

AQUA PENNSYLVANIA, INC.
2011 RATE CASE
FILING REQUIREMENTS

F. Depreciation

DP1. Provide a description of the depreciation methods utilized in calculating annual depreciation amounts and depreciation reserves, together with a discussion of the significant factors which were considered in arriving at estimates of service life and dispersion by account. Supply a comprehensive statement of any changes made in method of depreciation. Provide dates of all field inspections and facilities visited.

A. The depreciation methods utilized in calculating annual and accrued depreciation are discussed in Exhibit No. 6-A, Part II in the section titled "Methods Used in the Study," beginning on page I-2.

Field trips and facilities visited over the years for Aqua Pennsylvania, Inc. are presented in Exhibit No. 6-A, Part II in the section titled "Field Trips," beginning on page I-4.

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F. Depreciation

- DP2. Set forth, in exhibit form, charts depicting the original and estimated survivor curves and a tabular presentation of the original life table plotted on the chart for each account where the retirement rate method of analysis is utilized.
- A. Charts depicting the original and estimated survivor curves and a tabular presentation of the original life table plotted on the chart of each account where the retirement rate method of analysis is utilized is presented in Exhibit No. 6-A, Part II in the section beginning on page II-13.

AQUA PENNSYLVANIA, INC.
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F. Depreciation

DP3. Provide the surviving original cost at test year end by vintage by account and include applicable depreciation reserves and accruals. These calculations should be provided for plant in service as well as other categories of plant, including, but not limited, to contributions in aid of construction and customers' advances for construction.

A. The surviving original cost at the end of the historic test year June 30, 2011 by vintage by account and the applicable depreciation reserve for utility plant is presented in Exhibit No. 6-A, Part I. The tabulations begin on page 15.

The surviving original cost at future test year end June 30, 2012, by vintage by account and the applicable depreciation reserve for utility plant are presented in Exhibit No. 6-A, Part II. The tabulations begin on page II-194.

AQUA PENNSYLVANIA, INC
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F. Depreciation

- DP4. Provide a comparison of respondent's calculated depreciation reserve v. book reserve by account at the end of the test year.
- A. A comparison of the calculated depreciation reserve v. book reserve by account at June 30, 2011 and at June 30, 2012, is provided on the attached Schedule DP4, pages 2 through 7 for Aqua Pennsylvania, Inc.

AQUA PENNSYLVANIA, INC.

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF JUNE 30, 2011

Depreciable Group (1)	Calculated Accrued Depreciation (2)	Book Reserve (3)	
Depreciable Plant			
304.2	Power and Pumping Structures	7,979,406	9,117,500
304.3	Purification Buildings	27,216,642	24,102,070
304.61	Office Buildings	11,176,146	12,271,598
304.62	Stores, Shop and Garage Buildings	3,191,225	3,290,199
304.63	Miscellaneous Structures and Improvements	3,603,464	3,847,557
305	Collecting and Impounding Reservoirs	6,753,897	5,364,683
306	Lake, River and Other Intakes	3,033,024	3,279,580
307	Wells and Springs	8,243,068	11,260,699
310.4	Other Power Production Equipment	1,369,638	934,638
310.7	Oil Engine Pumping Equipment	9,666	9,114
311	Electric Pumping Equipment	22,597,641	19,834,852
320	Purification System		
	Structures	19,381,551	19,786,801
	Equipment	14,313,832	14,613,121
	Computers	4,179,511	4,266,901
	Painting	176,436	176,436
	Filter Media	2,610,480	2,668,752
330	Distribution Reservoirs and Standpipes	27,548,936	27,909,609
331	Mains and Accessories		
	Cast Iron Mains - 4 Inch and Under	2,782,921	2,531,491
	Cast Iron Mains - 6, 8 and 10 Inch	84,526,621	76,889,858
	Cast Iron Mains - 12 Inch and Over	37,365,075	33,989,237
	Steel Mains	3,494,175	3,178,485
	Lock Joint Mains	1,774,224	1,613,927
	Valves	6,771,447	6,159,664
	Special Construction	5,945,194	5,408,061
	Cement Wrought Iron Mains	233,124	212,062
	Wrought Iron Mains	60,391	54,935
	Copper Mains	194,128	176,589
	Asbestos Cement Mains	3,322,047	3,021,909
	Galvanized Steel Mains	204,295	185,837
	Plastic	2,484,323	2,259,871
	Main Cleaning & Lining	15,221,059	13,845,876
	<i>Total Account 331</i>	<u>164,379,024</u>	<u>149,527,802</u>
333	Services	45,424,778	41,263,771
334	Meters		
	Remote	46,143,631	46,473,232
	ERTS	15,206,335	15,084,541
	<i>Total Account 334</i>	<u>61,349,966</u>	<u>61,557,773</u>

AQUA PENNSYLVANIA, INC.

