | 15,141,901                    | 78,216,087                   |                     | 2,031,749                |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. 38.5 2.18

## AQUA PENNSYLVANIA, INC.

## ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3 |                         |                              |                               |                              |                     |                          |
| 1887                        | 6,188.48                | 6,188                        | 6,188                         |                              |                     |                          |
| 1890                        | 502.98                  | 503                          | 503                           |                              |                     |                          |
| 1900                        | 652.23                  | 617                          | 598                           | 54                           | 1.64                | 33                       |
| 1908                        | 66.94                   | 59                           | 57                            | 10                           | 3.53                | 3                        |
| 1914                        | 119.01                  | 100                          | 97                            | 22                           | 5.09                | 4                        |
| 1917                        | 26.30                   | 21                           | 20                            | 6                            | 6.01                | 1                        |
| 1918                        | 1,565.19                | 1,289                        | 1,250                         | 315                          | 6.00                | 53                       |
| 1919                        | 25.85                   | 21                           | 20                            | 6                            | 6.01                | 1                        |
| 1920                        | 248.59                  | 204                          | 198                           | 51                           | 6.04                | 8                        |
| 1923                        | 9,830.03                | 7,756                        | 7,519                         | 2,311                        | 7.15                | 323                      |
| 1924                        | 4,759.60                | 3,780                        | 3,664                         | 1,096                        | 7.24                | 151                      |
| 1925                        | 7,556.09                | 5,979                        | 5,796                         | 1,760                        | 7.34                | 240                      |
| 1926                        | 30,981.72               | 24,414                       | 23,668                        | 7,314                        | 7.46                | 980                      |
| 1927                        | 25,852.44               | 19,638                       | 19,038                        | 6,814                        | 8.46                | 805                      |
| 1928                        | 38,186.97               | 29,160                       | 28,268                        | 9,919                        | 8.59                | 1,155                    |
| 1929                        | 31,965.40               | 24,281                       | 23,539                        | 8,426                        | 8.74                | 964                      |
| 1930                        | 30,830.94               | 23,287                       | 22,575                        | 8,256                        | 8.91                | 927                      |
| 1931                        | 33,643.76               | 25,253                       | 24,481                        | 9,163                        | 9.09                | 1,008                    |
| 1932                        | 38,159.26               | 28,703                       | 27,825                        | 10,334                       | 9.29                | 1,112                    |
| 1933                        | 20,520.67               | 15,331                       | 14,862                        | 5,659                        | 9.50                | 596                      |
| 1934                        | 40,076.23               | 28,891                       | 28,008                        | 12,068                       | 10.50               | 1,149                    |
| 1935                        | 67,790.14               | 48,517                       | 47,034                        | 20,756                       | 10.72               | 1,936                    |
| 1936                        | 61,854.64               | 44,325                       | 42,970                        | 18,885                       | 10.96               | 1,723                    |
| 1937                        | 59,811.63               | 42,514                       | 41,214                        | 18,598                       | 11.21               | 1,659                    |
| 1938                        | 65,101.79               | 45,877                       | 44,474                        | 20,628                       | 11.47               | 1,798                    |
| 1939                        | 108,336.04              | 76,323                       | 73,989                        | 34,347                       | 11.75               | 2,923                    |
| 1940                        | 125,006.73              | 87,292                       | 84,623                        | 40,384                       | 12.03               | 3,357                    |
| 1941                        | 107,835.96              | 72,714                       | 70,491                        | 37,345                       | 13.03               | 2,866                    |
| 1942                        | 48,514.56               | 32,694                       | 31,694                        | 16,821                       | 13.33               | 1,262                    |
| 1943                        | 22,741.37               | 15,175                       | 14,711                        | 8,030                        | 13.64               | 589                      |
| 1944                        | 47,863.66               | 31,609                       | 30,643                        | 17,221                       | 13.97               | 1,233                    |
| 1945                        | 122,529.52              | 80,796                       | 78,326                        | 44,204                       | 14.30               | 3,091                    |
| 1946                        | 135,095.42              | 88,123                       | 85,429                        | 49,666                       | 14.65               | 3,390                    |
| 1947                        | 211,090.33              | 132,966                      | 128,901                       | 82,189                       | 15.65               | 5,252                    |
| 1948                        | 322,194.76              | 202,596                      | 196,402                       | 125,793                      | 16.00               | 7,862                    |
| 1949                        | 318,269.19              | 197,836                      | 191,787                       | 126,482                      | 16.37               | 7,726                    |
| 1950                        | 539,639.43              | 331,716                      | 321,574                       | 218,065                      | 16.74               | 13,027                   |
| 1951                        | 566,205.02              | 346,970                      | 336,362                       | 229,843                      | 17.13               | 13,418                   |
| 1952                        | 535,518.87              | 316,974                      | 307,283                       | 228,236                      | 18.13               | 12,589                   |

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3 |                         |                              |                               |                              |                     |                          |
| 1953                        | 661,701.57              | 387,095                      | 375,260                       | 286,442                      | 18.52               | 15,467                   |
| 1954                        | 815,541.81              | 475,706                      | 461,162                       | 354,380                      | 18.92               | 18,730                   |
| 1955                        | 961,030.71              | 553,458                      | 536,536                       | 424,495                      | 19.34               | 21,949                   |
| 1956                        | 881,457.73              | 505,780                      | 490,316                       | 391,142                      | 19.76               | 19,795                   |
| 1957                        | 722,949.91              | 400,731                      | 388,479                       | 334,471                      | 20.76               | 16,111                   |
| 1958                        | 667,471.32              | 365,240                      | 354,073                       | 313,398                      | 21.19               | 14,790                   |
| 1959                        | 747,816.91              | 407,635                      | 395,172                       | 352,645                      | 21.63               | 16,304                   |
| 1960                        | 733,151.13              | 394,582                      | 382,518                       | 350,633                      | 22.07               | 15,887                   |
| 1961                        | 683,841.75              | 358,743                      | 347,775                       | 336,067                      | 23.07               | 14,567                   |
| 1962                        | 860,750.71              | 445,438                      | 431,819                       | 428,932                      | 23.53               | 18,229                   |
| 1963                        | 702,601.02              | 362,121                      | 351,049                       | 351,552                      | 23.99               | 14,654                   |
| 1964                        | 1,254,286.37            | 624,384                      | 605,294                       | 648,992                      | 24.99               | 25,970                   |
| 1965                        | 806,060.61              | 395,695                      | 383,597                       | 422,464                      | 25.46               | 16,593                   |
| 1966                        | 1,092,349.86            | 533,831                      | 517,510                       | 574,840                      | 25.94               | 22,160                   |
| 1967                        | 862,574.67              | 406,963                      | 394,520                       | 468,055                      | 26.94               | 17,374                   |
| 1968                        | 806,965.03              | 379,112                      | 367,521                       | 439,444                      | 27.43               | 16,021                   |
| 1969                        | 822,111.51              | 380,720                      | 369,080                       | 453,032                      | 27.92               | 16,226                   |
| 1970                        | 843,910.16              | 381,025                      | 369,375                       | 474,535                      | 28.92               | 16,409                   |
| 1971                        | 1,204,059.96            | 535,927                      | 519,541                       | 684,519                      | 29.42               | 23,267                   |
| 1972                        | 1,043,051.05            | 462,072                      | 447,945                       | 595,106                      | 29.93               | 19,883                   |
| 1973                        | 1,330,845.65            | 568,937                      | 551,542                       | 779,304                      | 30.93               | 25,196                   |
| 1974                        | 2,310,150.81            | 983,431                      | 953,363                       | 1,356,788                    | 31.44               | 43,155                   |
| 1975                        | 1,654,994.25            | 693,939                      | 672,722                       | 982,272                      | 31.97               | 30,725                   |
| 1976                        | 1,068,948.74            | 436,986                      | 423,626                       | 645,323                      | 32.97               | 19,573                   |
| 1977                        | 1,385,821.68            | 558,348                      | 541,277                       | 844,545                      | 33.49               | 25,218                   |
| 1978                        | 1,752,948.44            | 702,757                      | 681,271                       | 1,071,677                    | 34.03               | 31,492                   |
| 1979                        | 2,010,446.72            | 777,641                      | 753,865                       | 1,256,582                    | 35.03               | 35,872                   |
| 1980                        | 1,671,280.93            | 636,591                      | 617,128                       | 1,054,153                    | 35.57               | 29,636                   |
| 1981                        | 1,711,892.03            | 649,149                      | 629,302                       | 1,082,590                    | 36.11               | 29,980                   |
| 1982                        | 1,419,826.73            | 519,231                      | 503,356                       | 916,471                      | 37.11               | 24,696                   |
| 1983                        | 1,575,553.16            | 566,884                      | 549,552                       | 1,026,001                    | 37.67               | 27,237                   |
| 1984                        | 2,415,303.94            | 827,483                      | 802,183                       | 1,613,121                    | 38.67               | 41,715                   |
| 1985                        | 3,259,485.71            | 1,072,697                    | 1,039,900                     | 2,219,586                    | 39.23               | 56,579                   |
| 1986                        | 2,507,361.50            | 984,390                      | 954,293                       | 1,553,069                    | 40.23               | 38,605                   |
| 1987                        | 3,055,471.70            | 1,161,079                    | 1,125,580                     | 1,929,892                    | 40.79               | 47,313                   |
| 1988                        | 3,199,440.96            | 1,174,835                    | 1,138,915                     | 2,060,526                    | 41.36               | 49,819                   |
| 1989                        | 3,461,072.05            | 1,217,951                    | 1,180,713                     | 2,280,359                    | 42.36               | 53,833                   |
| 1990                        | 3,648,009.13            | 1,235,945                    | 1,198,157                     | 2,449,852                    | 42.94               | 57,053                   |
| 1991                        | 2,843,707.99            | 919,655                      | 891,537                       | 1,952,171                    | 43.94               | 44,428                   |

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3                             |                         |                              |                               |                              |                     |                          |
| 1992  | 3,311,885.11            | 1,026,684                    | 995,294                       | 2,316,591                    | 44.52               | 52,035                   |
| 1993  | 3,568,776.20            | 1,051,005                    | 1,018,872                     | 2,549,904                    | 45.52               | 56,017                   |
| 1994  | 3,543,014.98            | 994,879                      | 964,462                       | 2,578,553                    | 46.10               | 55,934                   |
| 1995  | 4,242,338.49            | 1,125,068                    | 1,090,670                     | 3,151,668                    | 47.10               | 66,914                   |
| 1996  | 3,389,343.84            | 851,403                      | 825,372                       | 2,563,972                    | 47.69               | 53,763                   |
| 1997  | 4,343,173.60            | 1,022,817                    | 991,545                       | 3,351,629                    | 48.69               | 68,836                   |
| 1998  | 7,355,593.02            | 1,627,057                    | 1,577,311                     | 5,778,282                    | 49.29               | 117,230                  |
| 1999  | 5,821,420.31            | 1,195,720                    | 1,159,162                     | 4,662,258                    | 50.29               | 92,707                   |
| 2000  | 6,913,840.61            | 1,319,161                    | 1,278,829                     | 5,635,012                    | 50.89               | 110,729                  |
| 2001  | 9,889,129.24            | 1,740,487                    | 1,687,273                     | 8,201,856                    | 51.50               | 159,259                  |
| 2002  | 14,620,780.71           | 2,339,325                    | 2,267,802                     | 12,352,979                   | 52.50               | 235,295                  |
| 2003  | 3,068,009.94            | 444,555                      | 430,963                       | 2,637,047                    | 53.11               | 49,653                   |
| 2004  | 11,180,814.11           | 1,440,089                    | 1,396,060                     | 9,784,754                    | 54.11               | 180,831                  |
| 2005  | 10,636,475.14           | 1,206,176                    | 1,169,298                     | 9,467,177                    | 54.73               | 172,980                  |
| 2006  | 12,520,263.94           | 1,216,970                    | 1,179,762                     | 11,340,502                   | 55.73               | 203,490                  |
| 2007  | 12,012,521.32           | 979,020                      | 949,088                       | 11,063,433                   | 56.35               | 196,334                  |
| 2008  | 13,435,468.99           | 881,367                      | 854,420                       | 12,581,049                   | 56.98               | 220,798                  |
| 2009  | 15,311,744.56           | 757,931                      | 734,758                       | 14,576,987                   | 57.61               | 253,029                  |
| 2010  | 20,944,740.32           | 695,365                      | 674,105                       | 20,270,635                   | 58.24               | 348,053                  |
| 2011  | 8,251,480.26            | 138,625                      | 134,387                       | 8,117,093                    | 58.52               | 138,706                  |
| 2012  | 11,310,765.35           | 48,636                       | 47,149                        | 11,263,616                   | 58.57               | 192,310                  |
|   | 248,914,983.69          | 48,987,019                   | 47,489,487                    | 201,425,500                  |                     | 4,192,628                |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 48.0                | 1.68                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 334.02 METERS - REMOTE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 17-S1.5 |                         |                              |                               |                              |                     |                          |
| 1981                          | 315.78                  | 301                          | 312                           | 4                            | 0.65                | 4                        |
| 1983                          | 540.96                  | 493                          | 510                           | 31                           | 1.21                | 26                       |
| 1984                          | 247.70                  | 222                          | 230                           | 18                           | 1.41                | 13                       |
| 1985                          | 1,115.19                | 984                          | 1,019                         | 96                           | 1.65                | 58                       |
| 1988                          | 822.27                  | 748                          | 774                           | 48                           | 2.39                | 20                       |
| 1989                          | 1,589.37                | 1,426                        | 1,476                         | 113                          | 2.64                | 43                       |
| 1990                          | 587,020.39              | 517,869                      | 536,067                       | 50,953                       | 2.94                | 17,331                   |
| 1991                          | 2,643,638.26            | 2,292,827                    | 2,373,397                     | 270,241                      | 3.21                | 84,187                   |
| 1992                          | 2,803,922.45            | 2,388,942                    | 2,472,889                     | 331,033                      | 3.47                | 95,399                   |
| 1993                          | 2,210,957.26            | 1,844,159                    | 1,908,963                     | 301,994                      | 3.78                | 79,893                   |
| 1994                          | 2,857,839.20            | 2,330,282                    | 2,412,168                     | 445,671                      | 4.08                | 109,233                  |
| 1995                          | 3,629,796.34            | 2,887,866                    | 2,989,345                     | 640,451                      | 4.37                | 146,556                  |
| 1996                          | 3,675,098.88            | 2,840,116                    | 2,939,917                     | 735,182                      | 4.70                | 156,422                  |
| 1997                          | 484,150.39              | 362,387                      | 375,121                       | 109,029                      | 5.04                | 21,633                   |
| 1998                          | 6,290,358.95            | 4,535,349                    | 4,694,721                     | 1,595,638                    | 5.42                | 294,398                  |
| 1999                          | 4,906,597.83            | 3,393,403                    | 3,512,647                     | 1,393,951                    | 5.80                | 240,336                  |
| 2000                          | 3,444,849.58            | 2,269,467                    | 2,349,216                     | 1,095,634                    | 6.21                | 176,431                  |
| 2001                          | 4,185,930.33            | 2,606,160                    | 2,697,740                     | 1,488,190                    | 6.67                | 223,117                  |
| 2002                          | 5,074,630.06            | 2,963,584                    | 3,067,724                     | 2,006,906                    | 7.12                | 281,869                  |
| 2003                          | 5,424,634.16            | 2,934,185                    | 3,037,292                     | 2,387,342                    | 7.64                | 312,479                  |
| 2004                          | 16,132,162.73           | 7,975,741                    | 8,256,007                     | 7,876,156                    | 8.18                | 962,855                  |
| 2005                          | 9,402,819.59            | 4,179,553                    | 4,326,422                     | 5,076,398                    | 8.75                | 580,160                  |
| 2006                          | 3,894,524.04            | 1,521,201                    | 1,574,656                     | 2,319,868                    | 9.36                | 247,849                  |
| 2007                          | 1,449,507.10            | 482,686                      | 499,647                       | 949,860                      | 10.02               | 94,796                   |
| 2008                          | 1,290,741.79            | 350,565                      | 362,884                       | 927,858                      | 10.73               | 86,473                   |
| 2009                          | 2,465,181.55            | 510,293                      | 528,224                       | 1,936,958                    | 11.49               | 168,578                  |
| 2010                          | 2,454,859.26            | 343,189                      | 355,249                       | 2,099,610                    | 12.31               | 170,561                  |
| 2011                          | 1,517,865.42            | 107,161                      | 110,927                       | 1,406,938                    | 13.16               | 106,910                  |
| 2012                          | 5,132,737.31            | 90,849                       | 94,041                        | 5,038,696                    | 13.85               | 363,805                  |
|                               | 91,964,454.14           | 49,732,008                   | 51,479,585                    | 40,484,867                   |                     | 5,021,435                |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. 8.1 5.46

