

# AMENDED EXHIBIT 9

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

THE APPLICATION OF HENRY COUNTY )  
WATER DISTRICT NO. 2 FOR AN ADJUSTMENT )  
OF WATER RATES AND CHARGES AND THE ) CASE NO.  
APPROVAL OF A SYSTEM DEVELOPMENT ) 2009-00370  
CHARGE )

TESTIMONY OF THOMAS GREEN

1. State your name and business address.

RESPONSE: Thomas Green, 800 Corporate Drive, Lexington, Kentucky  
40503.

2. What is your occupation?

RESPONSE: I am a senior engineering technician with Tetra Tech, Inc.

3. Has Tetra Tech, Inc. been hired by the Henry County Water District No. 2  
to provide engineering services?

RESPONSE: Yes.

4. Did you prepare the calculations for the proposed Equity System  
Development Charge?

RESPONSE: Yes.

5. Was this testimony reviewed and approved by the Henry District Board of  
Commissioners?

RESPONSE: Yes, by a resolution at the November 10, 2009 meeting.

6. What is your background and professional experience?

RESPONSE: I have worked for consulting engineering firms in Kentucky  
since 1976 as an engineering technician, primarily with rural water systems. I  
have worked for Tetra Tech, Inc, on projects for the Henry District since 1994.  
I have been trained at the University of Kentucky in the use of KyPipe  
software to evaluate the impact of growth on water systems. In 1999 I was  
asked by HCWD2 to help develop an impact fee to partially offset the costs of

development. With input from the Public Service Commission Staff, I was the primary author of the District's Offsetting Improvement Charge (OIC), approved by the PSC in 2002 and in effect until December 31, 2009.

I am familiar with PSC Administrative Case 375, with AWWA guidance on SDCs, with 807 KAR 5:090, and I was involved to a considerable extent in both Case 2001-00393 and in Case 2006-00191. I attended PSC informal Staff meetings, prepared many of the responses to interrogatories, and testified at the September 13, 2007 hearing on the OIC.

7. From whom have you received guidance?

RESPONSE: In the course of learning about system development charges I have consulted with two experienced SDC professionals, Andy Woodcock, PE, MBA, of Florida and Vic Cooperwasser, PE, of Michigan. Mr. Cooperwasser currently serves as the AWWA Team Leader for revisions to Chapter 28, System Development Charges, in the new M-1 Manual. Both men are employed by Tetra Tech.

I have obtained and discussed information on the District's assets and debt with their accountant, Dennis Raisor, CPA, of Raisor, Zapp, and Woods, P.S.C. I have evaluated the system's capacity to serve residential customers in consultation with Dan Shoemaker, PE, of Tetra Tech, who has overseen the majority of my work for the District since 1994. I have also consulted with District's Commissioners and personnel in compiling and analyzing data, and in formulating the application policy of the proposed Equity SDC.

My most specific source of guidance on equity methodology and requirements has been the Public Service Commission Staff. Kentucky's SDC regulation, 807 KAR 5:090, addresses system development charges from the standpoint of incremental methodology. But in order to follow the Commission's Case 2006-00191 recommendation that HCWD2 employ equity methodology, I have sought and followed Commission Staff's specific suggestions regarding the acceptable means of determining an equity SDC. I prepared the list of questions which Staff discussed the July, 21, 2009 meeting attended by Scott Lawless, Sam Reid, Mark Frost, and Gerald Wuetcher, and I have also sent Staff several subsequent questions.

8. Describe the Henry District's property and field of operation

RESPONSE: "Henry District, a water district organized pursuant to KRS Chapter 74, owns and operates facilities that provide water service to 6,367 customers in Henry, Trimble, Oldham, Carroll, and Shelby Counties, Kentucky. It provides wholesale water service to the cities of New Castle and

Eminence, Kentucky and to West Carroll Water District... Henry District obtains its water supply from wells located in Trimble County, Kentucky, near the Ohio River. It pumps water from these wells to a water treatment facility, also located in Trimble County... This treatment facility, which was constructed in 1998 at a cost of approximately \$9.4 million, has a maximum daily capacity of 4 million gallons. Its average daily production in 2007 was approximately 2.14 million gallons. Henry District's average daily sales for the same period were 1.58 million gallons. Henry District's transmission and distribution system covers Henry County, the southern portions of Trimble County, and small segments of Oldham, Carroll, and Shelby Counties..."

-Public Service Commission Order, Case 2006-00191, December 8, 2008

According to its recent audit, the original cost of HCWD assets is approximately \$26 million. To date, grants of approximately \$3.5 million have been received, and project financing has generally been provided through FmHA, RD, KIA, KRWA, and Shelby RECC.

9. What previous Henry District cases relate to the proposed charge?

RESPONSE: In Case 2001-00393 and Case 2006-00191 the PSC examined the circumstances and policies of the Henry District in regard to the Offsetting Improvement Charge (OIC). HCWD2 requests the records of those cases be made part of the current proceeding.

The December 8, 2008 Order in Case 2006-00191 stated:

"...the Commission finds that the Offsetting Improvement Charge should not be reauthorized. To prevent any disparate treatment of customers that might result from the sudden termination of the Offsetting Improvement Charge, however, the Commission will permit Henry District to continue to assess the charge for 180 days from the date of this Order. This grace period will permit Henry District sufficient time to develop and to file with the Commission an alternative mechanism that comprehensively addresses the allocation of costs associated with customer growth.

We remind Henry District that the Commission has previously recognized the equity method as an acceptable means of allocating such costs. It is based upon the "principle of achieving capital equity between new and existing customer." This approach attempts to assess new customers a fee to approximate the equity or debtfree investment position of current customers. Its goal is to 'achieve a level of equity from new customers by collecting a... charge representative of the average equity attributable to existing customers.' Given the concerns that Henry District has previously expressed about forecasting its capital needs and its slow to moderate growth rate, this methodology would more effectively achieve Henry District's objective of

parity between current and new customers without the problems presented by the Offsetting Improvement Charge.”

10. What is the reason for the charge?

RESPONSE: The proposed Equity SDC is required by the Henry District to achieve the above-stated policy goal of a reasonable equity balance between existing customers and new customers in the manner suggested by the Commission. It is the District’s intent to acknowledge the contributions of its existing customers and “level the playing field” by assessing new customers a fair and reasonable system development charge. As the Commission has stated, an equity SDC is an acceptable means of allocating the costs associated with customer growth. Henry District is not an investor-owned utility in which equity accrues to stockholders, and the equity methodology is therefore an appropriate mechanism to achieve parity among its customers.

11. What 807 KAR 5:090 waivers are requested?

RESPONSE: In his April 2, 2009 letter to HCWD Chairman Merle Brewer, PSC Executive Director Jeff Derouen stated:

“Commission Staff agrees with your assessment of 807 KAR 5:090. Many of the filing requirements... would be of very limited use to evaluate a system development charge base on the equity methodology. Commission Staff recommends that an applicant...request a waiver from Section 3(6) of 807KAR5:090. It further notes that deviations from Sections 5, 8, and 10 through 13 may also be required...”

Accordingly, Henry District requests a waiver from Section 3(6) which mandates a capital improvement plan of future improvements. Because equity methodology is not based on future improvements, such a plan is not needed.

Henry District requests a waiver from Section 5, which stipulates that an SDC shall be considered reasonable if it addresses the costs of system expansion. These specific expansion costs are the basis of incremental methodology, but are not pertinent to the equity calculation.

Henry District requests a waiver from Section 8, which concerns the Commission’s approval of a capital improvement plan, and from Section 13, which addresses amendments to that capital improvement plan.

