

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

February 15, 2007

The Board of Directors of the Kent County Water Authority held its monthly meeting in the Joseph D. Richard Board Room at the office of the Authority on February 15, 2007.

Chairman, Robert B. Boyer opened the meeting at 3:30 p.m. Board Members, Mr. Gallucci, Mrs. Graham, Mr. Masterson and Mr. Inman were present together with the General Manager Timothy J. Brown, Technical Service Director John Duchesneau, System Engineer, Kevin J. Fitta, Arthur Williams, Finance Director, Legal Counsel, Joseph J. McGair, and other interested parties.

The minutes of the Board meetings of January 18, 2007 were moved for approval by Board Member Gallucci and seconded by Board Member Inman and were unanimously approved.

Guests:

High Service Requests:

Chairman Boyer read aloud for the benefit of the attendees all of the Kent County Water Authority revised standard conditions from Kent County Water Authority Rules and Regulations 1.14.1, et seq.

The General Manager gave a presentation and discussion and distributed a memoranda dated January 17, 2007 regarding High Service which is incorporated in "A" and the General Manager read a cover memo which is attached as "B".

The Chairman first asked if the inactive approvals were removed from the C & E Engineering report and latest model and the General Manager replied in the affirmative. The Chairman asked about time frames for activation if projects have not commenced. The General Manager reminded all that the six (6) month activation period is in the Kent County Water Authority Rules and Regulations is in approval process. The General Manager stated that there may be a modest amount of surplus which the Board may allot and the C & E Engineering findings in his opinion are accurate and viable (the report of C & E Engineering presented at the Board meeting last month as "A").

The Chairman advised that a reminder to the agents of the known inactive projects regarding time frames would be helpful. Board Member Masterson iterated that it is a regulation and that reminder letters are not necessary. Board

Member Graham stated that a reminder would not be harmful and would not set precedent. Board Member Gallucci stated that if Center of New England is going forward with it's private water system and wells a reminder would be helpful. Board Member Masterson reiterated that Kent County Water Authority had previously signed off on the Center of New England private water system with its communications to the State of Rhode Island and a reminder is unnecessary. The General Manger warned that it is possible that a moratorium may be in effect this summer and cautioned that the new surplus is based upon projects which have not been claimed. Board Member Inman inquired about private approval process and connections.

Board Member Gallucci moved and it was seconded by Board Member Masterson to approve and adopt the findings of the C & E Engineering report dated December, 2006 (Finalized January 18, 2007) as attached as "B" and it was unanimously,

VOTED: To approve and adopt the findings of the C & E Engineering report dated December, 2006 (Finalized January 18, 2007) as attached as "B".

It was also the sense of the Board that the General Manager send reminder letters concerning approval time frames to the agent of the developers of known inactive projects which have been previously approved by the Board.

Villas on the Green, East Greenwich – Continued

Scott Moorehead, PE, Peter Nolan, Esq. and Gregory Contardo appeared before the Board and reiterated their proposal as in past Board meetings and now stated that they are now in a position to make a formal application since the master plan has been completed. Board Member Masterson stated that aid-in-construction proposed for 2,600 feet of 16 inch main from the termination point of Brooks Drugs to Signal Ridge is extremely beneficial for the Kent County Water Authority System. Mr. Moorehead stated that it would be for a 49 unit condominium development in a phased approval with a maximum of 45,000 gallons used daily and that the proposal will take about 12-36 months to "build-out" and Board Member Masterson stated that he would be in favor of the request due to aid-in-construction and the facts brought out at the meeting and other meetings and that the Town of East Greenwich has asked for the Board to approve the request for re-service of Signal Ridge.

The Chair asked if the applicant heard and understood the revised standard conditions in lieu of a moratorium and he stated that he did and would abide by the same.

It was moved by Board Member Masterson and seconded by Board Member Graham to approve to grant the application subject to the conditions as follows:

1. The Kent County Water Authority will accept the offered aid-in-construction to install 2,600 linear feet 16” main from the termination point near Brooks to Signal Ridge.

2. To conditionally approve the request for water supply to service a 49 unit condominium development in a phased approach with the following conditions in lieu of moratorium.

3. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by an applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.

4. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA. The KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers of KCWA.

5. Ventures, commitments or agreements are at the applicant’s sole risk if supply or existing infrastructure is found to be insufficient to support service. The applicant may afford the Authority with system improvements to facilitate adequate service.

6. The applicant shall file a formal commercial application. The applicant/customer understands that any undetected error in the application or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

7. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

8. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping technique and/or proper planting bed (high water holding capacity) soil preparation shall be employed throughout the project.

9. The applicant shall comply with all Kent County Water Authority Rules and Regulations.

And it was unanimously,

VOTED: To approve to grant the application subject to the conditions as follows:

1. The Kent County Water Authority will accept the offered aid-in-construction to install 2,600 linear feet 16" main from the termination point near Brooks to Signal Ridge.