AQUA PENNSYLVANIA, INC.

ACCOUNT 334.03 METERS - ERTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 15-S1.5                           |                         |                              |                               |                              |                     |                          |
| 1999  | 343,284.58              | 254,374                      | 260,982                       | 82,303                       | 4.54                | 18,128                   |
| 2001  | 782,577.74              | 527,692                      | 541,399                       | 241,179                      | 5.31                | 45,420                   |
| 2002  | 4,463,462.56            | 2,834,299                    | 2,907,923                     | 1,555,540                    | 5.75                | 270,529                  |
| 2003  | 6,513,906.11            | 3,857,535                    | 3,957,739                     | 2,556,167                    | 6.20                | 412,285                  |
| 2004  | 6,539,097.32            | 3,557,269                    | 3,649,673                     | 2,889,424                    | 6.71                | 430,615                  |
| 2005  | 8,885,131.18            | 4,366,153                    | 4,479,569                     | 4,405,562                    | 7.25                | 607,664                  |
| 2006  | 982,406.73              | 426,168                      | 437,238                       | 545,169                      | 7.83                | 69,626                   |
| 2007  | 957,607.08              | 355,751                      | 364,992                       | 592,615                      | 8.46                | 70,049                   |
| 2008  | 1,214,460.35            | 369,682                      | 379,285                       | 835,175                      | 9.14                | 91,376                   |
| 2009  | 946,366.32              | 220,598                      | 226,329                       | 720,037                      | 9.87                | 72,952                   |
| 2010  | 1,088,238.14            | 171,942                      | 176,408                       | 911,830                      | 10.66               | 85,538                   |
| 2011  | 541,796.51              | 43,290                       | 44,415                        | 497,382                      | 11.52               | 43,176                   |
| 2012  | 1,057,901.81            | 21,264                       | 21,816                        | 1,036,086                    | 12.20               | 84,925                   |
|   | 34,316,236.43           | 17,006,017                   | 17,447,768                    | 16,868,469                   |                     | 2,302,283                |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 7.3                 | 6.71                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 60-R3 |                         |                              |                               |                              |                     |                          |
| 1918                        | 304.33                  | 282                          | 232                           | 72                           | 2.15                | 33                       |
| 1927                        | 32.12                   | 28                           | 23                            | 9                            | 4.29                | 2                        |
| 1932                        | 45.99                   | 38                           | 31                            | 15                           | 5.47                | 3                        |
| 1933                        | 195.37                  | 165                          | 136                           | 59                           | 5.03                | 12                       |
| 1934                        | 373.66                  | 312                          | 257                           | 117                          | 5.33                | 22                       |
| 1936                        | 100.99                  | 83                           | 68                            | 33                           | 5.97                | 6                        |
| 1937                        | 101.29                  | 82                           | 68                            | 33                           | 6.30                | 5                        |
| 1939                        | 101.88                  | 81                           | 67                            | 35                           | 7.00                | 5                        |
| 1941                        | 204.85                  | 162                          | 134                           | 71                           | 7.13                | 10                       |
| 1948                        | 7,331.88                | 5,407                        | 4,458                         | 2,874                        | 9.53                | 302                      |
| 1949                        | 17,351.22               | 12,609                       | 10,395                        | 6,956                        | 9.99                | 696                      |
| 1950                        | 32,213.30               | 23,074                       | 19,023                        | 13,190                       | 10.46               | 1,261                    |
| 1951                        | 44,341.18               | 31,469                       | 25,944                        | 18,397                       | 10.94               | 1,682                    |
| 1952                        | 43,998.54               | 30,755                       | 25,356                        | 18,643                       | 11.43               | 1,631                    |
| 1953                        | 75,693.02               | 53,099                       | 43,777                        | 31,916                       | 11.42               | 2,795                    |
| 1954                        | 105,936.10              | 73,159                       | 60,315                        | 45,621                       | 11.93               | 3,824                    |
| 1955                        | 140,176.23              | 95,278                       | 78,551                        | 61,625                       | 12.44               | 4,954                    |
| 1956                        | 113,517.95              | 75,909                       | 62,582                        | 50,936                       | 12.97               | 3,927                    |
| 1957                        | 123,228.07              | 81,096                       | 66,859                        | 56,369                       | 13.49               | 4,179                    |
| 1958                        | 139,153.08              | 90,046                       | 74,237                        | 64,916                       | 14.03               | 4,627                    |
| 1959                        | 167,515.32              | 107,243                      | 88,415                        | 79,100                       | 14.57               | 5,429                    |
| 1960                        | 190,498.85              | 119,957                      | 98,897                        | 91,602                       | 15.11               | 6,062                    |
| 1961                        | 138,022.29              | 85,422                       | 70,425                        | 67,597                       | 15.67               | 4,314                    |
| 1962                        | 154,376.27              | 93,907                       | 77,420                        | 76,956                       | 16.23               | 4,742                    |
| 1963                        | 138,235.05              | 82,637                       | 68,129                        | 70,106                       | 16.79               | 4,175                    |
| 1964                        | 200,065.49              | 118,259                      | 97,497                        | 102,568                      | 17.36               | 5,908                    |
| 1965                        | 257,483.89              | 149,495                      | 123,249                       | 134,235                      | 17.94               | 7,482                    |
| 1966                        | 200,383.22              | 116,222                      | 95,818                        | 104,565                      | 18.10               | 5,777                    |
| 1967                        | 183,846.54              | 104,737                      | 86,349                        | 97,498                       | 18.69               | 5,217                    |
| 1968                        | 158,604.90              | 87,835                       | 72,414                        | 86,191                       | 19.69               | 4,377                    |
| 1969                        | 178,957.18              | 97,281                       | 80,202                        | 98,755                       | 20.29               | 4,867                    |
| 1970                        | 221,148.11              | 118,027                      | 97,306                        | 123,842                      | 20.89               | 5,928                    |
| 1971                        | 252,045.39              | 131,971                      | 108,802                       | 143,243                      | 21.50               | 6,662                    |
| 1972                        | 219,402.55              | 113,497                      | 93,571                        | 125,832                      | 22.11               | 5,691                    |
| 1973                        | 228,440.81              | 115,957                      | 95,599                        | 132,842                      | 22.73               | 5,844                    |
| 1974                        | 464,911.90              | 231,480                      | 190,841                       | 274,071                      | 23.35               | 11,738                   |
| 1975                        | 442,638.04              | 217,645                      | 179,435                       | 263,203                      | 23.98               | 10,976                   |
| 1976                        | 263,292.80              | 126,986                      | 104,692                       | 158,601                      | 24.61               | 6,445                    |
| 1977                        | 178,539.90              | 84,449                       | 69,623                        | 108,917                      | 25.24               | 4,315                    |



AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 60-R3 |                         |                              |                               |                              |                     |                          |
| 1978                        | 437,874.74              | 203,086                      | 167,432                       | 270,443                      | 25.88               | 10,450                   |
| 1979                        | 482,939.96              | 221,235                      | 182,394                       | 300,546                      | 26.52               | 11,333                   |
| 1980                        | 442,583.26              | 198,720                      | 163,832                       | 278,751                      | 27.17               | 10,260                   |
| 1981                        | 412,572.18              | 181,573                      | 149,696                       | 262,876                      | 27.82               | 9,449                    |
| 1982                        | 363,459.15              | 154,216                      | 127,142                       | 236,317                      | 28.82               | 8,200                    |
| 1983                        | 345,254.38              | 143,522                      | 118,325                       | 226,929                      | 29.48               | 7,698                    |
| 1984                        | 407,842.30              | 164,809                      | 135,875                       | 271,967                      | 30.14               | 9,023                    |
| 1985                        | 663,946.44              | 258,541                      | 213,151                       | 450,795                      | 30.80               | 14,636                   |
| 1986                        | 508,610.92              | 230,096                      | 189,700                       | 318,911                      | 31.47               | 10,134                   |
| 1987                        | 850,434.18              | 372,065                      | 306,744                       | 543,690                      | 32.14               | 16,916                   |
| 1988                        | 756,351.33              | 317,668                      | 261,897                       | 494,454                      | 33.14               | 14,920                   |
| 1989                        | 631,376.13              | 255,581                      | 210,711                       | 420,665                      | 33.82               | 12,438                   |
| 1990                        | 864,361.32              | 336,582                      | 277,491                       | 586,870                      | 34.50               | 17,011                   |
| 1991                        | 437,806.59              | 163,652                      | 134,921                       | 302,886                      | 35.18               | 8,610                    |
| 1992                        | 802,430.85              | 285,665                      | 235,513                       | 566,918                      | 36.18               | 15,669                   |
| 1993                        | 756,873.09              | 257,413                      | 212,221                       | 544,652                      | 36.87               | 14,772                   |
| 1994                        | 953,097.75              | 308,804                      | 254,590                       | 698,508                      | 37.56               | 18,597                   |
| 1995                        | 735,394.42              | 226,281                      | 186,555                       | 548,839                      | 38.25               | 14,349                   |
| 1996                        | 1,286,673.92            | 372,621                      | 307,203                       | 979,471                      | 39.25               | 24,955                   |
| 1997                        | 1,574,795.44            | 429,919                      | 354,441                       | 1,220,354                    | 39.95               | 30,547                   |
| 1998                        | 1,516,170.45            | 388,443                      | 320,247                       | 1,195,923                    | 40.64               | 29,427                   |
| 1999                        | 1,504,559.29            | 359,891                      | 296,708                       | 1,207,851                    | 41.35               | 29,210                   |
| 2000                        | 1,677,786.45            | 370,455                      | 305,417                       | 1,372,369                    | 42.35               | 32,405                   |
| 2001                        | 2,277,873.47            | 463,547                      | 382,166                       | 1,895,707                    | 43.05               | 44,035                   |
| 2002                        | 2,176,990.18            | 404,920                      | 333,831                       | 1,843,159                    | 43.76               | 42,120                   |
| 2003                        | 1,706,395.14            | 285,651                      | 235,501                       | 1,470,894                    | 44.76               | 32,862                   |
| 2004                        | 2,190,288.61            | 327,667                      | 270,141                       | 1,920,148                    | 45.48               | 42,220                   |
| 2005                        | 2,099,007.15            | 276,229                      | 227,734                       | 1,871,273                    | 46.19               | 40,513                   |
| 2006                        | 2,170,292.53            | 246,111                      | 202,903                       | 1,967,390                    | 46.91               | 41,940                   |
| 2007                        | 2,338,650.21            | 222,172                      | 183,167                       | 2,155,483                    | 47.63               | 45,255                   |
| 2008                        | 3,445,541.21            | 261,861                      | 215,888                       | 3,229,653                    | 48.63               | 66,413                   |
| 2009                        | 2,162,296.78            | 124,548                      | 102,682                       | 2,059,615                    | 49.08               | 41,964                   |
| 2010                        | 3,926,913.16            | 151,579                      | 124,967                       | 3,801,946                    | 49.81               | 76,329                   |
| 2011                        | 1,442,409.66            | 28,127                       | 23,189                        | 1,419,221                    | 50.28               | 28,226                   |
| 2012                        | 2,464,233.34            | 12,321                       | 10,158                        | 2,454,075                    | 50.25               | 48,837                   |
|                             | 51,896,895.53           | 11,881,712                   | 9,795,730                     | 42,101,160                   |                     | 1,067,648                |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. 39.4 2.06

AQUA PENNSYLVANIA, INC.