Henry District requests a waiver from Sections 10 and 11 which address credits, collection, and disbursement of incremental SDC proceeds. Commission Staff has indicated that the proceeds of an equity methodology SDC may be used for any of the District’s legitimate purposes, and it is

therefore not necessary to segregate these funds. Henry District similarly requests a waiver from Sections 12(2), 12(3), 12(4b), and 12(4c).

12. Describe the methodology used in the calculation of the charge.

RESPONSE: AWWA M-1 Manual, Chapter 28, states that equity SDCs are calculated "...by dividing the net system value by the number of 5/8-inch-equivalent customers the system is capable of serving."

The Henry District's proposed Equity SDC has been calculated by first determining the net system equity in accordance with the AWWA Manual M-1 guidelines as expanded by the specific recommendations of Public Service Commission Staff. Although the District would consider it more reasonable to use replacement costs as our equity basis, we have instead used original costs, in keeping with Commission Staff's guidance. Assets were taken from the "Henry County Water District #2 Basic Financial Statements, Supplementary Information, and Independent Auditor's Reports at December 31, 2008 and 2007" prepared by Raisor, Zapp & Woods, P.S.C., Certified Public Accountants. We have excluded from the 2008 listing of assets all meters, services, and hydrants; also excluded are all water lines contributed by developers. Lines partially customer-financed are listed with only the District's costs; all customer contributions have been excluded.

As suggested by Commission Staff, we have based our asset depreciation on the longest service lives listed in the 1979 NARUC study for small water utilities. Also as recommended by Staff, we have added to the equity calculation cash and investments, and deducted grants and outstanding debt. We have arrived at an equity value of \$6.2 million (please see Appendix A, attached)

We have determined the system's capacity to serve residential-equivalent customers by evaluating recent peak usage records relative to the treatment plant output. Over the past five years, the peak day of the District's 4MGD treatment plant has averaged 3.3 million gallons, representing a factor of 1.5 times the average daily plant output of 2.2 million.

Similarly, on peak consumption days the District's wholesale buyers (Eminence, New Castle, and West Carroll Water District) have used 1.5 times their 266,000 average daily demand, or about 400,000 gallons. Because the individual customers of these wholesale buyers pay rates which contribute to the equity of their own systems, and because the HCWD Equity SDC will not be paid by new customers joining these wholesale systems, it is appropriate to deduct the quantity of water needed to accommodate wholesale usage from HCWD's Equity SDC calculation of capacity available to serve residential equivalent customers.

In order to supply 400,000 gallons to our three wholesale buyers, it is necessary (considering a conservative estimate of 12% loss in plant usage, transmission system breaks/leakage, tank overflows, etc.) to produce 450,000 gallons at the treatment plant. After supplying wholesale buyers, the 4 MGD plant therefore has remaining capacity adequate to provide 3,550,000 gallons to residential equivalent customers throughout the service area of the Henry District.

Average residential monthly usage of 4800 gallons represents 160 gallons per average day. However, system capacity must accommodate peak usage 1.5 times average, which amounts to 240 gallons peak per residential equivalent customer. Again, in order to deliver 240 gallons to the meter, it is necessary for the plant to produce 12% more for line leakage, etc. The per-customer plant production therefore requires approximately 270 gallons per peak day, and so the 3,550,000 gallon available plant capacity would be adequate to serve approximately 13,200 residential equivalent customers.

Dividing the \$6.2 million net system equity by the 13,200 customer capacity results in a Henry District Equity SDC of \$470 per residential equivalent customer.

New customers who propose usage in greater amounts than typical residential applications will be assessed the Equity SDC in multiples of equivalent residential usage. For example, a new business whose usage will be three times residential will pay 3 x \$470 or \$1410. Non-residential usage will be assessed relative to equivalent residential usage by an analysis performed by the District's engineer in accordance with AWWA standards.

This charge will be recalculated periodically as part of each future rate case.

13. At what time is the charge to be assessed?

RESPONSE: The SDC will be collected when a new customer requests a meter be set, or when the District is asked to certify water availability on a subdivision plat, or to provide a letter certifying such water availability, or to certify service for the Division of Water approval of water line plans for proposed developments.

This is a reasonable policy because certifications of service obligate the District to make whatever infrastructure improvements are needed to accommodate these commitments, and an equity system development charge appropriately addresses the allocation of costs associated with growth. In Case 2006-00191 the PSC directed the District "to develop and to file with the Commission an alternative mechanism that comprehensively addresses the allocation of costs associated with customer growth. We

remind Henry District that the Commission has previously recognized the equity method as an acceptable means of allocating such costs.”

14. Does this conclude your testimony?

RESPONSE: Yes.

State of Kentucky  
County of Henry

I, Thomas Green, after being duly sworn, stated that this testimony is true and correct to the best of my knowledge and belief.