2. To conditionally approve the request for water supply to service a 49 unit condominium development in a phased approach with the following conditions in lieu of moratorium.

3. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by an applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.

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8. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping technique and/or proper planting bed

(high water holding capacity) soil preparation shall be employed throughout the project.

9. The applicant shall comply with all Kent County Water Authority Rules and Regulations.

Shipwreck Falls Lodge – DiPrete Engineering (Continued)

Sanford Resnick, Esq., Leonard Bradley, PE, Troy Lofters PE and Michael DuMont land owner appeared before the Board. Mr. Bradley re-stated as per previous meetings that they are requesting service and 120,000 gallons/day project and they are aware of the issue with water supply at West Warwick Industrial Park in that water still needs to get there from Bald Hill and they are aware of the High Service from Bald Hill station and that they are working toward a resolution for the bringing the line up to the site.

The Chairman inquired as to aid-in-construction and Mr. Resnick stated that the applicant and the Town of West Warwick are working with various State of Rhode Island agencies such as EDC. He stated that Shipwreck Falls will pledge engineering costs as aid-in-construction in the amount of \$50,000 but can not shoulder the burden of the \$2 million infrastructure cost alone. Mr. Resnick stated that he will look to others to see if a collaboration of users could contribute to aid-in-construction. The land owner agreed to engineering of the main.

Board Member Masterson stated that unfortunately it does not appear that others are coming forward to contribute and the Authority is constrained by PUC, but that, all of the Board Members are interested in Economic Development but will need assistance for this line to become a reality. Mr. Resnick hoped others will join in until a preliminary approval be made with all of the caveats and restrictions. Michael Dumont said the first step is in the \$50,000 engineering for the cost associated with the design.

The General Manager stated that he spoke to MetLife and they are looking at the project. The Chairman stated that the project will be costly and the \$50,000 engineering makes sense to have the project costed out. Mr. Bradley stated \$50,000 engineering is a good start but it could be double that. Mr. Bradley provided additional discussion regarding the extent of the design effort and that DiPrete Engineering was capable of providing this type of design work. The Chairman stated it is important that design work get done.

The Chair asked if the applicant heard and understood the revised standard conditions in lieu of a moratorium and he stated that he did and would abide by the same.

It was moved by Board Member Graham and seconded by the Chairman to approve to grant the application subject to the conditions as follows:

1. The Kent County Water Authority will accept the offered aid-in-construction to complete the design and bidding document work for the Route 2 high service infrastructure improvements.

2. To conditionally approve the request for water supply to service the water park with the following conditions in lieu of moratorium.

3. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by an applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.

4. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA. The KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers of KCWA.

5. Ventures, commitments or agreements are at the applicant's sole risk if supply or existing infrastructure is found to be insufficient to support service. The applicant may afford the Authority with system improvements to facilitate adequate service.

6. The applicant shall file a formal commercial application. The applicant/customer understands that any undetected error in the application or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

7. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

8. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping technique and/or proper planting bed (high water holding capacity) soil preparation shall be employed throughout the project.

9. The applicant shall comply with all Kent County Water Authority Rules and Regulations.

And it was unanimously,

VOTED: To approve to grant the application subject to the conditions as follows:

1. The Kent County Water Authority will accept the offered aid-in- construction to complete the design and bidding document work for the Route 2 high service infrastructure improvements.

2. To conditionally approve the request for water supply to service the water park with the following conditions in lieu of moratorium.

3. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by an applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.

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5. Ventures, commitments or agreements are at the applicant's sole risk if supply or existing infrastructure is found to be insufficient to support service. The applicant may afford the Authority with system improvements to facilitate adequate service.

6. The applicant shall file a formal commercial application. The applicant/customer understands that any undetected error in the application or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

7. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

8. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping technique and/or proper

planting bed (high water holding capacity) soil preparation shall be employed throughout the project.

9. The applicant shall comply with all Kent County Water Authority Rules and Regulations.

New London Turnpike, West Greenwich – DiPrete Engineering

This matter was passed off the docket.

Rocky Hill Commons Office Park – James Malm

James Malm, Peter Nolan, Esq. and Scott Moorehead re-appeared before the Board. Board Member Masterson stated that the project will not use as much water as first anticipated. The General Manager stated that the hotel was previously discussed for low service and the aid-in-construction \$100,000 was discussed for infrastructure and other parts of the project with technical review.

It was moved by Board Member Masterson and seconded by Board Member Gallucci to approve the Phase I project and aid-in-construction of \$100,000 shall be designated for high service on Route 2 to help off set future costs by Kent County Water Authority.

The Chair asked if the applicant heard and understood the revised standard conditions in lieu of a moratorium and he stated that he did and would abide by the same.