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF JUNE 30, 2011

Depreciable Group		Calculated Accrued Depreciation	Book Reserve
(1)		(2)	(3)
335	Fire Hydrants	11,073,202	8,318,633
340	Office Furniture and Equipment	26,942,622	24,533,427
341	Transportation Equipment		
	Vehicles	6,092,151	6,241,875
	Other	230,517	408,457
	<i>Total Account 341</i>	<u>6,322,668</u>	<u>6,650,332</u>
342	Stores Equipment	45,169	115,127
343.1	Shop Equipment	324,853	383,150
343.2	Tools and Work Equipment - General Equipment	4,014,393	4,186,738
344	Laboratory Equipment	1,989,620	2,336,974
346	Communication Equipment	2,593,948	2,501,600
347	Miscellaneous Equipment	614,766	583,251
348	Other Tangible Plant	3,721	3,318
	Total Depreciable Plant	<u>488,463,293</u>	<u>464,696,006</u>
CUSTOMERS' ADVANCES FOR CONSTRUCTION			
331	Mains and Accessories		
	Cast Iron Mains - 6, 8 and 10 Inch	2,259,308	8,004,572
	Cast Iron Mains - 12 Inch and Over	14,252	50,494
	<i>Total Account 331</i>	<u>2,273,560</u>	<u>8,055,066</u>
333	Services	73,224	18,975
335	Fire Hydrants	115,167	20,510
	TOTAL CUSTOMERS' ADVANCES FOR CONSTRUCTION	<u>2,461,951</u>	<u>8,094,551</u>
CONTRIBUTIONS IN AID OF CONSTRUCTION			
304.2	Power and Pumping Structures	193,195	176,682
304.3	Purification Buildings	15,063	12,137
307	Wells and Springs	231,563	503,203
311	Electric Pumping Equipment	131,085	146,281
320	Purification System - Equipment	15,024	21,535
330	Distribution Reservoirs and Standpipes	310,565	578,426
331	Mains and Accessories		
	Cast Iron Mains - 4 Inch and Under	11,576	9,305
	Cast Iron Mains - 6, 8 and 10 Inch	12,609,538	10,135,968
	Cast Iron Mains - 12 Inch and Over	407,074	327,220
	Valves	13,439	10,803
	Asbestos Cement Mains	1,242,928	999,106
	Plastic	72,420	58,214
	<i>Total Account 331</i>	<u>14,356,975</u>	<u>11,540,616</u>

AQUA PENNSYLVANIA, INC.

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF JUNE 30, 2011

	<u>Depreciable Group</u> (1)	<u>Calculated Accrued Depreciation</u> (2)	<u>Book Reserve</u> (3)
333	Services	565,433	587,402
334	Meters - Conventional	74,476	74,474
335	Fire Hydrants	840,548	734,892
	TOTAL CONTRIBUTIONS IN AID OF CONSTRUCTION	<u>16,733,927</u>	<u>14,375,648</u>
	TOTAL UTILITY PLANT	<u><u>469,267,415</u></u>	<u><u>442,225,807</u></u>

AQUA PENNSYLVANIA, INC.

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF JUNE 30, 2012

Depreciable Group (1)	Calculated Accrued Depreciation (2)	Book Reserve (3)	
Depreciable Plant			
304.2	Power and Pumping Structures	8,547,068	9,733,976
304.3	Purification Buildings	30,443,431	27,576,817
304.61	Office Buildings	12,396,313	13,482,937
304.62	Stores, Shop and Garage Buildings	3,390,900	3,497,636
304.63	Miscellaneous Structures and Improvements	4,390,793	4,582,531
305	Collecting and Impounding Reservoirs	6,869,453	5,915,241
306	Lake, River and Other Intakes	3,474,217	3,721,370
307	Wells and Springs	9,113,533	12,028,132
310.4	Other Power Production Equipment	1,733,469	1,678,193
310.7	Oil Engine Pumping Equipment	9,970	9,970
311	Electric Pumping Equipment	24,194,085	22,068,010
320	Purification System		
	Structures	21,342,146	21,832,418
	Equipment	15,689,800	16,050,227
	Computers	4,777,095	4,886,834
	Painting	176,436	176,436
	Filter Media	2,685,256	2,750,995
330	Distribution Reservoirs and Standpipes	30,099,202	30,224,406
331	Mains and Accessories		
	Cast Iron Mains - 4 Inch and Under	3,024,378	2,707,191
	Cast Iron Mains - 6, 8 and 10 Inch	92,885,822	83,144,261
	Cast Iron Mains - 12 Inch and Over	39,841,310	35,662,884
	Steel Mains	3,581,146	3,205,567
	Lock Joint Mains	1,839,402	1,846,492
	Valves	7,108,495	6,362,979
	Special Construction	6,430,669	5,756,241
	Cement Wrought Iron Mains	235,528	210,827
	Wrought Iron Mains	60,814	54,436
	Copper Mains	201,207	180,105
	Asbestos Cement Mains	3,442,037	3,081,047
	Galvanized Steel Mains	213,445	191,060
	Plastic	2,631,645	2,355,647
	Main Cleaning & Lining	16,915,996	15,141,901
	<i>Total Account 331</i>	<u>178,411,894</u>	<u>159,700,638</u>
333	Services	48,987,019	47,489,487
334	Meters		
	Remote	49,732,008	51,479,585
	ERTS	17,006,017	17,447,768
	<i>Total Account 334</i>	<u>66,738,025</u>	<u>68,927,353</u>

AQUA PENNSYLVANIA, INC.