1/13/10  
Date

Thomas Green  
Thomas Green

Shirley Bentley  
Notary Public

My commission expires: \_\_\_\_\_ MY COMMISSION EXPIRES MAY 21, 2012



## HENRY COUNTY WATER DISTRICT # 2

EXHIBIT 9 - APPENDIX A  
NET EQUITY VALUATION

12/31/2008

G/L Code	PSC Code	Description	Method	Life	Cost or Other Basis	NARUC Life	Year in Service	2010 Age	NARUC Depreciation
304-00	301.1	Organization	SL	60.0	\$16,359.00	60	1974	36	\$9,815.40
304-00	301.1	Miscellaneous	SL	50.0	\$3,773.35	50	1974	36	\$2,716.81
304-00	301.1	Organization	SL	50.0	\$22,751.00	50	1974	36	\$16,380.72
304-00	301.1	Miscellaneous	SL	50.0	\$140,078.91	50	1974	36	\$100,856.82
304-00	302.1	Franchise & conse	SL	50.0	\$2,268.00	50	1974	36	\$1,632.96
303-00	303.2	Land Rights	n/a	0.0	\$1,531.00				
303-00	303.2	Fallen Timber Rd	n/a	0.0	\$4,000.00				
303-00	303.2	Pumping Plant	n/a	0.0	\$4,250.00				
303-00	303.2	Franklinton tower	n/a	0.0	\$3,454.00				
303-00	303.2	Land at well field	n/a	0.0	\$13,740.00				
303-00	303.3	Land for Treatmen	n/a	0.0	\$54,516.65				
303-00	303.4	Land and land rights	n/a	0.0	\$2,270.00				
303-00	303.4	Land and land rights	n/a	0.0	\$4,388.60				
303-00	303.4	Campbellsburg	n/a	0.0	\$15,967.00				
303-00	303.4	Land for booster	n/a	0.0	\$4,000.00				
303-00	303.4	Land for Booster	n/a	0.0	\$4,500.00				
303-00	303.4	Easements for Re	n/a	0.0	\$17,650.00				
303-00	303.4	Land for Tank Site	n/a	0.0	\$200.00				
303-00	303.4	Union church easements	n/a	0.0	\$5,500.00				
303-00	303.4	Land Pleasureville tank site	n/a	0.0	\$7,400.00				
303-00	303.4	Jackson Road & Hwy 22 Esmts	n/a	0.0	\$13,675.00				
303-00	303.4	Easements	n/a	0.0	\$7,575.00				
303-00	303.5	Office/Shop land	n/a	0.0	\$10,000.00				
304-00	304.2	Structures & Impr	SL	33.0	\$178,557.79	40	1974	36	\$160,702.01
304-00	304.2	Fence around pla	SL	20.0	\$9,506.75	40	1977	33	\$7,843.07
304-00	304.2	Supply lines	SL	60.0	\$291,787.00	75	1977	33	\$128,386.28
304-00	304.2	Phase I - Structure	SL	25.0	\$362,322.90	40	1987	23	\$208,335.67
304-00	304.2	Structures & Impr	SL	25.0	\$157,707.65	40	1988	22	\$86,739.21
304-00	304.2	Structures & Impr	SL	25.0	\$331,672.23	40	1988	22	\$182,419.73
304-00	304.2	Structures & Impr	SL	25.0	\$60,945.54	40	1988	22	\$33,520.05
304-00	304.2	Tower painting	SL	10.0	\$46,593.23	10	1989	21	\$46,593.23
304-00	304.2	Tower painting	SL	10.0	\$4,525.00	10	1990	20	\$4,525.00
304-00	304.2	Tower painting	SL	10.0	\$85,297.44	10	1991	19	\$85,297.44
304-00	304.2	Franklinton tower	SL	25.0	\$227,558.58	60	1992	18	\$68,267.57
304-00	304.2	Fence at Lacie To	SL	7.0	\$4,743.00	20	1996	14	\$3,320.10
304-00	304.2	Campbellsburg Office tank	SL	25.0	\$442,743.95	60	1998	12	\$88,548.79
304-00	304.2	Tower Climbing D	SL	25.0	\$1,750.00	40	1999	11	\$481.25
304-00	304.2	Pleasureville Tank	SL	25.0	\$77,490.00	40	1999	11	\$21,309.75
304-00	304.2	42 Tower Fence	SL	10.0	\$4,551.00	20	2000	10	\$2,275.50
304-00	304.2	Lacie Tower-Paint	SL	10.0	\$71,506.02	10	2001	9	\$64,355.42
304-00	304.2	Metal shed	SL	10.0	\$15,673.24	20	2002	8	\$6,269.30
304-00	304.2	Campbellsburg	SL	10.0	\$12,470.00	20	2003	7	\$4,364.50
304-00	304.2	Regional- intake wellfield imprvmts	SL	25.0	\$540,282.52	40	2003	7	\$94,549.44
304-00	304.2	Fence around off	SL	7.0	\$1,453.00	20	2003	7	\$508.55
304-00	304.2	Storage Bldg Wiri	SL	20.0	\$1,800.00	20	2003	7	\$630.00
304-00	304.2	Fence @ Well sites	SL	10.0	\$9,525.00	20	2004	6	\$2,857.50
304-00	304.2	Pump Accessories	SL	7.0	\$5,600.00	20	2005	5	\$1,400.00
304-00	304.3	Structures & Impr	SL	25.0	\$40,906.66	40	1988	22	\$22,498.66
304-00	304.3	Fence	SL	7.0	\$1,440.00	20	1988	22	\$1,440.00
304-00	304.3	Safety equipment	SL	7.0	\$5,702.65	20	1995	15	\$4,276.99
304-00	304.3	Clear modification	SL	7.0	\$12,888.00	35	1995	15	\$5,523.43
304-00	304.3	Plant-Trimble Co.	SL	35.0	\$5,596,339.00	40	1998	12	\$1,678,901.70
304-00	304.3	In ground holding	SL	33.0	\$519,571.96	40	1998	12	\$155,871.59
304-00	304.3	Back door plant	SL	10.0	\$601.00	20	2000	10	\$300.50
304-00	304.3	Plant alarm	SL	7.0	\$513.76	20	2000	10	\$256.88
304-00	304.3	Plant gate	SL	15.0	\$6,127.00	20	2002	8	\$2,450.80
304-01	304.5	Office and storage	SL	25.0	\$100,839.21	25	1988	22	\$88,738.50
304-01	304.5	Metal Door & sid	SL	25.0	\$1,402.00	25	1989	21	\$1,177.68
304-01	304.5	Paving at office	SL	25.0	\$10,544.60	25	1990	20	\$8,435.68
304-01	304.5	Tri co. overhead d	SL	25.0	\$1,098.80	25	1990	20	\$879.04
304-01	304.5	Phils landscaping	SL	10.0	\$578.00	10	1991	19	\$578.00
304-01	304.5	Building addition	SL	25.0	\$186,809.48	40	1999	11	\$51,372.61

## HENRY COUNTY WATER DISTRICT # 2

EXHIBIT 9 - APPENDIX A  
NET EQUITY VALUATION

12/31/2008

G/L Code	PSC Code	Description	Method	Life	Cost or Other Basis	NARUC Life	Year in Service	2010 Age	NARUC Depreciation
304-01	304.5	Furnace & Door	SL	10.0	\$3,681.00	25	2000	10	\$1,472.40
304-00	304.5	Sealcoating and s	SL	15.0	\$1,973.92	10	2002	8	\$1,579.14
304-00	304.5	AC Unit-Plant	SL	7.0	\$1,118.53	15	2005	5	\$372.84
304-00	309.2	Supply mains	SL	33.0	\$803,366.07	75	1988	22	\$235,654.05
304-00	311.2	Electric pumping	SL	20.0	\$129,068.69	25	1977	33	\$129,068.69
304-00	311.2	Phase I - Pumpin	SL	25.0	\$130,000.00	25	1987	23	\$119,600.00
304-00	311.2	Electric pumping	SL	20.0	\$186,854.41	25	1988	22	\$164,431.88
304-00	311.2	Computer telem	SL	7.0	\$153,153.30	10	1988	22	\$153,153.30
304-00	311.2	Telemetry radio	SL	7.0	\$2,108.53	10	1996	14	\$2,108.53
304-00	311.2	Lightning Ground	SL	7.0	\$6,858.50	10	1996	14	\$6,858.50
304-00	311.2	By-pass flowmeter	SL	20.0	\$6,668.00	20	2000	10	\$3,334.00
304-00	311.2	Bypass flowmeter	SL	20.0	\$4,491.14	20	2000	10	\$2,245.57
304-00	311.2	2 ladder gates for	SL	20.0	\$1,511.10	40	2001	9	\$340.00
304-00	311.2	Flow meter	SL	20.0	\$3,292.96	20	2001	9	\$1,481.83
304-00	311.2	6 laddergates	SL	20.0	\$3,697.02	40	2001	9	\$831.83
304-00	311.2	High service pum	SL	20.0	\$9,319.85	25	2003	7	\$2,609.56
304-00	311.2	New motor for pu	SL	20.0	\$9,769.89	25	2003	7	\$2,735.57
304-00	311.2	New motor for pu	SL	20.0	\$4,267.00	25	2003	7	\$1,194.76
304-00	311.2	157 booster pum	SL	20.0	\$3,551.42	25	2003	7	\$994.40
304-00	311.2	157 booster pum	SL	20.0	\$2,333.75	25	2003	7	\$653.45
304-00	311.2	Pump platform	SL	20.0	\$7,700.00	25	2003	7	\$2,156.00
304-00	311.2	Pump baseplate	SL	20.0	\$12,400.00	25	2003	7	\$3,472.00
304-00	320.3	Equipment	SL	20.0	\$221,151.51	20	1988	22	\$221,151.51
320-	320.3	Laboratory Equip	SL	5.0	\$4,338.82	20	1998	12	\$2,603.29
320-	320.3	Ladder	SL	5.0	\$665.20	40	1999	11	\$182.93
320-	320.3	Chlorine Detector	SL	5.0	\$1,380.00	20	1999	11	\$759.00
320-	320.3	New panel for tr	SL	7.0	\$6,310.69	20	2003	7	\$2,208.74
320-	320.3	Air conditioner for	SL	10.0	\$1,076.00	15	2003	7	\$502.13
320-	320.3	Filter unit control	SL	7.0	\$1,550.70	15	2003	7	\$723.66
320-	320.3	Chlorine regulator	SL	5.0	\$4,458.16	15	2003	7	\$2,080.47
320-	320.3	Pump platform	SL	10.0	\$14,562.67	25	2004	6	\$3,495.04
320-	320.3	Chlorine Detector	SL	5.0	\$1,308.35	15	2004	6	\$523.34
320-	320.3	Refrigerator	SL	7.0	\$379.00	15	2004	6	\$151.60
320-	320.3	Pumps (2)	SL	10.0	\$13,491.75	25	2005	5	\$2,698.35
320-	320.3	Pump base	SL	10.0	\$12,000.00	25	2005	5	\$2,400.00
320-	320.3	Chlorine Process Analyzer	SL	5.0	\$2,754.50	15	2006	4	\$734.53
304-00	330.4	Reservoirs & sta	SL	33.0	\$107,139.82	60	1974	36	\$64,283.89
304-00	330.4	Reservoirs & sta	SL	40.0	\$77,492.00	60	1974	36	\$46,495.20
304-00	330.4	2004 System Upgrade	SL	40.0	\$238,526.28	75	2004	6	\$19,082.10
304-00	331.4	Transmissions & d	SL	60.0	\$305,757.38	75	1974	36	\$146,763.54
304-00	331.4	Transmission & d	SL	60.0	\$2,037,295.08	75	1975	35	\$950,737.70
304-00	331.4	Trans & dist main	SL	33.0	\$154,510.41	75	1983	27	\$55,623.75
304-00	331.4	1986 extensions	SL	33.0	\$41,850.65	75	1986	24	\$13,392.21
304-00	331.4	Schaug Line	SL	33.0	\$3,136.00	75	1987	23	\$961.71
304-00	331.4	Stalker Line	SL	33.0	\$13,483.92	75	1987	23	\$4,135.07
304-00	331.4	Flood Cropper lin	SL	33.0	\$12,652.80	75	1987	23	\$3,880.19
304-00	331.4	Banta Fork extens	SL	33.0	\$3,491.89	75	1987	23	\$1,070.85
304-00	331.4	Bethlehem/Franklin	SL	33.0	\$12,150.00	75	1988	22	\$3,564.00
304-00	331.4	Brown Lane	SL	33.0	\$3,400.00	75	1988	22	\$997.33
304-00	331.4	Hillsboro Rd.	SL	33.0	\$7,128.00	75	1988	22	\$2,090.88
304-00	331.4	Hill Sping Rd.	SL	33.0	\$2,100.00	75	1988	22	\$616.00
304-00	331.4	Fallen Timber Rd	SL	33.0	\$17,740.00	75	1988	22	\$5,203.73
304-00	331.4	Scobee Lane	SL	33.0	\$11,283.90	75	1988	22	\$3,309.94
304-00	331.4	Highway 421	SL	33.0	\$15,208.20	75	1988	22	\$4,461.07
304-00	331.4	Providence Rd.	SL	33.0	\$19,800.00	75	1988	22	\$5,808.00
304-00	331.4	Carpenter Lane	SL	33.0	\$3,160.00	75	1989	21	\$884.80
304-00	331.4	Franklinton	SL	33.0	\$83,139.00	75	1989	21	\$23,278.92
304-00	331.4	Point Pleasant	SL	33.0	\$27,480.50	75	1989	21	\$7,694.54
304-00	331.4	Richmond Road	SL	33.0	\$6,016.50	75	1989	21	\$1,684.62
304-00	331.4	Camron Road	SL	33.0	\$13,296.05	75	1989	21	\$3,722.89
304-00	331.4	New Castle loop	SL	33.0	\$39,217.09	75	1989	21	\$10,980.79
304-00	331.4	Patton Creek	SL	33.0	\$10,515.40	75	1989	21	\$2,944.31