It was moved by Board Member Masterson and seconded by Board Member Gallucci to approve the Phase I application subject to the conditions as follows:

1. Accept the aid-in-construction of \$100,000 towards Route 2 high service infrastructure improvements.
2. Approve water for the hotel, condominium, restaurant and assisted living.
3. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by an applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.

4. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA. The KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers of KCWA.

5. Ventures, commitments or agreements are at the applicant's sole risk if supply or existing infrastructure is found to be insufficient to support service. The applicant may afford the Authority with system improvements to facilitate adequate service.

6. The applicant shall file a formal commercial application. The applicant/customer understands that any undetected error in the application or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

7. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

8. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping technique and/or proper planting bed (high water holding capacity) soil preparation shall be employed throughout the project.

9. The applicant shall comply with all Kent County Water Authority Rules and Regulations.

And it was unanimously,

VOTED: To approve the Phase I application subject to the conditions as follows:

1. Accept the aid-in construction of \$100,000 towards Route 2 high service infrastructure improvements.

2. Approve water for the hotel, condominium, restaurant and assisted living.

3. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by an applicant/customer are subject to the

reasonable availability of water supply and limits of the existing infrastructure to support service.

4. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA. The KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers of KCWA.

5. Ventures, commitments or agreements are at the applicant's sole risk if supply or existing infrastructure is found to be insufficient to support service. The applicant may afford the Authority with system improvements to facilitate adequate service.

6. The applicant shall file a formal commercial application. The applicant/customer understands that any undetected error in the application or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

7. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

8. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping technique and/or proper planting bed (high water holding capacity) soil preparation shall be employed throughout the project.

9. The applicant shall comply with all Kent County Water Authority Rules and Regulations.

West Greenwich Hotel & Restaurant, America East Engineers

This matter was passed off the docket

Coventry Crossings, Joseph Shekarchi

K. Joseph Shekarchi, Esq. came to the Board by way of an introduction of the project and the "Town" representative, Josh Swerling, PE and Ken Hecht President of Developer. The future project is across from CNE in Coventry and East Greenwich. There would be a multi-use business/retail (coffee shop/bank/pharmacy and there would be an irrigation well. The developers realize the High Service Gradient problems and will work on aid-in-construction and made it

clear they were not looking for approval. Ken Hecht gave a recitation of the difficulties he has been through two (2) Towns and agrees aid-in-construction is feasible and all permitting has been approved unanimously between the two (2) Towns.

The Chairman asked for water use projection and was told it would be approximately 1,840 gallons/day with 1,000-1,500 gallons/day fire flow.

They will ask to be placed on the next Agenda.

340 Moosehorn Road, Jeanne Rotatori

Jim Rotatori stated that his well has high levels of radon and other materials were elevated as verified by Premier Laboratories which is licensed by the State of Rhode Island.

This was verified by the Chairman who stated that this was certainly a health issue. The Chairman asked if the applicant heard and understood the revised standard conditions in lieu of a moratorium and he stated that he did and would abide by the same.

Board Member Masterson moved and it was seconded by Board Member Graham to conditionally approve to supply water to service a single family home subject to the conditions as follows:

1. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by an applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.

2. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA. The KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers of KCWA.

3. Ventures, commitments or agreements are at the applicant's sole risk if supply or existing infrastructure is found to be insufficient to support service. The applicant may afford the Authority with system improvements to facilitate adequate service.

4. The applicant shall file a single family home application. The applicant/customer understands that any undetected error in the application or an increase or change in demand as proposed, which materially affects the ability to

supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

5. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

6. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping technique and/or proper planting bed (high water holding capacity) soil preparation shall be employed throughout the project.

7. The applicant shall comply with all Kent County Water Authority Rules and Regulations.

1823 Frenchtown Road, East Greenwich, Margery Ordog

Margery Ordog and Sid Ordog appeared to explain the problem with Rhode Island Department of Environmental Management. She explained that the waterline only can be put in one place elevated levels of lithium, radon and manganese. Board Member Masterson stated that there are certain health and safety issues.

It was moved by Board Member Masterson and seconded by Board Member Gallucci that based upon the health and safety issues, to conditionally approve the request for water supply to service a single family home with the following conditions in lieu of a moratorium:

1. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by an applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.

2. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA. The KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers of KCWA.

3. Ventures, commitments or agreements are at the applicant's sole risk if supply or existing infrastructure is found to be insufficient to support service. The applicant may afford the Authority with system improvements to facilitate adequate service.

4. The applicant shall file a single family home application. The applicant/customer understands that any undetected error in the application or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

5. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

6. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping technique and/or proper planting bed (high water holding capacity) soil preparation shall be employed throughout the project.

