

WATERWORKS AND SEWAGE DISPOSAL COMPANIES

ANNUAL REPORT

RECEIVED

OF

APR 30 1999

Consumers Ohio Water Company

PUCO FISCAL

(Exact legal name of respondent)

If name was changed during year, show also the
previous name and date of change.

6650 South Avenue, Boardman, Mahoning County, Ohio 44512

(Address of principal business office at end of year)

TO THE
PUBLIC UTILITIES COMMISSION OF OHIO



FOR THE
YEAR ENDED, DECEMBER 31, 1998

Name, title, address and telephone number (including area code) of the person to be contacted concerning this report.

Robert A. Kopas, Chief Financial Officer

6650 South Avenue, Boardman, Ohio 44512

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GENERAL INSTRUCTIONS

Please read the general instructions carefully before filling out this form:

1. The word "Respondent" in the following inquiries means the person, firm, association, or company on whose behalf the report is made.
2. The schedules and questions contained in this report were developed to be generally applicable to all waterworks and/or sewage disposal companies. All instructions shall be followed and each question answered as fully and accurately as possible. Sufficient answers shall appear to show that no schedule, question, or line item has been overlooked. **If a particular line item or schedule does not apply to the respondent, indicate this by answering "none", "-0-", or "not applicable", as appropriate, where it truly and completely states the facts.**
3. This report was prepared in conformance with the 1976 NARUC Uniform Systems of Accounts for water and/or sewer companies. Interpret all accounting words and phrases in accordance with these USOAs.
4. Account numbers which appear in brackets refer to those used by Class C and/or D waterworks or sewage disposal companies, if different than those used by Class A and B companies.
5. The information required with respect to any statement furnished is the minimum requirement. The respondent may add such further material information as is necessary to ensure that the required statements are not misleading.
6. All copies filed with the Commission must be legible and permanent. All entries shall be made in permanent ink or by a typewriter. Items of a reverse or contrary character shall be enclosed in parentheses, or indicated by a minus sign followed by the amount.
7. The annual report shall be signed by a duly elected officer of the respondent.
8. The information required in this report, unless otherwise indicated, is to be reported for the entire company and not for the State of Ohio only.
9. Totals should be provided as indicated. The respondent shall ensure that schedule totals and subtotals are mathematically correct.
10. If a line item is supported by a detailed schedule elsewhere in this report, the respondent should ensure that the detailed schedule is completed and that the amounts on both schedules match.
11. Please list all accounts and totals in whole dollars only. Make sure the rounded numbers equal the original totals, when the original totals are rounded to the nearest dollar amount.

HISTORY

| | |
|-----|--|
| 1. | Date of organization. <u>December 29, 1972; name changed to Consumers Ohio Water Company on November 21, 1994</u> |
| 2. | Date when operations began. <u>March 23, 1973</u> |
| 3. | Under the laws of what Government, State or Territory organized? If more than one, name all. <u>State of Ohio</u> |
| 4. | If a consolidated or merged company, name all constituent and all merged companies. <u>The Company had no operations until March 23, 1973. That is when Consumers Water Company acquired the Company in an exchange of stock, the net assets of Ohio Water Service Company, and merged such predecessor Company into New Ohio Water Service Company. At the time of the merge, the Company changed its name to Ohio Water Service Company. It continued the predecessor's operations of supplying water to Ohio communities.</u> |
| 5. | Date and authority for each consolidation and each merger. <u>March 23, 1973</u> |
| 6. | State whether respondent is a corporation, a joint stock association, a firm or partnership, or an individual. <u>Corporation</u> |
| 7. | If a reorganized company, given name of original corporation, refer to laws under which it was organized, and state the occasion for the reorganization. <u>N/A</u> |
| 8. | Where are the books and records of the company kept? <u>6650 South Avenue, Boardman Township, Mahoning County, Ohio</u> |
| 9. | General description of territory served by respondent. <u>See attached Page 3a</u> |
| 10. | Number of locations within Ohio. <u>Four</u> |

FACTS PERTAINING TO CONTROL OF RESPONDENT

1. Did any individual, association, corporation or corporations, control the respondent at close of year? Yes

If control was so held, state:

(a) The form of control, whether sole or joint: Sole

(b) The name of the controlling corporation or corporations: Consumers Water Company

(c) The manner in which control was established: Purchase

(d) The extent of control: 100%

(e) Whether control was direct or indirect: Direct

(f) The name of the intermediary through which control, if indirect, was established:
N/A

2. Did any individual, association, or corporation, as trustee, control the respondent at close of year?
N/A

If control was so held, state: N/A

(a) The name of the trustee: N/A

(b) The name of the beneficiary or beneficiaries for whom the trust was maintained:
N/A

ANNUAL REPORT OF CONSUMERS OHIO WATER COMPANY

Year Ending December 31, 1998

9. General description of territory served by respondent:
- A) City of Geneva, Villages of Perry and Jefferson, portions of Ashtabula County.
 - B) Cities of Mentor, Mentor-on-the-Lake, Village of Kirtland Hills, City of Kirtland, Village of Waite Hill, and portions of Lake County.
 - C) City of Struthers, Villages of Poland and Lowellville, and portions of Mahoning County.
 - D) City of Massillon, Village of Hills and Dales, and portions of Stark County, City of Green and portions of Summit County.

IMPORTANT CHANGES DURING THE YEAR

Hereunder give particulars concerning the matters indicated below. Except as otherwise indicated data furnished should apply to the same period the report covers. Answers should be numbered in accordance with the inquiries and if "none" states the fact, it should be used. If information which answers an inquiry is given elsewhere in the report, identification of the other answer will be sufficient.

1. Purchase or sale of entire property, or of a part of property when service territory is included: Give brief description of each transaction, name of other party, date, consideration, and Commission authorization.
None

2. Lease of property (to or from another) of the kind covered by the preceding inquiry: To the extent applicable give details corresponding to those required by the preceding inquiry.
None

3. Capital stock and debt issued during the year: Identify the securities, give purpose of issuance, date, consideration received and Commission authorization.
None

4. Changes in articles of incorporation: Give brief particulars of each change and date.
None

5. Other important changes: Give brief particulars of each other important change which is not disclosed elsewhere in this report.
None

SCHEDULE: 1

| VOTING POWERS AND ELECTIONS | | | | |
|---|---|--------------------|----------------------|---------------------------------|
| <p>1. In the schedule below, show the particulars called for concerning the stockholders of respondent who, at the date of the latest closing of the stock-book of respondent prior to the actual filing of this report, had the twenty highest voting powers of the respondent. If any such holder held in trust, attach a statement showing the beneficial owners. If the stock-book was not closed within the year, show twenty such stockholders as of the close of the year. In the space provided, show total shares and votes of all stockholders.</p> | | | | |
| Line No. | Name and Address of Stockholders | No. of Shares Held | No. of Voting Shares | Other Vote Empowered Securities |
| | Consumers Water Company Three Canal Plaza Portland, Maine 04112 | 259,800 | 259,800 | |
| | TOTAL LISTED ABOVE | 259,800 | 259,800 | |
| | ALL STOCKHOLDERS | | | |

SCHEDULE: 2

BOARD OF DIRECTORS

1. Give the names of each person who was a member of the Board of Directors at any time during the year.
2. Column (d) relates to Board meetings only.

| Line No. | Name of Director and Address (City and State) | Served Continuously From | Term Expired or Current Term Will Expire | Number of Meetings Attended During Year |
|----------|---|--------------------------|--|---|
| 1. | (a) James R. Merrell, 665 Nearing Circle, Geneva, OH 44041 | (b) 1982 | (c) April, 1999 | (d) 5 |
| 2. | Harry E. Allen, Jr., 7455 Tyler Blvd., Mentor, OH 44060 | 1991 | April, 1999 | 5 |
| 3. | Randall A. Hutsell, 1320 Sanders Ave. SW, Massillon, OH | 1990 | April, 1999 | 5 |
| 4. | Paul D. Schumann, 3 Canal Plaza, Portland, ME 04112 | 1992 | March, 1999 | 3 |
| 5. | Daniel H. Becker, 120 Overlook Blvd., Struthers, OH | 1993 | April, 1999 | 3 |
| 6. | Walter J. Pishkur, 6650 South Ave., Boardman, OH 44512 | 1992 | April, 1999 | 5 |
| 8. | | | | |
| 9. | | | | |
| 10. | | | | |
| 11. | | | | |
| 12. | | | | |
| 13. | | | | |
| 14. | | | | |
| 15. | | | | |

| | | |
|-----|---|------|
| 16. | Name of Chairman of the Board | None |
| 17. | Name of Secretary of Board | None |
| 18. | Number of Meetings of Board during the year | Five |
| 19. | Number of directors provided for by charter or by-laws, as amended to the end of the year | Six |
| 20. | Number of directors required to constitute a quorum | Four |

SCHEDULE: 3

PRINCIPAL GENERAL OFFICERS

1. The persons to be listed herein are the chairman of the board, president, vice-president, treasurer, general counsel, and comptroller. Respondents that do not have officers bearing the aforesaid titles shall list those officers who have the responsibilities normally associated with such titles.

2. Customary abbreviations may be used in showing titles and departments in columns (a) and (b).

| Line No. | Title of General Officer (a) | Department Over Which Jurisdiction is Exercised (b) | Name of Person Holding The Office at End of Year (c) | Office Address (City and State) (d) |
|----------|--|---|--|--|
| 1. | Walter J. Pishkur, President | Service Center | Same | 6650 South Avenue, Boardman, Ohio 44512 |
| 2. | Robert A. Kopas, Chief Financial Officer | Service Center | Same | Same |
| 3. | Brian R. Mullany, Asst. Sec. | Corporate | Same | Three Canal Plaza, Portland, Maine 04112 |
| 4. | John F. Isacke, Asst. Treas. | Corporate | Same | Same |
| 5. | Brian T. Bisson, Vice Pres. - Engineering Services | Boardman | Same | Same |
| 6. | Louis S. Kreider, Vice Pres. and Mgr. of Lake Erie Div. | Lake Shore/Lake | Same | Mentor, Ohio |
| 7. | James H. Purtz, Vice Pres. and Mgr. of Stark Region Div. | Stark Region | Same | Massillon, Ohio |
| 8. | Albert J. Sauline, Vice Pres. and Mgr. of Struthers Div. | Struthers | Same | Struthers, Ohio |
| 9. | David A. Schiele, Vice Pres. and Mgr. of Lake Erie East | Lake Shore/Ashtabula | Same | Geneva, Ohio |

