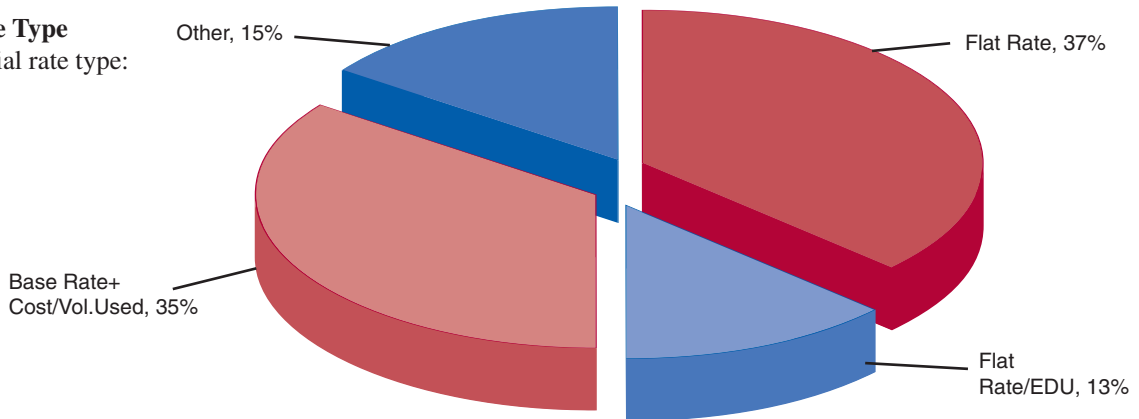


**ATTENTION: WATER AND WASTEWATER FACILITIES OWNERS AND MANAGERS**  
**Sewer and Water Rate Survey Results**

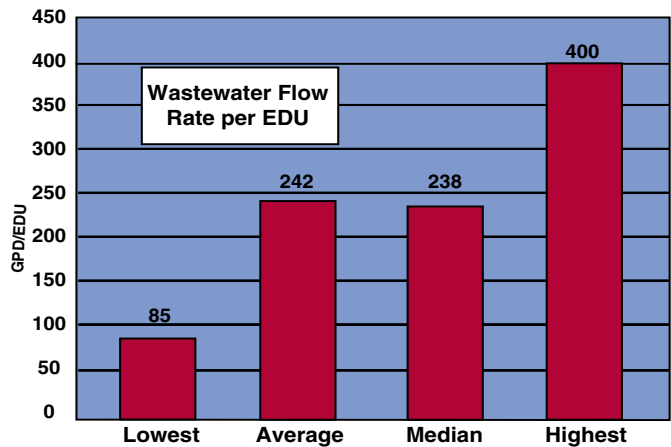
The following is a summary of the results of the sewer and water rate information collected by CET Engineering Services, Harrisburg, PA, in 2007. If you have any questions or comments about these survey results, please contact Ray Myers at 1-800-643-8260 or rmyers@cet-inc.com. It is anticipated that CET's next rate survey will be conducted in 2009.

**SEWER RATE SURVEY RESULTS – SUMMARY OF 67 SURVEY PARTICIPANTS**

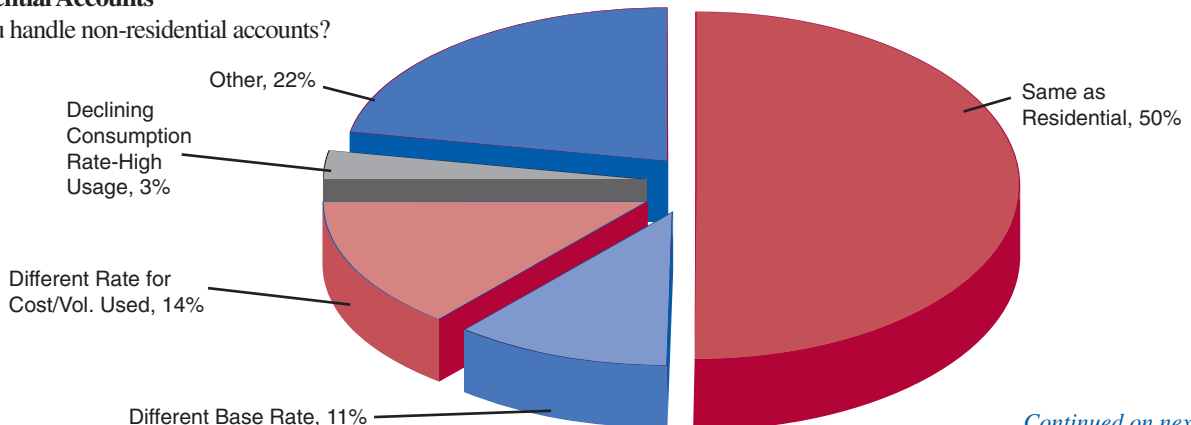
**Residential Rate Type**  
 Indicate residential rate type:



**EDU Definition**  
 If an EDU is used in the rate determination, how is it defined?



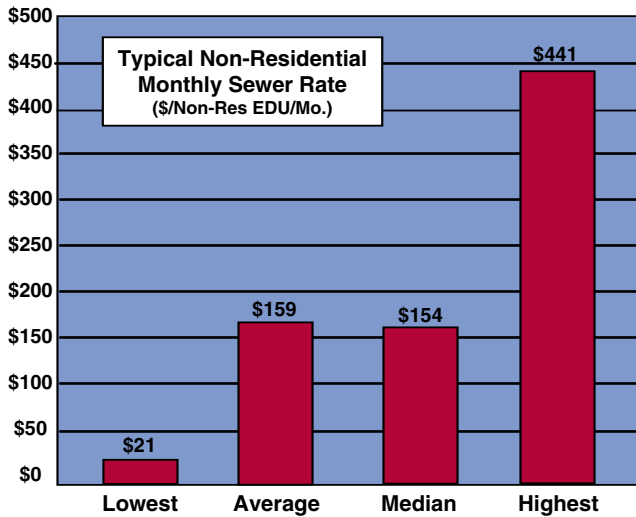
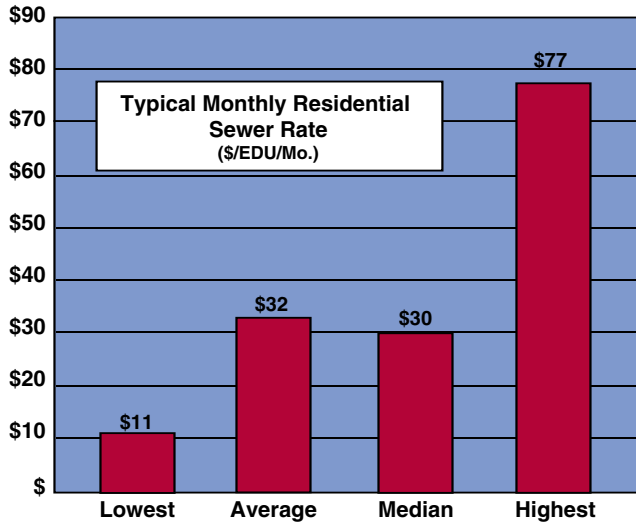
**Non-Residential Accounts**  
 How do you handle non-residential accounts?



*Continued on next page*

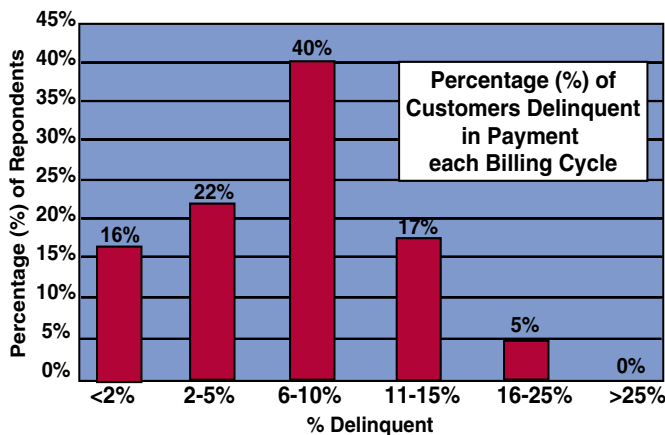
**Typical Rates**

(assuming 4,000 gal/month of water usage and a 5/8" meter for a residential user and 40,000 gal/month of water usage and a 2" meter for a non-residential user)



**Delinquency and Late Fees**

What percentage of your customers is delinquent in payment each billing cycle?