## HENRY COUNTY WATER DISTRICT # 2

EXHIBIT 9 - APPENDIX A  
NET EQUITY VALUATION

12/31/2008

G/L Code	PSC Code	Description	Method	Life	Cost or Other Basis	NARUC Life	Year in Service	2010 Age	NARUC Depreciation
304-00	331.4	Maddox & 389	SL	33.0	\$12,464.85	75	1989	21	\$3,490.16
304-00	331.4	Crabb farm sub.	SL	33.0	\$4,207.33	75	1989	21	\$1,178.05
304-00	331.4	Smith farm sub.	SL	33.0	\$13,530.50	75	1989	21	\$3,788.54
304-00	331.4	Hillsboro	SL	33.0	\$1,498.65	75	1989	21	\$419.62
304-00	331.4	Drennon	SL	33.0	\$30,940.94	75	1989	21	\$8,663.46
304-00	331.4	Marcus Burgan R	SL	33.0	\$2,855.20	75	1990	20	\$761.39
304-00	331.4	Blakemore	SL	33.0	\$2,172.40	75	1990	20	\$579.31
304-00	331.4	Orig. Hwy. 202	SL	33.0	\$3,645.83	75	1990	20	\$972.22
304-00	331.4	Kidwell Pike	SL	33.0	\$6,193.53	75	1990	20	\$1,651.61
304-00	331.4	Hwy. 22 East	SL	33.0	\$35,944.15	75	1990	20	\$9,585.11
304-00	331.4	Pollitte Farm	SL	33.0	\$11,630.00	75	1990	20	\$3,101.33
304-00	331.4	Wilson Farm	SL	33.0	\$9,237.00	75	1990	20	\$2,463.20
304-00	331.4	Bunk Ellis Rd.	SL	33.0	\$12,178.80	75	1990	20	\$3,247.68
304-00	331.4	Fences around to	SL	33.0	\$9,587.00	75	1990	20	\$2,556.53
304-00	331.4	Union church	SL	33.0	\$11,593.40	75	1990	20	\$3,091.57
304-00	331.4	Hwy 421 ext. to 6	SL	33.0	\$5,598.30	75	1990	20	\$1,492.88
304-00	331.4	Hillsboro Exit	SL	33.0	\$3,245.01	75	1990	20	\$865.34
304-00	331.4	Clifford Lane	SL	33.0	\$4,158.00	75	1990	20	\$1,108.80
304-00	331.4	Loudin Road	SL	33.0	\$22,396.76	75	1991	19	\$5,673.85
304-00	331.4	Lockport	SL	33.0	\$15,487.31	75	1991	19	\$3,923.45
304-00	331.4	Cavinall	SL	33.0	\$3,259.59	75	1991	19	\$825.76
304-00	331.4	Whiteagle	SL	33.0	\$2,577.32	75	1991	19	\$652.92
304-00	331.4	22 + 389	SL	33.0	\$24,380.02	75	1991	19	\$6,176.27
304-00	331.4	Carpenter Lane	SL	33.0	\$4,956.65	75	1991	19	\$1,255.68
304-00	331.4	Garrelt Road	SL	33.0	\$1,570.27	75	1991	19	\$397.80
304-00	331.4	Hunt 389	SL	33.0	\$2,218.15	75	1991	19	\$561.93
304-00	331.4	Gest	SL	33.0	\$122,945.54	75	1992	18	\$29,506.93
304-00	331.4	Hwy 22 Walls	SL	33.0	\$7,466.10	75	1992	18	\$1,791.86
304-00	331.4	Pendleton/Mt. O	SL	33.0	\$7,992.70	75	1992	18	\$1,918.25
304-00	331.4	Deerfield	SL	33.0	\$1,003.20	75	1992	18	\$240.77
304-00	331.4	202/389	SL	33.0	\$16,769.66	75	1992	18	\$4,024.72
304-00	331.4	P. Pleasant-Robin	SL	33.0	\$898.10	75	1992	18	\$215.54
304-00	331.4	Banta Fork	SL	33.0	\$5,069.87	75	1992	18	\$1,216.77
304-00	331.4	Bohannon Lane	SL	33.0	\$1,802.97	75	1992	18	\$432.71
304-00	331.4	Wright-Mr. Olivet	SL	33.0	\$1,337.97	75	1993	17	\$303.27
304-00	331.4	Hwy 1606-Chilton	SL	33.0	\$1,223.76	75	1993	17	\$277.39
304-00	331.4	Carmon Road	SL	33.0	\$11,874.34	75	1993	17	\$2,691.52
304-00	331.4	Balts Lane Loop	SL	33.0	\$4,003.53	75	1993	17	\$907.47
304-00	331.4	Harpers Ferry	SL	33.0	\$32,632.44	75	1993	17	\$7,396.69
304-00	331.4	T. Nelson	SL	33.0	\$1,000.50	75	1993	17	\$226.78
304-00	331.4	Russell Road	SL	33.0	\$4,680.21	75	1993	17	\$1,060.85
304-00	331.4	Mill Creek	SL	33.0	\$2,746.39	75	1993	17	\$622.52
304-00	331.4	Long Branch	SL	33.0	\$18,476.81	75	1993	17	\$4,188.08
304-00	331.4	Hwy 421-Parrish	SL	33.0	\$1,612.12	75	1993	17	\$365.41
304-00	331.4	Watkins/bush	SL	33.0	\$5,108.36	75	1993	17	\$1,157.89
304-00	331.4	Organ Creek	SL	33.0	\$2,806.31	75	1993	17	\$636.10
304-00	331.4	Magruder/Shipma	SL	33.0	\$2,877.42	75	1993	17	\$652.22
304-00	331.4	Martini Acres	SL	33.0	\$864.44	75	1994	16	\$184.41
304-00	331.4	Corley Road	SL	33.0	\$926.66	75	1994	16	\$197.69
304-00	331.4	Webb Lane	SL	33.0	\$816.24	75	1994	16	\$174.13
304-00	331.4	421 to Six Mile	SL	33.0	\$2,999.55	75	1994	16	\$639.90
304-00	331.4	Deerfield/Fantu	SL	33.0	\$2,637.27	75	1994	16	\$562.62
304-00	331.4	Kidwell Pike	SL	33.0	\$7,274.70	75	1994	16	\$1,551.94
304-00	331.4	Hwy 1606-Gaines	SL	33.0	\$6,914.59	75	1994	16	\$1,475.11
304-00	331.4	Turners Sta.-Conr	SL	33.0	\$576.09	75	1994	16	\$122.90
304-00	331.4	Dawkins Lane	SL	33.0	\$1,467.34	75	1994	16	\$313.03
304-00	331.4	Pendleton Height	SL	33.0	\$295.56	75	1994	16	\$63.05
304-00	331.4	Organ Creek	SL	33.0	\$2,135.22	75	1994	16	\$455.51
304-00	331.4	Watkins	SL	33.0	\$2,355.12	75	1994	16	\$502.43
304-00	331.4	Hwy 202	SL	33.0	\$19,659.35	75	1994	16	\$4,193.99
304-00	331.4	Salt Creek	SL	33.0	\$3,755.66	75	1994	16	\$801.21
304-00	331.4	Hillsboro/Harp	SL	33.0	\$10,007.03	75	1994	16	\$2,134.83