| Annual Report of Consumers Ohio Water Company | | | Year ended December 31, 1998 | | |
|---|---|----------|------------------------------|--------------------|------------------------|
| Schedule: 4 | | | | | |
| BALANCE SHEET | | | | | |
| Acct. No. | Account Title | Page No. | Beginning Bal. | Ending Balance | Increase or (Decrease) |
| UTILITY PLANT | | | | | |
| 101 | Utility Plant in Service | 17-22 | 143,423,436 | 147,897,331 | 4,473,896 |
| 102 | Completed Constr. Not Classified | | | | 0 |
| 103 | Utility Plant in Process of Reclassification | | | | 0 |
| 104 | Utility Plant Leased to Others | | | | 0 |
| 105 | Property Held for Future Use | | 192,929 | 192,929 | 0 |
| 106 | Utility Plant Purchased or Sold | | | | 0 |
| 107 | Construction Work in Progress | | 2,539,806 | 3,643,078 | 1,103,272 |
| 114 (108) | Utility Plant Acquisition Adjustment | | 67,023 | 67,023 | 0 |
| | TOTAL UTILITY PLANT (101-114) | | 146,223,194 | 151,800,361 | 5,577,168 |
| 108-113 | Accumulated Provision for | | | | |
| 115 (110) | Depreciation and Amortization | 23-30 | 23,491,898 | 26,087,014 | 2,595,116 |
| | Net Utility Plant | | 122,731,296 | 125,713,348 | 2,982,052 |
| 116 (109) | Other Utility Plant Adjustments | | | | |
| | TOTAL PLANT (101-116) | | 122,731,296 | 125,713,348 | 2,982,052 |
| OTHER PROPERTY AND INVESTMENTS | | | | | |
| 121 | Nonutility Property | | | | 0 |
| 122 | Accum. Provision for Deprec. and Amortization of Nonutility Plant | | | | 0 |
| 123 | Investments in Associated Companies | | | | 0 |
| 124 | Other Investments | | 1,000 | 1,000 | 0 |
| 125-128 | Special Funds | | | | 0 |
| | TOTAL OTHER PROPERTY AND INVESTMENTS (121-128) | | 1,000 | 1,000 | 0 |
| Current and Accrued Assets | | | | | |
| 131 | Cash | | 290,465 | 2,034,509 | 1,744,044 |
| 132 | Interest Special Deposits | | | | 0 |
| 133 | Dividend Special Deposits | | | | 0 |
| 134 | Other Special Deposits | | 1,533,613 | 1,345,836 | (187,778) |
| 135 | Working Funds | | 66,391 | 106,086 | 39,695 |
| 136 (132) | Temporary Cash Investment | | | | 0 |
| 141 | Notes Receivable | | | | 0 |
| 142 | Customer Accounts Receivable | | 2,140,773 | 2,085,343 | (55,430) |
| 143 | Other Accounts Receivable | | 98,605 | 68,967 | (29,639) |
| 144 | Accumulated Provision for Uncollectible Accounts-Cr. | | (160,018) | (178,927) | (18,909) |
| 145 | Notes Received from Associated Companies | | | | 0 |
| 146 | Accounts Receivable from Associated Companies | | 9,530 | 266,888 | 257,359 |
| 151 | Fuel Stock | | | | 0 |
| 152 | Fuel Stock Expense | | | | 0 |
| 154 | Plant Materials and Operating Supplies | | 515,491 | 570,390 | 54,899 |
| 155 | Merchandise | | | | 0 |
| Page 8 | | | | | |

| Annual Report of Consumers Ohio Water Company | | | Year ended December 31, 1998 | | |
|---|--|----------|------------------------------|--------------------|---------------------------|
| Schedule: 4 | | | | | |
| BALANCE SHEET | | | | | |
| Acct. No. | Account Title | Page No. | Beginning Bal. | Ending Balance | Increase or (Decrease) |
| LONG-TERM DEBT | | | | | |
| 221 | Bonds | 34 | 42,355,000 | 41,875,000 | (480,000) |
| 222 | Reacquired Bonds | 34 | | | 0 |
| 223 | Advances from Associated Companies | 34 | | | 0 |
| 224 | Other Long-Term Debt | 34 | | | 0 |
| | TOTAL LONG TERM DEBT (221-224) | | 42,355,000 | 41,875,000 | (480,000) |
| CURRENT AND ACCRUED LIABILITIES | | | | | |
| 231 | Notes Payable | | 0 | 0 | 0 |
| 232 | Accounts Payable | | 1,378,388 | 1,856,699 | 478,312 |
| 233 | Notes Payable to Associated Companies | | | 125 | 125 |
| 234 | Accounts Payable to Associated Companies | | 63,839 | 0 | (63,839) |
| 235 | Customer Deposits | | 203,677 | 222,559 | 18,882 |
| 236 | Taxes Accrued | | 8,535,283 | 8,203,009 | (332,274) |
| 237 | Interest Accrued | | 1,145,986 | 1,106,625 | (39,362) |
| 238 | Dividends Declared | | | | 0 |
| 239 | Matured Long-Term Debt | | | | 0 |
| 240 | Matured Interest | | | | 0 |
| 241 | Tax Collections Payable | | | | 0 |
| 242 (238) | Misc. Current and Accrued Liabilities | 37 | 3,850,587 | 3,639,763 | (210,823) |
| | TOTAL CURRENT AND ACCRUED LIABILITIES (231-242) | | 15,177,759 | 15,028,780 | (148,979) |
| DEFERRED CREDITS | | | | | |
| 251 | Unamortized Premium on Debt | | | | 0 |
| 252 | Customer Advances for Construction | | 3,669,164 | 3,333,434 | (335,730) |
| 253 | Other Deferred Credits | | 696,813 | 637,239 | (59,574) |
| 254 | Regulatory Asset Account | | | | 0 |
| 255 | Accumulated Deferred Investment Tax Credits | | 1,389,992 | 1,320,243 | (69,749) |
| | TOTAL DEFERRED CREDITS (251-255) | | 5,755,968 | 5,290,915 | (465,053) |
| OPERATING RESERVES | | | | | |
| 261 | Property Insurance Reserves | | | | 0 |
| 262 | Inquiries and Damages Reserves | | | 8,611 | 8,611 |
| 263 | Pensions and Benefits Reserves | | 18,688 | 11,988 | (6,700) |
| 265 | Miscellaneous Operating Reserves | | | | 0 |
| | TOTAL OPERATING RESERVES (261-265) | | 18,688 | 20,599 | 1,911 |
| 271 | CONTRIBUTIONS IN AID OF CONSTR. | | 35,079,386 | 38,100,817 | 3,021,431 |
| ACCUM. DEFERRED INCOME TAXES | | | | | |
| 281 | Accumulated Deferred Income Taxes- Accelerated Amortization | 35 | | | 0 |
| 282 | Accumulated Deferred Income Taxes- Liberallized Depreciation | 36 | 7,659,037 | 8,002,506 | |
| 283 | Accumulated Deferred Income Taxes-Other | 36 | (3,145,449) | (2,468,309) | 677,140 |
| | TOTAL ACCUMULATED DEFERRED INCOME TAXES (281-283) | | 4,513,588 | 5,534,197 | 1,020,609 |
| | TOTAL LIABILITIES PLUS EQUITY CAPITAL AND OTHER CREDITS (201-283) | | 136,669,126 | 141,478,074 | 4,808,948 |
| Page 10 | | | | | |

SCHEDULE: 4A

NOTES TO BALANCE SHEET

None

| Annual Report of Consumers Ohio Water Company | | Year ended December 31, 1998 | |
|---|--|------------------------------|-------------------|
| Schedule: 5 | | | |
| Acct. No. | Account Title | Page No. | Amount |
| | UTILITY OPERATING REVENUE | | |
| 400 | Operating Revenues | 38 | 32,354,329 |
| | OPERATING EXPENSES | | |
| 401 | Operating Expense | 39-47 | 12,334,461 |
| 402 (401) | Maintenance Expense | 39-47 | 1,595,521 |
| 403 | Depreciation Expense | | 3,180,033 |
| 404 | Amortization of Limited-Term Utility Plant | | 152,422 |
| 405 (404) | Amortization of Other Utility Plant | | 0 |
| 406 (404) | Amortization of Utility Plant/Acquisition Adjust. | | 3,858 |
| 407 (404) | Amortization of Property Losses | | |
| 408.1 | Taxes Other Than Income Taxes, Utility Operating Income | 48 | 5,786,649 |
| 409.1 | Income Taxes, Utility Operating Income | | 1,541,993 |
| 410.1 | Provision for Deferred Income Tax, Utility Operating Income | | 597,510 |
| 411.1 | Income Taxes Deferred in Prior Years-Credit, Util., Oper. Income | | |
| 412.1 | Invest. Tax Credits, Util., Operations, Deferred to Future Periods | | (72,369) |
| 412.2 | Invest. Tax Credits, Utility Operations, Restored to Oper. Income | | |
| | TOTAL OPERATING EXPENSES (401-412.2) | | 25,120,079 |
| | NET OPERATING INCOME (400) Less (401-412.2) | | 7,234,251 |
| | OTHER OPERATING INCOME | | |
| 413 | Income From Utility Plant Leased to Others | | 0 |
| 414 | Gains (Losses) from Disposition of Utility Property | | 0 |
| | TOTAL OTHER OPERATING INCOME (413-414) | | |
| | OTHER INCOME AND DEDUCTIONS | | |
| 415 | Revenues from Merchandising, Jobbing, and Contract Work | | 439,584 |
| 416 | Costs and Expns. of Merchandising, Jobbing, and Contract Work | | (196,548) |
| 417 | Income from Nonutility Operations | | 193,536 |
| 418 | Nonoperating Rental Income | | 0 |
| 419 | Interest and Dividend Income | | 93,078 |
| 420 | Allowance for Funds Used During Construction | | 11,691 |
| 421 | Miscellaneous Nonoperating Income | | 45,656 |
| 422 | Gains (Losses) from Disposition of Utility Property | | 0 |
| | TOTAL OTHER INCOME (415-422) | | 586,997 |
| 425 | Miscellaneous Amortizations | | |
| 426 | Miscellaneous Income Deductions | | 27,254 |
| | TOTAL OTHER INCOME DEDUCTIONS (425-426) | | 27,254 |
| | TOTAL OTHER INCOME AND DEDUCTIONS (415-422) Less (425-426) | | |
| 408.2 | Taxes Other Than Income Taxes, Other Income and Deductions | | 0 |
| 409.2 | Income Taxes, Other Income and Deductions | | 189,800 |
| 410.2 | Prov. for Deferred Income Taxes, Other Income and Deductions | | 0 |
| 411.2 | Income Taxes Dfrd. in Prior Yrs., Other Income and Deduct. | | 0 |
| 412.3 | Invest. Tax Credits, Utility Oper., Restored to Nonoper. Income | | 0 |
| 412.4 | Investment Tax Credits, Nonutility Operations, Net | | 0 |
| | TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS (408.2-412.4) | | 189,800 |
| | NET OTHER INCOME AND DEDUCTIONS (415-422) Less (425-412.4) | | 369,943 |

Schedule: 5

| Acct. No. | Account Title | Page No. | Amount |
|----------------------------|--|----------|------------------|
| INTEREST CHARGES | | | |
| 427 | Interest on Long-Term Debt | | 3,142,073 |
| 428 | Amortization of Debt Discount and Expense | | 74,961 |
| 429 | Amortization of Premium on Debt-Cr. | | 0 |
| 430 | Interest on Debt to Associated Companies | | 0 |
| 431 | Other Interest Expense | | 28,130 |
| | TOTAL INTEREST CHARGES (427-431) | | 3,245,164 |
| | INCOME BEFORE EXTRAORDINARY ITEMS (400) | | |
| | Less (401-431) | | 4,359,029 |
| EXTRAORDINARY ITEMS | | | |
| 433 | Extraordinary Income | | |
| 434 | Extraordinary Deductions | | |
| 409.3 | Income Taxes, Extraordinary Items | | 0 |
| | TOTAL EXTRAORDINARY ITEMS (433-409.3) | | 0 |
| | NET INCOME (400) Less (401-409.3) | | 4,359,029 |