ACCOUNT 340.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| AMORTIZED   |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. 20-SQUARE                              |                         |                              |                               |                              |                     |                          |
| 1990  | 857.60                  | 858                          | 858                           |                              |                     |                          |
| 1991  | 102,927.71              | 102,928                      | 102,928                       |                              |                     |                          |
| 1992  | 77,550.45               | 77,550                       | 77,550                        |                              |                     |                          |
| 1993  | 80,756.37               | 76,719                       | 80,756                        |                              |                     |                          |
| 1994  | 40,064.99               | 36,058                       | 40,065                        |                              |                     |                          |
| 1995  | 90,715.74               | 77,108                       | 90,716                        |                              |                     |                          |
| 1996  | 23,125.61               | 18,500                       | 23,126                        |                              |                     |                          |
| 1997  | 53,957.31               | 40,468                       | 53,957                        |                              |                     |                          |
| 1998  | 24,810.81               | 17,368                       | 24,811                        |                              |                     |                          |
| 1999  | 60,893.02               | 39,580                       | 60,893                        |                              |                     |                          |
| 2000  | 49,753.55               | 29,852                       | 49,210                        | 544                          | 8.00                | 68                       |
| 2001  | 137,632.58              | 75,698                       | 124,784                       | 12,849                       | 9.00                | 1,428                    |
| 2002  | 138,784.46              | 69,392                       | 114,389                       | 24,395                       | 10.00               | 2,440                    |
| 2003  | 71,719.63               | 32,274                       | 53,202                        | 18,518                       | 11.00               | 1,683                    |
| 2004  | 46,012.95               | 18,405                       | 30,340                        | 15,673                       | 12.00               | 1,306                    |
| 2005  | 423,068.49              | 148,074                      | 244,093                       | 178,975                      | 13.00               | 13,767                   |
| 2006  | 311,515.39              | 93,455                       | 154,056                       | 157,459                      | 14.00               | 11,247                   |
| 2007  | 1,446,192.71            | 361,548                      | 595,994                       | 850,199                      | 15.00               | 56,680                   |
| 2008  | 249,049.74              | 49,810                       | 82,109                        | 166,941                      | 16.00               | 10,434                   |
| 2009  | 211,313.43              | 31,697                       | 52,251                        | 159,062                      | 17.00               | 9,357                    |
| 2010  | 3,281,638.59            | 328,164                      | 540,963                       | 2,740,676                    | 18.00               | 152,260                  |
| 2012  | 139,296.80              | 1,741                        | 2,870                         | 136,427                      | 19.75               | 6,908                    |
|   | 7,061,637.93            | 1,727,247                    | 2,599,921                     | 4,461,718                    |                     | 267,578                  |
|   |                         |                              |                               |                              |                     |                          |
|   |                         |                              |                               |                              | 16.7                | 3.79                     |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              |                     |                          |

AQUA PENNSYLVANIA, INC.

ACCOUNT 340.2 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| AMORTIZED   |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. 10-SQUARE                              |                         |                              |                               |                              |                     |                          |
| 2001  | 7,757.54                | 7,758                        | 7,758                         |                              |                     |                          |
| 2002  | 63,043.78               | 63,044                       | 63,044                        |                              |                     |                          |
| 2003  | 7,274.88                | 6,547                        | 5,062                         | 2,213                        | 1.00                | 2,213                    |
| 2004  | 22,107.33               | 17,686                       | 13,674                        | 8,433                        | 2.00                | 4,217                    |
| 2005  | 2,827,681.04            | 1,979,377                    | 1,530,315                     | 1,297,366                    | 3.00                | 432,455                  |
| 2006  | 151,199.69              | 90,720                       | 70,138                        | 81,062                       | 4.00                | 20,266                   |
| 2007  | 51,082.98               | 25,541                       | 19,747                        | 31,336                       | 5.00                | 6,267                    |
| 2008  | 66,060.62               | 26,424                       | 20,429                        | 45,632                       | 6.00                | 7,605                    |
| 2009  | 19,532.05               | 5,860                        | 4,531                         | 15,001                       | 7.00                | 2,143                    |
| 2010  | 1,219.75                | 244                          | 189                           | 1,031                        | 8.00                | 129                      |
| 2011  | 7,030.04                | 703                          | 543                           | 6,487                        | 9.00                | 721                      |
| 2012  | 184,728.00              | 4,618                        | 3,570                         | 181,158                      | 9.75                | 18,580                   |
|   | 3,408,717.70            | 2,228,522                    | 1,739,000                     | 1,669,719                    |                     | 494,596                  |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 3.4                 | 14.51                    |

AQUA PENNSYLVANIA, INC.

ACCOUNT 340.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| AMORTIZED   |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. 5-SQUARE                               |                         |                              |                               |                              |                     |                          |
| 2006  | 7,903,569.47            | 7,903,569                    | 7,903,569                     |                              |                     |                          |
| 2007  | 7,138,861.30            | 7,138,861                    | 7,138,861                     |                              |                     |                          |
| 2008  | 8,850,207.68            | 7,080,166                    | 6,411,701                     | 2,438,507                    | 1.00                | 2,438,507                |
| 2009  | 8,841,022.29            | 5,304,613                    | 4,803,785                     | 4,037,237                    | 2.00                | 2,018,619                |
| 2010  | 5,491,829.85            | 2,196,732                    | 1,989,330                     | 3,502,500                    | 3.00                | 1,167,500                |
| 2011  | 1,206,552.05            | 241,310                      | 218,527                       | 988,025                      | 4.00                | 247,006                  |
| 2012  | 12,380,030.54           | 619,002                      | 560,560                       | 11,819,471                   | 4.75                | 2,488,310                |
|   | 51,812,073.18           | 30,484,253                   | 29,026,333                    | 22,785,740                   |                     | 8,359,942                |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 2.7                 | 16.14                    |

AQUA PENNSYLVANIA, INC.

ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 7.5-S1.5                          |                         |                              |                               |                              |                     |                          |
| 1986  | 40.01                   | 40                           | 40                            |                              |                     |                          |
| 1993  | 11,845.44               | 11,845                       | 11,845                        |                              |                     |                          |
| 1996  | 24,363.56               | 24,364                       | 24,364                        |                              |                     |                          |
| 2000  | 195,971.49              | 186,016                      | 195,971                       |                              |                     |                          |
| 2001  | 519,474.41              | 479,994                      | 519,474                       |                              |                     |                          |
| 2002  | 805,609.62              | 721,021                      | 784,617                       | 20,993                       | 1.17                | 17,943                   |
| 2003  | 415,823.09              | 358,148                      | 389,738                       | 26,085                       | 1.45                | 17,990                   |
| 2004  | 370,992.62              | 304,511                      | 331,370                       | 39,623                       | 1.75                | 22,642                   |
| 2005  | 198,117.47              | 152,828                      | 166,308                       | 31,809                       | 2.07                | 15,367                   |
| 2006  | 2,936,591.12            | 2,086,154                    | 2,270,158                     | 666,433                      | 2.45                | 272,013                  |
| 2007  | 422,594.11              | 268,559                      | 292,247                       | 130,347                      | 2.87                | 45,417                   |
| 2008  | 2,138,949.90            | 1,163,589                    | 1,266,221                     | 872,729                      | 3.35                | 260,516                  |
| 2009  | 1,889,842.17            | 819,814                      | 892,124                       | 997,718                      | 3.92                | 254,520                  |
| 2010  | 1,235,022.23            | 375,941                      | 409,100                       | 825,922                      | 4.57                | 180,727                  |
| 2011  | 923,923.27              | 145,980                      | 158,856                       | 765,067                      | 5.33                | 143,540                  |
| 2012  | 3,552,642.87            | 142,816                      | 155,412                       | 3,397,231                    | 5.97                | 569,050                  |
|   | 15,641,803.38           | 7,241,620                    | 7,867,845                     | 7,773,957                    |                     | 1,799,725                |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 4.3                 | 11.51                    |

AQUA PENNSYLVANIA, INC.

ACCOUNT 341.2 TRANSPORTATION EQUIPMENT - OTHER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| AMORTIZED   |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE . 20-SQUARE                              |                         |                              |                               |                              |                     |                          |
| 2001  | 32,228.81               | 17,726                       | 28,541                        | 3,688                        | 9.00                | 410                      |
| 2002  | 70,893.65               | 35,447                       | 57,074                        | 13,820                       | 10.00               | 1,382                    |
| 2003  | 42,925.04               | 19,316                       | 31,101                        | 11,824                       | 11.00               | 1,075                    |
| 2004  | 12,291.32               | 4,917                        | 7,917                         | 4,374                        | 12.00               | 365                      |
| 2005  | 41,894.52               | 14,663                       | 23,609                        | 18,286                       | 13.00               | 1,407                    |
| 2006  | 113,038.36              | 33,912                       | 54,603                        | 58,435                       | 14.00               | 4,174                    |
| 2007  | 32,911.61               | 8,228                        | 13,248                        | 19,664                       | 15.00               | 1,311                    |
| 2008  | 484,029.65              | 96,806                       | 155,872                       | 328,158                      | 16.00               | 20,510                   |
| 2009  | 94,785.58               | 14,218                       | 22,893                        | 71,893                       | 17.00               | 4,229                    |
| 2010  | 178,735.19              | 17,874                       | 28,780                        | 149,955                      | 18.00               | 8,331                    |
| 2011  | 99,892.52               | 4,995                        | 8,043                         | 91,850                       | 19.00               | 4,834                    |
| 2012  | 964,352.00              | 12,054                       | 19,408                        | 944,944                      | 19.75               | 47,845                   |
|   | 2,167,978.25            | 280,156                      | 451,089                       | 1,716,891                    |                     | 95,873                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 17.9                | 4.42                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 342 STORES EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| AMORTIZED   |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. 20-SQUARE                              |                         |                              |                               |                              |                     |                          |
| 2005  | 49,754.70               | 17,414                       | 36,097                        | 13,658                       | 13.00               | 1,051                    |
| 2006  | 83,458.46               | 25,038                       | 51,901                        | 31,557                       | 14.00               | 2,254                    |
| 2009  | 14,798.30               | 2,220                        | 4,602                         | 10,196                       | 17.00               | 600                      |
| 2011  | 298,262.42              | 14,913                       | 30,913                        | 267,349                      | 19.00               | 14,071                   |
| 2012  | 412,000.00              | 5,150                        | 10,675                        | 401,325                      | 19.75               | 20,320                   |
|   | 858,273.88              | 64,735                       | 134,188                       | 724,085                      |                     | 38,296                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 18.9                | 4.46                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 343.1 SHOP EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| AMORTIZED   |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. 25-SQUARE                              |                         |                              |                               |                              |                     |                          |
| 1988  | 11,677.66               | 11,211                       | 11,678                        |                              |                     |                          |
| 1989  | 7,055.70                | 6,491                        | 7,056                         |                              |                     |                          |
| 1990  | 465.25                  | 409                          | 465                           |                              |                     |                          |
| 1991  | 636.84                  | 535                          | 621                           | 16                           | 4.00                | 4                        |
| 1995  | 12,273.44               | 8,346                        | 9,690                         | 2,583                        | 8.00                | 323                      |
| 1997  | 5,160.49                | 3,096                        | 3,595                         | 1,565                        | 10.00               | 157                      |
| 2000  | 218,239.81              | 104,755                      | 121,623                       | 96,617                       | 13.00               | 7,432                    |
| 2001  | 11,460.03               | 5,042                        | 5,854                         | 5,606                        | 14.00               | 400                      |
| 2002  | 98,442.08               | 39,377                       | 45,717                        | 52,725                       | 15.00               | 3,515                    |
| 2003  | 144,605.90              | 52,058                       | 60,440                        | 84,166                       | 16.00               | 5,260                    |
| 2004  | 70,796.25               | 22,655                       | 26,303                        | 44,493                       | 17.00               | 2,617                    |
| 2005  | 13,463.93               | 3,770                        | 4,377                         | 9,087                        | 18.00               | 505                      |
| 2006  | 289,408.71              | 69,458                       | 80,642                        | 208,767                      | 19.00               | 10,988                   |
| 2007  | 26,125.72               | 5,225                        | 6,066                         | 20,060                       | 20.00               | 1,003                    |
| 2008  | 141,872.66              | 22,700                       | 26,355                        | 115,518                      | 21.00               | 5,501                    |
| 2009  | 128,598.27              | 15,432                       | 17,918                        | 110,680                      | 22.00               | 5,031                    |
| 2010  | 16,903.61               | 1,352                        | 1,569                         | 15,335                       | 23.00               | 667                      |
| 2012  | 126,462.91              | 1,265                        | 1,469                         | 124,994                      | 24.75               | 5,050                    |
|   | 1,323,649.26            | 373,177                      | 431,438                       | 892,212                      |                     | 48,453                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 18.4                | 3.66                     |



AQUA PENNSYLVANIA, INC.

ACCOUNT 343.2 TOOLS AND WORK EQUIPMENT - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| AMORTIZED   |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE... 20-SQUARE                             |                         |                              |                               |                              |                     |                          |
| 1993  | 356,326.92              | 338,511                      | 352,256                       | 4,071                        | 1.00                | 4,071                    |
| 1994  | 412,340.33              | 371,106                      | 386,174                       | 26,166                       | 2.00                | 13,083                   |
| 1995  | 211,448.03              | 179,731                      | 187,029                       | 24,419                       | 3.00                | 8,140                    |
| 1996  | 535,538.37              | 428,431                      | 445,827                       | 89,711                       | 4.00                | 22,428                   |
| 1997  | 374,827.53              | 281,121                      | 292,535                       | 82,293                       | 5.00                | 16,459                   |
| 1998  | 719,031.95              | 503,322                      | 523,759                       | 195,273                      | 6.00                | 32,546                   |
| 1999  | 545,693.50              | 354,701                      | 369,103                       | 176,591                      | 7.00                | 25,227                   |
| 2000  | 417,773.88              | 250,664                      | 260,842                       | 156,932                      | 8.00                | 19,617                   |
| 2001  | 93,633.86               | 51,499                       | 53,590                        | 40,044                       | 9.00                | 4,449                    |
| 2002  | 1,072,759.78            | 536,380                      | 558,159                       | 514,601                      | 10.00               | 51,460                   |
| 2003  | 188,551.05              | 84,848                       | 88,293                        | 100,258                      | 11.00               | 9,114                    |
| 2004  | 134,231.56              | 53,693                       | 55,873                        | 78,359                       | 12.00               | 6,530                    |
| 2005  | 968,053.09              | 338,819                      | 352,576                       | 615,477                      | 13.00               | 47,344                   |
| 2006  | 405,114.65              | 121,534                      | 126,469                       | 278,646                      | 14.00               | 19,903                   |
| 2007  | 264,670.50              | 66,168                       | 68,855                        | 195,816                      | 15.00               | 13,054                   |
| 2008  | 1,119,975.56            | 223,995                      | 233,089                       | 886,887                      | 16.00               | 55,430                   |
| 2009  | 1,720,216.09            | 258,032                      | 268,509                       | 1,451,707                    | 17.00               | 85,395                   |
| 2010  | 666,286.55              | 66,629                       | 69,334                        | 596,953                      | 18.00               | 33,164                   |
| 2011  | 191,305.72              | 9,565                        | 9,953                         | 181,353                      | 19.00               | 9,545                    |
| 2012  | 923,422.26              | 11,543                       | 12,012                        | 911,410                      | 19.75               | 46,147                   |
|   | 11,321,201.18           | 4,530,292                    | 4,714,237                     | 6,606,967                    |                     | 523,106                  |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 12.6                | 4.62                     |

AQUA PENNSYLVANIA, INC.

