

April 3, 2006

Melvin G. Pleines, Chairman
Mahomet Aquifer Consortium
613 S. Main
P.O. Box 123
Minier, IL 61759

Derek Winstanley, D. Phil.
Chief, Illinois State Water Survey
2204 Griffith Drive
Champaign, IL 61820

Dear Melvin & Derek:

I am pleased to inform you that Illinois American Water has agreed to fund what is being discussed as the local portion of the proposed study of the Mahomet Aquifer in the Champaign County area.

The company's voluntary funding commitment is \$200,000 per year, for three consecutive years, or \$600,000 total. This represents the amount being requested by the Illinois State Water Survey and Illinois State Geological Survey from Champaign County and other local entities. These funds will be used locally to enhance the work supported by the state and potential federal sponsors. We hope this local commitment will help secure federal support for this project. In January 2006, Governor Blagojevich issued an executive order to study the state's water needs to protect against shortages and develop regional plans.

The Illinois American Water Board of Directors officially adopted a resolution on March 31, 2006, to pledge its support of this important local study.

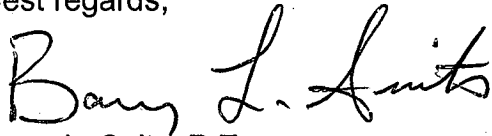
We believe this financial support from Illinois American Water is appropriate because the Mahomet Aquifer is the primary source of water in Champaign County. It is vital to the future of Champaign County residents -- our customers.

Illinois American Water (formerly Northern Illinois Water Corp.) was a founding member of the Mahomet Aquifer Consortium (MAC) which was formed eight years ago. Since its inception, Illinois American Water has been represented on the MAC Board of Directors. I am proud to fill that seat on the board today. We continue to support MAC's mission -- "to further study the Mahomet Aquifer on a

regional basis and to develop a plan for the management of this valuable resource." Illinois American Water and its predecessor, Northern Illinois Water Corp., have been major supporters of aquifer research in Champaign County over the past two decades.

If you have any questions, please call me at 217.373.3247 or e-mail:
barry.suits@amwater.com

Best regards,

A handwritten signature in cursive script that reads "Barry L. Suits". The signature is written in black ink and is positioned above the printed name.

Barry L. Suits, P.E.
Network Operations Manager
Illinois American Water – Champaign County Operations

C:

Local Mayors

Local State Reps

MAC Board of Directors

MAC Advisory Board

Terry Gloriod, President, Central Region, American Water

Daniel Kelleher, Senior Vice President-External Affairs, American Water