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF JUNE 30, 2012

Depreciable Group		Calculated Accrued Depreciation	Book Reserve
(1)		(2)	(3)
335	Fire Hydrants	11,881,712	9,795,730
340	Office Furniture and Equipment	34,440,022	33,365,254
341	Transportation Equipment		
	Vehicles	7,241,620	7,867,845
	Other	280,156	451,089
	<i>Total Account 341</i>	<u>7,521,776</u>	<u>8,318,934</u>
342	Stores Equipment	64,735	134,188
343.1	Shop Equipment	373,177	431,438
343.2	Tools and Work Equipment - General Equipment	4,530,292	4,714,237
344	Laboratory Equipment	2,130,697	2,474,005
346	Communication Equipment	3,046,704	2,995,090
347	Miscellaneous Equipment	704,891	679,169
348	Other Tangible Plant	4,999	5,047
	Total Depreciable Plant	538,169,110	519,246,699
CUSTOMERS' ADVANCES FOR CONSTRUCTION			
331	Mains and Accessories		
	Cast Iron Mains - 6, 8 and 10 Inch	2,641,692	8,326,744
	Cast Iron Mains - 12 Inch and Over	17,323	54,603
	<i>Total Account 331</i>	<u>2,659,015</u>	<u>8,381,347</u>
333	Services	98,011	46,106
335	Fire Hydrants	149,499	58,258
	TOTAL CUSTOMERS' ADVANCES FOR CONSTRUCTION	2,906,525	8,485,711
CONTRIBUTIONS IN AID OF CONSTRUCTION			
304.2	Power and Pumping Structures	200,312	185,508
304.3	Purification Buildings	16,221	13,350
307	Wells and Springs	241,062	503,723
310.4	Other Power Production Equipment	14,850	-
311	Electric Pumping Equipment	134,228	150,384
320	Purification System - Equipment	15,481	21,826
330	Distribution Reservoirs and Standpipes	326,458	587,014
331	Mains and Accessories		
	Cast Iron Mains - 4 Inch and Under	12,292	10,130
	Cast Iron Mains - 6, 8 and 10 Inch	13,408,764	11,050,506
	Cast Iron Mains - 12 Inch and Over	432,347	356,308
	Valves	14,454	11,912
	Asbestos Cement Mains	1,285,979	1,059,808
	Plastic	76,965	63,429
	<i>Total Account 331</i>	<u>15,230,801</u>	<u>12,552,093</u>

AQUA PENNSYLVANIA, INC.

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF JUNE 30, 2012

	<u>Depreciable Group</u>	<u>Calculated Accrued Depreciation</u>	<u>Book Reserve</u>
	(1)	(2)	(3)
333	Services	596,249	623,559
334	Meters - Conventional	74,476	74,474
335	Fire Hydrants	874,095	780,445
	TOTAL CONTRIBUTIONS IN AID OF CONSTRUCTION	<u>17,724,233</u>	<u>15,492,376</u>
	TOTAL UTILITY PLANT	<u><u>517,538,352</u></u>	<u><u>495,268,612</u></u>

AQUA PENNSYLVANIA, INC.
2011 RATE CASE
FILING REQUIREMENTS

F. Depreciation

- DP5. Supply a schedule by account and depreciable group showing the survivor curve and annual accrual rate estimated to be appropriate:
- a. For the purposes of this filing.
 - b. For the purposes of the most recent rate increase filing prior to the current proceedings.
- A.
- a. Refer to Table 1 in Exhibit No. 6-A, Parts I and II.
 - b. Refer to pages DP5(2) to DP5(6) and DP5(7) to DP5(11) in the attached schedule for survivor curves and annual accrual rates estimated to be appropriate in the most recent prior rate filing.

AQUA PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AT JUNE 30, 2009

Depreciable Group (1)	Survivor Curve (2)	Original Cost at June 30, 2009 (3)	Book Reserve (4)	Future Accruals (5)	Annual Accrual Amount (6)	Composite Remaining Life (7)	Annual Accrual Rate, Percent (8)
Intangible Plant							
301 Organization	Nondepr.	5,505,440.97					
302 Franchises and Consents	Nondepr.	1,596,015.21					
303 Miscellaneous Intangible Plant	Nondepr.	925,881.90					
Total Intangible Plant		8,027,338.08					
Nondepreciable Plant							
303.11 Water Rights	Nondepr.	1,703,879.22					
303.12 Reservoir Land	Nondepr.	2,810,235.84					
303.13 Other Source of Supply Land	Nondepr.	6,437,769.63					
303.2 Power and Pumping Land	Nondepr.	1,046,875.39					
303.3 Purification Land	Nondepr.	1,284,836.43					
303.4 Transmission and Distribution Land and Rights of Way	Nondepr.	1,152,506.25					
303.5 Distribution Reservoir and Standpipe Land	Nondepr.	1,323,147.51					
303.61 Office Land	Nondepr.	3,127,275.65					
303.62 Stores, Shop and Garage Land	Nondepr.	1,002,954.67					
303.63 Miscellaneous Land	Nondepr.	918,797.63					
Total Nondepreciable Plant		20,808,278.22					
Depreciable Plant							
304.2 Power and Pumping Structures	100-S0.5 *	10,300,178.58	4,481,845	5,818,337	164,532	35.4	1.60
Major Treatment Plants	45-R3	16,882,635.76	5,895,650	10,986,987	354,825	31.0	2.10
Other Structures							
Total Account 304.2		27,182,814.34	10,377,495	16,805,324	519,357		1.91
304.3 Purification Buildings							
Major Treatment Plants	90-S2 *	116,275,131.65	20,085,145	96,189,979	2,350,530	40.9	2.02
Other Structures	45-R3	4,784,835.46	1,189,369	3,595,468	124,374	28.9	2.60
Total Account 304.3		121,059,967.11	21,274,514	99,785,447	2,474,904		2.04
304.61 Office Buildings	55-S1 *	34,163,151.71	9,995,839	24,167,311	1,067,125	22.6	3.12