ACCOUNT 344.1 LABORATORY EQUIPMENT - CONVENTIONAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 37-R2.5 |                         |                              |                               |                              |                     |                          |
| 1971                          | 3,069.88                | 2,344                        | 2,722                         | 348                          | 6.62                | 53                       |
| 1972                          | 2,423.84                | 1,829                        | 2,124                         | 300                          | 6.95                | 43                       |
| 1973                          | 8,880.75                | 6,602                        | 7,666                         | 1,215                        | 7.30                | 166                      |
| 1974                          | 7,769.34                | 5,689                        | 6,606                         | 1,163                        | 7.66                | 152                      |
| 1975                          | 10,192.39               | 7,340                        | 8,523                         | 1,669                        | 8.05                | 207                      |
| 1976                          | 6,753.03                | 4,782                        | 5,552                         | 1,201                        | 8.44                | 142                      |
| 1977                          | 9,343.65                | 6,498                        | 7,545                         | 1,799                        | 8.86                | 203                      |
| 1978                          | 15,463.28               | 10,534                       | 12,231                        | 3,232                        | 9.29                | 348                      |
| 1979                          | 7,851.27                | 5,243                        | 6,088                         | 1,763                        | 9.74                | 181                      |
| 1980                          | 19,661.47               | 12,725                       | 14,775                        | 4,886                        | 10.37               | 471                      |
| 1981                          | 10,252.77               | 6,468                        | 7,510                         | 2,743                        | 10.84               | 253                      |
| 1982                          | 34,282.40               | 21,063                       | 24,457                        | 9,825                        | 11.32               | 868                      |
| 1983                          | 62,589.10               | 37,309                       | 43,320                        | 19,269                       | 11.82               | 1,630                    |
| 1984                          | 17,136.58               | 9,838                        | 11,423                        | 5,714                        | 12.32               | 464                      |
| 1985                          | 50,232.90               | 26,608                       | 30,895                        | 19,338                       | 13.00               | 1,488                    |
| 1986                          | 29,288.14               | 19,266                       | 22,370                        | 6,918                        | 13.53               | 511                      |
| 1987                          | 64,680.40               | 41,395                       | 48,065                        | 16,615                       | 14.06               | 1,182                    |
| 1988                          | 36,651.87               | 22,783                       | 26,454                        | 10,198                       | 14.61               | 698                      |
| 1989                          | 7,891.28                | 4,737                        | 5,500                         | 2,391                        | 15.31               | 156                      |
| 1990                          | 23,854.24               | 13,855                       | 16,087                        | 7,767                        | 15.88               | 489                      |
| 1991                          | 33,418.68               | 18,738                       | 21,757                        | 11,662                       | 16.45               | 709                      |
| 1992                          | 11,978.81               | 6,445                        | 7,483                         | 4,496                        | 17.17               | 262                      |
| 1993                          | 40,445.39               | 20,902                       | 24,270                        | 16,175                       | 17.76               | 911                      |
| 1994                          | 42,255.58               | 20,917                       | 24,287                        | 17,969                       | 18.36               | 979                      |
| 1995                          | 3,990.82                | 1,886                        | 2,190                         | 1,801                        | 18.97               | 95                       |
| 1996                          | 91,116.46               | 40,820                       | 47,397                        | 43,719                       | 19.71               | 2,218                    |
| 1997                          | 11,652.82               | 4,947                        | 5,744                         | 5,909                        | 20.34               | 291                      |
| 1998                          | 160,290.49              | 64,180                       | 74,522                        | 85,768                       | 20.97               | 4,090                    |
| 1999                          | 40,921.09               | 15,374                       | 17,851                        | 23,070                       | 21.60               | 1,068                    |
| 2001                          | 2,836.22                | 920                          | 1,068                         | 1,768                        | 22.90               | 77                       |
| 2002                          | 37,678.57               | 11,228                       | 13,037                        | 24,642                       | 23.56               | 1,046                    |
| 2003                          | 51,743.60               | 14,017                       | 16,276                        | 35,468                       | 24.22               | 1,464                    |
| 2004                          | 13,937.84               | 3,390                        | 3,936                         | 10,002                       | 24.89               | 402                      |
| 2005                          | 31,925.55               | 6,883                        | 7,992                         | 23,934                       | 25.47               | 940                      |
| 2006                          | 54,474.84               | 10,165                       | 11,803                        | 42,672                       | 26.15               | 1,632                    |
| 2007                          | 30,208.38               | 4,758                        | 5,525                         | 24,683                       | 26.75               | 923                      |
| 2008                          | 79,249.35               | 10,144                       | 11,778                        | 67,471                       | 27.25               | 2,476                    |
| 2009                          | 195,347.49              | 19,046                       | 22,115                        | 173,232                      | 27.77               | 6,238                    |
| 2012                          | 104,794.92              | 954                          | 1,108                         | 103,687                      | 27.30               | 3,798                    |
|                               | 1,466,535.48            | 542,622                      | 630,052                       | 836,482                      |                     | 39,324                   |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. 21.3 2.68

AQUA PENNSYLVANIA, INC.

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 20-R2.5 |                         |                              |                               |                              |                     |                          |
| 1977                          | 115.87                  | 113                          | 116                           |                              |                     |                          |
| 1986                          | 16,716.22               | 15,212                       | 16,716                        |                              |                     |                          |
| 1987                          | 14,631.67               | 13,169                       | 14,632                        |                              |                     |                          |
| 1988                          | 53,506.96               | 47,514                       | 53,507                        |                              |                     |                          |
| 1989                          | 161,086.64              | 140,790                      | 161,087                       |                              |                     |                          |
| 1990                          | 27,769.34               | 23,826                       | 27,763                        | 6                            | 3.64                | 2                        |
| 1991                          | 199,549.33              | 167,621                      | 195,322                       | 4,227                        | 4.00                | 1,057                    |
| 1992                          | 31,513.92               | 25,841                       | 30,112                        | 1,402                        | 4.39                | 319                      |
| 1993                          | 41,065.05               | 32,848                       | 38,276                        | 2,789                        | 4.75                | 587                      |
| 1994                          | 98,633.76               | 76,343                       | 88,960                        | 9,674                        | 5.26                | 1,839                    |
| 1995                          | 228,541.58              | 170,949                      | 199,200                       | 29,342                       | 5.73                | 5,121                    |
| 1996                          | 28,641.11               | 20,622                       | 24,030                        | 4,611                        | 6.22                | 741                      |
| 1997                          | 241,075.79              | 165,981                      | 193,411                       | 47,665                       | 6.79                | 7,020                    |
| 1998                          | 8,268.43                | 5,429                        | 6,326                         | 1,942                        | 7.32                | 265                      |
| 1999                          | 143,731.36              | 89,315                       | 104,075                       | 39,656                       | 7.92                | 5,007                    |
| 2000                          | 231,095.91              | 135,052                      | 157,371                       | 73,725                       | 8.53                | 8,643                    |
| 2001                          | 42,331.12               | 23,142                       | 26,966                        | 15,365                       | 9.12                | 1,685                    |
| 2002                          | 251,831.57              | 127,427                      | 148,486                       | 103,346                      | 9.76                | 10,589                   |
| 2003                          | 51,564.67               | 23,900                       | 27,850                        | 23,715                       | 10.42               | 2,276                    |
| 2004                          | 237,431.57              | 99,721                       | 116,201                       | 121,231                      | 11.05               | 10,971                   |
| 2005                          | 124,509.37              | 46,629                       | 54,335                        | 70,174                       | 11.69               | 6,003                    |
| 2006                          | 139,138.66              | 45,498                       | 53,017                        | 86,122                       | 12.35               | 6,973                    |
| 2007                          | 128,256.65              | 35,591                       | 41,473                        | 86,784                       | 13.02               | 6,665                    |
| 2008                          | 52,286.88               | 11,838                       | 13,794                        | 38,493                       | 13.67               | 2,816                    |
| 2009                          | 21,621.06               | 3,756                        | 4,377                         | 17,244                       | 14.27               | 1,208                    |
| 2010                          | 322,710.24              | 38,403                       | 44,750                        | 277,960                      | 14.81               | 18,768                   |
| 2011                          | 779.06                  | 48                           | 56                            | 723                          | 15.13               | 48                       |
| 2012                          | 91,282.93               | 1,497                        | 1,744                         | 89,539                       | 15.04               | 5,953                    |
|                               | 2,989,686.72            | 1,588,075                    | 1,843,953                     | 1,145,735                    |                     | 104,556                  |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. 11.0 3.50

AQUA PENNSYLVANIA, INC.

ACCOUNT 346 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| AMORTIZED                  |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. 15-SQUARE |                         |                              |                               |                              |                     |                          |
| 1996                       | 124,844.70              | 124,845                      | 124,845                       |                              |                     |                          |
| 1997                       | 28,485.30               | 28,485                       | 28,485                        |                              |                     |                          |
| 1998                       | 337,686.18              | 315,163                      | 309,788                       | 27,898                       | 1.00                | 27,898                   |
| 1999                       | 626,106.66              | 542,647                      | 533,393                       | 92,714                       | 2.00                | 46,357                   |
| 2000                       | 246,163.90              | 196,931                      | 193,573                       | 52,591                       | 3.00                | 17,530                   |
| 2001                       | 32,389.25               | 23,751                       | 23,346                        | 9,043                        | 4.00                | 2,261                    |
| 2002                       | 121,439.49              | 80,964                       | 79,583                        | 41,856                       | 5.00                | 8,371                    |
| 2003                       | 74,277.91               | 44,567                       | 43,807                        | 30,471                       | 6.00                | 5,079                    |
| 2004                       | 20,218.18               | 10,782                       | 10,598                        | 9,620                        | 7.00                | 1,374                    |
| 2005                       | 517,524.69              | 241,529                      | 237,410                       | 280,115                      | 8.00                | 35,014                   |
| 2006                       | 647,501.24              | 259,000                      | 254,583                       | 392,918                      | 9.00                | 43,658                   |
| 2007                       | 75,375.42               | 25,123                       | 24,695                        | 50,680                       | 10.00               | 5,068                    |
| 2008                       | 127,409.51              | 33,980                       | 33,400                        | 94,010                       | 11.00               | 8,546                    |
| 2009                       | 690,499.30              | 138,100                      | 135,745                       | 554,754                      | 12.00               | 46,230                   |
| 2011                       | 56,382.08               | 3,761                        | 3,697                         | 52,685                       | 14.00               | 3,763                    |
| 2012                       | 153,068.00              | 2,556                        | 2,512                         | 150,556                      | 14.75               | 10,207                   |
|                            | 3,879,371.81            | 2,072,184                    | 2,039,460                     | 1,839,911                    |                     | 261,356                  |

SCADA EQUIPMENT  
SURVIVOR CURVE.. 10-SQUARE

|      |              |           |           |           |      |         |
|------|--------------|-----------|-----------|-----------|------|---------|
| 2001 | 70,324.45    | 70,324    | 70,324    |           |      |         |
| 2002 | 151,442.80   | 151,443   | 151,443   |           |      |         |
| 2003 | 57,257.42    | 51,532    | 50,239    | 7,018     | 1.00 | 7,018   |
| 2004 | 107,562.80   | 86,050    | 83,891    | 23,672    | 2.00 | 11,836  |
| 2005 | 177,231.76   | 124,062   | 120,949   | 56,283    | 3.00 | 18,761  |
| 2006 | 172,866.23   | 103,720   | 101,117   | 71,749    | 4.00 | 17,937  |
| 2007 | 162,945.64   | 81,473    | 79,428    | 83,518    | 5.00 | 16,704  |
| 2008 | 153,546.01   | 61,418    | 59,877    | 93,669    | 6.00 | 15,612  |
| 2009 | 560,970.11   | 168,291   | 164,068   | 396,902   | 7.00 | 56,700  |
| 2010 | 51,499.69    | 10,300    | 10,041    | 41,459    | 8.00 | 5,182   |
| 2011 | 486,717.73   | 48,672    | 47,451    | 439,267   | 9.00 | 48,807  |
| 2012 | 689,381.71   | 17,235    | 16,802    | 672,580   | 9.75 | 68,983  |
|      | 2,841,746.35 | 974,520   | 955,630   | 1,886,117 |      | 267,540 |
|      | 6,721,118.16 | 3,046,704 | 2,995,090 | 3,726,028 |      | 528,896 |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. 7.0 7.87

AQUA PENNSYLVANIA, INC.

ACCOUNT 347 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| AMORTIZED                  |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. 25-SQUARE |                         |                              |                               |                              |                     |                          |
| 1984                       | 1.02                    | 1                            | 1                             |                              |                     |                          |
| 1986                       | 8,194.12                | 8,194                        | 8,194                         |                              |                     |                          |
| 1987                       | 1,951.54                | 1,952                        | 1,952                         |                              |                     |                          |
| 1988                       | 12,231.69               | 11,742                       | 11,307                        | 925                          | 1.00                | 925                      |
| 1989                       | 37,982.90               | 34,944                       | 33,650                        | 4,333                        | 2.00                | 2,167                    |
| 1990                       | 1,001.74                | 882                          | 849                           | 153                          | 3.00                | 51                       |
| 1991                       | 2,150.12                | 1,806                        | 1,739                         | 411                          | 4.00                | 103                      |
| 1992                       | 4,526.79                | 3,621                        | 3,487                         | 1,040                        | 5.00                | 208                      |
| 1993                       | 16,304.01               | 12,391                       | 11,932                        | 4,372                        | 6.00                | 729                      |
| 1994                       | 2,283.84                | 1,644                        | 1,583                         | 701                          | 7.00                | 100                      |
| 1995                       | 2,647.86                | 1,801                        | 1,734                         | 914                          | 8.00                | 114                      |
| 1996                       | 4,863.66                | 3,113                        | 2,998                         | 1,866                        | 9.00                | 207                      |
| 1997                       | 2,068.26                | 1,241                        | 1,195                         | 873                          | 10.00               | 87                       |
| 1998                       | 134,522.10              | 75,332                       | 72,543                        | 61,979                       | 11.00               | 5,634                    |
| 1999                       | 1,818.50                | 946                          | 911                           | 908                          | 12.00               | 76                       |
| 2000                       | 18,856.12               | 9,051                        | 8,716                         | 10,140                       | 13.00               | 780                      |
| 2003                       | 7,650.07                | 2,754                        | 2,652                         | 4,998                        | 16.00               | 312                      |
| 2004                       | 427,374.47              | 136,760                      | 131,697                       | 295,677                      | 17.00               | 17,393                   |
| 2005                       | 926,570.53              | 259,440                      | 249,835                       | 676,736                      | 18.00               | 37,596                   |
| 2006                       | 338,789.32              | 81,309                       | 78,299                        | 260,490                      | 19.00               | 13,710                   |
| 2007                       | 255,094.84              | 51,019                       | 49,130                        | 205,965                      | 20.00               | 10,298                   |
| 2008                       | 13,550.85               | 2,168                        | 2,088                         | 11,463                       | 21.00               | 546                      |
| 2009                       | 1,162.93                | 140                          | 135                           | 1,028                        | 22.00               | 47                       |
| 2010                       | 24,981.30               | 1,999                        | 1,925                         | 23,056                       | 23.00               | 1,002                    |
| 2011                       | 5,438.40                | 218                          | 210                           | 5,228                        | 24.00               | 218                      |
| 2012                       | 42,335.00               | 423                          | 407                           | 41,928                       | 24.75               | 1,694                    |
|                            | 2,294,351.98            | 704,891                      | 679,169                       | 1,615,184                    |                     | 93,997                   |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. 17.2 4.10

AQUA PENNSYLVANIA, INC.