SCHEDULE: 5A

NOTES TO INCOME STATEMENT

None

| Annual Report of Consumers Ohio Water Company | | | Year ended December 31, 1998 | | | |
|---|---|---------------------------------|---------------------------------|-----------------------------------|------------------------------------|---|
| Schedule 8A | | | | | | |
| UTILITY PLANT IN SERVICE - ACCOUNT 101 | | | | | | |
| WATERWORKS UTILITIES | | | | | | |
| Acct. No. | Account Description | Balance First of Year (b) | Additions During Year (c) | Retirements During Year (d) | Adjustments Dr. or (Cr.) (e) | Balance End of Year (f)=(b)+(c)- (d)+(e) |
| INTANGIBLE PLANT | | | | | | |
| 301 | Organization | 0 | 0 | 0 | | 0 |
| 302 | Franchise and Consents | 332,158 | 0 | 0 | | 332,158 |
| 303 | Miscellaneous Intangible Plant | 361,425 | 377,420 | 0 | | 738,845 |
| | TOTAL INTANGIBLE PLANT (301-303) | 693,583 | 377,420 | 0 | 0 | 1,071,003 |
| TANGIBLE PLANT | | | | | | |
| SOURCE OF SUPPLY PLANT | | | | | | |
| 310 | Land and Land Rights | 1,311,117 | 74 | 0 | | 1,311,191 |
| 311 | Structures and Improvements | 274,096 | 27,873 | 4,517 | | 297,452 |
| 312 | Collecting and Impounding Reservoirs | 2,312,380 | 0 | 0 | | 2,312,380 |
| 313 | Lake, River, and Other Intakes | 1,297,846 | 0 | 0 | | 1,297,846 |
| 314 | Wells and Springs | 458,500 | 200,537 | 0 | | 659,037 |
| 315 | Infiltration Galleries and Tunnels | | 0 | 0 | | 0 |
| 316 | Supply Mains | 1,074,637 | 32,130 | 0 | (122) | 1,106,644 |
| 317 | Other Water Source Plant | | 0 | 0 | | 0 |
| | TOTAL SOURCE OF SUPPLY PLANT (310-317) | 6,728,576 | 260,613 | 4,517 | (122) | 6,984,550 |
| PUMPING PLANT | | | | | | |
| 320 | Land and Land Rights | 17,406 | 0 | 0 | | 17,406 |
| 321 | Structures and Improvements | 1,490,930 | 3,465 | 1,195 | 0 | 1,493,200 |
| 322 | Boiler Plant Equipment | | 0 | 0 | | 0 |
| 323 | Other Power Production Equipment | 15,280 | 0 | 0 | | 15,280 |
| 324 | Steam Pumping Equipment | | 0 | 0 | | 0 |
| 325 | Electric Pumping Equipment | 3,721,475 | 31,835 | 1,850 | | 3,751,460 |
| 326 | Diesel Pumping Equipment | | 0 | 0 | | 0 |
| 327 | Hydraulic Pumping Equipment | | 0 | 0 | | 0 |
| 328 | Other Pumping Equipment | | 0 | 0 | | 0 |
| | OTHER PUMPING PLANT (320-328) | 5,245,091 | 35,300 | 3,045 | 0 | 5,277,346 |
| WATER TREATMENT PLANT | | | | | | |
| 330 | Land and Land Rights | 121,403 | 3,528 | 0 | | 124,931 |
| 331 | Structures and Improvements | 5,649,033 | 35,109 | 2,680 | | 5,681,461 |

Schedule 8A

**UTILITY PLANT IN SERVICE - ACCOUNT 101
WATERWORKS UTILITIES**

| Acct No. | Account Description | Balance | Additions | Retirements | Adjustments | Balance |
|----------|--|----------------------|--------------------|--------------------|---------------------|--|
| | | First of Year (b) | During Year (c) | During Year (d) | Dr. or (Cr.) (e) | End of Year (f)=(b)+(c)- (d)+(e) |
| (393) | Utility Plant Leased to Others | 0 | | | | 0 |
| (394) | Property Held for Future Use | 0 | | | | 0 |
| (395) | Construction Work in Progress | 0 | | | | 0 |
| (396) | Utility Plant Acquisition Adjustments | 0 | | | | 0 |
| (397) | Other Utility Plant Adjustments | 0 | | | | 0 |
| | TOTAL OTHER UTILITY PLANT (CLASS D ONLY) (391-397) | 0 | | | | 0 |
| | TOTAL WATERWORKS UTILITY PLANT IN SERVICE (301-397) | 143,423,436 | 5,526,562 | 1,059,934 | 7,268 | 147,897,331 |

SCHEDULE: 8B

| Class | | Account (a) | Balance at End of Previous Year (in dollars) (b) | Additions During Year (c) | Retirements During Year (d) | Adjustments Dr. or (Cr.) (e) | Balance at End of Current Year (f)=(b)+(c)-(d)+(e) |
|--|-------------|--|--|---------------------------|-----------------------------|------------------------------|--|
| UTILITY PLANT IN SERVICE-ACCOUNT 101 SEWAGE DISPOSAL UTILITIES (in dollars) | | | | | | | |
| Class A & B | Class C & D | INTANGIBLE PLANT: | | | | | |
| 301 | 301 | Organization | | | | | |
| 302 | 302 | Franchises and Consents | | | | | |
| 303 | 303 | Miscellaneous Intangible Plant | | | | | |
| | | TOTAL INTANGIBLE PLANT (301-303) | | | | | |
| | 310 | Land & Land Rights | | | | | |
| | 311 | Structures & Improvements | | | | | |
| | | TOTAL LAND & STRUCTURES (310-311) | | | | | |
| | | COLLECTION PLANT: | | | | | |
| 350 | | Land and Land Rights | | | | | |
| 351 | | Structures and Improvements | | | | | |
| 352 | 352 | Collection Sewers | | | | | |
| 352.1 | 352.1 | Collection Sewers-Force | | | | | |
| 352.2 | 352.2 | Collection Sewers-Gravity | | | | | |
| 352.3 | | Special Collecting Structures | | | | | |
| 353 | 354 | Services to Customers | | | | | |
| 354 | 355 | Flow Measuring Devices | | | | | |
| 355 | 355 | Flow Measuring Installations | | | | | |
| 356 | 353 | Other Collection Plant Facilities | | | | | |
| | | TOTAL COLLECTION PLANT (350-356) | | | | | |

SCHEDULE: 8B

UTILITY PLANT IN SERVICE-ACCOUNT 101
SEWAGE DISPOSAL UTILITIES
(in dollars)

| Class | Account (a) | Balance at End of Previous Year (in dollars) (b) | Additions During Year (c) | Retirements During Year (d) | Adjustments Dr. or (Cr.) (e) | Balance at End of Current Year (f)=(b)+(c)-(d)+(e) |
|------------------------|---|--|---------------------------|-----------------------------|------------------------------|--|
| Class A & B | PUMPING PLANT: | | | | | |
| 360 | Land and Land Rights | | | | | |
| 361 | Structures and Improvements | | | | | |
| 362 | Receiving Wells | | | | | |
| 363 | Electric Pumping Equipment | | | | | |
| 364 | Diesel Pumping Equipment | | | | | |
| 365 | Other Pumping Equipment | | | | | |
| | TOTAL PUMPING PLANT (360-365) | | | | | |
| | TREATMENT AND DISPOSAL PLANT: | | | | | |
| 370 | Land and Land Rights | | | | | |
| 370.1 | Oxidation Lagoon Land | | | | | |
| 370.2 | Other Land and Land Rights | | | | | |
| 371 | Structures and Improvements | | | | | |
| 372 | Treatment and Disposal Equipment | | | | | |
| 373 | Plant Sewers | | | | | |
| 374 | Outfall Sewer Lines | | | | | |
| 375 | Other Treatment and Disposal Plant Eqpt. | | | | | |
| | TOTAL TREATMENT AND DISPOSAL PLANT (370-376) | | | | | |

Annual Report of Consumers Ohio Water Company Year Ended December 31, 1998

SCHEDULE: 8B

| Account (a) | | Balance at End of Previous Year (in dollars) (b) | Additions During Year (c) | Retirements During Year (d) | Adjustments Dr. or (Cr.) (e) | Balance at End of Current Year (f)=(b)+(c)-(d)+(e) |
|-------------|---|--|---------------------------|-----------------------------|------------------------------|--|
| Class A & B | Class C & D | | | | | |
| | GENERAL PLANT: | | | | | |
| 389 | Land and Land Rights | | | | | |
| 390 | Structures and Improvements | | | | | |
| 391 | Office Furniture and Equipment | | | | | |
| 392 | Transportation Equipment | | | | | |
| 393 | Stores Equipment | | | | | |
| 394 | Tools, Shop and Garage Equipment | | | | | |
| 395 | Laboratory Equipment | | | | | |
| 396 | Power Operated Equipment | | | | | |
| 397 | Communications Equipment | | | | | |
| 399 | Other Tangible Property | | | | | |
| | TOTAL GENERAL PLANT (389-399) | | | | | |
| | TOTAL SEWAGE DISPOSAL PLANT (370-399) | | | | | |
| | TOTAL UTILITY PLANT IN SERVICE SEWAGE DISPOSAL (301-399) | | | | | |

Annual Report of Consumers Ohio Water Company Year ended December 31, 1998

Schedule 9A

ACCUMULATED PROVISION FOR DEPRECIATION & AMORTIZATION -

ACCOUNTS 108-113 & 115 (110)

WATERWORKS COMPANIES

Please check if the Company's Depreciation Expense is Calculated: () Monthly () Quarterly (x) Annual

| Acct. No. | Account Title (a) | Accumulative Depreciation Balance First of Year (b) | Rate % Used (c) | Accruals During Year (d) | Original Cost of Plant Retired (e) |
|--|---|---|-----------------------|--------------------------------|---|
| SOURCE OF SUPPLY PLANT | | | | | |
| 311 | Structures and Improvements | (13,202) | 1.52 | 20,609 | 4,517 |
| 312 | Collecting and Impounding Reservoirs | 1,229,825 | 1.18 | 27,286 | (0) |
| 313 | Lake, River and Other Intakes | 569,715 | 1.64 | 20,325 | (0) |
| 314 | Wells and Springs | 76,146 | 5.48 | 30,178 | (0) |
| 315 | Infiltration and Galleries and Tunnels | 0 | | 0 | 0 |
| 316 | Supply Mains | 149,096 | 1.33 | 14,506 | 0 |
| 317 | Other Water Source Plant | 0 | | 0 | 0 |
| | TOTAL SOURCE OF SUPPLY PLANT (311-317) | 2,011,580 | | 112,903 | 4,516 |
| | PUMPING PLANT | | | | 0 |
| 321 | Structures and Improvements | 240,062 | 2.44 | 30,284 | 1,196 |
| 322 | Boiler Plant Equipment | 0 | | 0 | 0 |
| 323 | Other Power Production Equipment | 4,263 | 3.03 | 463 | 0 |
| 324 | Steam Pumping Equipment | 0 | | 0 | 0 |
| 325 | Electric Pumping Equipment | 834,620 | 3.28 | 105,507 | 1,850 |
| 326 | Diesel Pumping Equipment | 0 | | 0 | 0 |
| 327 | Hydraulic Pumping Equipment | 0 | | 0 | 0 |
| 328 | Other Pumping Equipment | 0 | | 0 | 0 |
| | TOTAL PUMPING PLANT (321-328) | 1,078,945 | | 136,253 | 3,045 |
| WATER TREATMENT PLANT | | | | | |
| 331 | Structures and Improvements | 1,180,176 | 2.53 | 132,423 | 2,681 |
| 332 | Water Treatment Equipment | 2,758,366 | 3.00 | 547,053 | 1,873 |
| | TOTAL WATER TREATMENT PLANT (331-332) | 3,938,542 | | 679,476 | 4,554 |
| TRANSMISSION AND DISTRIBUTION PLANT | | | | | |
| 341 | Structures and Improvements | 143,409 | 2.50 | 15,249 | 0 |
| 342 | Distribution Reservoirs and Standpipes | 1,445,412 | 2.06 | 108,775 | 0 |
| 343 | Transmission and Distribution Mains | 5,278,526 | 1.69 | 498,741 | 5,709 |
| 344 | Fire Mains | 0 | | 0 | 0 |
| 345 | Services | 3,027,777 | 3.75 | 557,649 | (0) |
| 346 | Meters | 1,238,974 | 4.72 | 247,347 | 197,324 |

Note: Columns (b) & (d) thru (i): from Accounting Record Column (c): For information only, not part of this calculation. Listed below are specifics that need to be identified in Annual Reports for minimum acceptance standards in Depreciation.