AQUA PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AT JUNE 30, 2009

	Depreciable Group (1)	Survivor Curve (2)	Original Cost at June 30, 2009 (3)	Book Reserve (4)	Future Accruals (5)	Annual Accrual Amount (6)	Composite Remaining Life (7)	Annual Accrual Rate, Percent (8)
	Depreciable Plant, cont.							
304.62	Stores, Shop and Garage Buildings	85-R2.5 *	7,631,734.25	2,902,813	4,728,926	197,753	23.9	2.59
304.63	Miscellaneous Structures and Improvements	90-S1 *	11,649,056.44	2,167,518	9,481,540	467,971	20.3	4.02
305	Collecting and Impounding Reservoirs	Square *	26,485,024.93	5,383,897	21,101,131	395,818	53.3	1.49
306	Lake, River and Other Intakes	Square *	7,508,037.68	2,688,275	4,819,767	142,671	33.8	1.90
307	Wells and Springs	40-R2.5	32,821,175.84	9,411,664	23,409,512	892,178	26.2	2.72
310.4	Other Power Production Equipment	Square *	3,121,966.45	478,090	2,643,874	74,472	35.5	2.39
310.7	Oil Engine Pumping Equipment	Square *	9,969.20	9,969	0	0	-	-
311	Electric Pumping Equipment							
	Pumping Equipment	40-S1.5	66,363,934.85	26,732,876	39,631,060	1,724,760	23.0	2.60
	SCADA Equipment	10-SQ	4,632,900.09	4,478,580	154,320	17,270	8.9	0.37
	Total Account 311		70,996,834.94	31,211,456	39,785,380	1,742,030		
320	Purification System							
	Structures	75-R2.5 *	77,089,308.45	21,634,664	55,454,642	1,908,823	29.1	2.48
	Wells and Boosters	45-R3	2,407,908.11	691,139	1,716,766	58,674	29.3	2.44
	Subtotal		79,497,216.56	22,325,803	57,171,408	1,967,497	29.1	2.47
	Equipment	35-R2.5	58,793,307.44	14,786,615	44,006,695	1,919,959	22.9	3.27
	Computers	10-SQ	6,566,284.95	3,293,657	3,272,628	487,821	6.7	7.43
	Painting	10-SQ	176,435.71	176,436	0	0	-	-
	Filter Media	10-S3	2,878,250.20	2,576,605	301,642	60,470	5.0	2.10
	Total Account 320		147,911,494.86	43,159,116	104,752,373	4,435,747		
330	Distribution Reservoirs and Standpipes							
	Tanks	55-R4	51,191,792.28	15,983,444	35,208,350	1,062,300	33.1	2.08
	Tank Painting	10-SQ	13,476,691.45	7,576,586	5,900,105	924,644	6.4	6.86
	Total Account 330		64,668,483.73	23,560,030	41,108,455	1,986,944		

AQUA PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AT JUNE 30, 2009

	Depreciable Group (1)	Survivor Curve (2)	Original Cost at June 30, 2009 (3)	Book Reserve (4)	Future Accruals (5)	Annual Accrual Amount (6)	Composite Remaining Life (7)	Annual Accrual Rate, Percent (8)
331	Depreciable Plant, cont. Mains and Accessories							
	Cast Iron Mains - 4 Inch and Under	95-S1	20,441,306.08	2,320,977	18,120,331	276,630	65.5	1.35
	Cast Iron Mains - 6, 8 and 10 Inch	105-R4	643,022,052.33	70,542,827	572,479,227	6,663,236	85.9	1.04
	Cast Iron Mains - 12 Inch and Over	110-R3	261,435,547.50	33,835,307	227,600,241	2,787,900	81.6	1.07
	Steel Mains	70-R3	6,739,963.89	3,472,585	3,267,380	134,375	24.3	1.99
	Lock Joint Mains	110-R3	6,023,249.77	1,756,994	4,266,256	74,944	56.9	1.24
	Valves	70-R2.5	25,180,993.78	6,140,012	20,040,984	460,754	43.5	1.76
	Special Construction	60-R3	27,188,469.87	5,674,529	21,513,942	509,591	42.2	1.87
	Cement Wrought Iron Mains	90-R3	1,419,702.04	815,985	603,719	28,842	20.9	2.03
	Wrought Iron Mains	55-R2	72,554.78	64,074	8,478	738	11.5	1.02
	Copper Mains	55-R4	497,419.13	269,177	228,242	9,935	23.0	2.00
	Asbestos Cement Mains	105-R3	9,963,873.03	2,447,430	7,516,443	118,193	63.6	1.19
	Galvanized Steel Mains	45-S0.5	615,529.00	238,961	376,569	16,894	22.3	2.74
	Plastic	100-R3	9,327,137.65	1,591,416	7,735,723	108,026	71.6	1.16
	Main Cleaning & Lining	50-L4	69,660,067.20	12,376,970	57,283,098	1,459,461	39.2	2.10
	Total Account 331		1,082,587,865.85	141,547,244	941,040,635	12,649,519		
333	Services	70-R3	199,467,033.66	45,623,619	153,843,414	3,170,608	48.5	1.59
334	Meters							
	Conventional	23-L2	2,457,446.94	2,457,444	0	0	-	-
	Remote	16-R2.5	84,718,059.81	33,073,199	51,644,862	6,742,467	7.7	7.96
	ERTS	15-S3	31,258,687.63	10,157,861	21,100,825	2,329,496	9.1	7.45
	Total Account 334		118,434,194.38	45,688,504	72,745,687	9,071,963		
335	Fire Hydrants	75-R3	43,177,993.74	8,698,231	34,479,764	645,681	53.4	1.50
340	Office Furniture and Equipment							
	Furniture	20-SQ	3,596,573.97	563,545	3,033,029	280,726	10.8	**
	Mechanical Equipment	10-SQ	3,374,873.48	1,391,003	1,983,872	329,083	6.0	**
	Computers	5-SQ	37,348,560.65	17,448,350	19,900,210	7,828,349	2.5	**
	Total Account 340		44,320,008.10	19,402,898	24,917,111	8,438,158		
341	Transportation Equipment							
	Vehicles	7-S1.5	10,446,315.14	4,700,045	5,746,269	1,515,037	3.8	14.50
	Other	20-SQ	877,202.52	305,736	571,467	31,320	18.2	**
	Total Account 341		11,323,517.66	5,005,781	6,317,736	1,546,357		
342	Stores Equipment	20-SQ	147,113.16	95,577	51,536	3,089	16.7	**