## HENRY COUNTY WATER DISTRICT # 2

## EXHIBIT 9 - APPENDIX A

## NET EQUITY VALUATION

12/31/2008

G/L Code	PSC Code	Description	Method	Life	Cost or Other Basis	NARUC Life	Year in Service	2010 Age	NARUC Depreciation
304-00	331.4	Silvers	SL	33.0	\$4,005.58	75	1994	16	\$854.52
304-00	331.4	Saw Mill	SL	33.0	\$2,233.36	75	1994	16	\$476.45
304-00	331.4	Hwy 389	SL	33.0	\$3,064.84	75	1994	16	\$653.83
304-00	331.4	Ditto Lane	SL	33.0	\$3,373.87	75	1994	16	\$719.76
304-00	331.4	Deerfield	SL	33.0	\$3,416.70	75	1994	16	\$728.90
304-00	331.4	Guthrie	SL	33.0	\$1,755.86	75	1994	16	\$374.58
304-00	331.4	Barton Lane	SL	33.0	\$921.07	75	1995	15	\$184.21
304-00	331.4	1606 & Wolf Pen	SL	33.0	\$5,144.13	75	1995	15	\$1,028.83
304-00	331.4	Davidson/Organ C	SL	33.0	\$52,505.42	75	1995	15	\$10,501.08
304-00	331.4	New Castle loop	SL	33.0	\$1,790,803.53	75	1998	12	\$286,528.56
304-00	331.4	Hwy 22 Extension	SL	33.0	\$4,795.00	75	1999	11	\$703.27
304-00	331.4	Hwy 1606 Exten	SL	33.0	\$2,608.96	75	1999	11	\$382.65
304-00	331.4	I-71 Extension	SL	33.0	\$593,999.83	75	1999	11	\$87,119.98
304-00	331.4	Clements Bottom	SL	33.0	\$136,006.54	75	1999	11	\$19,947.63
304-00	331.4	Rowlett Gap Exte	SL	33.0	\$5,610.50	75	1999	11	\$822.87
304-00	331.4	Brown Lane (892'	SL	33.0	\$6,320.66	75	2000	10	\$842.75
304-00	331.4	Deerfield (1500' -	SL	33.0	\$6,246.69	75	2000	10	\$832.89
304-00	331.4	Gullion Br. (2370'	SL	33.0	\$9,221.03	75	2000	10	\$1,229.47
304-00	331.4	Kavanaugh (1060'	SL	33.0	\$5,523.09	75	2000	10	\$736.41
304-00	331.4	Long Branch (81	SL	33.0	\$9,277.62	75	2000	10	\$1,237.02
304-00	331.4	Morton Ridge (71	SL	33.0	\$4,173.02	75	2000	10	\$556.40
304-00	331.4	Mt Olivet (500' - 3	SL	33.0	\$4,453.87	75	2000	10	\$593.85
304-00	331.4	Raisor Lane (1140	SL	33.0	\$8,724.75	75	2000	10	\$1,163.30
304-00	331.4	Russell Branch (	SL	33.0	\$5,234.90	75	2000	10	\$697.99
304-00	331.4	Stucker Lane (10	SL	33.0	\$3,771.77	75	2000	10	\$502.90
304-00	331.4	Cropper School (	SL	33.0	\$129,670.98	75	2000	10	\$17,289.46
304-00	331.4	Brocius Lane (3	SL	33.0	\$10,758.66	75	2001	9	\$1,291.04
304-00	331.4	Galbraith Rd (4"	SL	33.0	\$22,881.94	75	2001	9	\$2,745.83
304-00	331.4	Giltner Rd (4"-1100	SL	33.0	\$2,546.78	75	2001	9	\$305.61
304-00	331.4	Hieatt Ln (6"-4180	SL	33.0	\$24,550.83	75	2001	9	\$2,946.10
304-00	331.4	Sweeney Lane P	SL	33.0	\$59,214.74	75	2001	9	\$7,105.77
304-00	331.4	Wooded Hills (4	SL	33.0	\$23,585.00	75	2001	9	\$2,830.20
304-00	331.4	Carmon Creek - (	SL	33.0	\$13,567.23	75	2002	8	\$1,447.17
304-00	331.4	Happy Ridge Upg	SL	33.0	\$51,191.78	75	2002	8	\$5,460.46
304-00	331.4	Pendleton Height	SL	33.0	\$1,683.50	75	2002	8	\$179.57
304-00	331.4	Hieatt Lane II - (6"	SL	33.0	\$23,917.89	75	2002	8	\$2,551.24
304-00	331.4	Hwy 395 Elmburg	SL	33.0	\$8,330.69	75	2002	8	\$888.61
304-00	331.4	Joe's Branch Roa	SL	33.0	\$30,023.74	75	2002	8	\$3,202.53
304-00	331.4	Radcliff/Hickory C	SL	33.0	\$7,884.92	75	2002	8	\$841.06
304-00	331.4	Eminence Line H	SL	33.0	\$170,979.85	75	2002	8	\$18,237.85
304-00	331.4	Regional - lines	SL	25.0	\$2,461,285.76	75	2003	7	\$229,720.00
304-00	331.4	Eminence II	SL	33.0	\$24,293.61	75	2003	7	\$2,267.40
304-00	331.4	Elm Lane (Pendle	SL	33.0	\$1,413.49	75	2003	7	\$131.93
304-00	331.4	Sweeney II	SL	33.0	\$29,888.27	75	2003	7	\$2,789.57
304-00	331.4	Heron Creek	SL	33.0	\$2,619.34	75	2003	7	\$244.47
304-00	331.4	Organ Creek	SL	33.0	\$2,372.04	75	2003	7	\$221.39
304-00	331.4	Morton Ridge	SL	33.0	\$1,846.85	75	2003	7	\$172.37
304-00	331.4	Ballardville Rd	SL	33.0	\$5,243.64	75	2003	7	\$489.41
304-00	331.4	Fox Creek Rd	SL	33.0	\$4,194.01	75	2004	6	\$335.52
304-00	331.4	Longbranch Ext.	SL	33.0	\$2,663.80	75	2004	6	\$213.10
304-00	331.4	Bush Ext	SL	33.0	\$20,408.40	75	2004	6	\$1,632.67
304-00	331.4	Valley View Dr	SL	33.0	\$5,377.15	75	2004	6	\$430.17
304-00	331.4	New Cut Rd	SL	33.0	\$5,558.22	75	2004	6	\$444.66
304-00	331.4	Union church	SL	33.0	\$24,654.75	75	2005	5	\$1,643.65
304-00	331.4	Happy Ridge	SL	33.0	\$14,694.94	75	2005	5	\$979.66
304-00	331.4	Jackson Rd & Hwy 22	SL	33.0	\$65,724.69	75	2005	5	\$4,381.65
304-00	331.4	Hawkins Lane	SL	33.0	\$1,752.21	75	2005	5	\$116.81
304-00	331.4	St Estes Lane	SL	33.0	\$8,875.50	75	2005	5	\$591.70
304-00	331.4	Hwy 55 Project	SL	33.0	\$214,382.69	75	2005	5	\$14,292.18
304-00	331.4	Union church	SL	33.0	\$22,273.34	75	2005	5	\$1,484.89
304-00	331.4	Pleasureville	SL	33.0	\$17,768.35	75	2005	5	\$1,184.56
304-00	331.4	Happy Ridge	SL	33.0	\$803.25	75	2005	5	\$53.55