1. List the current accrual rates being used to calculate depreciation expense in Column C.
2. Identify the source of these accrual rates (PUCO Case No. 93-882-WW-AAM. If Accrual Rate changes during the year should be identified with effective date of the change.
3. Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly quarterly, semi-annually, or annually.

| | | | | | | |
|--|--|---------------------------|----------------|----------------------------------|--------------|-------------------------------------|
| Annual Report of Consumers Ohio Water Company | | 1 | | Year ended December 31, 1998 | | |
| Schedule 9A | | | | | | |
| ACCUMULATED PROVISION FOR DEPRECIATION & AMORTIZATION - ACCOUNTS 108-113 & 115 (110) | | | | | | |
| WATERWORKS COMPANIES | | | | | | |
| Please check if the Company's Depreciation Expense is Calculated: () Monthly () Quarterly (x) Annually | | | | | | |
| | | | | Other Additions or Deductions | | Balance End of Year |
| Acct. No. | Account Title (a) | Cost of Removal (f) | Salvage (g) | Credit (h) | Debit (i) | (j)=(b)+(d)-(e)- (f)+(g)+(h)-(i) |
| SOURCE OF SUPPLY PLANT | | | | | | |
| 311 | Structures and Improvements | | | | | 2,890 |
| 312 | Collecting and Impounding Reservoirs | | | | | 1,257,112 |
| 313 | Lake, River and Other Intakes | | | | | 590,040 |
| 314 | Wells and Springs | | | | | 106,324 |
| 315 | Infiltration and Galleries and Tunnels | | | | | 0 |
| 316 | Supply Mains | | | | | 163,601 |
| 317 | Other Water Source Plant | | | | | 0 |
| | TOTAL SOURCE OF SUPPLY PLANT (311-317) | 0 | 0 | 0 | 0 | 2,119,968 |
| PUMPING PLANT | | | | | | |
| 321 | Structures and Improvements | | | | | 269,150 |
| 322 | Boiler Plant Equipment | | | | | 0 |
| 323 | Other Power Production Equipment | | | | | 4,726 |
| 324 | Steam Pumping Equipment | | | | | 0 |
| 325 | Electric Pumping Equipment | 913 | | | | 937,364 |
| 326 | Diesel Pumping Equipment | | | | | 0 |
| 327 | Hydraulic Pumping Equipment | | | | | 0 |
| 328 | Other Pumping Equipment | | | | | 0 |
| | TOTAL PUMPING PLANT (321-328) | 913 | 0 | 0 | 0 | 1,211,240 |
| WATER TREATMENT PLANT | | | | | | |
| 331 | Structures and Improvements | | | | | 1,309,918 |
| 332 | Water Treatment Equipment | 6,887 | | | | 3,296,659 |
| | TOTAL WATER TREATMENT PLANT (331-332) | 6,887 | 0 | 0 | 0 | 4,606,577 |
| TRANSMISSION AND DISTRIBUTION PLANT | | | | | | |
| 341 | Structures and Improvements | | | | | 158,658 |
| 342 | Distribution Reservoirs and Standpipes | | | | | 1,554,187 |
| 343 | Transmission and Distribution Mains | 852 | | | | 5,770,706 |
| 344 | Fire Mains | | | | | 0 |
| 345 | Services | | | | | 3,585,426 |
| 346 | Meters | | 6,312 | | | 1,295,309 |
| Note: | Columns (b) & (d) thru (j): from Accounting Record Column (c): For information only, not part of this calculation. Listed below are specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation. | | | | | |
| | 1. List the current accrual rates being used to calculate depreciation expense in Column C. | | | | | |
| | 2. Identify the source of these accrual rates (PUCO Case No. 93-882-VV-AAM. If Accrual Rate changes during the year should be identified with effective date of the change. | | | | | |
| | 3. Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually. | | | | | |

| Annual Report of Consumers Ohio Water Company Year ended December 31, 1998 | | | | | |
|--|--|-------------------|----------|------------------|----------------|
| Schedule 9A | | | | | |
| ACCUMULATED PROVISION FOR DEPRECIATION & AMORTIZATION - | | | | | |
| ACCOUNTS 108-113 & 115 (110) | | | | | |
| WATERWORKS COMPANIES | | | | | |
| Please check if the Company's Depreciation Expense is Calculated: () Monthly () Quarterly (x) Annually | | | | | |
| | | Accumulative | | | |
| | | Depreciation | | | Original |
| Acct. No. | Account Title | Balance First | Rate | Accruals | Cost of |
| | (a) | of Year | % Used | During Year | Plant Retired |
| | | (b) | (c) | (d) | (e) |
| 347 | Meter Installations | 94,467 | 2.75 | 65,513 | 91,300 |
| 348 | Hydrants | 1,237,054 | 2.44 | 149,425 | 17,694 |
| 349 | Other Transmission & Distribution Plant | 0 | | 0 | 0 |
| | TOTAL TRANSMISSION AND | | | | |
| | DISTRIBUTION PLANT (341-349) | 12,465,619 | 0 | 1,642,699 | 312,027 |
| 302 | Franchise and Consents | 264,034 | actual | 6,865 | 0 |
| | GENERAL PLANT | | | | |
| 390 (371) | Structures and Improvements | 96,675 | 2.53 | 11,298 | (0) |
| 391 (372) | Office Furniture and Equipment | 1,018,423 | various | 282,829 | 395,871 |
| 392 (373) | Transportation Equipment | 927,956 | 14.29 | 182,600 | 137,064 |
| 393 | Stores Equipment | 23,691 | 5.00 | 1,735 | (0) |
| 394 | Tools, Shop, and Garage Equipment | 180,142 | 5.94 | 46,996 | 18,407 |
| 395 | Laboratory Equipment | 111,104 | 5.88 | 17,197 | 299 |
| 396 | Power Operated Equipment | 388,911 | 7.00 | 32,146 | 91,449 |
| 397 | Communication Equipment | 57,008 | 10.00 | 97,572 | (0) |
| 398 (379) | Miscellaneous Equipment | 159,562 | 6.67 | 9,564 | 0 |
| 399 (390) | Other Tangible Property | 102,500 | | 102,500 | 0 |
| | TOTAL GENERAL PLANT (390-399) | 3,065,972 | | 784,437 | 643,090 |
| | OTHER UTILITY PLANT | | | | |
| 111 | Accum. Prov. for Amort. of Util. Plant in Serv. | 624,770 | | 152,422 | 0 |
| 109 393 | Accum. Prov. for Deprec. of Util. Plant | | | | |
| | Leased to Others | | | | |
| 112 | Accum. Prov. for Amort. of Util. Plant | | | | |
| | Leased to Others | | | | |
| 110 394 | Accum. Prov. for Deprec. of Prop. Held for | | | | |
| | Future Use | | | | |
| 113 | Accum. Prov. for Amort. of Prop. Held for | | | | |
| | Future Use | | | | |
| 115 396 | Accum. Prov. for Amort. of Util. Plant | 42,436 | | 3,858 | (0) |
| | Acquis. Adjustments | | | | |
| | TOTAL OTHER UTILITY PLANT | | | | |
| | (111-115) | 667,206 | 0 | 156,280 | 0 |
| | TOTAL WATERWORKS (311-115) | 23,491,898 | 0 | 3,518,913 | 967,232 |
| Note: | Columns (b) & (d) thru (i): from Accounting Record Column (c): For information only, not part of this calculation. Listed below are specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation. | | | | |
| | 1. List the current accrual rates being used to calculate depreciation expense in Column C. | | | | |
| | 2. Identify the source of these accrual rates (PUCO Case No. 93-882-VVV-AAM. If Accrual Rate changes during the year should be identified with effective date of the change. | | | | |
| | 3. Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually. | | | | |

ACCUMULATED PROVISION FOR DEPRECIATION & AMORTIZATION-ACCOUNTS 108 - 113 & 115 (110)
SEWAGE DISPOSAL COMPANIES

(Please check if the Company's Depreciation Expense is Calculated: Monthly Quarterly Annually)
 (in dollars)

| Account No. | Class A&B | Class C&D | Account Title (a) | Accumulated Depreciation Balance First of Year (b) | Rate % Used (c) | Accruals During Year (d) | Original Cost of Plant Retired (e) |
|-------------|-----------|-----------|---|--|-----------------|--------------------------|------------------------------------|
| | | | | | | | |
| | | 311 | Structures & Improvements | | | | |
| | | | COLLECTION PLANT: | | | | |
| | | | Structures and Improvements | | | | |
| 351 | | | Collection Sewers | | | | |
| 352 | | | Collection Sewers-Force | | | | |
| 352.1 | | | Collection Sewers-Gravity | | | | |
| 352.2 | | | Special Collection Structures | | | | |
| 352.3 | | | Services to Customers | | | | |
| 354 | | | Flow Measuring Devices | | | | |
| 355 | | | Flow Measuring Installations | | | | |
| 356 | | | Other Collection Plant Facilities | | | | |
| | | | TOTAL COLLECTION PLANT (351-356) | | | | |
| | | | PUMPING PLANT: | | | | |
| | | | Structures and Improvements | | | | |
| 361 | | | Receiving Wells | | | | |
| 362 | | | Electric Pumping Equipment | | | | |
| 363 | | | Diesel Pumping Equipment | | | | |
| 364 | | | Other Pumping Equipment | | | | |
| 365 | | | TOTAL PUMPING PLANT (361-365) | | | | |
| | | | TREATMENT AND DISPOSAL PLANT: | | | | |
| | | | Structures and Improvements | | | | |
| 371 | | | Treatment and Disposal Equipment | | | | |
| 372 | | | Plant Sewer | | | | |
| 373 | | | Outfall Sewer Lines | | | | |
| 374 | | | Other Treatment and Disposal Plant | | | | |
| 375 | | | TOTAL TREATMENT AND DISPOSAL PLANT (371-376) | | | | |

Note: Columns (b) & (d) thru (i): from Accounting Record
 Listed below are specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation:

- 1 List the current accrual rates being used to calculate depreciation expense in Column C.
- 2 Identify the source of these accrual rates (PUCO Case No. _____). (If Accrual Rate changes during the year should be identified with effective date of the change _____).
- 3 Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually. (continue on next page)

SCHEDULE: 9B

| Account No. | | Account Title (a) | Cost of Removal (f) | Salvage (g) | Other Addition or Deductions | | Balance at End of Current Year (j)=(b)+(d)-(e)-(f)+(g)+(h)-(i) |
|-------------|-------------|---|------------------------|----------------|------------------------------|---------------|---|
| Class A & B | Class C & D | | | | Debit (h) | Credit (i) | |
| | 311 | Structures & Improvements | | | | | |
| | | COLLECTION PLANT: | | | | | |
| | | Structures and Improvements | | | | | |
| 351 | | Collection Sewers | | | | | |
| 352 | | Collection Sewers-Force | | | | | |
| 352.1 | | Collection Sewers-Gravity | | | | | |
| 352.2 | | Special Collection Structures | | | | | |
| 352.3 | | Services to Customers | | | | | |
| 353 | | Flow Measuring Devices | | | | | |
| 354 | | Flow Measuring Installations | | | | | |
| 355 | | Other Collection Plant Facilities | | | | | |
| 356 | | TOTAL COLLECTION PLANT (351-356) | | | | | |
| | | PUMPING PLANT: | | | | | |
| | | Structures and Improvements | | | | | |
| 361 | | Receiving Wells | | | | | |
| 362 | | Electric Pumping Equipment | | | | | |
| 363 | | Diesel Pumping Equipment | | | | | |
| 364 | | Other Pumping Equipment | | | | | |
| 365 | | TOTAL PUMPING PLANT (361-365) | | | | | |
| | | TREATMENT AND DISPOSAL PLANT: | | | | | |
| | | Structures and Improvements | | | | | |
| 371 | | Treatment and Disposal Equipment | | | | | |
| 372 | | Plant Sewer | | | | | |
| 373 | | Outfall Sewer Lines | | | | | |
| 374 | | Other Treatment and Disposal Plant | | | | | |
| 375 | | TOTAL TREATMENT AND DISPOSAL PLANT (371-376) | | | | | |