AQUA PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AT JUNE 30, 2009

Depreciable Group (1)	Survivor Curve (2)	Original Cost at June 30, 2009 (3)	Book Reserve (4)	Future Accruals (5)	Annual Accrual Amount (6)	Composite Remaining Life (7)	Annual Accrual Rate, Percent (8)
Depreciable Plant, cont.							
343.1	25-SQ	1,101,369.88	250,066	851,304	43,890	19.4	**
343.2	20-SQ	8,129,207.99	3,504,085	4,625,126	368,288	12.6	**
344							
	35-R2.5	1,201,567.58	565,589	635,981	32,370	19.6	2.69
	20-R2	2,555,505.06	1,503,113	1,052,396	94,772	11.1	3.71
	<i>Total Account 344</i>	<i>3,757,072.64</i>	<i>2,068,702</i>	<i>1,688,377</i>	<i>127,142</i>		
346	15-SQ	3,743,918.01	1,365,970	2,377,948	262,939	9.0	**
347	25-SQ	2,279,784.28	453,039	1,826,746	91,542	20.0	**
348	25-SQ	20,707.55	1,662	19,045	847	22.5	**
	<i>Total Depreciable Plant</i>	<i>2,073,699,498.38</i>	<i>436,326,054</i>	<i>1,637,373,469</i>	<i>50,816,993</i>		
	TOTAL UTILITY PLANT IN SERVICE	2,102,535,114.68	436,326,054	1,637,373,469	50,816,993		
CUSTOMERS' ADVANCES FOR CONSTRUCTION							
331							
	Mains and Accessories						
	Cast Iron Mains - 6, 8 and 10 Inch	42,663,470.07	7,695,759	34,967,711	379,736	92.1	0.89
	Cast Iron Mains - 12 Inch and Over	305,322.19	17,952	287,370	3,134	91.7	1.03
	<i>Total Account 331</i>	<i>42,968,792.26</i>	<i>7,713,711</i>	<i>35,255,081</i>	<i>382,870</i>		
333	70-R3	1,157,026.82	18,975	1,138,052	19,609	58.0	1.69
335	75-R3	1,467,097.50	20,510	1,446,587	23,226	62.3	1.58
	TOTAL CUSTOMERS' ADVANCES FOR CONSTRUCTION	45,592,916.58	7,753,196	37,839,720	425,705		
CONTRIBUTIONS IN AID OF CONSTRUCTION							
Nondepreciable Plant							
303.2	Nondepr.	3,605.04					
303.4	Nondepr.	4,505.75					
303.5	Nondepr.	8,199.00					
	Total Nondepreciable Plant	16,309.79					

AQUA PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AT JUNE 30, 2009

Depreciable Group (1)	Survivor Curve (2)	Original Cost at June 30, 2009 (3)	Book Reserve (4)	Future Accruals (5)	Annual Accrual Amount (6)	Composite Remaining Life (7)	Annual Accrual Rate, Percent (8)
Depreciable Plant							
304.2	Power and Pumping Structures	357,319.57	172,501	184,819	8,446	21.9	2.36
304.3	Purification Buildings	77,762.76	11,542	66,221	1,190	55.6	1.53
307	Wells and Springs	564,352.56	547,661	16,691	744	22.4	0.13
311	Electric Pumping Equipment	197,275.89	144,771	52,504	3,118	16.8	1.58
320	Purification System - Equipment	27,693.81	21,311	6,383	464	13.8	1.68
330	Distribution Reservoirs and Standpipes	718,626.76	538,789	179,837	5,311	33.9	0.74
Mains and Accessories							
331	Cast Iron Mains - 4 Inch and Under	68,121.61	8,220	59,902	1,027	58.3	1.51
	Cast Iron Mains - 6, 8 and 10 Inch	60,811,877.26	7,934,665	52,877,215	659,635	80.2	1.08
	Cast Iron Mains - 12 Inch and Over	2,775,887.09	306,889	2,468,998	29,367	84.1	1.06
	Valves	18,162.84	4,778	13,385	300	44.6	1.65
	Asbestos Cement Mains	3,767,278.11	751,461	3,015,816	46,138	65.4	1.22
	Total Account 331	67,441,326.91	9,006,013	58,435,316	736,467		
Services							
333	Services	2,166,889.25	515,239	1,651,652	37,173	44.4	1.72
334	Meters - Conventional	99,849.72	79,499	20,353	0	-	-
335	Fire Hydrants	2,173,111.69	715,740	1,457,374	31,223	46.7	1.44
	Total Depreciable Plant	73,824,208.92	11,753,066	62,071,150	824,136		
TOTAL CONTRIBUTIONS IN AID OF CONSTRUCTION							
		73,840,518.71	11,753,066	62,071,150	824,136		
Amortization of Net Salvage							
		1,983,101,679.39	416,819,792	1,537,462,599	7,109,607		
TOTAL UTILITY PLANT							
					56,676,759		