## HENRY COUNTY WATER DISTRICT # 2

EXHIBIT 9 - APPENDIX A  
NET EQUITY VALUATION

12/31/2008

G/L Code	PSC Code	Description	Method	Life	Cost or Other Basis	NARUC Life	Year in Service	2010 Age	NARUC Depreciation
304-00	331.4	Jackson Rd & Hwy 22	SL	33.0	\$635.00	75	2005	5	\$42.33
304-00	331.4	Deerfield - Fox Run Rd	SL	33.0	\$3,692.24	75	2006	4	\$196.92
304-00	331.4	Deerfield - Arnold Ln	SL	33.0	\$2,262.74	75	2006	4	\$120.68
304-00	331.4	Lake Sherwood Norrell Rd	SL	33.0	\$2,258.59	75	2006	4	\$120.46
304-00	331.4	Herron Creek Rd	SL	33.0	\$2,419.31	75	2006	4	\$129.03
304-00	331.4	System Betterment Ph I	SL	33.0	\$755,660.78	75	2007	3	\$30,226.43
304-00	331.4	Bullit Hill	SL	33.0	\$26,960.66	75	2007	3	\$1,078.43
304-00	331.4	Organ Creek	SL	33.0	\$56,345.36	75	2007	3	\$2,253.81
304-00	331.4	Henry Co. Business Park	SL	33.0	\$4,944.06	75	2007	3	\$197.76
304-00	331.4	Chestnut Hill	SL	33.0	\$6,150.35	75	2007	3	\$246.01
304-00	331.4	Various Lines	SL	33.0	\$10,885.07	75	2008	2	\$290.27
304-00	331.4	Henry Co. Recreational	SL	33.0	\$5,845.26	75	2008	2	\$155.87
304-00	331.4	Scobie Lane	SL	33.0	\$8,670.97	75	2008	2	\$231.23
304-00	331.4	Carpenter Lane	SL	33.0	\$4,193.55	75	2008	2	\$111.83
304-00	331.4	Lower Pattons Creek Rd	SL	33.0	\$14,164.48	75	2008	2	\$377.72
304-00	331.4	McCarty Lane	SL	33.0	\$41,607.56	75	2008	2	\$1,109.53
340-00	340.5	Various	SL	25.0	\$7,474.98	25	1979	31	\$7,474.98
340-00	340.5	Various	SL	20.0	\$18,633.02	20	1980	30	\$18,633.02
340-00	340.5	File cabinet	SL	7.0	\$50.00	25	1987	23	\$46.00
340-00	340.5	Computer	SL	7.0	\$15,850.00	10	1987	23	\$15,850.00
340-00	340.5	Misc office fumit	SL	7.0	\$241.57	25	1988	22	\$212.58
340-00	340.5	Microwave oven	SL	7.0	\$119.62	15	1988	22	\$119.62
340-00	340.5	Sweeper	SL	7.0	\$285.98	15	1988	22	\$285.98
340-00	340.5	Regrigerator	SL	7.0	\$272.97	15	1988	22	\$272.97
340-00	340.5	Desks, tables, et	SL	7.0	\$1,610.73	25	1988	22	\$1,417.44
340-00	340.5	Typewriter	SL	7.0	\$584.00	25	1988	22	\$513.92
340-00	340.5	Window shades	SL	7.0	\$194.75	25	1988	22	\$171.38
340-00	340.5	Word processing	SL	7.0	\$575.00	10	1990	20	\$575.00
340-00	340.5	Terminal	SL	7.0	\$525.00	10	1990	20	\$525.00
340-00	340.5	Portable radios (	SL	7.0	\$1,000.00	10	1991	19	\$1,000.00
340-00	340.5	CPU	SL	7.0	\$5,295.00	10	1992	18	\$5,295.00
340-00	340.5	Printer	SL	7.0	\$2,590.00	10	1992	18	\$2,590.00
340-00	340.5	Stand	SL	7.0	\$125.00	10	1992	18	\$125.00
340-00	340.5	Compaq Prlnea	SL	7.0	\$1,269.00	10	1994	16	\$1,269.00
340-00	340.5	Wyse 325 Color	SL	7.0	\$695.00	10	1995	15	\$695.00
340-00	340.5	Telephone syste	SL	7.0	\$9,135.68	10	1995	15	\$9,135.68
340-00	340.5	Panels & worksta	SL	7.0	\$9,969.12	10	1995	15	\$9,969.12
340-00	340.5	Alpine XL 15 Clea	SL	7.0	\$595.00	10	1995	15	\$595.00
340-00	340.5	Compaq 7452 HJ	SL	7.0	\$2,246.00	10	1995	15	\$2,246.00
340-00	340.5	XL 120 Micro rea	SL	7.0	\$229.00	10	1995	15	\$229.00
340-00	340.5	6 Viewers	SL	7.0	\$471.00	10	1995	15	\$471.00
340-00	340.5	PWP-365 Word P	SL	7.0	\$479.00	10	1995	15	\$479.00
340-00	340.5	Motorola Radio	SL	7.0	\$1,134.50	10	1996	14	\$1,134.50
340-00	340.5	Company 1024	SL	7.0	\$276.30	10	1996	14	\$276.30
340-00	340.5	Kenwood TK-705	SL	7.0	\$424.15	10	1996	14	\$424.15
340-00	340.5	Upright Vaccuum	SL	7.0	\$199.00	15	1997	13	\$172.47
340-00	340.5	Xerox 5624TA	SL	7.0	\$4,095.00	15	1997	13	\$3,549.00
340-00	340.5	Color TV	SL	5.0	\$161.54	15	1998	12	\$129.23
340-00	340.5	Altos 900	SL	5.0	\$6,490.00	10	1998	12	\$6,490.00
340-00	340.5	Okidata laser	SL	5.0	\$1,490.00	10	1998	12	\$1,490.00
340-00	340.5	HP officejet laser	SL	5.0	\$379.68	10	1998	12	\$379.68
340-00	340.5	2 Pentium 233's	SL	5.0	\$3,934.00	10	1998	12	\$3,934.00
340-00	340.5	Chairs & tables	SL	7.0	\$1,172.95	10	1998	12	\$1,172.95
340-00	340.5	Chair	SL	7.0	\$212.40	25	1999	11	\$93.46
340-00	340.5	Portable Radio S	SL	7.0	\$361.50	10	1999	11	\$361.50
340-00	340.5	C530 Mobile Rad	SL	7.0	\$445.00	10	1999	11	\$445.00
340-00	340.5	Desks (2)	SL	7.0	\$1,437.78	25	1999	11	\$632.62
340-00	340.5	Meter readers - C	SL	7.0	\$5,590.00	15	1999	11	\$4,099.33
340-00	340.5	Telephone	SL	7.0	\$335.00	10	1999	11	\$335.00
340-00	340.5	Chairs (2)	SL	7.0	\$407.25	25	1999	11	\$179.19
340-00	340.5	Mobile Radio SN	SL	7.0	\$438.75	10	1999	11	\$438.75
340-00	340.5	Plant computer	SL	7.0	\$1,197.76	10	1999	11	\$1,197.76

