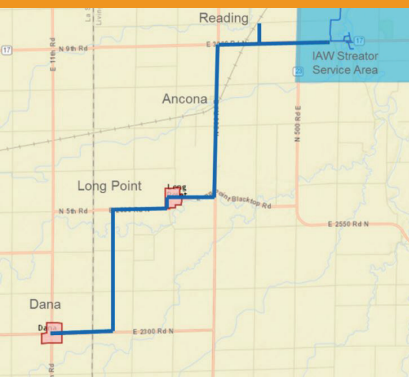


SOLUTIONS THAT WORK

Dana/Long Point/
Reading/Ancona Public
Water District water
distribution acquisition
to Illinois American
Water made good sense
for customers and the
community.



QUESTIONS?

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SOLUTIONS AT WORK

Illinois American Water
acquiring DLPRA Water District
provided significant rate
reduction.

DANA/LONG POINT/READING/ANCONA PUBLIC WATER DISTRICT WATER DISTRIBUTION ACQUISITION

Four communities came to together to form the Dana / Long Point / Reading / Ancona Public Water District (DLPRA) to address groundwater quality issues southwest of Streator, Illinois in 2008. DLPRA served approximately 150 customer connections. In 2009, the District obtained a loan to construct 21 miles of water pipeline that included a transmission main. The transmission main connected to Illinois American Water's Streator District for source water that improved the water quality and reliability.

CHALLENGES

- **Financial:** DLPRA had an existing USDA loan for \$1.2 million from the construction of the distribution system and interconnection.
- **Rates:** Due to the debt service on the construction loan, DLPRA customers were charged an additional \$45.00 a month to go towards paying off the loan. This brought an average month water bill for 5,000 gallons to \$90, approximately twice that of surrounding communities.
- **Operational:** Illinois American Water was currently running the system for DLPRA on a contract operations basis, since there was no existing operational staff.

SOLUTION

DLPRA entered into discussions with Illinois American Water regarding the benefits of an acquisition. It determined the best course of action was for the dissolution of the district and to sell to Illinois American Water.

BENEFITS

- **Financial:** By utilizing the Illinois Water Systems Viability Act to set the value of the system, DLPRA was able to receive \$1.075 million, which was sufficient funds to retire the USDA loan.
- **Rates:** Customer bills were cut by 50% by eliminating the debt service and placing customers on the existing Illinois American Water rate structure.
- **Customer Service:** Customers are receiving the same high-quality service they had become accustomed to under the contract operations arrangement at no additional cost.



SOLUTIONS. ONE MORE WAY WE KEEP LIFE FLOWING.