* Life Span Procedure was used. Curve Shown is Interim Survivor Curve.

** Accruals calculated for each asset by the Company's property record system using the amortization period set forth in Column 2.

AQUA PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AT JUNE 30, 2010

Depreciable Group (1)	Survivor Curve (2)	Original Cost at June 30, 2010 (3)	Book Reserve (4)	Future Accruals (5)	Annual Accrual Amount (6)	Composite Remaining Life (7)	Annual Accrual Rate, Percent (8)
Intangible Plant							
301 Organization	Nondepr.	5,506,690.97					
302 Franchises and Consents	Nondepr.	1,596,015.21					
303 Miscellaneous Intangible Plant	Nondepr.	1,092,637.78					
Total Intangible Plant							
		8,195,343.96					
Nondepreciable Plant							
303.11 Water Rights	Nondepr.	1,703,879.22					
303.12 Reservoir Land	Nondepr.	2,810,235.84					
303.13 Other Source of Supply Land	Nondepr.	6,437,769.63					
303.2 Power and Pumping Land	Nondepr.	1,089,728.89					
303.3 Purification Land	Nondepr.	1,286,645.43					
303.4 Transmission and Distribution Land and Rights of Way	Nondepr.	1,154,983.75					
303.5 Distribution Reservoir and Standpipe Land	Nondepr.	1,324,052.01					
303.61 Office Land	Nondepr.	3,127,275.65					
303.62 Stores, Shop and Garage Land	Nondepr.	1,002,954.67					
303.63 Miscellaneous Land	Nondepr.	918,797.63					
Total Nondepreciable Plant							
		20,856,322.72					
Depreciable Plant							
304.2 Power and Pumping Structures	100-S0.5 *	14,228,944.12	4,666,058	9,562,890	341,220	28.0	2.40
Major Treatment Plants	45-R3	23,343,019.14	6,359,383	16,983,638	521,552	32.6	2.23
Other Structures							
Total Account 304.2							
		37,571,963.26	11,025,441	26,546,528	862,772		
304.3 Purification Buildings							
Major Treatment Plants	90-S2 *	123,389,855.53	22,519,554	100,870,294	2,497,273	40.4	2.02
Other Structures	45-R3	7,385,592.76	1,328,690	6,056,906	191,974	31.6	2.60
Total Account 304.3							
		130,775,448.29	23,848,244	106,927,200	2,689,247		

AQUA PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AT JUNE 30, 2010

Depreciable Group (1)		Survivor Curve (2)	Original Cost at June 30, 2010 (3)	Book Reserve (4)	Future Accruals (5)	Annual Accrual Amount (6)	Composite Remaining Life (7)	Annual Accrual Rate, Percent (8)
304.61	Depreciable Plant, cont.							
	Office Buildings	55-S1	37,235,659.06	11,102,819	26,132,838	1,219,297	21.4	3.27
	Offices	50-R3	235,945.14	6,784	229,161	5,576	41.1	2.36
	Other Structures							
	<i>Total Account 304.61</i>		37,471,604.20	11,109,603	26,361,999	1,224,873		
304.62	Stores, Shop and Garage Buildings	85-R2.5	8,143,185.75	3,099,242	5,043,948	232,975	21.7	2.86
304.63	Miscellaneous Structures and Improvements							
	Major Structures	90-S1	11,904,318.67	2,716,786	9,187,535	497,149	18.5	4.18
	Security Systems	25-S3	8,139,004.02	88,502	8,050,502	349,111	23.1	4.29
	<i>Total Account 304.63</i>		20,043,322.69	2,805,288	17,238,037	846,260		
305	Collecting and Impounding Reservoirs	Square	28,120,003.85	5,773,211	22,346,797	439,191	50.9	1.56
306	Lake, River and Other Intakes	Square	10,719,810.28	2,871,156	7,848,658	246,416	31.9	2.30
307	Wells and Springs	40-R2.5	39,709,027.02	10,332,077	29,376,949	1,105,409	26.6	2.78
310.4	Other Power Production Equipment	Square	3,205,918.57	560,758	2,645,158	77,512	34.1	2.42
310.7	Oil Engine Pumping Equipment	Square	9,969.20	9,969	0	0	-	-
311	Electric Pumping Equipment							
	Pumping Equipment	40-S1.5	69,737,676.90	28,403,044	41,334,633	1,803,015	22.9	2.59
	SCADA Equipment	10-SQ	5,817,216.49	4,620,442	1,196,774	124,913	9.6	2.15
	<i>Total Account 311</i>		75,554,893.39	33,023,486	42,531,407	1,927,928		
320	Purification System							
	Structures	75-R2.5	83,269,034.32	23,547,695	59,721,338	2,133,721	28.0	2.56
	Wells and Boosters	45-R3	2,463,115.38	743,171	1,719,941	59,650	28.8	2.42
	<i>Subtotal</i>		85,732,149.70	24,290,866	61,441,279	2,193,371	28.0	2.56
	Equipment	35-R2.5	64,755,726.52	16,623,856	48,131,871	2,098,728	22.9	3.24
	Computers	10-SQ	6,624,034.95	3,974,086	2,649,949	368,367	7.2	5.56
	Painting	10-SQ	176,435.71	176,436	0	0	-	-
	Filter Media	10-S3	2,984,392.20	2,683,927	300,462	54,515	5.5	1.83
	<i>Total Account 320</i>		160,272,739.08	47,749,171	112,523,561	4,714,981		
330	Distribution Reservoirs and Standpipes							
	Tanks	55-R4	57,980,526.02	17,177,081	40,803,445	1,183,854	34.5	2.04
	Tank Painting	10-SQ	18,996,012.92	8,610,264	10,385,748	1,426,698	7.3	7.51
	<i>Total Account 330</i>		76,976,538.94	25,787,345	51,189,193	2,610,552		