7. The applicant shall comply with all Kent County Water Authority Rules and Regulations.

Town of East Greenwich, William Sequino, Spencers Grant

The Board had made an approval in 2005 which has lapsed. The waterline is on Shippeetown Road and is more convenient for the 11 families that this would affect and all of whom have had severe well issues.

Board Member Masterson and the General Manager had met with the Town and all are interested in correcting the problem and knows it is a health and safety issue.

Joseph Duarte DPW (East Greenwich) and Henry Boezi, Town Council member for the Town are prepared to do the construction but would need the technical assistance from Kent County Water Authority without which the project would be cost prohibitive since the Town has no expertise on waterline and transmission issues. The General Manager stated there could be a greater problem since the majority of families must tie in as they may be on a stagnant well.

Town Council member, Henry Boezi, explained history of the dry line since early 1990's. The General Manager questioned the number of tie-ins and the curb stop issues.

Board Member Masterson moved because of health and safety issues and it was seconded by Board Member Inman to approve the use of Kent County Water Authority expertise to the Town of East Greenwich provided at least 8 out of 11 homeowners commit to tying in the water line and this use of expertise is for Spencer's Grant only and is in no way a matter of precedent and it was unanimously,

VOTED: To approve the use of Kent County Water Authority expertise to the Town of East Greenwich provided at least 8 out of 11 homeowners commit to tying in the water line and this use of expertise is for Spencer's Grant only and is in no way a matter of precedent.

Stantec Presentation on Pilot Results Mishnock Wellfield, Acceptance of Technology, Authorization to Proceed to Design

Gary McCarthy and George Allen, Manager appeared for a lengthy presentation with a recommendation for the Zenon technology to be implemented regarding the Mishnock Well piloting study and all were referred to the memo of February 8, 2007 of the General Manager which is attached as "C" and the printed power point presentation of Stantec is attached as "D" which was followed by general discussion with the Board Members.

The General Manager stated he was pleased with the results of the piloting study and that Zenon technology has successfully been in Seekonk for over ten years and that he recommends technology.

It was moved by Board Member Inman and seconded by Board Member Masterson to accept the Zenon technology for implementation at the Mishnock wellfields as piloted and proceed to the Department of Health for review and thereafter for approval to proceed to RFP for design and it was unanimously,

VOTED: To accept the Zenon technology for implementation at the Mishnock wellfields as piloted and proceed to the Department of Health for review and approval to proceed to RFP for design.

Meter Employee Performance Review

That Chairman stated that the person affected was notified in writing that a discussion of job performance, character, physical or mental health was to be held in executive (closed) session by the Board of Kent County Water Authority on February 15, 2007, at 5:00 p.m. which is attached as "E", unless the person affected required the proceeding to be held at an open meeting. The person affected did respond) and did appear and requested that the meeting be in executive (closed) session.

After the statement by the Chairman, the Chairman declared that it be noted in the minutes of the meeting that R.I.G.L. 42-46-5(a)(1) has been fully complied with.

Board Member Graham moved and Board Member Gallucci seconded the motion to move into executive session for the discussion of job performance, character, physical or mental health pursuant to R.I.G.L. 42-46-4 and 42-46-5(a)(1) and it was unanimously,

VOTED: To enter into executive session for discussion of personnel matters pursuant to R.I.G.L. 42-46-4 and 42-46-5(a)(1).

Board Member Inman moved and Board Member Graham seconded to exit executive session and to keep the executive session minutes closed and that the minutes shall remain under seal pursuant to R.I.G.L. 42-46-4 and 42-46-5 and it was unanimously,

VOTED: To exit executive session and to keep the executive session minutes closed and that the minutes shall remain under seal pursuant to R.I.G.L. 42-46-4 and 42-46-5.

Summit Financial, Pension Presentation

Joseph F. Bonasera, President of Summit Financial Corporation Benefits Consulting and the Plan Administrator presented the slate of the Kent County Water Authority Pension Plan in conjunction with the report dated February 15, 2007 and appended as “F” and a power point presentation attached as “G” and after complete discussion by the Board in exercising their fiduciary duties and due diligence.

Board Member Boyer recommends that investments of the pension plan be equal weighting pursuant to the recommendations of Summit Financial.

Board Member Gallucci was pleased with the bottom line as were other Board Members and concurred with the Chairman that the recommended equal weighting concept has the pension in a good place.

The Chairman stated that as to the actuarial issue, it was his opinion that the current actuary has been extremely competent.

The General Manager stated that the investments have done well with the conservative goals set and which have been met. He stated that a different actuary issue is something to think about and was very pleased with current actuary.

The Chairman stated that a memo from the General Manager regarding the actuary piece plus the recommendation to the Board for future consideration.