Do you charge late fees on delinquent bills?

- Yes = 91%
- No = 4%
- No Response = 5%

If late fees are charged, what is the flat fee or percentage of balance charged?

- Average Flat Fee Charged = \$9.50
- Average % of Balance Charged = 10%

Do you find that your late charge discourages delinquency?

- Yes = 49%
- No = 42%
- No Response = 9%

What measures do you take when late charges are not effective?

- Shut off water service = 17%
- Take legal action = 31%
- Both = 37%
- Other = 15%

**Rate History and Budget**

Average 2007 total annual budget (nearest \$1,000) \$2,824,000

Average 2007 debt service portion of total annual budget (nearest \$1,000) \$907,000

Year rates were last increased 2005

Average % increase 14%

Do you anticipate a rate increase within three years?

- Yes 60%
- No 27%
- No Response 13%
- If "Yes", what is the average anticipated % increase? 22%

Reasons for next anticipated rate increase include:

- Increased expenses
- BNR upgrades
- Debt service
- Equipment upgrades
- Increased O & M
- Inflation
- Chesapeake Bay Tributary Strategy
- Capital improvements
- Electricity & fuel increases
- Rates have not been increased for a very long time
- Collection system improvements
- New regulations
- Consent order
- Sludge, chemicals, fuel
- Aging infrastructure

Your debt is owed to:

Penn Vest	23%	RUS	5%
Bonds	33%	No Debt	11%
Bank	23%	Other	5%

**Facilities Description**

Year treatment facility was constructed 1976

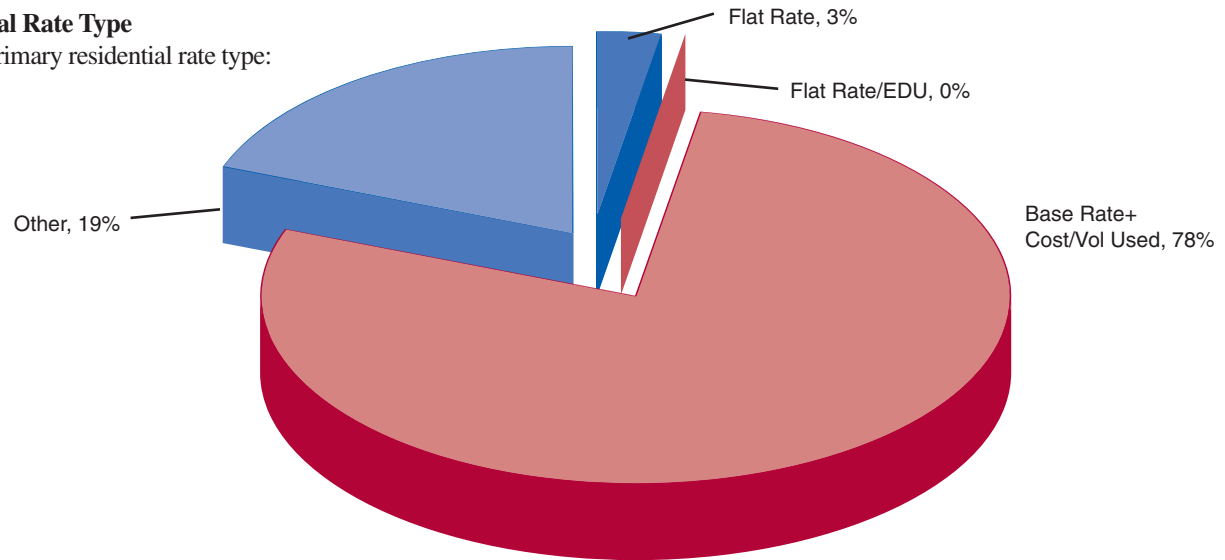
Year of last major upgrade 1997

Oldest facility 1950

# WATER RATE SURVEY RESULTS – SUMMARY OF 38 SURVEY PARTICIPANTS

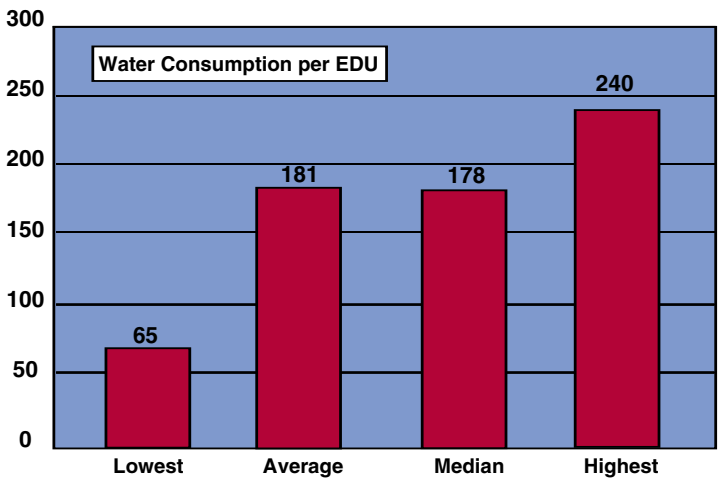
## Residential Rate Type

Indicate primary residential rate type:



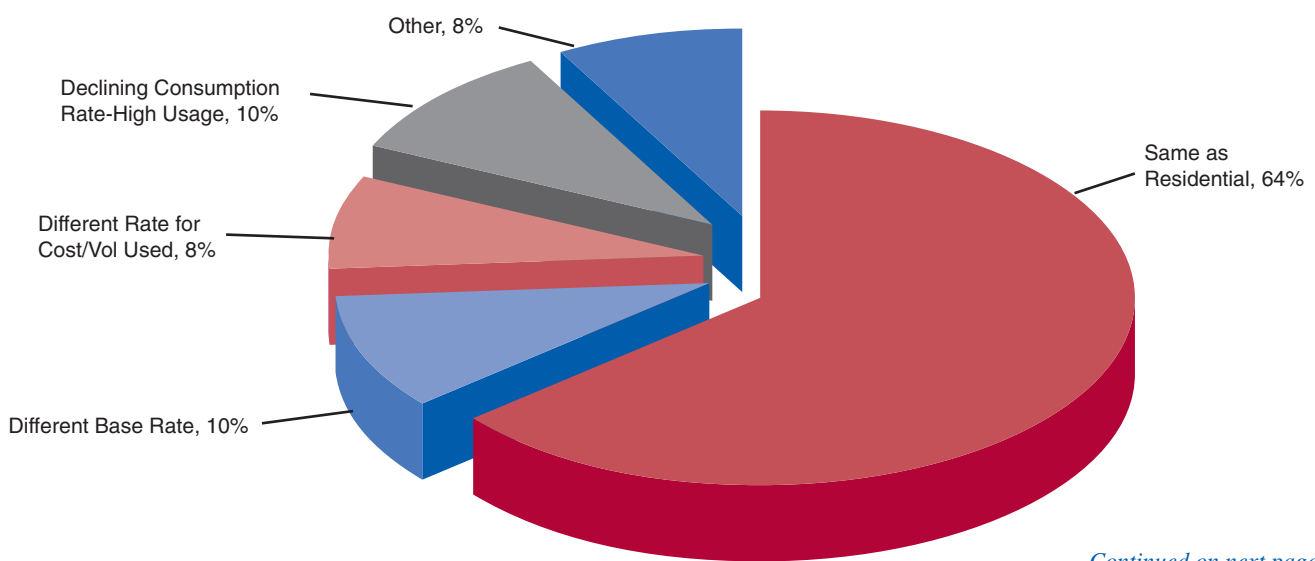
## EDU Definition

If an EDU is used in the rate determination, how is it defined?