(Please check if the Company's Depreciation Expense is Calculated: Monthly Quarterly Annually)

(in dollars)

Note: Columns (b) & (d) thru (j): from Accounting Record
 Listed below are specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation:
 1 List the current accrual rates being used to calculate depreciation expense in Column C.
 2 Identify the source of these accrual rates (PUCO Case No. _____). (If Accrual Rate changes during the year should be identified with effective date of the change
 3 Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

SCHEDULE: 9B

| ACCUMULATED PROVISION FOR DEPRECIATION & AMORTIZATION-ACCOUNTS 108 - 113 & 115 (110) SEWAGE DISPOSAL COMPANIES | | | | | | | |
|---|-----------|-----------|--|--|-----------------|--------------------------|------------------------------------|
| (Please check if the Company's Depreciation Expense is Calculated: <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually) | | | | | | | |
| Account No. | Class A&B | Class C&D | Account Title (a) | Accumulated Depreciation Balance First of Year (b) | Rate % Used (c) | Accruals During Year (d) | Original Cost of Plant Retired (e) |
| | | | GENERAL PLANT: | | | | |
| 390 | | | Structures and Improvements | | | | |
| 391 | | 391 | Office Furniture and Equipment | | | | |
| 392 | | 392 | Transportation Equipment | | | | |
| 393 | | | Stores Equipment | | | | |
| 394 | | | Tools, Shop and Garage Equipment | | | | |
| 395 | | | Laboratory Equipment | | | | |
| 396 | | | Power Operated Equipment | | | | |
| 397 | | | Communication Equipment | | | | |
| 399 | | 393 | Other Tangible Property | | | | |
| | | | TOTAL GENERAL PLANT (390-399) | | | | |
| 109 | | | Accum. Prov. for Deprec. of Util. Plant Leased to Others | | | | |
| 110 | | | Accum. Plant for Deprec. of Prop. Held for Future Use | | | | |
| 111 | | | Accum. Prov. for Amort. of Util. Plant in Service | | | | |
| 112 | | | Accum. Prov. for Amort. of Util. Plant Leased to Others | | | | |
| 113 | | | Accum. Prov. for Amort. of Prop. Held for Future Use | | | | |
| 115 | | | Accum. Prov. for Amort. of Util. Plant Acquis. Adjmts. | | | | |
| | | | TOTAL SEWAGE DISPOSAL (109-115) | | | | |
| | | | TOTAL WATERWORKS & SEWAGE DISPOSAL (351-115) | | | | |

Note: Columns (b) & (d) thru (f): from Accounting Record
 Listed below are specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation:
 1 List the current accrual rates being used to calculate depreciation expense in Column C.
 2 Identify the source of these accrual rates (PUCO Case No. _____). (If Accrual Rate changes during the year should be identified with effective date of the change)
 3 Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.
 (continue on next page)

SCHEDULE: 9B

**ACCUMULATED PROVISION FOR DEPRECIATION & AMORTIZATION-ACCOUNTS 111 - 113 & 115 (110)
SEWAGE DISPOSAL COMPANIES**

(in dollars)

(Please check if the Company's Depreciation Expense is Calculated: Monthly Quarterly Annually)

| Account No. | Class A&B | Class C&D | Account Title (a) | Cost of Removal (f) | Salvage (g) | Other Addition or Deductions | | Balance at End of Current Year (j)=(b)+(d)-(e)-(f)+(g)+(h)-(i) |
|-------------|-----------|-----------|--|---------------------|-------------|------------------------------|------------|--|
| | | | | | | Debit (h) | Credit (i) | |
| | | | GENERAL PLANT: | | | | | |
| 390 | | | Structures and Improvements | | | | | |
| 391 | | | Office Furniture and Equipment | | | | | |
| 392 | | | Transportation Equipment | | | | | |
| 393 | | | Stores Equipment | | | | | |
| 394 | | | Tools, Shop and Garage Equipment | | | | | |
| 395 | | | Laboratory Equipment | | | | | |
| 396 | | | Power Operated Equipment | | | | | |
| 397 | | | Communication Equipment | | | | | |
| 399 | | | Other Tangible Property | | | | | |
| | | | TOTAL GENERAL PLANT (390-399) | | | | | |
| 109 | | | Accum. Prov. for Deprec. of Util. Plant Leased to Others | | | | | |
| 110 | | | Accum. Plant for Deprec. of Prop. Held for Future Use | | | | | |
| 111 | | | Accum. Prov. for Amort. of Util. Plant in Service | | | | | |
| 112 | | | Accum. Prov. for Amort. of Util. Plant Leased to Others | | | | | |
| 113 | | | Accum. Prov. for Amort. of Prop. Held for Future Use | | | | | |
| 115 | | | Accum. Prov. for Amort. of Util. Plant Acquis. Adjmts. | | | | | |
| | | | TOTAL SEWAGE DISPOSAL (109-115) | | | | | |
| | | | TOTAL WATERWORKS & SEWAGE DISPOSAL (351-115) | | | | | |

Note:

Columns (b) & (d) thru (j): from Accounting Record

Listed below are specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation:

- 1 List the current accrual rates being used to calculate depreciation expense in Column C.
- 2 Identify the source of these accrual rates (PUCO Case No. _____). (If Accrual Rate changes during the year should be identified with effective date of the change)
- 3 Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

Annual Report of Consumers Ohio Water Company Year ended December 31, 1998

Schedule: 10

OTHER CURRENT AND ACCRUED ASSETS ACCOUNT 174 (170)

| Description | Beginning Balance | Debits | Credits | Ending Balance |
|----------------------------|--------------------|--------------------|--------------------|--------------------|
| (a) | (b) | (c) | (d) | (e)=(b)+(c)-(d) |
| Property Tax FIT Deduction | 4,200,000 | 4,200,000 | 4,200,000 | 4,200,000 |
| | | | | 0 |
| TOTALS | \$4,200,000 | \$4,200,000 | \$4,200,000 | \$4,200,000 |

Schedule: 11

EXTRAORDINARY PROPERTY LOSSES ACCOUNT 182

| Description | Beginning Balance | Debits | Credits | Ending Balance |
|--|-------------------|----------|----------|-----------------|
| (a) | (b) | (c) | (d) | (e)=(b)+(c)-(d) |
| NONE | | | | |
| TOTAL EXTRAORDINARY PROPERTY LOSSES | 0 | 0 | 0 | 0 |

Annual Report of Consumers Ohio Water Company Year ended December 31, 1998

Schedule: 12

MISCELLANEOUS DEFERRED DEBITS - ACCOUNT 186 (183)

| Description | Beginning Balance | Debits | Credits | Ending Balance |
|------------------------------------|-------------------|------------------|------------------|--------------------|
| (a) | (b) | (c) | (d) | (e)=(b)+(c)-(d) |
| Retirements Work in Progress | (1,236) | 6,582 | 0 | 5,346 |
| Deferred Tank Painting | 261,152 | 131,431 | 0 | 392,583 |
| Accrued Payroll | 20,324 | 0 | 10,540 | 9,784 |
| Rate Case Costs | 62,547 | | 32,634 | 29,913 |
| Lake Erie Plant Cleaning | (31,510) | 31,510 | 0 | 0 |
| Def. Tax Assets-Timing Differences | 564,500 | | 90,924 | 473,576 |
| Def. Post-Retirement Benefits | 31,925 | | 8,001 | 23,924 |
| Def. Depreciation Study | 14,481 | 0 | 8,689 | 5,792 |
| Def. License to Operate | 55,626 | 345 | 0 | 55,971 |
| Other | (4,795) | 74,263 | 1,149 | 68,319 |
| TOTALS | \$973,014 | \$244,131 | \$151,937 | \$1,065,208 |

Schedule: 13

MISCELLANEOUS DEFERRED DEBITS - ACCOUNT 187 (CLASS A & B ONLY)

| Description | Beginning Balance | Debits | Credits | Ending Balance |
|--|-------------------|----------|----------|-----------------|
| (a) | (b) | (c) | (d) | (e)=(b)+(c)-(d) |
| NONE | | | | |
| TOTAL MISCELLANEOUS DEFERRED DEBITS | 0 | 0 | 0 | 0 |

SCHEDULE: 14

| CAPITAL STOCK ACCOUNTS 201 & 204 (in dollars) | | | | | | |
|--|---|-----------------------------|---|--|---|---------------------------------------|
| Class and Description of Capital Stock (a) | Par or Stated Value Per Share (b) | Shares Authorized (c) | Shares Issued and Outstanding (d) | Total Par Value of Stock Issues (e)=(b)x(d) | Dividends Declared Per Share For Year (f) | Total Dividends Declared (g) |
| <u>COMMON:</u> | 10.00 | 300,000 | 259,800 | 2,598,000 | 9.62 | 2,500,000 |
| <u>PREFERRED:</u> | | | | | | |
| TOTALS | | | | \$ | \$ | \$ |

Schedule 15

LONG-TERM DEBT ACCOUNTS 221, 222, 223, & 224

| Description of Obligation (a) | Nominal | Date of Maturity (c) | Face Amount Outstanding (d) | Unamortized | Stated Rate (f) | Yield Rate (g) | Short-Term Portion (h) |
|----------------------------------|----------------------|-------------------------|-----------------------------------|-------------------------------|-----------------------|----------------------|------------------------------|
| | Date of Issue (b) | | | Premium or Discount (e) | | | |
| First Mortgage Bonds | 7/01/86 | 7/15/06 | 3,120,000 | 22,230 | 9.50 | 9.50 | 240,000 |
| First Mortgage Bonds | 4/01/88 | 4/01/13 | 9,000,000 | 57,517 | 9.50 | 9.50 | |
| First Mortgage Bonds | 7/15/90 | 7/15/20 | 8,000,000 | 86,667 | 9.80 | 9.80 | |
| Ohio Water Develop. Auth. | 9/01/92 | 9/01/22 | 5,880,000 | 565,892 | 6.10 | 6.10 | |
| Ohio Water Develop. Auth. | 9/01/92 | 9/01/22 | 5,530,000 | 346,123 | 6.20 | 6.20 | |
| Ohio Water Develop. Auth. | 10/01/96 | 10/01/26 | 10,345,000 | 608,327 | 5.6 | 5.6 | |

Schedule: 18

**ACCUMULATED DEFERRED INCOME TAXES -
LIBERALIZED DEPRECIATION - ACCOUNT 282**

| Description (a) | Beginning Balance (b) | Credits (c) | Debits (d) | Ending Balance (e)=(b)+(c)-(d) |
|--|-----------------------------|------------------|---------------|--------------------------------------|
| Deferred FIT Depreciation | 7,659,037 | 343,469 | | 8,002,506 |
| | | | | 0 |
| TOTAL ACCUM. DEF. INCOME TAXES - LIBERALIZED DEPRECIATION - ACCT. 282 | \$7,659,037 | \$343,469 | \$0 | \$8,002,506 |

