A Tradition of Personal Service & Quality Water

Dear Customers,

At Illinois American Water, we place a strong emphasis on educating our customers on the quality of our drinking water.

Please review this annual water quality report which outlines information applicable to your local water system. You’ll find that we provide water that meets or surpasses all federal and state water quality regulations. In fact, we often address regulations well before they go into effect.

Just as important, Illinois American Water makes the necessary investments to maintain and upgrade its facilities so that we can deliver quality water directly to your tap 24 hours a day, seven days a week. One example of this commitment in the Champaign County District is the new water treatment plant, which was announced in May 2006 and expected to be in operation by the end of 2008.

As regulations and drinking water standards change, it is our ongoing commitment to you to incorporate these changes in our water systems in a prompt and cost-effective manner.

Our customers are our top priority, and we are committed to providing you with the highest quality drinking water and service possible now and in years to come.

Quality Control Every Day, by Water Quality Experts

We have a responsibility to help protect the health of our customers and it’s a responsibility we take very seriously.

At every Illinois American Water treatment facility, water quality is monitored continuously through comprehensive, state-of-the-art testing and laboratory equipment. Water is monitored at every stage from the raw water supply, through the treatment process and finally through the many miles of pipeline which bring water to your home and local businesses.

Our affiliation with American Water gives us access to the finest water quality testing and research laboratories in the country. American Water’s national laboratory is located in Belleville, Illinois.

Our Customer Charter

We Are...

• dedicated to service excellence
• focused on personalized solutions
• committed to our customers’ health and welfare therefore...

We Will...

• partner with our customers
• treat them with dignity and respect
• enhance their quality of life
• earn their loyalty
• exceed their expectations
What is a Water Quality Report?
To comply with state and U.S. Environmental Protection Agency (USEPA) regulations, Illinois American Water issues a report annually describing the quality of your drinking water. The purpose of this report is to raise your understanding of drinking water and awareness of the need to protect your drinking water sources.

In 2006, we conducted tests for more than 200 contaminants, all of which were below state and federal maximum allowable levels.

This report provides an overview of last year’s (2006) water quality. It includes details about where your water comes from and what it contains. While most monitoring was conducted in 2006, certain substances are monitored less than once per year because the levels do not change frequently.

If you have any questions about this report or your drinking water, please call our Customer Service Center at 800-422-2782.

Need Copies?
This 2006 Water Quality Report is mailed to all customers who receive a water bill from Illinois American Water. If you receive a water bill for other users (such as tenants or employees), please share this report with them. If you need more copies, feel free to contact us at 800-422-2782. Copies of this report are also available at our website: www.illinoisamerican.com.

Source Water Information
The source of supply for the Champaign County District is groundwater. Currently twenty-one wells deliver water for treatment to two lime-softening plants: the East Plant, located in Urbana, and the West Plant, located in Champaign. The wells are primarily located in two areas. The north well field taps the Glasford Aquifer and consists of 7 wells that supply the East Plant. The west well field consists of 14 wells that draw from the Mahomet Sands Aquifer and supply water to both the East and West Plants. The wells range from 150 to 366 feet in depth and are protected from surface contamination by geologic barriers in the aquifers. Aquifers are a porous underground formation (such as sand and gravel) that is saturated with water.

The new treatment plant to be completed by late 2006 will draw its source of supply from the same Mahomet Sands Aquifer currently supplying much of our water, although through a new well field at a different location within the aquifer. Design of the new water treatment plant will ensure a finished water quality matching the high quality of water our customers are accustomed to from our existing facilities. A source water assessment for the Champaign County system has been completed by the Illinois EPA. If you would like a summary of the information contained in this report contact Anthony Hall at 217-373-3232 or email at Anthony.hall@iawater.com.

The report indicates that the wells supplying Champaign County are not geologically sensitive.

A Local Water Company... With Vast Resources & Expertise
Illinois American Water has been providing service in Illinois for more than 100 years. Illinois American Water provides reliable water and/or wastewater service to approximately 293,000 metered customers, or more than 1 million persons, in 225 Illinois communities in 20 counties, from Cairo to the Chicago suburbs.

About American Water
Illinois American Water is a subsidiary of American Water. With headquarters in Voorhees, NJ, American Water employs approximately 7,000 dedicated professionals who provide high quality water, wastewater and other related services to more than 17 million people in 29 states and Canada. More information can be found by visiting www.amwater.com.