ACCOUNT 348 OTHER INTANGIBLE PLANT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| AMORTIZED   |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. 25-SQUARE                              |                         |                              |                               |                              |                     |                          |
| 2004  | 6,224.40                | 1,992                        | 2,011                         | 4,213                        | 17.00               | 248                      |
| 2006  | 3,000.00                | 720                          | 727                           | 2,273                        | 19.00               | 120                      |
| 2008  | 11,483.15               | 1,837                        | 1,855                         | 9,628                        | 21.00               | 458                      |
| 2012  | 45,000.00               | 450                          | 454                           | 44,546                       | 24.75               | 1,800                    |
|   | 65,707.55               | 4,999                        | 5,047                         | 60,660                       |                     | 2,626                    |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 23.1                | 4.00                     |

**CONTRIBUTIONS IN AID OF CONSTRUCTION**

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| OTHER STRUCTURES  |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. IOWA 45-R3                             |                         |                              |                               |                              |                     |                          |
| 1986  | 305,819.57              | 176,519                      | 163,473                       | 142,347                      | 19.05               | 7,472                    |
| 1992  | 51,500.00               | 23,793                       | 22,035                        | 29,465                       | 23.29               | 1,265                    |
|   | 357,319.57              | 200,312                      | 185,508                       | 171,812                      |                     | 8,737                    |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 19.7                | 2.45                     |



AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| FERN HILL   |                         |                              |                               |                              |                     |                          |
| INTERIM SURVIVOR CURVE.. IOWA 85-S2.5                   |                         |                              |                               |                              |                     |                          |
| PROBABLE RETIREMENT YEAR.. 6-2073                       |                         |                              |                               |                              |                     |                          |
| 1998  | 77,762.76               | 16,221                       | 13,350                        | 64,413                       | 53.11               | 1,213                    |
|   | 77,762.76               | 16,221                       | 13,350                        | 64,413                       |                     | 1,213                    |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 53.1                | 1.56                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 307 WELLS AND SPRINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 50-R3                             |                         |                              |                               |                              |                     |                          |
| 1965  | 1,385.14                | 964                          | 1,385                         |                              |                     |                          |
| 1972  | 5,443.93                | 3,382                        | 5,444                         |                              |                     |                          |
| 1974  | 8,053.15                | 4,827                        | 8,053                         |                              |                     |                          |
| 1985  | 22,929.97               | 10,672                       | 22,497                        | 433                          | 22.50               | 19                       |
| 1986  | 1,502.45                | 793                          | 1,502                         |                              |                     |                          |
| 1987  | 3,004.89                | 1,532                        | 3,005                         |                              |                     |                          |
| 1988  | 85,438.20               | 42,241                       | 85,438                        |                              |                     |                          |
| 1989  | 200,576.54              | 95,494                       | 200,577                       |                              |                     |                          |
| 1990  | 73,619.85               | 33,688                       | 72,983                        | 637                          | 26.08               | 24                       |
| 1991  | 58,595.39               | 25,718                       | 55,717                        | 2,878                        | 26.85               | 107                      |
| 1992  | 36,809.93               | 15,460                       | 33,493                        | 3,317                        | 27.62               | 120                      |
| 1999  | 22,197.44               | 6,291                        | 13,629                        | 8,568                        | 32.87               | 261                      |
|   | 519,556.88              | 241,062                      | 503,723                       | 15,833                       |                     | 531                      |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 29.8                | 0.10                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| PICKERING - SOLAR<br>INTERIM SURVIVOR CURVE.. SQUARE<br>PROBABLE RETIREMENT YEAR.. 6-2037 |                         |                              |                               |                              |                     |                          |
| 2012  | 1,500,000.00            | 14,850                       |                               | 1,500,000                    | 25.00               | 60,000                   |
|   | 1,500,000.00            | 14,850                       |                               | 1,500,000                    |                     | 60,000                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT..                                   |                         |                              |                               |                              | 25.0                | 4.00                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| PUMPING EQUIPMENT                                       |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. IOWA 36-S2                             |                         |                              |                               |                              |                     |                          |
| 1965  | 1,577.41                | 1,266                        | 1,418                         | 159                          | 5.08                | 31                       |
| 1973  | 317.09                  | 231                          | 259                           | 58                           | 7.30                | 8                        |
| 1983  | 10,081.00               | 6,504                        | 7,287                         | 2,794                        | 10.84               | 258                      |
| 1986  | 185,300.39              | 126,227                      | 141,420                       | 43,880                       | 12.17               | 3,606                    |
|   | 197,275.89              | 134,228                      | 150,384                       | 46,891                       |                     | 3,903                    |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 12.0                | 1.98                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 45-R2                             |                         |                              |                               |                              |                     |                          |
| 1986  | 27,693.81               | 15,481                       | 21,826                        | 5,868                        | 20.51               | 286                      |
|   | 27,693.81               | 15,481                       | 21,826                        | 5,868                        |                     | 286                      |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 20.5                | 1.03                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| TANKS   |                         |                              |                               |                              |                     |                          |
| SURVIVOR CURVE.. IOWA 60-R4                             |                         |                              |                               |                              |                     |                          |
| 1970  | 2,961.54                | 1,746                        | 2,962                         |                              |                     |                          |
| 1974  | 2,997.38                | 1,656                        | 2,979                         | 18                           | 21.88               | 1                        |
| 1975  | 13,950.21               | 7,613                        | 13,693                        | 257                          | 22.52               | 11                       |
| 1976  | 10,907.76               | 5,766                        | 10,371                        | 537                          | 23.52               | 23                       |
| 1977  | 8,766.02                | 4,577                        | 8,233                         | 533                          | 24.17               | 22                       |
| 1978  | 8,331.06                | 4,241                        | 7,628                         | 703                          | 25.17               | 28                       |
| 1979  | 3,583.34                | 1,802                        | 3,241                         | 342                          | 25.82               | 13                       |
| 1989  | 417,241.00              | 166,980                      | 300,343                       | 116,898                      | 34.47               | 3,391                    |
| 1992  | 249,888.45              | 87,461                       | 157,314                       | 92,574                       | 37.14               | 2,493                    |
| 1999  | 195,000.00              | 44,616                       | 80,250                        | 114,750                      | 43.82               | 2,619                    |
|   | 913,626.76              | 326,458                      | 587,014                       | 326,612                      |                     | 8,601                    |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 38.0                | 0.94                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.01 MAINS & ACCESSORIES - C.I. - 4" & UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 90-S1                             |                         |                              |                               |                              |                     |                          |
| 1914  | 3,500.00                | 1,770                        | 1,459                         | 2,041                        | 23.95               | 85                       |
| 1916  | 2,062.00                | 1,003                        | 827                           | 1,235                        | 24.48               | 50                       |
| 1925  | 3,440.00                | 1,631                        | 1,344                         | 2,096                        | 26.64               | 79                       |
| 1926  | 3,231.00                | 1,460                        | 1,203                         | 2,028                        | 27.64               | 73                       |
| 1955  | 412.20                  | 145                          | 119                           | 293                          | 37.34               | 8                        |
| 1958  | 118.50                  | 41                           | 34                            | 85                           | 38.59               | 2                        |
| 1960  | 495.00                  | 165                          | 136                           | 359                          | 39.74               | 9                        |
| 1961  | 1,050.00                | 348                          | 287                           | 763                          | 39.91               | 19                       |
| 1963  | 3,045.00                | 959                          | 790                           | 2,255                        | 41.09               | 55                       |
| 1965  | 300.00                  | 96                           | 79                            | 221                          | 41.50               | 5                        |
| 1966  | 709.00                  | 216                          | 178                           | 531                          | 42.50               | 12                       |
| 1967  | 521.50                  | 161                          | 133                           | 389                          | 42.72               | 9                        |
| 1983  | 2,195.00                | 595                          | 490                           | 1,705                        | 50.37               | 34                       |
| 1984  | 141.00                  | 39                           | 32                            | 109                          | 50.74               | 2                        |
| 1988  | 3,114.96                | 972                          | 801                           | 2,314                        | 52.92               | 44                       |
| 1997  | 1,502.45                | 306                          | 252                           | 1,250                        | 58.53               | 21                       |
| 2008  | 42,284.00               | 2,385                        | 1,966                         | 40,318                       | 66.92               | 602                      |
|   | 68,121.61               | 12,292                       | 10,130                        | 57,992                       |                     | 1,109                    |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 52.3                | 1.63                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS & ACCESSORIES - C.I. - 6, 8 & 10"

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                  | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 100-R3 |                         |                              |                               |                              |                     |                          |
| 1919                         | 3,453.00                | 1,927                        | 1,588                         | 1,865                        | 21.94               | 85                       |
| 1924                         | 400.00                  | 211                          | 174                           | 226                          | 24.36               | 9                        |
| 1925                         | 19,008.14               | 9,795                        | 8,072                         | 10,936                       | 25.36               | 431                      |
| 1926                         | 41,728.74               | 22,037                       | 18,161                        | 23,568                       | 25.11               | 939                      |
| 1927                         | 17,861.02               | 9,029                        | 7,441                         | 10,420                       | 26.11               | 399                      |
| 1928                         | 31,976.50               | 16,557                       | 13,645                        | 18,332                       | 25.89               | 708                      |
| 1929                         | 29,433.23               | 14,931                       | 12,305                        | 17,128                       | 26.89               | 637                      |
| 1930                         | 29,513.58               | 14,665                       | 12,086                        | 17,428                       | 27.89               | 625                      |
| 1931                         | 23,616.70               | 11,737                       | 9,673                         | 13,944                       | 27.70               | 503                      |
| 1932                         | 2,700.74                | 1,315                        | 1,084                         | 1,617                        | 28.70               | 56                       |
| 1933                         | 2,747.77                | 1,311                        | 1,080                         | 1,668                        | 29.70               | 56                       |
| 1934                         | 5,550.85                | 2,648                        | 2,182                         | 3,369                        | 29.53               | 114                      |
| 1935                         | 4,959.56                | 2,318                        | 1,910                         | 3,050                        | 30.53               | 100                      |
| 1936                         | 12,865.59               | 6,148                        | 5,067                         | 7,799                        | 30.38               | 257                      |
| 1937                         | 15,242.07               | 6,979                        | 5,752                         | 9,490                        | 31.38               | 302                      |
| 1938                         | 26,858.49               | 12,051                       | 9,932                         | 16,926                       | 32.38               | 523                      |
| 1939                         | 8,477.61                | 3,888                        | 3,204                         | 5,274                        | 32.26               | 163                      |
| 1940                         | 11,469.72               | 5,041                        | 4,154                         | 7,316                        | 33.26               | 220                      |
| 1941                         | 6,533.93                | 2,814                        | 2,319                         | 4,215                        | 34.26               | 123                      |
| 1942                         | 3,826.82                | 1,684                        | 1,388                         | 2,439                        | 34.17               | 71                       |
| 1943                         | 1,211.05                | 522                          | 430                           | 781                          | 35.17               | 22                       |
| 1944                         | 5,672.60                | 2,343                        | 1,931                         | 3,742                        | 36.17               | 103                      |
| 1945                         | 14,195.24               | 5,993                        | 4,939                         | 9,256                        | 36.09               | 256                      |
| 1946                         | 49,551.03               | 20,514                       | 16,906                        | 32,645                       | 37.09               | 880                      |
| 1947                         | 122,169.57              | 48,452                       | 39,931                        | 82,239                       | 38.09               | 2,159                    |
| 1948                         | 199,662.93              | 80,903                       | 66,674                        | 132,989                      | 38.04               | 3,496                    |
| 1949                         | 184,961.47              | 73,485                       | 60,561                        | 124,400                      | 39.04               | 3,186                    |
| 1950                         | 514,661.88              | 200,564                      | 165,290                       | 349,372                      | 40.04               | 8,726                    |
| 1951                         | 361,589.32              | 140,514                      | 115,801                       | 245,788                      | 40.01               | 6,143                    |
| 1952                         | 365,701.24              | 139,369                      | 114,858                       | 250,843                      | 41.01               | 6,117                    |
| 1953                         | 575,661.94              | 215,182                      | 177,337                       | 398,325                      | 42.01               | 9,482                    |
| 1954                         | 536,161.66              | 199,935                      | 164,772                       | 371,390                      | 42.00               | 8,843                    |
| 1955                         | 489,978.52              | 179,234                      | 147,711                       | 342,268                      | 43.00               | 7,960                    |
| 1956                         | 337,597.77              | 121,130                      | 99,826                        | 237,772                      | 44.00               | 5,404                    |
| 1957                         | 272,245.75              | 99,696                       | 82,162                        | 190,084                      | 44.01               | 4,319                    |
| 1958                         | 238,496.25              | 83,688                       | 68,969                        | 169,527                      | 45.01               | 3,766                    |
| 1959                         | 265,310.69              | 91,346                       | 75,281                        | 190,030                      | 46.01               | 4,130                    |
| 1960                         | 227,925.48              | 80,116                       | 66,026                        | 161,899                      | 46.04               | 3,516                    |



AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS & ACCESSORIES - C.I. - 6, 8 & 10"

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                  | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 100-R3 |                         |                              |                               |                              |                     |                          |
| 1961                         | 206,438.91              | 71,201                       | 58,679                        | 147,760                      | 47.04               | 3,141                    |
| 1962                         | 135,611.09              | 44,806                       | 36,926                        | 98,685                       | 48.04               | 2,054                    |
| 1963                         | 150,672.06              | 50,822                       | 41,884                        | 108,788                      | 48.09               | 2,262                    |
| 1964                         | 242,000.67              | 80,126                       | 66,034                        | 175,967                      | 49.09               | 3,585                    |
| 1965                         | 165,727.40              | 53,861                       | 44,388                        | 121,339                      | 50.09               | 2,422                    |
| 1966                         | 156,512.36              | 48,691                       | 40,127                        | 116,385                      | 51.09               | 2,278                    |
| 1967                         | 179,807.34              | 57,161                       | 47,108                        | 132,699                      | 51.15               | 2,594                    |
| 1968                         | 219,197.90              | 68,390                       | 56,362                        | 162,836                      | 52.15               | 3,122                    |
| 1969                         | 141,913.83              | 43,482                       | 35,835                        | 106,079                      | 53.15               | 1,996                    |
| 1970                         | 288,158.27              | 87,917                       | 72,455                        | 215,703                      | 53.24               | 4,052                    |
| 1971                         | 196,679.03              | 58,925                       | 48,562                        | 148,117                      | 54.24               | 2,731                    |
| 1972                         | 493,415.11              | 145,163                      | 119,633                       | 373,782                      | 55.24               | 6,767                    |
| 1973                         | 326,411.86              | 97,989                       | 80,755                        | 245,657                      | 55.34               | 4,439                    |
| 1974                         | 413,368.41              | 118,885                      | 97,976                        | 315,392                      | 56.34               | 5,598                    |
| 1975                         | 475,246.06              | 134,209                      | 110,605                       | 364,641                      | 57.34               | 6,359                    |
| 1976                         | 373,657.74              | 103,653                      | 85,423                        | 288,235                      | 58.34               | 4,941                    |
| 1977                         | 162,660.93              | 44,927                       | 37,025                        | 125,636                      | 58.46               | 2,149                    |
| 1978                         | 1,268,300.64            | 343,963                      | 283,469                       | 984,832                      | 59.46               | 16,563                   |
| 1979                         | 690,767.83              | 184,021                      | 151,656                       | 539,112                      | 60.46               | 8,917                    |
| 1980                         | 603,831.10              | 153,796                      | 126,747                       | 477,084                      | 61.46               | 7,763                    |
| 1981                         | 525,304.74              | 136,842                      | 112,775                       | 412,530                      | 61.59               | 6,698                    |
| 1982                         | 464,648.53              | 115,790                      | 95,425                        | 369,224                      | 62.59               | 5,899                    |
| 1983                         | 856,627.14              | 209,531                      | 172,680                       | 683,947                      | 63.59               | 10,756                   |
| 1984                         | 1,371,696.24            | 334,145                      | 275,377                       | 1,096,319                    | 63.74               | 17,200                   |
| 1985                         | 438,954.10              | 99,160                       | 81,720                        | 357,234                      | 64.74               | 5,518                    |
| 1986                         | 1,667,105.01            | 472,458                      | 389,365                       | 1,277,740                    | 65.74               | 19,436                   |
| 1987                         | 1,671,531.42            | 455,492                      | 375,383                       | 1,296,148                    | 66.74               | 19,421                   |
| 1988                         | 1,558,391.72            | 411,415                      | 339,058                       | 1,219,334                    | 66.91               | 18,223                   |
| 1989                         | 1,737,574.28            | 439,606                      | 362,291                       | 1,375,283                    | 67.91               | 20,252                   |
| 1990                         | 2,903,810.89            | 702,722                      | 579,131                       | 2,324,680                    | 68.91               | 33,735                   |
| 1991                         | 2,183,532.28            | 504,396                      | 415,686                       | 1,767,846                    | 69.91               | 25,287                   |
| 1992                         | 2,752,809.10            | 611,124                      | 503,643                       | 2,249,166                    | 70.09               | 32,090                   |
| 1993                         | 1,434,409.26            | 302,517                      | 249,312                       | 1,185,097                    | 71.09               | 16,670                   |
| 1994                         | 970,546.15              | 193,915                      | 159,810                       | 810,736                      | 72.09               | 11,246                   |
| 1995                         | 303,768.95              | 57,321                       | 47,240                        | 256,529                      | 73.09               | 3,510                    |
| 1996                         | 705,809.78              | 126,481                      | 104,236                       | 601,574                      | 73.29               | 8,208                    |
| 1997                         | 957,694.09              | 160,893                      | 132,596                       | 825,098                      | 74.29               | 11,106                   |
| 1998                         | 5,360,573.95            | 840,538                      | 692,709                       | 4,667,865                    | 75.29               | 61,998                   |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS & ACCESSORIES - C.I. - 6, 8 & 10"

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 100-R3                            |                         |                              |                               |                              |                     |                          |
| 1999  | 1,703,305.07            | 248,001                      | 204,384                       | 1,498,921                    | 76.29               | 19,648                   |
| 2000  | 2,212,666.79            | 300,038                      | 247,269                       | 1,965,398                    | 76.50               | 25,691                   |
| 2001  | 2,141,139.17            | 266,144                      | 219,336                       | 1,921,803                    | 77.50               | 24,797                   |
| 2002  | 8,672,565.90            | 980,000                      | 807,643                       | 7,864,923                    | 78.50               | 100,190                  |
| 2003  | 7,275,451.37            | 739,913                      | 609,781                       | 6,665,670                    | 79.50               | 83,845                   |
| 2004  | 870,439.36              | 79,384                       | 65,422                        | 805,017                      | 79.72               | 10,098                   |
| 2005  | 1,933,066.56            | 154,259                      | 127,129                       | 1,805,938                    | 80.72               | 22,373                   |
| 2006  | 1,340,586.37            | 92,500                       | 76,232                        | 1,264,354                    | 80.96               | 15,617                   |
| 2007  | 6,624,417.11            | 380,904                      | 313,912                       | 6,310,505                    | 81.96               | 76,995                   |
| 2008  | 393,976.01              | 18,123                       | 14,936                        | 379,040                      | 82.96               | 4,569                    |
| 2009  | 270,573.39              | 9,416                        | 7,760                         | 262,813                      | 83.21               | 3,158                    |
| 2010  | 1,774,501.64            | 41,523                       | 34,220                        | 1,740,282                    | 83.47               | 20,849                   |
| 2011  | 182,429.86              | 2,153                        | 1,774                         | 180,656                      | 83.75               | 2,157                    |
|   | 75,211,263.22           | 13,408,764                   | 11,050,506                    | 64,160,759                   |                     | 915,802                  |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 70.1                | 1.22                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.03 MAINS & ACCESSORIES - C.I. - 12" & OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 110-R3                            |                         |                              |                               |                              |                     |                          |
| 1967  | 25,168.00               | 6,994                        | 5,764                         | 19,404                       | 60.26               | 322                      |
| 1972  | 44,122.00               | 12,010                       | 9,898                         | 34,224                       | 63.09               | 542                      |
| 1973  | 71,445.00               | 18,540                       | 15,279                        | 56,166                       | 64.09               | 876                      |
| 1977  | 2,101.00                | 518                          | 427                           | 1,674                        | 67.04               | 25                       |
| 1980  | 6,862.00                | 1,612                        | 1,328                         | 5,534                        | 70.04               | 79                       |
| 1988  | 5,000.00                | 1,200                        | 989                           | 4,011                        | 76.00               | 53                       |
| 1989  | 1,255,450.91            | 288,754                      | 237,970                       | 1,017,481                    | 77.00               | 13,214                   |
| 1990  | 1,538.00                | 342                          | 282                           | 1,256                        | 77.01               | 16                       |
| 1994  | 15,986.12               | 2,906                        | 2,395                         | 13,591                       | 81.01               | 168                      |
| 2003  | 104,706.97              | 9,706                        | 7,999                         | 96,708                       | 88.09               | 1,098                    |
| 2004  | 562,198.26              | 46,775                       | 38,548                        | 523,650                      | 88.15               | 5,940                    |
| 2005  | 356,407.58              | 25,946                       | 21,383                        | 335,025                      | 89.15               | 3,758                    |
| 2007  | 323,701.25              | 16,994                       | 14,005                        | 309,696                      | 90.24               | 3,432                    |
| 2008  | 1,200.00                | 50                           | 41                            | 1,159                        | 91.24               | 13                       |
|   | 2,775,887.09            | 432,347                      | 356,308                       | 2,419,579                    |                     | 29,536                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 81.9                | 1.06                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.06 MAINS & ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3                             |                         |                              |                               |                              |                     |                          |
| 1987  | 380.33                  | 145                          | 119                           | 261                          | 40.79               | 6                        |
| 1988  | 613.60                  | 225                          | 185                           | 429                          | 41.36               | 10                       |
| 1999  | 68,568.76               | 14,084                       | 11,608                        | 56,961                       | 50.29               | 1,133                    |
|   | 69,562.69               | 14,454                       | 11,912                        | 57,651                       |                     | 1,149                    |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 50.2                | 1.65                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.11 MAINS & ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 90-R4                             |                         |                              |                               |                              |                     |                          |
| 1963  | 74,569.11               | 30,640                       | 25,251                        | 49,318                       | 39.50               | 1,249                    |
| 1964  | 87,665.54               | 36,337                       | 29,946                        | 57,720                       | 39.72               | 1,453                    |
| 1965  | 124,152.32              | 50,493                       | 41,613                        | 82,539                       | 40.72               | 2,027                    |
| 1966  | 42,990.73               | 17,158                       | 14,140                        | 28,851                       | 41.72               | 692                      |
| 1967  | 68,853.41               | 26,509                       | 21,847                        | 47,006                       | 42.72               | 1,100                    |
| 1968  | 82,283.97               | 31,984                       | 26,359                        | 55,925                       | 42.96               | 1,302                    |
| 1969  | 93,921.85               | 35,831                       | 29,529                        | 64,393                       | 43.96               | 1,465                    |
| 1970  | 118,926.88              | 44,538                       | 36,705                        | 82,222                       | 44.96               | 1,829                    |
| 1971  | 32,479.34               | 11,943                       | 9,843                         | 22,636                       | 45.96               | 493                      |
| 1972  | 104,170.48              | 37,616                       | 31,000                        | 73,170                       | 46.96               | 1,558                    |
| 1973  | 161,498.80              | 57,284                       | 47,209                        | 114,290                      | 47.96               | 2,383                    |
| 1974  | 227,030.27              | 81,368                       | 67,057                        | 159,973                      | 48.21               | 3,318                    |
| 1975  | 131,589.42              | 46,346                       | 38,195                        | 93,394                       | 49.21               | 1,898                    |
| 1976  | 160,859.58              | 55,674                       | 45,882                        | 114,978                      | 50.21               | 2,290                    |
| 1977  | 128,838.26              | 43,831                       | 36,122                        | 92,716                       | 51.21               | 1,811                    |
| 1978  | 246,981.94              | 82,591                       | 68,065                        | 178,917                      | 52.21               | 3,427                    |
| 1979  | 337,290.93              | 110,901                      | 91,397                        | 245,894                      | 53.21               | 4,621                    |
| 1980  | 246,979.93              | 79,849                       | 65,806                        | 181,174                      | 54.21               | 3,342                    |
| 1981  | 133,656.06              | 43,719                       | 36,030                        | 97,626                       | 54.47               | 1,792                    |
| 1982  | 202,246.72              | 65,083                       | 53,637                        | 148,610                      | 55.47               | 2,679                    |
| 1983  | 314,122.03              | 99,451                       | 81,960                        | 232,162                      | 56.47               | 4,111                    |
| 1984  | 297,917.09              | 92,801                       | 76,480                        | 221,437                      | 57.47               | 3,853                    |
| 1985  | 337,682.45              | 103,533                      | 85,324                        | 252,358                      | 58.47               | 4,316                    |
| 2008  | 10,571.00               | 499                          | 411                           | 10,160                       | 80.75               | 126                      |
|   | 3,767,278.11            | 1,285,979                    | 1,059,808                     | 2,707,469                    |                     | 53,135                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 51.0                | 1.41                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.13 MAINS & ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 75-R2.5                           |                         |                              |                               |                              |                     |                          |
| 1966  | 41,066.18               | 17,153                       | 14,136                        | 26,930                       | 31.52               | 854                      |
| 1999  | 300,711.54              | 59,812                       | 49,293                        | 251,419                      | 52.36               | 4,802                    |
|   | 341,777.72              | 76,965                       | 63,429                        | 278,349                      |                     | 5,656                    |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 49.2                | 1.65                     |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3 |                         |                              |                               |                              |                     |                          |
| 1925                        | 14,385.45               | 11,383                       | 11,904                        | 2,481                        | 7.34                | 338                      |
| 1926                        | 18,223.71               | 14,360                       | 15,018                        | 3,206                        | 7.46                | 430                      |
| 1927                        | 17,052.38               | 12,953                       | 13,546                        | 3,506                        | 8.46                | 414                      |
| 1928                        | 12,267.53               | 9,367                        | 9,796                         | 2,472                        | 8.59                | 288                      |
| 1929                        | 13,944.27               | 10,592                       | 11,077                        | 2,867                        | 8.74                | 328                      |
| 1930                        | 7,146.10                | 5,397                        | 5,644                         | 1,502                        | 8.91                | 169                      |
| 1931                        | 695.08                  | 522                          | 546                           | 149                          | 9.09                | 16                       |
| 1932                        | 295.00                  | 222                          | 232                           | 63                           | 9.29                | 7                        |
| 1934                        | 390.00                  | 281                          | 294                           | 96                           | 10.50               | 9                        |
| 1935                        | 250.00                  | 179                          | 187                           | 63                           | 10.72               | 6                        |
| 1936                        | 345.00                  | 247                          | 258                           | 87                           | 10.96               | 8                        |
| 1937                        | 310.00                  | 220                          | 230                           | 80                           | 11.21               | 7                        |
| 1938                        | 90.00                   | 63                           | 66                            | 24                           | 11.47               | 2                        |
| 1939                        | 750.00                  | 528                          | 552                           | 198                          | 11.75               | 17                       |
| 1940                        | 440.00                  | 307                          | 321                           | 119                          | 12.03               | 10                       |
| 1941                        | 530.00                  | 357                          | 373                           | 157                          | 13.03               | 12                       |
| 1942                        | 60.00                   | 40                           | 42                            | 18                           | 13.33               | 1                        |
| 1945                        | 35.00                   | 23                           | 24                            | 11                           | 14.30               | 1                        |
| 1946                        | 150.00                  | 98                           | 102                           | 48                           | 14.65               | 3                        |
| 1947                        | 2,040.00                | 1,285                        | 1,344                         | 696                          | 15.65               | 44                       |
| 1948                        | 1,380.00                | 868                          | 908                           | 472                          | 16.00               | 30                       |
| 1949                        | 180.00                  | 112                          | 117                           | 63                           | 16.37               | 4                        |
| 1950                        | 325.00                  | 200                          | 209                           | 116                          | 16.74               | 7                        |
| 1951                        | 960.00                  | 588                          | 615                           | 345                          | 17.13               | 20                       |
| 1952                        | 1,275.00                | 755                          | 790                           | 485                          | 18.13               | 27                       |
| 1953                        | 1,790.00                | 1,047                        | 1,095                         | 695                          | 18.52               | 38                       |
| 1954                        | 3,460.00                | 2,018                        | 2,110                         | 1,350                        | 18.92               | 71                       |
| 1955                        | 4,460.00                | 2,569                        | 2,687                         | 1,773                        | 19.34               | 92                       |
| 1956                        | 3,940.00                | 2,261                        | 2,365                         | 1,575                        | 19.76               | 80                       |
| 1957                        | 3,545.00                | 1,965                        | 2,055                         | 1,490                        | 20.76               | 72                       |
| 1958                        | 1,405.00                | 769                          | 804                           | 601                          | 21.19               | 28                       |
| 1959                        | 5,990.00                | 3,265                        | 3,415                         | 2,575                        | 21.63               | 119                      |
| 1960                        | 5,045.00                | 2,715                        | 2,839                         | 2,206                        | 22.07               | 100                      |
| 1961                        | 965.00                  | 506                          | 529                           | 436                          | 23.07               | 19                       |
| 1962                        | 1,065.00                | 551                          | 576                           | 489                          | 23.53               | 21                       |
| 1963                        | 3,680.83                | 1,897                        | 1,984                         | 1,697                        | 23.99               | 71                       |
| 1964                        | 9,608.98                | 4,783                        | 5,002                         | 4,607                        | 24.99               | 184                      |
| 1965                        | 11,655.25               | 5,722                        | 5,984                         | 5,671                        | 25.46               | 223                      |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3 |                         |                              |                               |                              |                     |                          |
| 1966                        | 10,657.90               | 5,209                        | 5,448                         | 5,210                        | 25.94               | 201                      |
| 1967                        | 10,592.66               | 4,998                        | 5,227                         | 5,366                        | 26.94               | 199                      |
| 1968                        | 20,600.82               | 9,678                        | 10,121                        | 10,480                       | 27.43               | 382                      |
| 1969                        | 13,058.59               | 6,047                        | 6,324                         | 6,735                        | 27.92               | 241                      |
| 1970                        | 8,976.56                | 4,053                        | 4,239                         | 4,738                        | 28.92               | 164                      |
| 1971                        | 5,709.77                | 2,541                        | 2,657                         | 3,053                        | 29.42               | 104                      |
| 1972                        | 12,314.67               | 5,455                        | 5,705                         | 6,610                        | 29.93               | 221                      |
| 1973                        | 19,164.57               | 8,193                        | 8,568                         | 10,597                       | 30.93               | 343                      |
| 1974                        | 30,757.58               | 13,094                       | 13,694                        | 17,064                       | 31.44               | 543                      |
| 1975                        | 33,128.66               | 13,891                       | 14,527                        | 18,602                       | 31.97               | 582                      |
| 1976                        | 34,751.65               | 14,206                       | 14,857                        | 19,895                       | 32.97               | 603                      |
| 1977                        | 22,740.99               | 9,162                        | 9,582                         | 13,159                       | 33.49               | 393                      |
| 1978                        | 42,482.49               | 17,031                       | 17,811                        | 24,671                       | 34.03               | 725                      |
| 1979                        | 64,180.58               | 24,825                       | 25,962                        | 38,219                       | 35.03               | 1,091                    |
| 1980                        | 44,427.02               | 16,922                       | 17,697                        | 26,730                       | 35.57               | 751                      |
| 1981                        | 18,656.38               | 7,074                        | 7,398                         | 11,258                       | 36.11               | 312                      |
| 1982                        | 70,792.30               | 25,889                       | 27,075                        | 43,717                       | 37.11               | 1,178                    |
| 1983                        | 73,781.41               | 26,547                       | 27,763                        | 46,018                       | 37.67               | 1,222                    |
| 1984                        | 72,679.30               | 24,900                       | 26,041                        | 46,638                       | 38.67               | 1,206                    |
| 1985                        | 95,371.78               | 31,387                       | 32,825                        | 62,547                       | 39.23               | 1,594                    |
| 1986                        | 13,919.80               | 5,465                        | 5,715                         | 8,205                        | 40.23               | 204                      |
| 1987                        | 20,808.11               | 7,907                        | 8,269                         | 12,539                       | 40.79               | 307                      |
| 1988                        | 15,085.63               | 5,539                        | 5,793                         | 9,293                        | 41.36               | 225                      |
| 1989                        | 40,447.61               | 14,234                       | 14,886                        | 25,562                       | 42.36               | 603                      |
| 1990                        | 49,234.05               | 16,680                       | 17,444                        | 31,790                       | 42.94               | 740                      |
| 1991                        | 44,145.02               | 14,276                       | 14,930                        | 29,215                       | 43.94               | 665                      |
| 1992                        | 10,990.50               | 3,407                        | 3,563                         | 7,428                        | 44.52               | 167                      |
| 1993                        | 49,326.98               | 14,527                       | 15,192                        | 34,135                       | 45.52               | 750                      |
| 1994                        | 11,800.00               | 3,313                        | 3,465                         | 8,335                        | 46.10               | 181                      |
| 1995                        | 26,810.78               | 7,110                        | 7,436                         | 19,375                       | 47.10               | 411                      |
| 1996                        | 54,462.58               | 13,681                       | 14,308                        | 40,155                       | 47.69               | 842                      |
| 1997                        | 32,517.93               | 7,658                        | 8,009                         | 24,509                       | 48.69               | 503                      |
| 1998                        | 43,999.00               | 9,733                        | 10,179                        | 33,820                       | 49.29               | 686                      |
| 1999                        | 3,258.74                | 669                          | 700                           | 2,559                        | 50.29               | 51                       |
| 2000                        | 17,729.29               | 3,383                        | 3,538                         | 14,191                       | 50.89               | 279                      |
| 2003                        | 36,868.56               | 5,342                        | 5,587                         | 31,282                       | 53.11               | 589                      |
| 2005                        | 800,552.49              | 90,783                       | 94,940                        | 705,612                      | 54.73               | 12,893                   |
| 2011                        | 25,290.71               | 425                          | 444                           | 24,847                       | 58.52               | 425                      |
|                             | 2,152,203.04            | 596,249                      | 623,559                       | 1,528,648                    |                     | 35,892                   |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.: 42.6 1.67



AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 334.01 METERS = CONVENTIONAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                         | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-------------------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| INTERIM SURVIVOR CURVE.. IOWA 22-L2 |                         |                              |                               |                              |                     |                          |
| PROBABLE RETIREMENT YEAR.. 12-2009  |                         |                              |                               |                              |                     |                          |
| 1965                                | 1,010.67                | 1,011                        | 1,011                         |                              |                     |                          |
| 1969                                | 260.72                  | 261                          | 261                           |                              |                     |                          |
| 1970                                | 1,248.24                | 1,248                        | 1,248                         |                              |                     |                          |
| 1971                                | 664.38                  | 664                          | 664                           |                              |                     |                          |
| 1972                                | 1,228.10                | 1,228                        | 1,228                         |                              |                     |                          |
| 1973                                | 2,717.94                | 2,718                        | 2,718                         |                              |                     |                          |
| 1974                                | 3,702.43                | 3,702                        | 3,702                         |                              |                     |                          |
| 1975                                | 3,450.77                | 3,451                        | 3,451                         |                              |                     |                          |
| 1976                                | 4,483.59                | 4,484                        | 4,484                         |                              |                     |                          |
| 1977                                | 2,249.85                | 2,250                        | 2,250                         |                              |                     |                          |
| 1978                                | 9,514.72                | 9,515                        | 9,515                         |                              |                     |                          |
| 1979                                | 6,991.14                | 6,991                        | 6,991                         |                              |                     |                          |
| 1980                                | 6,304.61                | 6,305                        | 6,305                         |                              |                     |                          |
| 1981                                | 2,415.94                | 2,416                        | 2,416                         |                              |                     |                          |
| 1982                                | 3,484.54                | 3,485                        | 3,485                         |                              |                     |                          |
| 1983                                | 5,284.88                | 5,285                        | 5,285                         |                              |                     |                          |
| 1984                                | 7,109.92                | 7,110                        | 7,110                         |                              |                     |                          |
| 1985                                | 12,351.51               | 12,352                       | 12,350                        |                              |                     |                          |
|                                     | 74,473.95               | 74,476                       | 74,474                        |                              |                     |                          |

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. 0.0 0.00

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)                 | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|-----------------------------|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 60-R3 |                         |                              |                               |                              |                     |                          |
| 1954                        | 275.45                  | 190                          | 170                           | 105                          | 11.93               | 9                        |
| 1955                        | 4,052.20                | 2,754                        | 2,459                         | 1,593                        | 12.44               | 128                      |
| 1956                        | 5,807.77                | 3,884                        | 3,468                         | 2,340                        | 12.97               | 180                      |
| 1957                        | 3,421.42                | 2,252                        | 2,011                         | 1,410                        | 13.49               | 105                      |
| 1958                        | 2,530.75                | 1,638                        | 1,463                         | 1,068                        | 14.03               | 76                       |
| 1959                        | 1,938.04                | 1,241                        | 1,108                         | 830                          | 14.57               | 57                       |
| 1960                        | 845.74                  | 533                          | 476                           | 370                          | 15.11               | 24                       |
| 1961                        | 2,232.12                | 1,381                        | 1,233                         | 999                          | 15.67               | 64                       |
| 1962                        | 1,845.77                | 1,123                        | 1,003                         | 843                          | 16.23               | 52                       |
| 1963                        | 357.34                  | 214                          | 191                           | 166                          | 16.79               | 10                       |
| 1965                        | 8,559.65                | 4,970                        | 4,438                         | 4,122                        | 17.94               | 230                      |
| 1966                        | 7,505.67                | 4,353                        | 3,887                         | 3,619                        | 18.10               | 200                      |
| 1967                        | 3,853.21                | 2,195                        | 1,960                         | 1,893                        | 18.69               | 101                      |
| 1968                        | 6,309.90                | 3,494                        | 3,120                         | 3,190                        | 19.69               | 162                      |
| 1969                        | 13,003.51               | 7,069                        | 6,312                         | 6,692                        | 20.29               | 330                      |
| 1970                        | 8,173.13                | 4,362                        | 3,895                         | 4,278                        | 20.89               | 205                      |
| 1971                        | 4,682.24                | 2,452                        | 2,189                         | 2,493                        | 21.50               | 116                      |
| 1972                        | 11,573.77               | 5,987                        | 5,346                         | 6,228                        | 22.11               | 282                      |
| 1973                        | 20,283.20               | 10,296                       | 9,193                         | 11,090                       | 22.73               | 488                      |
| 1974                        | 26,685.90               | 13,287                       | 11,863                        | 14,823                       | 23.35               | 635                      |
| 1975                        | 31,965.41               | 15,717                       | 14,033                        | 17,932                       | 23.98               | 748                      |
| 1976                        | 22,334.63               | 10,772                       | 9,618                         | 12,717                       | 24.61               | 517                      |
| 1977                        | 22,777.91               | 10,774                       | 9,620                         | 13,158                       | 25.24               | 521                      |
| 1978                        | 40,513.00               | 18,790                       | 16,777                        | 23,736                       | 25.88               | 917                      |
| 1979                        | 62,812.07               | 28,774                       | 25,691                        | 37,121                       | 26.52               | 1,400                    |
| 1980                        | 76,353.20               | 34,283                       | 30,610                        | 45,743                       | 27.17               | 1,684                    |
| 1981                        | 91,487.44               | 40,264                       | 35,950                        | 55,537                       | 27.82               | 1,996                    |
| 1982                        | 43,949.80               | 18,648                       | 16,650                        | 27,300                       | 28.82               | 947                      |
| 1983                        | 76,154.20               | 31,657                       | 28,265                        | 47,889                       | 29.48               | 1,624                    |
| 1984                        | 181,836.63              | 73,480                       | 65,607                        | 116,230                      | 30.14               | 3,856                    |
| 1985                        | 186,972.05              | 72,807                       | 65,006                        | 121,966                      | 30.80               | 3,960                    |
| 1986                        | 147,359.59              | 66,665                       | 59,522                        | 87,838                       | 31.47               | 2,791                    |
| 1987                        | 130,479.77              | 57,085                       | 50,969                        | 79,511                       | 32.14               | 2,474                    |
| 1988                        | 171,657.78              | 72,096                       | 64,371                        | 107,287                      | 33.14               | 3,237                    |
| 1989                        | 194,191.83              | 78,609                       | 70,186                        | 124,006                      | 33.82               | 3,667                    |
| 1990                        | 135,476.57              | 52,755                       | 47,103                        | 88,374                       | 34.50               | 2,562                    |
| 1991                        | 50,920.97               | 19,034                       | 16,995                        | 33,926                       | 35.18               | 964                      |
| 1992                        | 67,880.79               | 24,166                       | 21,577                        | 46,304                       | 36.18               | 1,280                    |