Schedule: 19

ACCUMULATED DEFERRED INCOME TAXES - OTHER - ACCOUNT 283

| Description (a) | Beginning Balance (b) | Credits (c) | Debits (d) | Ending Balance (e)=(b)+(c)-(d) |
|---|-----------------------------|------------------|------------------|--------------------------------------|
| Maintenance | 88,791 | 44,687 | 0 | 133,478 |
| Mercury Clean-up | (11,393) | 10,694 | 0 | (699) |
| Excise Tax | 161,221 | 6,617 | | 167,838 |
| Bad Debts | (54,406) | | 6,429 | (60,835) |
| Pension | (190,808) | 5,736 | 0 | (185,072) |
| Post-Retirement | (202,351) | 0 | 2,720 | (205,071) |
| Rate Cases | 21,266 | | 11,119 | 10,147 |
| Deferred Compensation | (8,339) | 3,082 | | (5,257) |
| Advances | (531,118) | 96,688 | | (434,430) |
| Related Facilities | (95,317) | 23,699 | | (71,618) |
| Contributions | (3,468,769) | 276,458 | 0 | (3,192,311) |
| Finance Costs | 37,675 | 0 | 1,507 | 36,168 |
| Non-Refundable Related Facilities | (726,476) | 56,883 | 0 | (669,593) |
| Marysville Sale | 1,631,583 | | 36,080 | 1,595,503 |
| Washington C.H. Sale | 1,642,632 | | 123,010 | 1,519,622 |
| Minimum Tax | (568,183) | 73,000 | 11,536 | (506,719) |
| Assets-Timing Difference | 564,500 | | 90,924 | 473,576 |
| Assets-Rate Exchange | (923,328) | 333,030 | 0 | (590,298) |
| Liability - Unamortized ITC | (562,237) | 30,894 | | (531,343) |
| Perry Village Sale | 49,607 | | 1,003 | 48,604 |
| TOTAL ACCUMULATED DEF. TAXES - OTHER - ACCT. 283 | (\$3,145,449) | \$961,468 | \$284,328 | (\$2,468,309) |

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Schedule: 20

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES ACCOUNT 242 (238)

| Description of Assets (a) | Beginning | Credits | Debits | Balance |
|-------------------------------|------------------|----------------|----------------|------------------|
| | Balance | | | End of Year |
| | | | | (b) |
| Accrued Workers` Compensation | 86,656 | 0 | 22,858 | 63,798 |
| Accrued Audit Expense | 42,000 | 38,400 | 0 | 80,400 |
| Accrued Savings Plan | 100,778 | 48,262 | 0 | 149,040 |
| Accrued Labor | 167,225 | 0 | 81,625 | 85,600 |
| Accrued Power Purchased | 88,200 | | 0 | 88,200 |
| Accrued Sludge Hauling | 235,493 | 141,243 | 0 | 376,736 |
| Accrued Pension | 338,743 | 282,508 | 0 | 621,251 |
| Accrued Pension | 299,379 | 0 | 299,379 | 0 |
| 401k Withholding | 56,442 | 0 | 43,269 | 13,173 |
| Def Post Retirement Benefits | 627,073 | 0 | 0 | 627,073 |
| Liability - Unamortized ITC | 562,237 | (562,237) | 0 | 0 |
| Liability - Regulatory | 923,328 | 562,237 | 363,474 | 1,122,091 |
| Accrued Incentive Comp. Bonus | 240,920 | 67,625 | 0 | 308,545 |
| Accrued Legal Expenses | 20,134 | 0 | 9,134 | 11,000 |
| Accrue Stark Commons-Refund | | 86,818 | | 86,818 |
| Other | 61,978 | 0 | 55,940 | 6,038 |
| | | | | |
| | | | | |
| | | | | |
| TOTALS | 3,850,587 | 664,856 | 875,679 | 3,639,763 |

| Schedule: 21 | | | |
|---------------------------------|---|--|-------------------|
| Acct. No. | Account Title | | Amount |
| SALES OF WATER | | | |
| 460 | Unmetered Sales to General Customers | | 0 |
| 461 | Metered Sales to General Customers | | 30,452,894 |
| 462 | Private Fire Protection Service | | 936,836 |
| 463 | Public Fire Protection Service | | 0 |
| 464 | Other Sales to Public Authorities | | 0 |
| 465 | Sales to Irrigation Customers | | 0 |
| 466 | Sales for Resale | | 493,385 |
| 467 | Interdepartmental Sales | | 0 |
| | TOTAL SALES OF WATER (460-467) | | 31,883,115 |
| OTHER OPERATING REVENUES | | | |
| 470 | Forfeited Discounts | | 369,002 |
| 471 | Miscellaneous Service Revenue | | 50,044 |
| 472 | Rents From Water Property | | 0 |
| 473 | Interdepartmental Rents | | 0 |
| 474 | Other Water Revenues | | 52,168 |
| | TOTAL OTHER OPERATING REVENUES (470-474) | | 471,214 |
| | TOTAL WATERWORKS OPERATING REVENUES (460-474) | | 32,354,329 |
| SEWAGE DISPOSAL REVENUES | | | |
| 521 | Flat Rate Revenues-General Customers | | |
| 522 | Measured Revenues-General Customers | | |
| 523 | Revenues from Public Authorities | | |
| 524 | Revenues from Other Systems | | |
| 525 | Interdepartmental Revenues | | |
| 526 | Miscellaneous Sewerage Revenues | | |
| | TOTAL SEWAGE DISPOSAL REVENUES (521-526) | | 0 |
| OTHER OPERATING REVENUES | | | |
| 531 | Sale of Sludge | | |
| 532 | Customers' Forfeited Discounts | | |
| 533 | Servicings of Customers Laterals | | |
| 534 | Rents from Sewer Properties | | |
| 535 | Interdepartmental Rents | | |
| 536 | Miscellaneous Operating Revenues | | |
| | TOTAL OTHER OPERATING REVENUES (531-536) | | 0 |
| | TOTAL SEWAGE DISPOSAL OPERATING REVENUES (521-536) | | 0 |
| | TOTAL OPERATING REVENUES (460-536) | | 32,354,329 |

Schedule: 22A

OPERATING EXPENSE ACCOUNTS (CLASS A & B) PAGE 1 of 4

| Acct. No. | Account Title | Amount |
|---------------------------------|---|------------------|
| WATERWORKS | | |
| SOURCE OF SUPPLY EXPENSE | | |
| 600 | Operation Supervision and Engineering | 0 |
| 601 | Operation Labor and Expenses | 16,569 |
| 602 | Purchased Water | 756,952 |
| 603 | Miscellaneous Expenses | 16,883 |
| 604 | Rents | 2,812 |
| 610 | Maintenance Supervision and Engineering | 1,243 |
| 611 | Maintenance of Structures and Improvements | 38 |
| 612 | Maintenance of Collecting and Impounding Reservoirs | 1,033 |
| 613 | Maintenance of Lake, River, and Other Intakes | 815 |
| 614 | Maintenance of Wells and Springs | 64,358 |
| 615 | Maintenance of Infiltration Galleries and Tunnels | 0 |
| 616 | Maintenance of Supply Mains | 0 |
| 617 | Maintenance of Miscellaneous Water Source Plant | 0 |
| | TOTAL SOURCE OF SUPPLY EXPENSE (600-617) | 860,703 |
| PUMPING EXPENSE | | |
| 620 | Operation Supervision and Engineering | 169 |
| 621 | Fuel for Power Production | 0 |
| 622 | Power Production Labor and Expense | 0 |
| 623 | Fuel or Power Purchased for Pumping | 1,526,616 |
| 624 | Pumping Labor and Expense | 174,966 |
| 625 | Expenses Transferred-Cr. | 0 |
| 626 | Miscellaneous Expenses | 0 |
| 627 | Rents | 0 |
| 630 | Maintenance Supervision and Engineering | 0 |
| 631 | Maintenance of Structures and Improvements | 9,333 |
| 632 | Maintenance of Power Production Equipment | 0 |
| 633 | Maintenance of Pumping Equipment | 57,747 |
| | TOTAL PUMPING EXPENSE (620-633) | 1,768,831 |
| WATER TREATMENT EXPENSES | | |
| 640 | Operation Supervision and Engineering | 149,656 |
| 641 | Chemicals | 731,353 |
| 642 | Operation Labor and Expense | 836,961 |
| 643 | Miscellaneous Expense | 183,172 |
| 644 | Rents | 0 |
| 650 | Maintenance of Supervision and Engineering | 25,011 |
| 651 | Maintenance of Structures and Improvements | 79,901 |
| 652 | Maintenance of Water Treatment Equipment | 278,565 |
| | TOTAL WATER TREATMENT EXPENSE (640-652) | 2,284,619 |
| Page 39 | | |

Schedule: 22A

OPERATING EXPENSE ACCOUNTS (CLASS A & B) PAGE 2 of 4

| Acct. No. | Account Title | Amount |
|---|---|------------------|
| TRANSMISSION AND DISTRIBUTION EXPENSES | | |
| 660 | Operation Supervision and Engineering | 139,470 |
| 661 | Storage Facilities Expense | 58,239 |
| 662 | Transmission and Distribution Lines Expenses | 93,072 |
| 663 | Meter Expenses | 197,641 |
| 664 | Customer Installation Expenses | 110,784 |
| 665 | Miscellaneous Expenses | 669,755 |
| 666 | Rents | 101,812 |
| 670 | Maintenance Supervision and Engineering | 79,908 |
| 671 | Maintenance of Structures and Improvements | 10,633 |
| 672 | Maintenance of Distribution Reservoirs and Standpipes | 153,177 |
| 673 | Maintenance of Transmission and Distribution Mains | 570,233 |
| 674 | Maintenance of Fire Mains | 0 |
| 675 | Maintenance of Services | 150,802 |
| 676 | Maintenance of Meters | 20,694 |
| 677 | Maintenance of Hydrants | 80,191 |
| 678 | Maintenance of Miscellaneous Plant | 11,839 |
| TOTAL TRANSMISSION AND DISTRIBUTION EXPENSES (660-678) | | 2,448,250 |
| CUSTOMER ACCOUNTS EXPENSES | | |
| 901 | Supervision | 140,826 |
| 902 | Meter Reading Expenses | 333,103 |
| 903 | Customer Records and Collection Expenses | 1,028,710 |
| 904 | Uncollectible Accounts | 95,775 |
| 905 | Miscellaneous Customer Accounts Expense | 6,912 |
| TOTAL CUSTOMER ACCOUNTS EXPENSES (901-905) | | 1,605,326 |
| CUSTOMER SERVICE EXPENSES | | |
| 907 | Customer Service and Information Expenses | 0 |
| TOTAL CUSTOMER SERVICE EXPENSES (907) | | 0 |
| SALES PROMOTION EXPENSES | | |
| 910 | Sales Promotion Expenses | 0 |
| TOTAL SALES PROMOTION EXPENSES (910) | | 0 |
| ADMINISTRATION AND GENERAL EXPENSES | | |
| 920 | Administrative and General Salaries | 1,714,431 |
| 921 | Office Supplies and Other Expenses | 580,994 |
| 922 | Administrative Expenses Transferred-Cr. | (361,723) |
| 923 | Outside Services Employed | 1,960,315 |
| 924 | Property Insurances | 37,536 |
| 925 | Injuries and Damages | 209,091 |
| 926 | Employee Pensions and Benefits | 830,391 |
| 927 | Franchise Requirements | 0 |
| 928 | Regulatory Commission Expenses | 32,703 |
| Page 40 | | |