It was the sense of the Board that the recommended direction of Summit Financial is in the best interest of the pension plan and it should be continued

LEGAL MATTERS

Relocation of Tank Site – Read School House Road

On January 8, 2007, the Coventry Town Council authorized the Town Manager to enter into agreement with Kent County Water Authority as to the Read School House Road land swap for location of the tank. Title research for the new site has been completed. The application for the special use permit has been filed with the Zoning Board of Review and a public hearing on the petition is scheduled for March 7, 2007. Legal Counsel, without objection from the Board, will hire a traffic expert and a real estate expert for the presentation.

Facility Access – Amgen

Easement rights of Kent County Water Authority are impeded due to Amgen's security protocol. The General Manager forwarded correspondence to Berglund, P.E. setting forth easement rights and to contact to discuss the matter and there has been no formal reply and the General Manager stated that there is a conflict and there will be a need to discuss further.

The water tank requires maintenance painting. Amgen requested Kent County Water Authority and its contractor to execute an access agreement/license with respect to access to the tank. On February 7, 2007, Kent County Water Authority forwarded correspondence to Amgen stating that Kent County Water Authority has pre-existing easement rights for accessing the tank.

Wakefield Street, West Warwick Tank Site

The General Manager stated that the appraisal of the site has been obtained by Kent County Water Authority and that the Town of West Warwick owns most of the land and this matter will be reviewed further by Kent County Water Authority. Status quo.

Department of Health follow up private systems

Legal Counsel has completed a preliminary draft of the amended Department of Health regulations which will be reviewed by Kent County Water Authority staff prior to finalization and presentation to Department of Health Legal Counsel.

Town of Coventry Sewer Easement

Coventry requested from Kent County Water Authority a sewer easement over land owned by Kent County Water Authority and designated as Assessor's Plat 20 Lot 9. Kent County Water Authority acquired the land subject to a restriction that it be used only for water conservation purposes. Given this restriction, Legal Counsel inquired on August 5, 2006 of legal counsel for Department of Environmental Management as to whether or not Kent County Water Authority is permitted to grant an easement. The Water Resources Board approved the grant of easement and the form of easement deed has been forwarded to the Town for review.

Kent Hospital/Tollgate/Emergency Interconnection

This will be addressed by Legal Counsel and Kent County Water Authority and is in review. Status quo.

Quaker Lane Booster Station

The renovation of the station on February 13, 2007 in order to meet setback requirements of the generator from the structure and to accommodate a temporary construction easement require 25' to 50' of abutting property owned by Duke Associates Limited Liability Corp. Legal Counsel forwarded to the owner written request for lease of the subject land.

Pressure Reducing Station

The Village at East Shore-Phase II (Coventry)

In connection with the development, Kent County Water Authority will install a pressure reducing valve station on an undeveloped road off of Route 3. Kent County Water Authority and Legal Counsel met with the Coventry Town Solicitor to confirm that no zoning board approvals are required for the station. Legal Counsel for Kent County Water Authority and the land owner are coordinating to secure easements for construction and operation of the station.

Director of Finance Report:

Arthur Williams, Finance Director, explained and submitted the financial report and comparative balance sheets, statements of revenues, expenditures, and cash receipts, disbursements through January, 2007 and closing documents which is attached as "H", and after discussion, Board Member Gallucci moved and seconded by Board Member Masterson to accept the reports and attach the same as an exhibit and that the same be incorporated by reference and be made a part of these minutes and it was unanimously,

VOTED: That the financial report, comparative balance sheet statement of revenues, expenditure, cash receipts and disbursements through January, 2007 and closing documents, be approved as presented and be incorporated herein and are made a part hereof as “H”.

Point of Personal Privilege and Communications

GENERAL MANAGER/CHIEF ENGINEER’S REPORT

OLD BUSINESS:

Supplemental Water Supply for Discussion

The General Manager is concerned about funding in this area and it will be discussed on an on-going basis. State of Rhode Island Water Resources Board has ordered a management plan for all three agencies regarding the Hunt River. The Route 2 transmission is very important, but the construction of 78” connection is the most crucial piece of infrastructure that must be completed.

3:30 p.m. Board Decision on High Service Supply Allocation

This matter was discussed infra.

New Business

Cost of Service Rate Discussion

Route 2 transmission main will require looking at the water rates and that it will be very expensive to tie-in and split commercial fire and residential and another study will be necessary in light of the Providence Water Supply Board rate increase which is soon to be heard by the PUC.

PWSB Pending Rate Case March 30, 2007

A pass through 15-20% increase 7-8% for Kent County Water Authority and rate design change for commercial and will need a consultant.

Rate Consultant Contract Extension Approval

The General Manager stated that Kent County Water Authority should extend the contract for a total of three years 8/2/05 which was approved

September 2005 for one year and two year window and to extend it for the full contract. The Chairman stated that he felt that it should go out for RFP.

It was moved by Board Member Graham and seconded by Board Member Inman for the Rate Consultant Contract to be put out for RFP and it was unanimously,

VOTED: For the Rate Consultant Contract to be put out for RFP.

