

PUBLIC NOTICE

Notice of Proposed Change in Schedule of Rates to Customers of Aqua Illinois, Inc.

Dear Aqua Illinois Customer:

Aqua Illinois, Inc. hereby gives notice to the public that it has filed with the Illinois Commerce Commission (ICC) a proposed change in its rate schedules for water and wastewater service in certain areas of Kankakee, Vermilion, Will, Boone, Knox, Lake, Cook, DeKalb, DuPage, Kane, Ogle, Winnebago, McHenry, and Champaign counties.

AQUA ILLINOIS' RATE REQUEST

If this rate request is granted, in full as filed, an average combined monthly residential wastewater (collection and treatment) and water bill (4,000 gallons) would increase by \$23.79 (\$0.79 per day) to \$177.99. If this rate request is granted, in full as filed, an average combined monthly residential wastewater (collection only) and water bill (4,000 gallons) would increase by \$23.27 (\$0.78 per day) to \$102.15.

The estimated bill impact may vary based on multiple factors, including, but not limited to, meter size, usage volume, and public fire protection charges. The bill impact also will depend upon the nature of the service received and will differ for those customers taking wastewater service only, water service only, or wastewater service on a flat rate charge instead of a usage-based charge. The proposed changes in wastewater rates are set out in Tariff ILL. C.C. No. 50, Section 6 filed with the ICC and the proposed changes in water rates are set out in Tariff ILL. C.C. No. 49, Section 8 filed with the ICC.

This request will undergo a review by the ICC for up to 11 months. The approximate date of the change(s), if approved by the ICC within the statutory 11-month process, is April 26, 2027. However, the effective date of any change(s) approved by the ICC will differ for those systems that may not be subject to full consolidated rates as of that date in accordance with the terms and conditions of certain Asset Purchase Agreements approved by the ICC. If the request is approved by the ICC, the changes would result in an increase to base rates of \$19,471,600 for all classes of water service statewide and \$7,028,658 for all classes of wastewater service statewide.

THE RATES YOU PAY DIRECTLY BENEFIT YOUR COMMUNITY

Aqua Illinois' improvements have increased reliability and enhanced process improvements for source-of-supply and water treatment. They have included distribution system improvements to enhance water quality. Depending upon the nature of service provided in your community, examples may include:

Wastewater

- Wastewater treatment plant improvement projects to replace aging and deteriorating equipment, which will prevent service interruptions and improve operational efficiency
- Lift station replacement projects to replace undersized and/or aged equipment to reduce and minimize service interruptions and backups
- Infiltration and Inflow reduction projects to extend service life of infrastructure and reduce costs associated with treatment
- Supervisory Control and Data Acquisition (SCADA) projects to replace obsolescent data collection and historian equipment to increase service reliability and operational effectiveness

Water

- Water treatment plant additions to improve water quality, increase capacity and reliability, and accommodate industrial growth
- Improvement of well pumps and equipment to increase reliability and sustainability

- Replacement of aged water meters to improve accuracy of water usage data and reduce non-revenue water
- New and replaced fire hydrants to improve fire protection and water quality due to additional flushing capability
- Replacement of aging and deteriorating water mains to improve water quality, pressure, service reliability, and fire protection services
- Supervisory Control and Data Acquisition (SCADA) projects to replace obsolescent data collection and historian equipment to increase service reliability and operational effectiveness

For customers other than single-family residential customers receiving water and wastewater service from Aqua Illinois, an option exists to install a separate irrigation meter to mitigate volumetric wastewater charges on irrigation and other outdoor uses. Aqua Illinois will provide the irrigation meter; however, customers are responsible for any applicable charges, such as plumbing necessary to accommodate the irrigation meter, proper backflow prevention, and monthly customer charges.

For single-family residential customers receiving water and wastewater service from Aqua Illinois, summer wastewater usage charges generally are based on the average water usage in winter months, a period in which outdoor watering activities are minimized. This methodology for calculating wastewater usage charges is known as historical based consumption and is detailed further in the Company's Tariff.

Customers can receive more information or request an irrigation application by calling 877.987.2782.

ICC ROLE

Please be advised that the ICC may alter or amend the rates or conditions of service after hearings held pursuant to 83 Ill. Adm. Code 200, and may increase or decrease individual rates in amounts other than those requested by the company.

ACTIONS YOU CAN TAKE

Any interested party may file a petition to intervene in the hearings pursuant to 83 Ill. Adm. Code 200. Pursuant to Section 8-306 of the Public Utilities Act, 220 ILCS 5/8-306, customers may request that the ICC hold a public hearing related to the company's rate request. A copy of the proposed change in rate schedules may be inspected by any interested party at the business office of the company at 1000 South Schuyler Avenue in Kankakee, IL. All parties interested in the matter may obtain information with respect thereto either directly from Aqua Illinois or by addressing the Chief Clerk of the Illinois Commerce Commission, 527 East Capitol Avenue, Springfield, Illinois 62701.

At Aqua Illinois, water quality and customer service are our highest priorities. We strive every day to listen to you, our customer, and invest in system improvements and enhancements. Our management and staff are always here to assist you. If you have any questions, please contact Aqua Customer Service at 877.987.2782 or visit www.AquaWater.com.

David C. Carter
President
Aqua Illinois, Inc.