At Illinois American Water, and all of American Water, we work hard every day to provide our customers with water they can enjoy and use with confidence.

Questions?
To learn more about water quality, please call our Customer Service Center at 800-422-2782. You can also visit our website at: www.illinoisamerican.com.

Or you can direct your questions or comments to: Anthony Hall Water Quality Supervisor Anthony.hall@iawater.com 217-373-3232
Water Information Sources

Illinois American Water
www.illinoisamerican.com

United States Environmental Protection Agency
www.epa.gov/safewater

Safe Drinking Water Hotline: 800-426-4791

Illinois Environmental Protection Agency
www.epa.state.il.us

Surf Your Watershed
Locate your watershed and a host of information.
www.epa.gov/surf

Envirofacts
U.S. environmental data.
www.epa.gov/enviro

Local Groups Involved in Water and Environmental Issues

Mahomet Aquifer Consortium
www.mahometaquiferconsortium.org

Prairie Rivers Network 217-344-2371
www.prairierivers.org

Substances Expected to be in Drinking Water

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it can acquire naturally occurring minerals, in some cases, radioactive materials, and substances resulting from the presence of animals or from human activity. Substances that may be present in source water include:

- Microbial Contaminants, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, or wildlife.

- Inorganic Contaminants, such as salts and metals, which can be naturally occurring or may result from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.

- Pesticides and Herbicides, which may come from a variety of sources such as agriculture, urban storm water runoff, and residential uses.

- Organic Chemical Contaminants, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and may also come from gas stations, urban storm water runoff, and septic systems.

- Radioactive Contaminants, which can be naturally occurring or may be the result of oil and gas production and mining activities.

To ensure that tap water is of high quality, USEPA prescribes regulations limiting the amount of certain substances in water provided by public water systems. U.S. Food and Drug Administration regulations establish limits for contaminants in bottled water, which must provide the same protection for public health. Illinois American Water’s advanced water treatment processes are designed to reduce any such substances to levels well below any health concern.

A Message For People With Severely Weakened Immune Systems

Cryptosporidium is a protozoan found in untreated surface waters throughout the United States (the organism is generally not present in a ground water source). Although filtration removes Cryptosporidium, the most commonly used filtration methods cannot guarantee 100% removal. Ingestion of Cryptosporidium may cause cryptosporidiosis, an abdominal infection. Symptoms of infection include nausea, diarrhea, and abdominal cramps. Most healthy individuals can overcome the disease within a few weeks. However, people with severely weakened immune systems have a risk of developing life-threatening illness. We encourage such people to consult their doctors regarding appropriate precautions to take to avoid infection. Cryptosporidium must be ingested to cause disease, and it is spread through means other than drinking water. For additional information regarding cryptosporidiosis and how it may impact those with weakened immune systems, please contact our Customer Service Center at 800-422-2722 or speak with your personal health care provider.
How to Read the Data Tables

Illinois American Water conducts extensive monitoring to ensure that your water meets all water quality standards. The results of our monitoring are reported in the data tables.

While most monitoring was conducted in 2004, certain substances are monitored less than once per year because the levels do not change frequently. For help with interpreting these tables, see the “Table Definitions” section and footnotes.

Table Definitions and Abbreviations

- **Action Level**: The concentration of a contaminant that, if exceeded, triggers treatment or other requirements that a water system must follow.
- **Amount Detected**: Unless otherwise noted in the footnotes, an average of all sample results for the year, or results from a single sample if only one was collected. If multiple entry points exist, the data from the entry point with the highest value is reported.
- **Compliance Achieved**: Indicates that the levels found were all within the allowable levels as determined by the USEPA.
- **MCL (Maximum Contaminant Level)**: The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.
- **MCLG (Maximum Contaminant Level Goal)**: The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
- **N/A**: Not applicable
- **ND**: Not detected
- **pCi/L (picocuries per liter)**: Measurement of the natural rate of disintegration of radioactive contaminants in water (also beta particles).
- **ppm (parts per million)**: One part substance per million parts water, or milligrams per liter.
- **ppb (parts per billion)**: One part substance per billion parts water, or micrograms per liter.
- **Range of Detection**: The range of individual sample results, from lowest to highest, that were collected during the sample period.