AQUA PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AT JUNE 30, 2010

Depreciable Group (1)	Survivor Curve (2)	Original Cost at June 30, 2010 (3)	Book Reserve (4)	Future Accruals (5)	Annual Accrual Amount (6)	Composite Remaining Life (7)	Annual Accrual Rate, Percent (8)
331							
Depreciable Plant, cont.							
Mains and Accessories							
Cast Iron Mains - 4 Inch and Under	95-S1	23,333,494.38	2,247,817	21,085,679	314,374	67.1	1.35
Cast Iron Mains - 6, 8 and 10 Inch	105-R4	762,554,106.07	72,294,727	690,259,380	7,890,962	87.5	1.03
Cast Iron Mains - 12 Inch and Over	110-R3	275,695,593.46	34,592,843	241,102,749	2,952,143	81.7	1.07
Steel Mains	70-R3	6,810,985.07	3,432,876	3,378,108	144,062	23.4	2.12
Lock Joint Mains	110-R3	6,023,249.77	1,739,604	4,283,648	76,351	56.1	1.27
Valves	70-R2.5	28,148,285.99	6,229,745	21,918,538	504,041	43.5	1.79
Special Construction	60-R3	35,278,970.89	5,738,047	29,540,924	674,749	43.8	1.91
Cement Wrought Iron Mains	90-R3	1,419,702.04	789,933	629,771	31,861	19.8	2.24
Wrought Iron Mains	55-R2	72,554.78	61,674	10,878	1,209	9.0	1.67
Copper Mains	55-R4	497,419.13	264,996	232,423	11,290	20.6	2.27
Asbestos Cement Mains	105-R3	10,011,670.68	2,444,463	7,567,208	120,540	62.8	1.20
Galvanized Steel Mains	45-S0.5	667,279.00	240,056	427,224	19,450	22.0	2.91
Plastic	100-R3	9,973,009.29	1,742,557	8,230,453	116,380	70.7	1.17
Main Cleaning & Lining	50-L4	81,783,955.63	13,148,806	68,635,150	1,732,233	39.6	2.12
Total Account 331		1,242,270,276.18	144,968,144	1,097,302,133	14,589,645		
333	70-R3	227,804,189.26	51,570,807	176,233,382	3,556,866	49.5	1.56
Services							
334							
Meters							
Conventional	23-L2	2,391,252.75	2,391,253	0	0	-	-
Remote	16-R2.5	88,076,731.95	39,981,798	48,094,937	6,453,460	7.5	7.33
ERTS	15-S3	31,804,187.11	12,506,954	19,297,231	2,336,703	8.3	7.35
Total Account 334		122,272,171.81	54,880,005	67,392,168	8,790,163		
335	75-R3	45,644,567.02	9,981,143	35,653,425	666,261	53.5	1.46
Fire Hydrants							
340							
Office Furniture and Equipment							
Furniture	20-SQ	3,724,854.51	652,579	3,072,275	284,560	10.8	**
Mechanical Equipment	10-SQ	8,604,892.08	1,821,619	6,783,274	839,640	8.1	**
Computers	5-SQ	41,597,854.94	23,336,942	18,260,913	8,221,530	2.2	**
Total Account 340		53,927,601.53	25,811,140	28,116,462	9,345,730		
341							
Transportation Equipment							
Vehicles	7-S1.5	13,809,962.83	6,350,096	7,459,866	1,769,371	4.2	12.81
Other	20-SQ	1,792,559.51	343,320	1,449,240	77,389	18.7	**
Total Account 341		15,602,522.34	6,693,416	8,909,106	1,846,760		
342	20-SQ	162,863.16	103,327	59,536	3,598	16.5	**
Stores Equipment							