Schedule: 22A

OPERATING EXPENSE ACCOUNTS (CLASS A & B) PAGE 3 of 4

| Acct. No. | Account Title | Amount |
|-----------|--|-------------------|
| 929 | Duplicate Charges-Cr. | (288,362) |
| 930.1 | Institutional or Goodwill Advertising Expenses | 11,971 |
| 930.2 | Miscellaneous General Expenses | 116,419 |
| 930.3 | Research and Development Expenses | 0 |
| 931 | Rents | 118,487 |
| 932 | Maintenance of General Plant | 0 |
| | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES (920-932) | 4,962,253 |
| | TOTAL WATERWORKS EXPENSES (600-932) | 13,929,982 |
| | SEWER DISPOSAL | |
| | Collection Expenses | |
| 700 | Collection Supervision and Engineering | |
| 701 | Collection Labor and Expenses | |
| 702 | Services to Customers | |
| 703 | Flow Measuring Device Expenses | |
| 704 | Miscellaneous Expenses | |
| 705 | Rents | |
| 710 | Collection Maintenance Supervision and Engineering | |
| 711 | Maintenance of Collection Structures and Improvements | |
| 712 | Maintenance of Collection Sewers | |
| 713 | Maintenance of Services to Customers | |
| 714 | Maintenance of Flow Measuring Devices | |
| 715 | Maintenance of Flow Measuring Device Installation | |
| 716 | Maintenance of Other Collection Facilities | |
| | TOTAL COLLECTION EXPENSES (700-716) | 0 |
| | PUMPING EXPENSES | |
| 720 | Pumping Supervision and Engineering | |
| 721 | Fuel and Power Purchased for Pumping | |
| 722 | Pumping Labor and Expenses | |
| 723 | Expenses Transferred-Cr. | |
| 724 | Miscellaneous Expenses | |
| 725 | Rents | |
| 730 | Pumping Maintenance Supervision and Engineering | |
| 731 | Maintenance of Pumping Structures and Improvements | |
| 732 | Maintenance of Pumping Equipment | |
| | TOTAL PUMPING EXPENSES (720-732) | 0 |
| | TREATMENT AND DISPOSAL EXPENSES | |
| 740 | Treatment Supervision and Engineering | |
| 741 | Chemicals | |
| 742 | Treatment Labor and Expenses | |
| 743 | Fuel and Power for Sewage Treatment and Pumping | |
| 744 | Miscellaneous Expenses | |
| 745 | Rents | |
| 750 | T & D Maintenance Supervision and Engineering | |

Schedule: 22A

OPERATING EXPENSE ACCOUNTS (CLASS A & B) PAGE 4 of 4

| Acct. No. | Account Title | Amount |
|--|---|-------------------|
| 751 | Maintenance of T & D Structures and Improvements | |
| 752 | Maintenance of Treatment and Disposal Plant | |
| 753 | Maintenance of Other Treatment and Disposal | |
| | TOTAL TREATMENT AND DISPOSAL EXPENSES (740-753) | 0 |
| CUSTOMER ACCOUNTS EXPENSES | | |
| 901 | Supervision | |
| 902 | Meter Reading Expenses and Flat Rate Inspections | |
| 903 | Customer Records and Collection Expenses | |
| 904 | Uncollectible Accounts | |
| 905 | Miscellaneous Customer Accounts Expense | |
| | TOTAL CUSTOMER ACCOUNTS EXPENSES (901-905) | 0 |
| CUSTOMER SERVICE EXPENSES | | |
| 907 | Customer Service and Information Expenses | |
| | TOTAL CUSTOMER SERVICE EXPENSES (907) | 0 |
| SALES PROMOTION EXPENSES | | |
| 910 | Sales Promotion Expenses | |
| 914 | Revenue from Merchandising, Jobbing, and Contract Work | |
| 915 | Costs and Expenses of Merchandising, Jobbing, and Contract Work | |
| | TOTAL SALES PROMOTION EXPENSES (910-915) | 0 |
| ADMINISTRATIVE AND GENERAL EXPENSES | | |
| 920 | Administrative and General Salaries | |
| 921 | Office Supplies and Other Expenses | |
| 922 | Administrative Taxes Transferred-Cr. | |
| 923 | Outside Services Employed | |
| 924 | Property Insurance | |
| 925 | Injuries and Damages | |
| 926 | Employee Pension and Benefits | |
| 927 | Franchise Requirements | |
| 928 | Regulatory Commission Expenses | |
| 929 | Duplicate Charges-Cr. | |
| 930-1 | Institutional or Goodwill Advertising Expense | |
| 930.2 | Miscellaneous General Expenses | |
| 930.3 | Research and Development Expenses | |
| 931 | Rents | |
| | Maintenance | |
| 932 | Maintenance of General Plant | |
| | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES (920-932) | 0 |
| | TOTAL SEWAGE DISPOSAL (700-932) | 0 |
| | TOTAL OPERATION AND MAINTENANCE EXPENSE (660-932) | 13,929,982 |

SCHEDULE: 22B

| 1. Class A & B waterworks and sewage disposal companies should use Schedule 22A, Class C companies should use Schedule 22B, and Class D companies should use Schedule 22C. | | |
|--|---|------------------------|
| OPERATING EXPENSE ACCOUNTS (CLASS C) Page 1 of 3 | | |
| Account No. | Account Title | Amount (in dollars) |
| <u>WATERWORKS</u> | | |
| <u>SOURCE OF SUPPLY EXPENSE:</u> | | |
| 600 | Operation Labor | |
| 601 | Purchased Water | |
| 602 | Operation Supplies & Expenses | |
| 605 | Maintenance of Water Source Plant | |
| | TOTAL SOURCE OF SUPPLY EXPENSE (600-605) | |
| <u>PUMPING EXPENSE:</u> | | |
| 620 | Operation Labor | |
| 621 | Fuel for Power Production | |
| 622 | Fuel or Power Purchased for Pumping | |
| 623 | Operation Supplies & Expenses | |
| 625 | Maintenance of Pumping Plant | |
| | TOTAL PUMPING EXPENSE (620-625) | |
| <u>WATER TREATMENT EXPENSES:</u> | | |
| 630 | Operation Labor | |
| 631 | Chemicals | |
| 632 | Operation Supplies & Expense | |
| 635 | Maintenance of Water Treatment Plant | |
| | TOTAL WATER TREATMENT EXPENSE (630-635) | |
| <u>TRANSMISSION AND DISTRIBUTION EXPENSES:</u> | | |
| 640 | Operation Labor | |
| 641 | Operation Supplies & Expenses | |
| 650 | Maintenance of Distribution Reservoirs and Standpipes | |
| 651 | Maintenance of Mains | |
| 652 | Maintenance of Services | - |
| 653 | Maintenance of Meters | |
| 654 | Maintenance of Hydrants | |
| 655 | Maintenance of Other Plant | |
| | TOTAL TRANSMISSION AND DISTRIBUTION EXPENSES (640-655) | |
| <u>CUSTOMER ACCOUNTS EXPENSES:</u> | | |
| 901 | Meter Reading Expenses | |
| 902 | Accounting and Collecting Labor | |
| 903 | Supplies & Expenses Expense | |
| 904 | Uncollectible Accounts | |
| | TOTAL CUSTOMER ACCOUNTS EXPENSES (901-904) | |

SCHEDULE: 22B

| OPERATING EXPENSE ACCOUNTS | | |
|-----------------------------------|--|---------------------|
| (CLASS C) Page 2 of 3 | | |
| Account No. | Account Title | Amount (in dollars) |
| | <u>CUSTOMER SERVICE EXPENSES:</u> | |
| 907 | Customer Service and Information Expenses | |
| | TOTAL CUSTOMER SERVICE EXPENSE (907) | |
| | <u>SALES PROMOTION EXPENSES:</u> | |
| 910 | Sales Promotion Expenses | |
| | TOTAL SALES PROMOTION EXPENSES (910) | |
| | <u>ADMINISTRATIVE AND GENERAL EXPENSES:</u> | |
| 920 | Administrative and General Salaries | |
| 921 | Office Supplies and Other Expenses | |
| 922 | Administrative Expenses Transferred-Cr. | |
| 923 | Outside Services Employed | |
| 924 | Property Insurance | |
| 925 | Injuries and Damages | |
| 926 | Employee Pensions and Benefits | |
| 927 | Franchise Requirements | |
| 928 | Regulatory Commission Expenses | |
| 929 | Duplicate Charges-Cr. | |
| 930.1 | Institutional or Goodwill Advertising Expenses | |
| 930.2 | Miscellaneous General Expenses | |
| 930.3 | Research and Development Expenses | |
| 933 | Transportation Expenses | |
| 935 | Maintenance of General Plant | |
| | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES (920-935) | |
| | TOTAL WATERWORKS EXPENSES (600-935) | |
| | <u>SEWAGE DISPOSAL OPERATIONS EXPENSES:</u> | |
| 700 | Supervision and Engineering | |
| 701 | Labor and Expenses | |
| 702 | Rents | |
| 703 | Fuel & Power Purch. for Pumping & Treatment | |
| 704 | Chemicals | |
| 705 | Misc. Supplies & Expenses | |
| | TOTAL OPERATIONS EXPENSES (700-705) | |
| | <u>MAINTENANCE EXPENSES:</u> | |
| 710 | Maintenance Supervision and Engineering | |
| 711 | Maintenance of Structures and Improvements | |
| 712 | Maintenance of Collection Sewers System | |
| 713 | Maintenance of Pumping System | |
| 714 | Maintenance of Treatment and Disposal Plant | |
| 715 | Maintenance of Other Plant Facilities | |
| | TOTAL MAINTENANCE EXPENSES (710-715) | |

SCHEDULE: 22B

| OPERATING EXPENSE ACCOUNTS (CLASS C) Page 3 of 3 | | |
|---|--|------------------------|
| Account No. | Account Title | Amount (in dollars) |
| <u>CUSTOMER ACCOUNTS EXPENSES:</u> | | |
| 901 | Supervision | |
| 902 | Meter Reading Expenses and Flat Rate Inspections | |
| 903 | Customer Records and Collection Expenses | |
| 904 | Uncollectible Accounts | |
| 905 | Miscellaneous Customer Accounts Expense | |
| | TOTAL CUSTOMER ACCOUNTS EXPENSES (901-905) | |
| <u>CUSTOMER SERVICE EXPENSES:</u> | | |
| 907 | Customer Service and Information Expenses | |
| | TOTAL CUSTOMER SERVICE EXPENSES (907) | |
| <u>SALES PROMOTION EXPENSES:</u> | | |
| 910 | Sales Promotion Expenses | |
| 914 | Revenues from Merchandising, Jobbing and Contract Work | |
| 915 | Costs and Expenses of Merchandising, Jobbing and Contract Work | |
| | TOTAL SALES PROMOTION EXPENSES (910-915) | |
| <u>ADMINISTRATIVE AND GENERAL EXPENSES:</u> | | |
| 920 | Administrative and General Salaries | |
| 921 | Office Supplies and Other Expenses | |
| 923 | Outside Services Employed | |
| 924 | Insurance Expense | |
| 926 | Employee Pension and Benefits | |
| 928 | Regulatory Commission Expenses | |
| 930 | Miscellaneous General Expenses | |
| 931 | Rents | |
| 932 | Maintenance of General Plant | |
| | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES (920-932) | |
| | TOTAL SEWAGE DISPOSAL (700-932) | -- |
| | TOTAL OPERATION AND MAINTENANCE EXPENSE (600-932) | |

SCHEDULE: 22C

1. Class A & B waterworks and sewage disposal companies should use Schedule 22A, Class C companies should use Schedule 22B, and Class D companies should use Schedule 22C.