Radon

Illinois American Water has monitored for radon for years. Radon is a radioactive gas that has been linked to lung cancer. The contribution from drinking water is usually small compared to normal indoor levels. The Champaign County wells and finished water were sampled for radon in 2004. Finished water levels ranged from 0 – 100 pCi/L with an average of 100 pCi/L, less than the limit currently proposed by the USEPA (there is presently no Federal limit on radon in drinking water). For information on radon in indoor air, call your local health department or the National Radon Hotline at 1-800/SOS RADON.

Important Health Information

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of these contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the U.S. EPA’s Safe Drinking Water Hotline (800) 426-4791.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immune-compromised persons such as persons with cancer undergoing chemotherapy; persons who have undergone organ transplants; people with HIV/AIDS or other immune system disorders; some elderly, and infants may be particularly at risk from infections. These people should seek advice about drinking water from their health care providers.

USEPA/CDC (Centers for Disease Control and Prevention) guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (800) 426-4791.
2006 Water Quality Information

We are pleased to report that during the past year, the water delivered to your home or business complied with, or was better than, all state and federal drinking water requirements. For your information, we have compiled a table showing what substances were detected in your drinking water during 2006. Although all of the substances listed are under the Maximum Contaminant Level (MCL) set by the U.S. Environmental Protection Agency (USEPA), we felt it important that you know exactly what was detected and how much of the substance was present in the water. If you have questions about the data please contact us.

| Regulated Substances (Measured in the Water Leaving the Treatment Facility) |
|----------------|----------------|-------|-----------|-------------|---------|----------------|
| Substance     | Year Sampled | MCL   | MCL       | Amount Detected | Range of Detections | Compliance Achieved | Typical Source                              |
| Arsenic (ppb) | 2006         | 10    | 10        | 1            | 1 - 1             | YES              | Level of natural deposits; Seaweed from marshes, Seaweed from river water                  |
| Barium (ppb)  | 2006         | 2     | 0.05     | 2            | 0.06 - 0.06       | YES              | Discharge of drilling wastes; Discharge from metal smelting; Level of natural deposits    |
| Beta/Thallium (ppb) | 2006 | 0   | 0.05     | 3            | 2 - 3             | YES              | Decay of natural and manmade deposits                                                    |
| Fluoride (ppm) | 2006         | 4     | 1.0      | 1.0          | 0.9 - 1.2         | YES              | Water additive that promotes health                                                        |
| Other Compounds (Measured in the Distribution System) |
| Substance     | Year Sampled | MCL   | MCL       | Amount Detected | Range of Detections | Compliance Achieved | Typical Source |
| THMs (Total Haloacetonitrates) (ppb) | 2006 | 60 | 1.0 | 1.1 - 1.4 | YES | By-product of drinking water chlorination |
| HAs (Arsenic) (ppb) | 2006 | 60 | 4.0 | 2.0 - 4.4 | YES | By-product of drinking water chlorination |
| Chlorine & Chloramines (ppm) | 2006 | 4 | 2.2 | 0 - 2.2 | YES | Water additive used to control microbes |

| Bacterial Results (Measured in the Distribution System) |
| Substance | Year Sampled | MCL | MCL | Highest Number of Detections | Compliance Achieved | Typical Source |
| Total Coliforms (cfu/ml) | 2006 | 0 | 0 | YES | Naturally present in the environment |

| Lead and Copper* (Collected at Customers' Taps) |
| Substance | Year Sampled | MCL | MCL | Amount Detected | Range of Detections | Compliance Achieved | Typical Source |
| Copper (ppm) | 2006 | 1.3 | 1.3 | 0.07 | 0 - 1.3 | YES | Corrosion of household plumbing systems; Excelsior of natural deposits; Leaching from water sources |
| Lead (ppb) | 2006 | 15 | 15 | 0 | 0 - 15 | YES | Corrosion of household plumbing systems; Excelsior of natural deposits |

| Other Urgent Parameters |
| Substance | Year Sampled | MCL | MCL | Amount Detected | Range of Detections | Compliance Achieved | Typical Source |
| Sulfate (ppm) | 2006 | 34 | 34 | YES | Iron from naturally occurring deposits; By-product of lime water softening |

| Supplied Substances* |
| Substance | Year Sampled | MCL | MCL | Amount Detected | Range of Detections | Typical Source |
| Chlorine (ppm) | 2006 | 1.6 | 1.6 | YES | By-product of drinking water chlorination |
| Dichloroacetic acid (ppb) | 2006 | 2.0 | 2.0 | YES | By-product of drinking water chlorination |

* For further information, see appropriate footnote.