## HENRY COUNTY WATER DISTRICT # 2

EXHIBIT 9 - APPENDIX A  
NET EQUITY VALUATION

12/31/2008

G/L Code	PSC Code	Description	Method	Life	Cost or Other Basis	NARUC Life	Year in Service	2010 Age	NARUC Depreciation
340-00	340.5	Blinds	SL	7.0	\$504.00	25	1999	11	\$221.76
340-00	340.5	Portable Radio S	SL	7.0	\$355.50	10	1999	11	\$355.50
340-00	340.5	Telephone	SL	7.0	\$574.63	10	1999	11	\$574.63
340-00	340.5	Portable Radio S	SL	7.0	\$404.50	10	1999	11	\$404.50
340-00	340.5	Expand Telephon	SL	7.0	\$5,080.13	10	1999	11	\$5,080.13
340-00	340.5	Epson 8500 prin	SL	5.0	\$2,220.00	10	2001	9	\$1,998.00
340-00	340.5	Software-Comput	SL	5.0	\$1,195.00	10	2001	9	\$1,075.50
340-00	340.5	Software-Comput	SL	5.0	\$1,295.00	10	2002	8	\$1,036.00
340-00	340.5	Office telephon/a	SL	7.0	\$4,265.58	10	2002	8	\$3,412.46
340-00	340.5	Telephone box sy	SL	7.0	\$1,041.00	10	2002	8	\$832.80
340-00	340.5	ACER computers	SL	3.0	\$2,580.00	10	2002	8	\$2,064.00
340-00	340.5	Printer-serial	SL	3.0	\$1,818.27	10	2002	8	\$1,454.62
340-00	340.5	Digital Xerox Cop	SL	7.0	\$4,210.00	10	2003	7	\$2,947.00
340-00	340.5	(3) Dimension 240	SL	3.0	\$3,209.70	10	2003	7	\$2,246.79
340-00	340.5	(2) Office XP Softw	SL	3.0	\$784.29	10	2003	7	\$549.00
340-00	340.5	Office Equipment	SL	7.0	\$2,003.90	10	2003	7	\$1,402.73
340-00	340.5	2 Workabouts	SL	7.0	\$2,200.00	10	2005	5	\$1,100.00
340-00	340.5	5 Computer Stations	SL	3.0	\$5,539.60	10	2006	4	\$2,215.84
340-00	340.5	Billing Software	SL	5.0	\$13,550.00	10	2006	4	\$5,420.00
340-00	340.5	GPS Equipment	SL	5.0	\$14,104.00	20	2006	4	\$2,820.80
340-00	340.5	Credit Card Machine	SL	5.0	\$895.00	10	2006	4	\$358.00
340-00	340.5	Phone System	SL	5.0	\$5,377.00	10	2006	4	\$2,150.80
340-00	340.5	Computers (2) & Scanner	SL	3.0	\$2,822.76	10	2008	2	\$564.55
340-00	340.5	Safe	SL	10.0	\$1,799.00	20	2008	2	\$179.90
347-00	340.5	Handhelds	SL	7.0	\$8,300.00	10	2008	2	\$1,660.00
343-00	343.5	Leak detector & c	SL	7.0	\$2,000.00	15	1988	22	\$2,000.00
343-00	343.5	Lawnmower & wh	SL	7.0	\$174.95	15	1988	22	\$174.95
343-00	343.5	Air compressor	SL	7.0	\$620.00	15	1988	22	\$620.00
343-00	343.5	Trailer & tank	SL	7.0	\$775.00	7	1989	21	\$775.00
343-00	343.5	Floorjack	SL	7.0	\$585.00	20	1989	21	\$585.00
343-00	343.5	Makita skill saw	SL	7.0	\$130.00	15	1990	20	\$130.00
343-00	343.5	Jackhammer & A	SL	7.0	\$400.00	15	1990	20	\$400.00
343-00	343.5	Water pump	SL	7.0	\$346.75	15	1990	20	\$346.75
343-00	343.5	Battery charger	SL	7.0	\$159.00	15	1990	20	\$159.00
343-00	343.5	Arc welder	SL	7.0	\$299.00	15	1990	20	\$299.00
343-00	343.5	Tool box & tools	SL	7.0	\$425.43	20	1991	19	\$404.16
343-00	343.5	Chemical feeder &	SL	7.0	\$3,039.23	20	1991	19	\$2,887.27
343-00	343.5	Press and band s	SL	7.0	\$550.00	15	1992	18	\$550.00
343-00	343.5	2 mobile radios	SL	7.0	\$858.80	10	1994	16	\$858.80
343-00	343.5	Radio equipment	SL	7.0	\$1,335.50	10	1997	13	\$1,335.50
343-00	343.5	225 R Weedeater	SL	7.0	\$340.00	15	1997	13	\$340.00
343-00	343.5	Pipe saw	SL	7.0	\$775.00	15	1997	13	\$775.00
343-00	343.5	Radio (12) and in	SL	7.0	\$9,546.65	10	1997	13	\$9,546.65
343-00	343.5	Pipe rack	SL	7.0	\$176.40	15	1997	13	\$176.40
343-00	343.5	Tool box	SL	7.0	\$299.00	15	1997	13	\$299.00
343-00	343.5	Kenwood radio	SL	7.0	\$416.75	10	1998	12	\$416.75
343-00	343.5	Radio TK-762H	SL	7.0	\$790.43	10	1998	12	\$790.43
343-00	343.5	3" Trash Pump (2)	SL	7.0	\$1,410.92	15	1999	11	\$1,034.67
343-00	343.5	Weedeater	SL	7.0	\$322.72	15	1999	11	\$236.66
343-00	343.5	Ladders (2)	SL	7.0	\$900.00	20	1999	11	\$495.00
343-00	343.5	Safety Equipment	SL	7.0	\$889.31	15	1999	11	\$652.16
343-00	343.5	Weedeater	SL	7.0	\$384.73	15	1999	11	\$282.14
343-00	343.5	TS350 Skill Saw &	SL	7.0	\$957.70	15	1999	11	\$702.31
343-00	343.5	(2) line locators	SL	7.0	\$1,813.00	15	2003	7	\$846.07
347-00	343.5	Toolboxes for ne	SL	7.0	\$2,377.92	20	2003	7	\$832.27
343-00	343.5	Water pump	SL	7.0	\$1,344.24	15	2004	6	\$537.70
343-00	343.5	Pressure Loggers	SL	7.0	\$1,041.00	15	2004	6	\$416.40
343-00	343.5	Asphalt Saw	SL	7.0	\$899.95	15	2005	5	\$299.98
345-00	345.5	New Trencher	SL	10.0	\$30,690.00	15	1990	20	\$30,690.00
345-00	345.5	Truck 78 Ford 030	SL	10.0	\$6,000.00	7	1990	20	\$6,000.00
347-00	345.5	Trailer 85 0038	SL	10.0	\$500.00	7	1990	20	\$500.00
345-00	345.5	Backhoe bucket	SL	10.0	\$100.00	15	1990	20	\$100.00



