

Cost Analysis of Utility Plant Acquisition Adjustment for Elk Lake

DT	Document	Date	Explanation	Description	Category			Amount
PV	40084701	312012002	WILLIAMBUNCH - AP/PO	Contractor hired to complete sale after David Baker accepted an assignment with another American Water System company	Labor	779833	50007983 W	2,407.56
T2	1407	2/28/2002	Payroll Labor Distribution	Labor for Dottie Johnson and Jan Routt of water quality for due diligence	Labor	652546	50007983 W	225.00
PV	36910	8/21/2001	WILLIAM BUNCH - AP/PO	Contractor hired to complete sale after David Baker accepted an assignment with another American Water System company	Labor	12033444	ACQ007 X	77.61
PV	37431	8/31/2001	WILLIAM BUNCH - AP/PO		Labor	12033860	ACQ007 X	180.00
PV	37907	9/20/2001	WILLIAM BUNCH - AP/PO		Labor	12034291	ACQ007 X	270.00
PV	38416	9/28/2001	WILLIAM BUNCH - APIPO		Labor	12034697	ACQ007 X	270.00
PV	39300	10/24/2001	WILLIAM BUNCH - APIPO		Labor	12035368	ACQ007 X	360.00
PV	39727	10/31/2001	WILLIAM BUNCH - AP/PO		Labor	12035673	ACQ007 X	288.70
			Estimated Contract labor					180.00
PV	41220	12/11/2001	WILLIAM BUNCH - AP/PO		Labor	12036850	ACQ007 X	500.00
					Legal Bills Total			56.25
								8,500.42
				Legal work performed by SKP for due diligence, preparation and filing of applications; assistance with preparation of agreements; responses to data requests; assistance where regulatory expertise was needed; real estate title searches; closing assistance (use of attorney escrow account). In-house counsel also performs work on acquisitions, but is not expected to have all of the expertise nor all of the time needed for these transactions. Generally, for acquisitions, in-house counsel helps with strategic analysis and decisions; preparation and drafting of legal documents; attends negotiating sessions; finalizes documents; performs due diligence (document review, employee interviews, regulatory analysis, physical inspections, reviews environmental results, etc.); drafts and negotiates amendments, attends closings, post closing due diligence. The division of labor occurred during both acquisitions. Due to the volume of the normal legal needs to be supported by a single in-house counsel, devotion of additional in-house labor to the acquisition process would prevent in-house counsel from performing legal services for the rest of the company.				
F9	30028143	413012002	April legal fees		Legal Bills	1241139	50007983 W	31.79
JE	144	2/28/2002	Accrue legal bills		Legal Bills	677578	50007983 W	104.00
JE	144	3/31/2002	Accrue legal fees		Legal Bills	1015338	50007983 W	625.19
JE	144	5/31/2002	Accrue Stoll, Keenan, Park		Legal Bills	1465217	50007983 W	401.10
PV	40111083	4/11/2002	STOLL KEENON AND PARK - AP		Legal Bills	1054249	50007983 W	625.19
JM	144	2/28/2001	Legal Fees Setup-Stoll Keenon		Legal Bills	12028176	ACQ007 X	2,861.25
JM	144	7/31/2001	Legal Fees Setup		Legal Bills	12032999	ACQ007 X	710.50
JM	144	9/30/2001	Legal Fees Setup		Legal Bills	12034897	ACQ007 X	2,798.40
JM	144	11/30/2001	Legal Fees Setup		Legal Bills	12036627	ACQ007 X	343.00
					Acquisition costs			10,907.98
					Acquisition costs			(10,907.98)
					Cash Purchase price			(89,084.00)
					Assets purchased			331,075.00
					Accumulated Depreciation			(177,745.12)
					CIAC			(165,835.00)
					UPAA			(112,497.10)
								112,497.10