AQUA PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AT JUNE 30, 2010

Depreciable Group (1)	Survivor Curve (2)	Original Cost at June 30, 2010 (3)	Book Reserve (4)	Future Accruals (5)	Annual Accrual Amount (6)	Composite Remaining Life (7)	Annual Accrual Rate, Percent (8)
Depreciable Plant, cont.							
343.1	25-SQ	1,139,084.17	293,970	845,114	45,374	18.6	**
343.2	20-SQ	10,329,963.98	3,979,243	6,350,724	464,772	13.7	**
344	35-R2.5	1,487,768.75	594,799	892,972	42,811	20.9	2.88
	20-R2	2,803,174.70	1,599,931	1,203,248	107,858	11.2	3.85
	<i>Total Account 344</i>	<u>4,290,943.45</u>	<u>2,194,730</u>	<u>2,096,220</u>	<u>150,669</u>		
345	18-S3	37,280.00	15,973	21,307	2,360	9.0	6.33
346	15-SQ	3,836,046.85	1,618,662	2,217,385	262,104	8.5	**
347	25-SQ	2,279,821.01	534,459	1,745,363	91,500	19.1	**
348	25-SQ	20,707.55	2,490	18,217	848	21.5	**
	<i>Total Depreciable Plant</i>	<u>2,358,192,462.83</u>	<u>480,652,500</u>	<u>1,877,539,977</u>	<u>56,794,766</u>		
TOTAL UTILITY PLANT IN SERVICE							
		<u>2,387,244,129.51</u>	<u>480,652,500</u>	<u>1,877,539,977</u>	<u>56,794,766</u>		
CUSTOMERS' ADVANCES FOR CONSTRUCTION							
331	105-R4	42,663,470.07	8,072,606	34,590,864	380,103	91.0	0.89
	110-R3	305,322.19	23,527	281,795	3,081	91.5	1.01
	<i>Total Account 331</i>	<u>42,968,792.26</u>	<u>8,096,133</u>	<u>34,872,659</u>	<u>383,184</u>		
333	70-R3	1,157,026.82	38,529	1,118,498	19,372	57.7	1.67
335	75-R3	1,467,097.50	43,690	1,423,407	22,960	62.0	1.56
	TOTAL CUSTOMERS' ADVANCES FOR CONSTRUCTION	<u>45,592,916.58</u>	<u>8,178,352</u>	<u>37,414,564</u>	<u>425,516</u>		
CONTRIBUTIONS IN AID OF CONSTRUCTION							
Nondepreciable Plant							
303.2	Nondepr.	3,605.04					
303.4	Nondepr.	4,505.75					
303.5	Nondepr.	8,199.00					
	Total Nondepreciable Plant	<u>16,309.79</u>					

AQUA PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO UTILITY PLANT AT JUNE 30, 2010

Depreciable Group (1)	Survivor Curve (2)	Original Cost at June 30, 2010 (3)	Book Reserve (4)	Future Accruals (5)	Annual Accrual Amount (6)	Composite Remaining Life (7)	Annual Accrual Rate, Percent (8)
Depreciable Plant							
304.2	Power and Pumping Structures						
304.3	Purification Buildings	357,319.57	180,934	176,386	8,371	21.1	2.34
307	Wells and Springs	77,762.76	12,732	65,031	1,190	54.6	1.53
311	Electric Pumping Equipment	564,352.56	548,395	15,957	734	21.7	0.13
320	Purification System - Equipment	197,275.89	147,888	49,387	3,024	16.3	1.53
330	Distribution Reservoirs and Standpipes	27,693.81	21,776	5,918	449	13.2	1.62
		718,626.76	544,106	174,520	5,311	32.9	0.74
331	Mains and Accessories						
	Cast Iron Mains - 4 Inch and Under	68,121.61	8,922	59,200	1,025	57.8	1.50
	Cast Iron Mains - 6, 8 and 10 Inch	60,811,877.26	8,598,378	52,213,502	659,040	79.2	1.08
	Cast Iron Mains - 12 Inch and Over	2,775,887.09	336,654	2,439,233	29,301	83.2	1.06
	Valves	18,162.84	5,069	13,094	297	44.1	1.64
	Asbestos Cement Mains	3,767,278.11	792,100	2,975,177	46,046	64.6	1.22
	<i>Total Account 331</i>	<u>67,441,326.91</u>	<u>9,741,123</u>	<u>57,700,206</u>	<u>735,709</u>		
333	Services	2,166,889.25	552,509	1,614,382	36,811	43.9	1.70
334	Meters - Conventional	99,849.72	79,499	20,353	0	-	-
335	Fire Hydrants	2,173,111.69	747,033	1,426,081	31,059	45.9	1.43
	Total Depreciable Plant	73,824,208.92	12,575,995	61,248,221	822,658		
TOTAL CONTRIBUTIONS IN AID OF CONSTRUCTION							
	<i>Amortization of Net Salvage</i>	<u>73,840,518.71</u>	<u>12,575,995</u>	<u>61,248,221</u>	<u>822,658</u>		
TOTAL UTILITY PLANT							
		<u>2,267,810,694.22</u>	<u>459,898,153</u>	<u>1,778,877,192</u>	<u>6,793,717</u>		
					<u>62,340,309</u>		

* Life Span Procedure was used. Curve Shown is Interim Survivor Curve.

** Accruals calculated for each asset by the Company's property record system using the amortization period set forth in Column 2.

AQUA PENNSYLVANIA, INC.
2011 RATE CASE
FILING REQUIREMENTS

F. Depreciation

- DP6. Provide an exhibit showing gross salvage, cost of removal, and net salvage for the five most recent calendar or fiscal years by account.
- A. The information is presented on pages 173 and 174 of Exhibit No. 6-A, Part I, for the historic test year and pages II-353 through II-355 for Exhibit No. 6-A, Part II, for the future test year.