**OPERATING EXPENSE ACCOUNTS
(CLASS D) Page 1 of 2**

| Account No. | Account Title | Amount (in dollars) |
|-------------|---|------------------------|
| | WATERWORKS | |
| | PLANT OPERATION & MAINTENANCE: | |
| 600 | Salaries & Wages | |
| 610 | Purchased Water | |
| 620 | Fuel or Power Purch. for Pumping | |
| 630 | Chemicals | |
| 640 | Supplies & Expenses | |
| 650 | Repairs of Water Plant | |
| 660 | Transportation Expenses | |
| | TOTAL PLANT OPER. & MAINT. (600-660) | |
| | | |
| | GENERAL EXPENSES: | |
| 680 | Administrative and General Salaries | |
| 681 | Office Supplies and Other Expenses | |
| 682 | Outside Services Employed | |
| 684 | Insurance Expense | |
| 686 | Employee Pensions and Benefits | |
| 688 | Regulatory Commission Expenses | |
| 689 | Miscellaneous General Expenses | |
| 690 | Uncollectible Accounts | |
| | TOTAL GENERAL EXPENSES (680-690) | |
| | TOTAL WATERWORKS EXPENSES (600-690) | |
| | | |
| | SEWAGE DISPOSAL OPERATIONS EXPENSES: | |
| 700 | Supervision and Engineering | |
| 701 | Labor and Expenses | |
| 702 | Rents | |
| 703 | Fuel & Power Purch. for Pumping & Treatment | - |
| 704 | Chemicals | |
| 705 | Misc. Supplies & Expenses | |
| | TOTAL OPERATIONS EXPENSES (700-705) | |
| | | |
| | MAINTENANCE EXPENSES: | |
| 710 | Maintenance Supervision and Engineering | |
| 711 | Maintenance of Structures and Improvements | |
| 712 | Maintenance of Collection Sewers System | |
| 713 | Maintenance of Pumping System | |
| 714 | Maintenance of Treatment and Disposal Plant | |
| 715 | Maintenance of Other Plant Facilities | |
| | TOTAL MAINTENANCE EXPENSES (710-715) | |

SCHEDULE: 22C

| OPERATING EXPENSE ACCOUNTS (CLASS D) Page 2 of 2 | | |
|---|--|---------------------|
| Account No. | Account Title | Amount (in dollars) |
| CUSTOMER ACCOUNTS EXPENSES: | | |
| 901 | Supervision | |
| 902 | Meter Reading Expenses and Flat Rate Inspections | |
| 903 | Customer Records and Collection Expenses | |
| 904 | Uncollectible Accounts | |
| 905 | Miscellaneous Customer Accounts Expense | |
| | TOTAL CUSTOMER ACCOUNTS EXPENSES (901-905) | |
| CUSTOMER SERVICE EXPENSES: | | |
| 907 | Customer Service and Information Expenses | |
| | TOTAL CUSTOMER SERVICE EXPENSES (907) | |
| SALES PROMOTION EXPENSES | | |
| 910 | Sales Promotion Expenses | |
| 914 | Revenues from Merchandising, Jobbing and Contract Work | |
| 915 | Costs and Expenses of Merchandising, Jobbing and Contract Work | |
| | TOTAL SALES PROMOTION EXPENSES (910-915) | |
| ADMINISTRATIVE AND GENERAL EXPENSES: | | |
| 920 | Administrative and General Salaries | |
| 921 | Office Supplies and Other Expenses | |
| 923 | Outside Services Employed | |
| 924 | Insurance Expense | |
| 926 | Employee Pension and Benefits | |
| 928 | Regulatory Commission Expenses | |
| 930 | Miscellaneous General Expenses | |
| 931 | Rents | |
| 932 | Maintenance of General Plant | |
| | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES (920-932) | |
| | TOTAL SEWAGE DISPOSAL (700-932) | |
| | TOTAL OPERATION AND MAINTENANCE EXPENSE (600-932) | - |

Schedule: 25

GENERAL INFORMATION - WATERWORKS

1. Number of reservoirs - Seven
 - a. State whether natural or artificial - Artificial
 - b. Kind of reservoir (Earthen or masonry) - 5 Masonry and 2 Earthen
 - c. Capacity of each reservoir - See Schedules 25-1 thru 25-5
 - d. Are reservoirs covered or open? - 5 open and 2 Covered
 - e. Distance of each reservoir from pumping station - See Schedules 25-1 thru 25-5
 - f. Elevation of each reservoir above pumping station - See Schedules 25-1 thru 25-5
2. Number of Standpipes - 20 Standpipes and 8 Elevated Tanks
3. Method of purification - See Schedules 25-1 thru 25-5
4. State type of power used for pumping, whether steam, hydraulic, electric, or gas? - Electric
5. Number of gallons of water pumped during the year - 8,741,009,000
6. Quantities of Water - In Million of Gallons
 - a. Produced and/or purchased - 8,741.009
 - b. Delivered to the customer - 7,626.799
 - c. Lost or unaccounted for - 1,114.210
7. State source of water supply, whether rivers, lakes, springs, or wells - Lakes and wells
8. Of the Ohio customers, the number that are:
 - a. Year-round customers - 76,931
 - b. Seasonal/Summer customers - 0
 - c. Available-for-Use-Customers - 0
9. Total number of customers as of close of business in December:
 - a. Ohio - 76,931
 - b. Entire Company - 76,931
10. AFUDC rate(s) used during year - Various
11. Calculation of AFUDC rate(s) used: - 90 day Libor rate plus .8%

GENERAL INFORMATION - WATER WORKS

Schedule 25-1

LAKE SHORE/ASHTABULA DIVISION

1. None
2. Standpipes - Two
 - A. 1@ 1,000,000 Gallons
 - B. 1@ 1,500,000 Gallons

Elevated Tanks - Three

 - A. 1@ 300,000 Gallons
 - B. 1@ 250,000 Gallons
 - C. 1@ 150,000 Gallons
3. Water purchased from Ohio-American Water Company
4. Electric
5. 749,358,000
6.
 - A. 749.358
 - B. 608.088
 - C. 141.270
7. Ohio-American Water Company
8.
 - A. 7,859
9.
 - A. 7,859

GENERAL INFORMATION - WATER WORKS

Schedule 25-2

LAKE SHORE/LAKE DIVISION

1. One
 - A. Artificial
 - B. Masonary
 - C. 100,000 Gallons
 - D. Covered
 - E. 8,932 Feet
 - F. 252 Feet
2. Standpipes - Eight
 - A. 1@ 5,000,000 Gallons
 - B. 1@ 700,000 Gallons
 - C. 3@ 1,000,000 Gallons
 - D. 3@ 750,000 Gallons
3. Coagulation, sedimentation, filtration, and chlorination
4. Electric with natural gas powered standby electric for limited 110v only
5. 3,314,951,000
6.
 - A. 3,314.951
 - B. 2,932.529
 - C. 382.422
7. Lake Erie
8. 27,294
9. 27,294

GENERAL INFORMATION - WATER WORKS

Schedule 25-3

MAHONING VALLEY DIVISION

1. Two
 - A. Two - Artificial
 - B. 1 Stone Masonary, 1 Earthen and Concrete
 - C. Lake Hamilton 740 MG
McKelvey Lake 1,100 MG
 - D. Open
 - E. One booster station in system; Poland Avenue, Youngstown, Ohio
 - F. Gravity
2. None
3. Untreated
4. Supply principlally by gravity. Electric pumping is used in booster stations
5. Not available
6.
 - A. Not available
 - B. Not available
 - C. Not available
7. Impounded surface water - Yellow Creek, Dry Run Creek, Bull Run
8. 10
9. 10

GENERAL INFORMATION - WATER WORKS

Schedule 25-4

STARK REGIONAL DIVISION

1. One
 - A. One artificial
 - B. One concrete
 - C. 1-1/2 million gallons
 - D. Covered
 - E. Two miles
 - F. 240 feet

2. Standpipes - Five
 - A. 3@ 1,000,000 Gallons
 - B. 1@ 2,000,000 Gallons
 - C. 1@ 1,500,000 Gallons

Elevated Tanks - Two

 - A. 2@ 500,000 Gallons

3. Lime for softening, together with coagulation, sedimentation, filtration and chlorination

4. Electric

5. 3,165,380,000

6.
 - A. 3,165.380
 - B. 2,837.112
 - C. 328.268

7. Wells

8. 25,633

9. 25,633

GENERAL INFORMATION - WATER WORKS

Schedule 25-5

STRUTHERS DIVISION

1. Three
 - A. Artificial
 - B. 1 Earthen dam with concrete wall and concrete spillway; 1 earth and concrete; and 1 earth and concrete
 - C. Pine Lake 741 MG
Lake Evans 2,770 MG
Burgess Lake 60 MG
 - D.. Open
 - E. Adjacent
 - F. 12 Feet
2. Standpipes - Five
 - A. 1@ 2,000,000 Gallons
 - B. 4@ 1,000,000 Gallons

Elevated Tanks - Three

 - A. 1@ 500,000 Gallons
 - B. 1@ 75,000 Gallons (wash water only)
 - C. 1@ 1,000,000 Gallons
3. Lime and soda ash for softening, together with coagulation, sedimentation, filtration and chlorination.
4. Electric with gasoline powered standby electric for listed 110V only
5. 1,511,320,000
6.
 - A. 1,511.320
 - B. 1,249.070
 - C. 262.250
7. From Lake Evans, Burgess Lake and Pine Lake
8. 16,135
9. 16,135

Schedule 26

STATEMENT OF INTRASTATE GROSS EARNINGS (REVENUE)

FOR OHIO AT CLOSE OF YEAR

("Intrastate means from one point in Ohio to another point in Ohio,
or wholly within Ohio".)

(For the uses and purposes designated in Revised Code Section 4905.10,
assessment for maintaining the Department of the Public Utilities
Commission of Ohio.)

| Acct. No. | Item | Total (1) | Amount | |
|-----------|---|-------------------|---|-----------------------------|
| | | | Interstate (Other Than Ohio) (2) | Ohio Intrastate (3) |
| 400 | Waterworks Operating Revenues | 32,354,329 | 0 | 32,354,329 |
| 521-526 | Sewage Disposal Operating Revenue | 0 | 0 | 0 |
| 413 | Revenue From Utility Plant Leased to Others | 0 | 0 | 0 |
| 414 | Gains form Disposition of Property | 0 | 0 | 0 |
| 415 | Revenues from Merch., Jobbing, & Contract Wo | 439,584 | 0 | 439,584 |
| 417 | Revenues from Nonutility Operations | 193,536 | 0 | 193,536 |
| 418 | Nonoperating Rental Income | 0 | 0 | 0 |
| 419 | Interest & Dividend Income | 93,078 | 0 | 93,078 |
| 421 | Misc. Nonoperating Income | 45,656 | 0 | 45,656 |
| 422 | Gain from Disposition of Nonutility Property | 0 | 0 | 0 |
| 433-409.3 | Extraordinary Income | 0 | 0 | 0 |
| | SUBTOTAL | 33,126,183 | 0 | 33,126,183 |
| 466 | Earnings or Receipts from Sales to Utilities for Resale. | 0 | 0 | 0 |
| | TOTAL | 33,126,183 | 0 | 33,126,183 |

SCHEDULE: 27

IN ORDER TO ENSURE THAT PUCO CORRESPONDENCE IS DIRECTED TO THE APPROPRIATE PERSON AT THE CORRECT ADDRESS, PLEASE COMPLETE THE FOLLOWING.

**Name, Title, Address, and Phone Number of the Company's Contact Persons
to Receive Entries and Orders from the Docketing Division**

| | |
|---|---|
| <u>Robert A. Kopas</u> Name | <u>Chief Financial Officer</u> Title |
| <u>6650 South Avenue, Boardman, Ohio 44512</u> Address | |
| <u>330/726-8151, Ext. 509</u> Phone Number (Including Area Code) | |

**Name, Title, Address, and Phone Number of Person to whom Invoice
should be Directed**

| | |
|---|---|
| <u>Robert A. Kopas</u> Name | <u>Chief Financial Officer</u> Title |
| <u>6650 South Avenue, Boardman, Ohio 44512</u> Address | |
| <u>330/726-8151, Ext. 509</u> Phone Number (Including Area Code) | |

Name and Address of the President

| | |
|---|------------------|
| <u>Walter J. Pishkur</u> Name | <u>President</u> |
| <u>6650 South Avenue, Boardman, Ohio 44512</u> Address | |

VERIFICATION

The foregoing report must be verified by the President or Chief Officer of the company. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

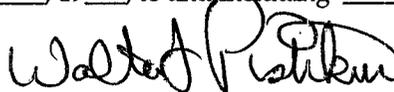
State of Ohio
County of Mahoning

Walter J. Pishkur makes oath and says that
(Insert here the name of the affiant.)

he/she is President
(Insert here the official title of deponent)

of Consumers Ohio Water Company
(Insert here the exact legal title or name of the respondent.)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from and including January 1, 1998, to and including December 31, 1998.



(Signature of affiant.)