Bond Counsel Recommend RFP for Engagement

It was moved by Board Member Graham and seconded by Board Member Inman for the Bond Council to be put out for RFP and it was unanimously,

VOTED: For the Bond Council to be put out for RFP.

Approval CCR Editing & Design Prosnitz Communications

The General Manager stated that all have been satisfied with the Consumer Confidence Report to the rate payers and it was the sense of the Board to have the General Manager proceed with Prosnitz Communications for edit and design of the Consumer Confidence Report in the amount of \$3,000.00 as attached as "I".

Approval Conservation Brochure Production Prosnitz Communications

The General Manager stated that all have been satisfied with the conservation brochure and it was the sense of the Board to have the General Manager proceed with Prosnitz Communications for edit and design of the conservation brochure as attached as "J".

Staffing Update, Open Position

The General Manager presented a memorandum regarding staffing update as attached as "K" which was followed by a general discussion.

Payroll System Review

The General Manager presented a memoranda regarding the payroll system attached as "L".

The General Manager stated that there had been an error in interpretation with regard to an employee. The General Manager stated that if it were interpreted differently it should have been the next payroll step but only for probationary employees. Board Member Inman stated that it was a singular error

in interpretation and would not apply to others. The General Manager stated he will correct the chart “L” and that the previous interpretation should be corrected with retroactive pay for that employee.

It was moved by Board Member Graham and seconded by Board Member Gallucci to correct the previous ruling with retroactive pay for that employee and it was unanimously,

VOTED: To correct the previous interpretation with retroactive pay for that employee.

Legal Opinion Family Leave Request of Employee, for discussion

Employee, Kevin Fitta stated that he is entitled to Family Medical Leave Act protection which Legal Council has disputed by various memoranda. The General Manager stated that it is normal that employees exhaust vacation time under these circumstances. Board Member Inman discussed the ramifications of the situation. The General Manager also stated that he agreed with the legal memoranda and that there is no precedent for the opposite opinion.

Board Member Gallucci recommended the common sense approach and have the General Manager work it out and it was the sense of the Board to have two (2) Board Members review the situation with the employee.

Approval-ERRATUM to the KCWA Rules and Regulations

The General Manager stated that the recently approved Rules and Regulations require technical corrections as attached as “M”.

It was moved by Board Member Masterson and seconded by Board Member Graham to approve the Erratum corrections to the Kent County Water Authority Rules and Regulations as attached as “M” and it was unanimously,

VOTED: To approve the Erratum corrections to the Kent County Water Authority Rules and Regulations as attached as “M”.

CAPITAL PROJECTS: **INFRASTRUCTURE PROJECTS :**

All Capital Projects and Infrastructure Projects are addressed in an exhibit attached as “N” as prepared and described to the Board by the General Manager with general discussion following.

Board Member Graham made a Motion to adjourn, seconded by Board Member Inman and it was unanimously,

VOTED: To adjourn the meeting at 8:58 p.m.

Secretary Pro Tempore

EXHIBIT A

February 15, 2007

OFFICE MEMO

To: Board
From: Timothy J. Brown
Subject: Board Meeting January 18, 2007
Date: January 17, 2007

Prior to the Board's action on high service requests for the January Board Meeting, I would like to review the most recent calculations from Amgen and Technical Memo 3A of the most recent hydraulic tank study evaluation. This has been provided to you in a mailing yesterday along with the attachments to this memo. For quite some time now, I have stated for the record my objection to any additional water service approvals being granted for the high service gradient and of course in particular for irrigation of residential or commercial properties. As you know the Board has been approving the additional supplies even with the perceived shortfall in water based upon previous modeling and the analysis of the total ability to supply the high service from our low service gradient through booster stations. We have continued to use the engineering firm C & E Engineering Partners to do our analysis for hydraulic since they have prepared the hydraulic model and have recently updated it as of February of 2006. It has certainly been invaluable to us in our review of our demands and of course our engineering work to date. During this most recent update for the hydraulic tank study we needed to review demands on our system as well as the growth of our system for the next 20 years. That was attached in Task 3A that was provided yesterday to you for review by C & E Engineering Partners. We are reviewing that and will provide comments to the engineers concerning that, but did not want to hold up the memo and the information for the Board's review as it has ramifications for the high service approvals. The approved high service projects to date are attached in the chart which is both printed in red for completed projects and black for non-completed projects. Based upon the new calculation and the diurnal flow curve of Amgen which was provided to us in January of 2007 you will see that the change in the maximum day and average day flows for their 2008 projections has caused a welcome surplus in supply. Currently the surplus is 427,000 GPD taking into consideration all approved projects to date. It is not a lot, but we feel very comfortable that it is accurate and correct and would allow the Board the ability to approve high service projects not exceeding 427,000 GPD additional supply than what have already been approved. I also must state for the record that I do not recommend irrigation for any project from this point forward; in particular, high service gradient as we must control outside irrigation demand.