AQUA PENNSYLVANIA, INC.  
CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 60-R3                             |                         |                              |                               |                              |                     |                          |
| 1993  | 35,135.19               | 11,949                       | 10,669                        | 24,466                       | 36.87               | 664                      |
| 1994  | 40,809.62               | 13,222                       | 11,805                        | 29,005                       | 37.56               | 772                      |
| 1995  | 18,125.50               | 5,577                        | 4,979                         | 13,147                       | 38.25               | 344                      |
| 1996  | 8,300.00                | 2,404                        | 2,146                         | 6,154                        | 39.25               | 157                      |
| 1997  | 3,996.71                | 1,091                        | 974                           | 3,023                        | 39.95               | 76                       |
| 1998  | 5,903.72                | 1,513                        | 1,351                         | 4,553                        | 40.64               | 112                      |
| 1999  | 37,236.49               | 8,907                        | 7,953                         | 29,283                       | 41.35               | 708                      |
| 2000  | 56,020.45               | 12,369                       | 11,044                        | 44,976                       | 42.35               | 1,062                    |
| 2001  | 2,859.69                | 582                          | 520                           | 2,340                        | 43.05               | 54                       |
| 2003  | 42,220.00               | 7,068                        | 6,310                         | 35,910                       | 44.76               | 802                      |
| 2005  | 66,147.00               | 8,705                        | 7,772                         | 58,375                       | 46.19               | 1,264                    |
| 2008  | 2,815.00                | 214                          | 191                           | 2,624                        | 48.63               | 54                       |
| 2011  | 22,699.08               | 443                          | 396                           | 22,303                       | 50.28               | 444                      |
|   | 2,211,328.87            | 874,095                      | 780,445                       | 1,430,886                    |                     | 45,112                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 31.7                | 2.04                     |

**CUSTOMERS' ADVANCES FOR CONSTRUCTION**

AQUA PENNSYLVANIA, INC.  
CUSTOMERS' ADVANCES FOR CONSTRUCTION

ACCOUNT 331.02 MAINS & ACCESSORIES - C.I. - 6, 8 & 10"

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 100-R3                            |                         |                              |                               |                              |                     |                          |
| 1999  | 2,003,409.80            | 291,696                      | 919,440                       | 1,083,970                    | 76.29               | 14,209                   |
| 2000  | 1,603,188.57            | 217,392                      | 685,230                       | 917,959                      | 76.50               | 11,999                   |
| 2001  | 2,225,204.95            | 276,593                      | 871,835                       | 1,353,370                    | 77.50               | 17,463                   |
| 2002  | 1,956,530.65            | 221,088                      | 696,880                       | 1,259,651                    | 78.50               | 16,047                   |
| 2003  | 3,428,685.44            | 348,697                      | 1,099,110                     | 2,329,575                    | 79.50               | 29,303                   |
| 2004  | 99,444.55               | 9,069                        | 28,586                        | 70,859                       | 79.72               | 889                      |
| 2005  | 4,121,436.48            | 328,891                      | 1,036,681                     | 3,084,755                    | 80.72               | 38,215                   |
| 2006  | 3,919,853.21            | 270,470                      | 852,535                       | 3,067,318                    | 80.96               | 37,887                   |
| 2007  | 6,443,212.27            | 370,485                      | 1,167,787                     | 5,275,425                    | 81.96               | 64,366                   |
| 2008  | 3,614,512.97            | 166,268                      | 524,085                       | 3,090,428                    | 82.96               | 37,252                   |
| 2009  | 2,732,843.42            | 95,103                       | 299,770                       | 2,433,073                    | 83.21               | 29,240                   |
| 2010  | 1,664,415.66            | 38,947                       | 122,763                       | 1,541,653                    | 83.47               | 18,470                   |
| 2011  | 592,605.79              | 6,993                        | 22,042                        | 570,564                      | 83.75               | 6,813                    |
|   | 34,405,343.76           | 2,641,692                    | 8,326,744                     | 26,078,600                   |                     | 322,153                  |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 81.0                | 0.94                     |

AQUA PENNSYLVANIA, INC.  
CUSTOMERS' ADVANCES FOR CONSTRUCTION

ACCOUNT 331.03 MAINS & ACCESSORIES - C.I. - 12" & OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 110-R3                            |                         |                              |                               |                              |                     |                          |
| 1994  | 24,000.00               | 4,363                        | 13,752                        | 10,248                       | 81.01               | 127                      |
| 1995  | 8,709.00                | 1,510                        | 4,760                         | 3,949                        | 81.04               | 49                       |
| 2008  | 272,613.19              | 11,450                       | 36,091                        | 236,522                      | 91.24               | 2,592                    |
|   | 305,322.19              | 17,323                       | 54,603                        | 250,719                      |                     | 2,768                    |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 90.6                | 0.91                     |

AQUA PENNSYLVANIA, INC.  
CUSTOMERS' ADVANCES FOR CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 70-R3                             |                         |                              |                               |                              |                     |                          |
| 1999  | 2,236.86                | 459                          | 216                           | 2,021                        | 50.29               | 40                       |
| 2005  | 368,794.49              | 41,821                       | 19,673                        | 349,121                      | 54.73               | 6,379                    |
| 2008  | 336,754.44              | 22,091                       | 10,392                        | 326,362                      | 56.98               | 5,728                    |
| 2009  | 512,330.47              | 25,360                       | 11,930                        | 500,400                      | 57.61               | 8,686                    |
| 2010  | 138,877.61              | 4,611                        | 2,169                         | 136,709                      | 58.24               | 2,347                    |
| 2011  | 218,403.94              | 3,669                        | 1,726                         | 216,678                      | 58.52               | 3,703                    |
|   | 1,577,397.81            | 98,011                       | 46,106                        | 1,531,291                    |                     | 26,883                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 57.0                | 1.70                     |

AQUA PENNSYLVANIA, INC.  
CUSTOMERS' ADVANCES FOR CONSTRUCTION

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AT JUNE 30, 2012

| YEAR<br>(1)   | ORIGINAL<br>COST<br>(2) | CALCULATED<br>ACCRUED<br>(3) | ALLOC. BOOK<br>RESERVE<br>(4) | FUT. BOOK<br>ACCRUALS<br>(5) | REM.<br>LIFE<br>(6) | ANNUAL<br>ACCRUAL<br>(7) |
|---|-------------------------|------------------------------|-------------------------------|------------------------------|---------------------|--------------------------|
| SURVIVOR CURVE.. IOWA 60-R3                             |                         |                              |                               |                              |                     |                          |
| 1999  | 2,339.22                | 560                          | 218                           | 2,121                        | 41.35               | 51                       |
| 2004  | 58,861.68               | 8,806                        | 3,432                         | 55,430                       | 45.48               | 1,219                    |
| 2005  | 292,149.12              | 38,447                       | 14,982                        | 277,167                      | 46.19               | 6,001                    |
| 2006  | 84,255.22               | 9,555                        | 3,723                         | 80,532                       | 46.91               | 1,717                    |
| 2007  | 50,896.38               | 4,835                        | 1,884                         | 49,012                       | 47.63               | 1,029                    |
| 2008  | 765,155.35              | 58,152                       | 22,662                        | 742,493                      | 48.63               | 15,268                   |
| 2009  | 370,817.41              | 21,359                       | 8,323                         | 362,494                      | 49.08               | 7,386                    |
| 2010  | 158,258.59              | 6,109                        | 2,381                         | 155,878                      | 49.81               | 3,129                    |
| 2011  | 85,969.84               | 1,676                        | 653                           | 85,317                       | 50.28               | 1,697                    |
|   | 1,868,702.81            | 149,499                      | 58,258                        | 1,810,444                    |                     | 37,497                   |
| COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PCT.. |                         |                              |                               |                              | 48.3                | 2.01                     |



EXPERIENCED AND ESTIMATED NET SALVAGE

AQUA PENNSYLVANIA, INC.

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED  
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

| ACCT                  | REGULAR<br>RETIREMENTS | COST OF<br>REMOVAL | GROSS<br>SALVAGE | NET<br>SALVAGE |
|-----------------------|------------------------|--------------------|------------------|----------------|
| 2007 TRANSACTION YEAR |                        |                    |                  |                |
| 310.40                |                        |                    | 52,964.98        | 52,964.98      |
| 331.00                |                        | 3,930,762.32       |                  | 3,930,762.32-  |
| 333.00                | 131,153.84             | 2,923,263.15       |                  | 2,923,263.15-  |
| 334.02                | 2,703,389.28           | 381.86             |                  | 381.86-        |
| 335.00                |                        | 827,840.40         |                  | 827,840.40-    |
|                       | 2,834,543.12           | 7,682,247.73       | 52,964.98        | 7,629,282.75-  |
| 2008 TRANSACTION YEAR |                        |                    |                  |                |
| 304.20                |                        | 697.21             |                  | 697.21-        |
| 304.30                |                        | 75,230.85          |                  | 75,230.85-     |
| 304.63                |                        | 151,786.54-        |                  | 151,786.54     |
| 307.00                |                        | 50,442.09          |                  | 50,442.09-     |
| 310.40                |                        | 47,803.85          |                  | 47,803.85-     |
| 311.00                |                        | 7,797.23-          |                  | 7,797.23       |
| 320.00                |                        | 49,766.43          |                  | 49,766.43-     |
| 331.00                |                        | 4,933,446.89       |                  | 4,933,446.89-  |
| 333.00                | 609,395.23             | 3,209,325.33       |                  | 3,209,325.33-  |
| 334.02                |                        | 30,176.28-         | 130,283.12       | 160,459.40     |
| 335.00                |                        | 1,377,262.01       |                  | 1,377,262.01-  |
| 340.10                | 288,756.10             | 732,370.30-        |                  | 732,370.30     |
| 340.30                | 3,001,628.86           | 11,675.59-         |                  | 11,675.59      |
| 341.20                | 312,588.36             | 359.21-            |                  | 359.21         |
| 343.20                | 970,693.72             | 6,679.58-          |                  | 6,679.58       |
| 344.00                |                        | 80.15-             |                  | 80.15          |
|                       | 5,183,062.27           | 8,803,049.78       | 130,283.12       | 8,672,766.66-  |

AQUA PENNSYLVANIA, INC.

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED  
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

| ACCT                  | REGULAR<br>RETIREMENTS | COST OF<br>REMOVAL | GROSS<br>SALVAGE | NET<br>SALVAGE |
|-----------------------|------------------------|--------------------|------------------|----------------|
| 2009 TRANSACTION YEAR |                        |                    |                  |                |
| 304.30                | 1,632,796.93           | 457,982.16         |                  | 457,982.16-    |
| 305.00                | 751,165.95             | 1,681.78-          |                  | 1,681.78       |
| 307.00                | 15,866.18              | 185,761.91         |                  | 185,761.91-    |
| 310.40                | 37,523.25              | 46,821.73-         |                  | 46,821.73      |
| 311.00                | 9,272,961.23           | 1,161,446.91       |                  | 1,161,446.91-  |
| 320.00                | 9,320,497.36           | 1,079,842.38       |                  | 1,079,842.38-  |
| 330.00                | 54,786.51              | 270,268.70         |                  | 270,268.70-    |
| 331.00                | 6,015,781.59           | 1,332,091.70       |                  | 1,332,091.70-  |
| 333.00                | 386,632.69             | 4,906,458.90       |                  | 4,906,458.90-  |
| 334.02                |                        | 25,048.95          | 16,970.90        | 8,078.05-      |
| 335.00                |                        | 279,243.38-        |                  | 279,243.38     |
| 340.10                | 95,567.29              | 889.53             |                  | 889.53-        |
| 341.10                | 780,537.45             | 31,910.13          |                  | 31,910.13-     |
| 343.10                | 20,487.44              | 7,876.29-          |                  | 7,876.29       |
|                       | 28,384,603.87          | 9,116,078.09       | 16,970.90        | 9,099,107.19-  |
| 2010 TRANSACTION YEAR |                        |                    |                  |                |
| 304.20                |                        | 72,644.04          |                  | 72,644.04-     |
| 305.00                |                        | 26,540.00          |                  | 26,540.00-     |
| 307.00                |                        | 37,316.95          |                  | 37,316.95-     |
| 320.00                |                        | 20,717.89          |                  | 20,717.89-     |
| 330.00                |                        | 25.63              |                  | 25.63-         |
| 331.00                | 6,073,310.30           | 375,146.42         |                  | 375,146.42-    |
| 333.00                |                        | 759,201.11         |                  | 759,201.11-    |
| 334.02                | 2,731,901.08           | 23,314.53          | 29,791.54        | 6,477.01       |
| 335.00                |                        | 77,960.40          |                  | 77,960.40-     |
| 347.00                |                        | 25,772.30          |                  | 25,772.30-     |
|                       | 8,805,211.38           | 1,418,639.27       | 29,791.54        | 1,388,847.73-  |

AQUA PENNSYLVANIA, INC.

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED  
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

| ACCT                  | REGULAR<br>RETIREMENTS | COST OF<br>REMOVAL | GROSS<br>SALVAGE | NET<br>SALVAGE |
|-----------------------|------------------------|--------------------|------------------|----------------|
| 2011 TRANSACTION YEAR |                        |                    |                  |                |
| 304.30                |                        | 6,617.11           |                  | 6,617.11-      |
| 305.00                |                        | 24.82              |                  | 24.82-         |
| 310.40                |                        | 71,542.86          |                  | 71,542.86-     |
| 311.00                | 22,778.83              | 1,859.93           |                  | 1,859.93-      |
| 320.00                | 7,265.48               | 44,852.37          |                  | 44,852.37-     |
| 330.00                |                        | 186,983.17         |                  | 186,983.17-    |
| 331.00                | 3,356,124.18           | 2,836,469.18       |                  | 2,836,469.18-  |
| 333.00                | 332,489.18             | 615,474.91         |                  | 615,474.91-    |
| 334.02                | 412,160.77             | 17,289.54          | 9,687.58         | 7,601.96-      |
| 335.00                | 4,172.87               | 32,575.25          |                  | 32,575.25-     |
| 340.10                | 76,860.86              | 95.16-             |                  | 95.16          |
| 340.20                | 13,204.04              |                    |                  |                |
| 340.30                | 4,587,461.58           | 69.24-             |                  | 69.24          |
| 341.10                | 123,312.50             | 3,254.23           |                  | 3,254.23-      |
| 341.20                | 0.09                   | 24.53-             |                  | 24.53          |
| 343.10                |                        | 173.00-            |                  | 173.00         |
| 343.20                |                        | 50.23-             |                  | 50.23          |
| 346.01                | 74,966.91              |                    |                  |                |
| 346.02                | 3,539,739.13           |                    |                  |                |
| 347.00                | 18,763.07              |                    |                  |                |
|                       | 12,569,299.49          | 3,816,531.21       | 9,687.58         | 3,806,843.63-  |
| TOTAL                 | 57,776,720.13          | 30,836,546.08      | 239,698.12       | 30,596,847.96- |