# HENRY COUNTY WATER DISTRICT # 2

## EXHIBIT 9 - APPENDIX A NET EQUITY VALUATION

12/31/2008

G/L Code	PSC Code	Description	Method	Life	Cost or Other Basis	NARUC Life	Year in Service	2010 Age	NARUC Depreciation	
345-00	345.5	Case 580K JYG01	SL	10.0	\$39,900.00	15	1995	15	\$39,900.00	
345-00	345.5	89 Ford F600 A30	SL	10.0	\$9,800.00	7	1996	14	\$9,800.00	
347-00	345.5	Case 580L Backh	SL	10.0	\$50,600.00	15	1999	11	\$37,106.67	
345-00	345.5	Truck Motor (198	SL	10.0	\$2,250.00	7	1999	11	\$2,250.00	
345-00	345.5	Backhoe	SL	10.0	\$55,819.00	15	2001	9	\$33,491.40	
347-00	345.5	Dump bed for tr	SL	5.0	\$6,000.00	7	2002	8	\$6,000.00	
347-00	345.5	(2) 2003 GMC truc	SL	10.0	\$77,746.00	7	2003	7	\$77,746.00	
347-00	345.5	(2) truck beds	SL	10.0	\$1,800.00	7	2003	7	\$1,800.00	
347-00	345.5	2005 Ford Dump Truck	SL	10.0	\$38,622.22	15	2005	5	\$12,874.07	
345-00	345.5	Hoe Ram	SL	7.0	\$16,990.00	15	2005	5	\$5,663.33	
347-00	345.5	Case 560 Backhoe	SL	10.0	\$61,837.00	15	2006	4	\$16,489.87	
347-00	345.5	2004 Chevy 1500	SL	5.0	\$9,450.00	7	2007	3	\$4,050.00	
347-00	345.5	2007 Chevy w/ Bed	SL	5.0	\$25,734.88	7	2008	2	\$7,352.82	
345-00	345.5	Case 560 Super M	SL	10.0	\$62,800.00	15	2008	2	\$8,373.33	
345-00	345.5	Case 550 Dozer	SL	10.0	\$42,107.00	15	2008	2	\$5,614.27	
345-00	345.5	Case 580K Backh	SL	10.0	\$24,220.00					
345-00	345.5	Used Case 450H	SL	10.0	\$14,000.00					
345-00	345.5	Case 580	SL	10.0	\$27,492.00					
347-00	346.5	Communications	SL	20.0	\$7,049.38	10	1987	23	\$7,049.38	
347-00	347.5	Various equipment	SL	25.0	\$9,135.66	10	1976	34	\$9,135.66	
347-00	347.5	Cable loader	SL	7.0	\$1,575.00	15	1977	33	\$1,575.00	
347-00	347.5	Power operated e	SL	20.0	\$4,756.84	15	1979	31	\$4,756.84	
347-00	347.5	Meter test bench	SL	7.0	\$4,419.49	20	1987	23	\$4,419.49	
347-00	347.5	Pipe loader	SL	7.0	\$450.00	15	1988	22	\$450.00	
347-00	347.5	Double axle trailer	SL	7.0	\$800.00	15	1991	19	\$800.00	
347-00	347.5	Service equipment	SL	20.0	\$10,045.00	20	1991	19	\$10,045.00	
347-00	347.5	18' Trailer S1825	SL	7.0	\$750.00	15	1994	16	\$750.00	
347-00	347.5	Push mower 050	SL	3.0	\$140.00	15	1995	15	\$140.00	
320-	347.5	2100 Lab burner	SL	5.0	\$1,642.50	20	1996	14	\$1,149.75	
347-00	347.5	10 T trailer 7806	SL	7.0	\$7,100.00	15	1998	12	\$5,680.00	
347-00	347.5	98 25' trailer 7074	SL	7.0	\$4,000.00	15	1998	12	\$3,200.00	
347-00	347.5	Hydraulic Ramhoe	SL	10.0	\$17,308.00	15	2000	10	\$11,538.67	
347-00	347.5	Trailer	SL	7.0	\$755.00	15	2000	10	\$503.33	
347-00	347.5	Pipe Wagon	SL	7.0	\$1,159.80	15	2000	10	\$773.20	
347-00	347.5	Loading forks-Hun	SL	5.0	\$1,160.00	15	2002	8	\$618.67	
347-00	347.5	Stigers Trailer-12 Ton	SL	7.0	\$7,300.00	15	2004	6	\$2,920.00	
347-00	347.5	Dozer Trailer	SL	7.0	\$4,100.00	15	2005	5	\$1,366.67	
Fixed assets <sup>1</sup> cost subtotal before dispositions					\$23,465,483.24					\$7,399,113.61
Less dispositions and exchanges:					\$65,712.00					
Fixed assets cost total					\$23,399,771.24					
Less depreciation on basis of NARUC maximum useful life					\$7,399,113.61					
					\$16,000,657.63					
Less grants <sup>2</sup>					\$3,155,000.00					
Net fixed asset equity					\$12,845,657.63					
Plus cash & investments <sup>3</sup>					\$2,883,534.00					
					\$15,729,191.63					
Less outstanding debt <sup>4</sup>					\$9,531,553.00					
<b>Net System Equity</b>					<b>\$6,197,638.63</b>					

<sup>1</sup>excludes all meters, hydrants, services, developer-contributed lines, and customer-contributed portions of line costs

<sup>2</sup>CDBG Regional Project \$1,680,000 + KIA Regional Project \$1,175,000 + KIA Systemwide Project Phase I = \$300,000 = \$3,155,000  
(note: \$350,000 Systemwide Phase II grant not included here because its funded improvements will not be added to asset listing until 2009 Annual Report)

<sup>3</sup> pg 16/64 of HCWD 2008 Annual PSC Report: (126) \$1,549,693 + (131) \$729,547 + (133) \$420,336 + (135) \$183,958 = \$2,883,534

<sup>4</sup> pg 40/64 Long Term Debt \$217,808 + \$9,556,000 Bonds Outstanding pg 42/64 = \$9,773,808 - Unamortized Bond Discount (\$242,255) = \$9,531,553