If this Board accepts the most recent modification to supply "surplus" then the Board would have an opportunity to continue to provide water in the high service gradient. It must be limited to the calculated surplus based on the actual conditions of the KCWA demand and the consideration of the approved projects. As a reminder, this stems from the modeling and calculated capacity of our system by the engineers based on actual conditions and our supply capacities. A word of caution; prior to the most recent rapid build-out of the high service gradient, we have issued moratoriums on outside water use due to the inability to supply both high and low service gradients. Not to sound like a broken record, but outside water use is the culprit and must be

controlled. No matter what the average day demand is, we cannot supply the maximum day demand with the excessive use of water for outside uses (landscaping watering and alike).

The Board has explored many different options in the past and must again explore options to control excessive use. The use of moratoriums is effective, but takes a number of days to implement and may not be advantageous to this company or to our customers. It certainly is not welcomed. We still await response from the Water Resources Board of our request for consideration of a statewide conservation program. We have certainly addressed this repeatedly to the political representatives as well as to the Commission that is investigating the Authority. To this day we still have no response, nor action concerning our request. In the interim, we must be ever vigilant and we must institute moratoriums if a dry season is upon us and must keep those moratoriums in place until all danger to system capacity has passed. It will require additional policing and will require a major emphasis on press releases and coverage by the news media.

My last comment is concerning the programs to be implemented to increase supply to the high service gradient as well as stabilize supply to the low service gradient. All programs have been initiated and we are working towards increasing supply at Warwick's connection, both high and low service. We have already increased low service supply from Clinton Avenue pumping station and wait activation of the high service booster pumps upon completion of the Read School House tank and water transmission main. We will also be moving into our preliminary and final design phases of the Mishnock well field and of course the East Greenwich well field. A number of questions will need to be answered by the Board over the next few months concerning capacity of East Greenwich well production, design services for the Read School House tank, study to review pressure conditions within the Read School House current pressure zone, funding for the Bald Hill high service transmission main and ultimately the revised Capital Improvement Program with the potential of a new connection to the PWSB aqueduct.

- Based on the anticipated increase in service population by community previously developed, the water demand will be proportionally increased by this amount. For example, the (service) population is expected to increase by 4.6% in West Warwick for the planning period. Therefore, demands are projected to increase in West Warwick by an equal amount within this area of the service territory. A similar approach was applied to the remaining communities with the Authority service territory.
- Due to the fact that the specific area of future development and growth is unknown, the future anticipated consumer demands would be distributed globally across the particular community in which they are projected to occur.
- In order to account for unanticipated growth (i.e. growth that would result in water demand increase), a conservative estimate of a 10% increase in water demand was allocated across the entire service territory for the planning period. This 10% increase in water demand also included the communities of Cranston, North Kingstown and Scituate for which the Authority has no immediate plans for expansion as a measure to account for "infill" development.
- The future demands for Amgen and ON Semiconductor were also considered in this study and both of which have been significantly reduced. The demands for each of these facilities were readjusted in the model database as follows.
 - An average day demand of 10.42 gpm (5,000 gallons per day) was utilized for ON-Semiconductor. This demand has decreased from 299.34 gpm (431,050 gallons per day) or by over 95% in the Low Service Gradient.
 - Based upon recent correspondence from Amgen dated January 4, 2007, detailing forecasted water use through year 2008 overall water demands have decreased for all demand scenarios. June 2008 is the projected point at full grow out for the facility. These adjusted demands will have an impact on the operation of the water system in the High Service Pressure Gradient. The demands are significantly lower than those provided in 2002 as can be seen below.

MODEL SCENARIO	2002 AMGEN DEMANDS	2008 AMGEN DEMANDS	OVERALL DECREASE IN FORECAST
Average Day	833 gpm (1.2 MGD)	556 gpm (0.80 MGD)	277 gpm (0.40 MGD)
Maximum Day	1,500 gpm (2.16 MGD)	833 gpm (1.20 MGD)	667 gpm (0.96 MGD)
Peak Hour	1,500 gpm (2.16 MGD)	1,084 gpm (1.56 GPM)	416 gpm (0.60 MGD)

- The future water demands were calculated for the entire system based on the aforementioned data and were proportionately applied to each of the various junction nodes within each of the service communities.

Significant changes / modifications to system operations:

- The existing Tiogue Tank (350') Gradient will be served and become part of the High Service (500') Gradient.

John: I have attached a Powerpoint presentation that shows our current forecast for water consumption for our facility at 40 Technology Way. This forecast is based upon our existing facilities and our current master plan. It is not representative of the maximum water demand for the site should additional expansions occur. At this time we do not have plans for expansion beyond what has been included in our current forecast.