## Non-Residential Accounts

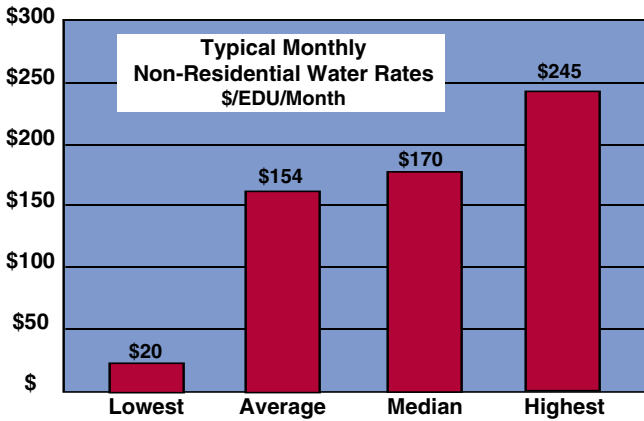
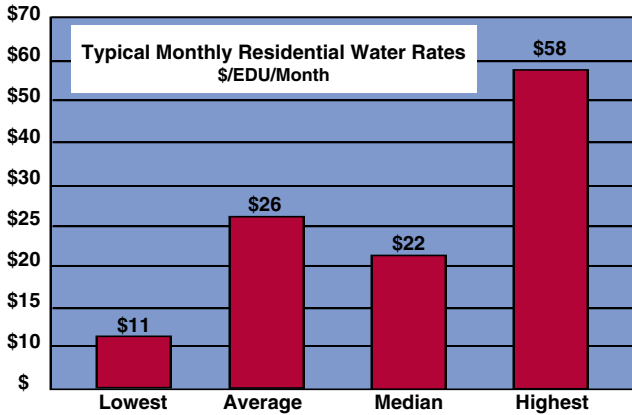
How do you handle non-residential accounts?



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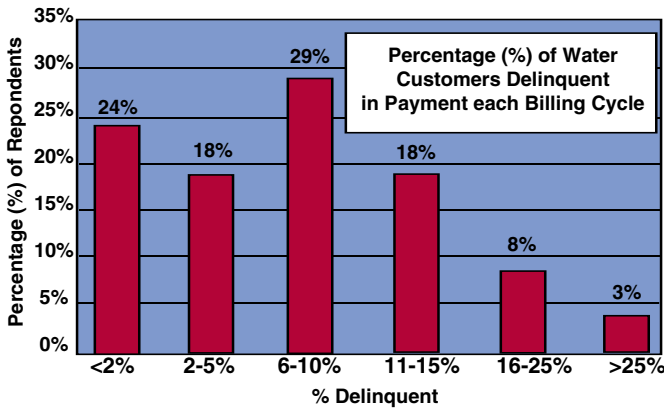
**Typical Rates**

(Assuming 4,000 gal/month of water usage and a 5/8" meter for a residential user and 40,000 gal/month of water usage and a 2" meter for a non-residential user.)



**Delinquency and Late Fees**

What percentage of your customers is delinquent in payment each billing cycle?



Do you charge late fees on delinquent bills?

- Yes = 89%
- No = 8%
- No Response = 3%

If late fees are charged, what is the flat fee or percentage of balance charged?

- Average Flat Fee Charged = N/A
- Average % of Balance Charged = 7%

Do you find that your late charge discourages delinquency?

- Yes = 37%
- No = 50%
- No Response = 13%

What measures do you take when late charges are not effective?

- Shut off water service = 53%
- Take legal action = 5%
- Both = 35%
- Other = 7%

**Rate History and Budget**

Average 2007 total annual budget (nearest \$1,000) \$2,245,000  
 Average 2007 debt service portion of total annual budget (nearest \$1,000) \$729,000  
 Year rates were last increased 2005  
 Average % increase 11%

Do you anticipate a rate increase within three years?

- Yes 63%
- No 13%
- No Response 24%
- If Yes, average anticipated % increase 13%

Reasons for next anticipated rate increase include:

- Inflation
- O & M costs
- Increased utilities
- Capital improvements
- Regulatory changes
- Major pipe repairs
- Increased chemical costs
- Debt
- Aging infrastructure

Your debt is owed to:

- |           |     |         |     |
|-----------|-----|---------|-----|
| Penn Vest | 29% | RUS     | 0%  |
| Bonds     | 37% | No Debt | 14% |
| Bank      | 16% | Other   | 4%  |

**Facilities Description**

Year treatment facility was constructed 1968  
 Year of last major upgrade 1994  
 Oldest facility 1910

**At Your Service**

To better serve you, CET endeavors to keep its mailing list as up to date as possible. Please contact Cindy Heisler at 1-800-238-3644 or cheisler@cet-inc.com about a change of address or other corrections that should be made to our mailing list. Or, visit our website, www.cet.com, and click on "Press Room" to update your contact information. Thank you.



If there are other issues that you would like surveyed, please contact CET Engineering Services.

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