If you have any questions please contact me.

Mark Berglund
Director Maintenance
Amgen Inc.
492-4459

Amgen Rhode Island Water Usage

Mark Berglund

James Vogel

04 January 2007

Amgen Rhode Island Water Consumption Forecast

(Preliminary estimates based on 2006 Forecasts of planned projects)

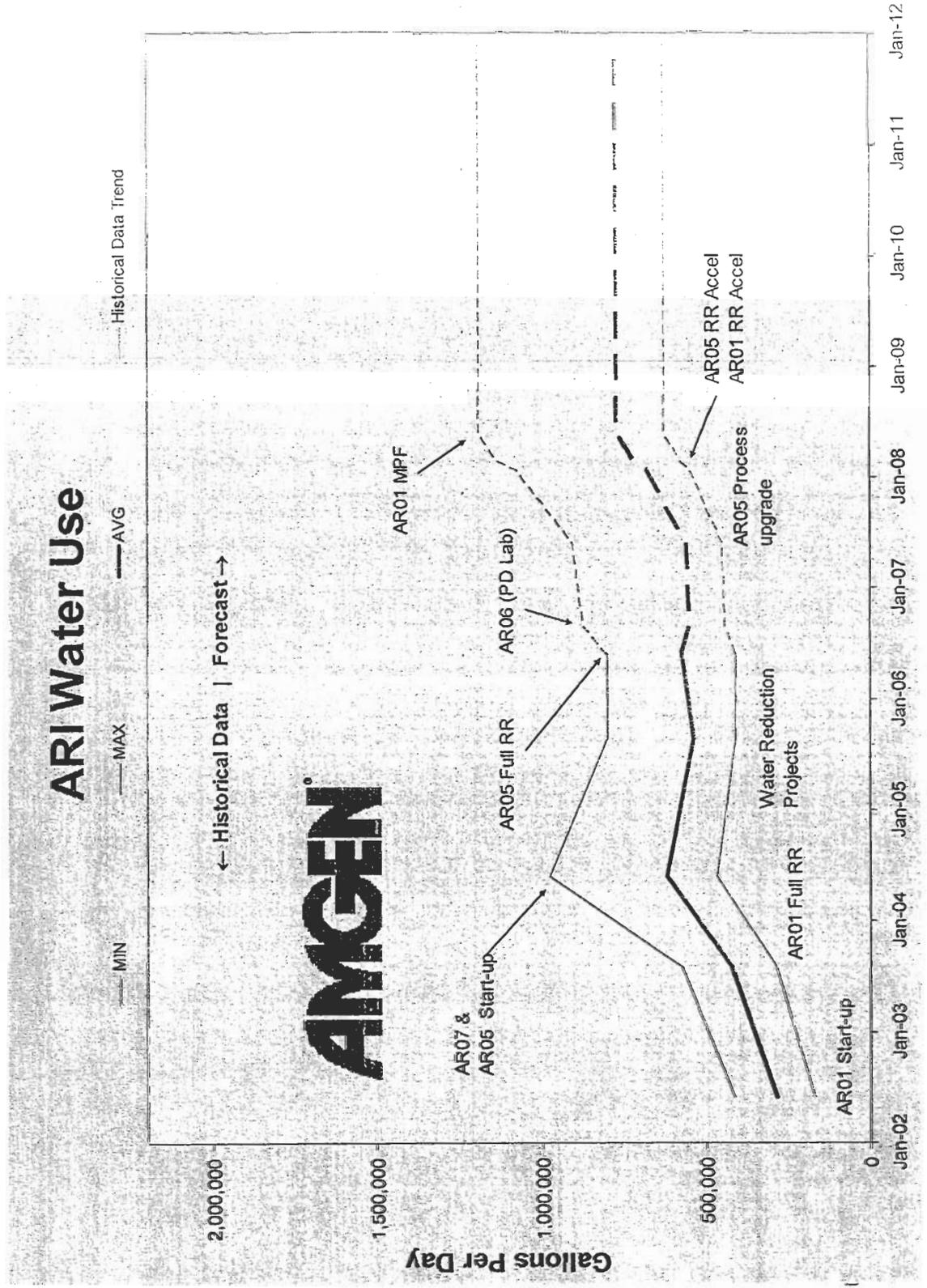
Start Date*	Event	Water Consumption**		
		MIN	AVG	MAX
06/01/02	AR1 Start-up	173,536	287,672	414,168
08/01/03	AR1 Full Run Rate	287,980	424,923	572,220
06/01/04	AR7 and AR5 Start-up	468,996	618,339	976,140
09/01/05	Water Reduction Projects	412,023	537,997	800,924
06/01/06	AR5 Full Run Rate	410,514	573,148	800,924
09/01/06	AR06 (PD Lab)	444,145	550,690	872,907
06/01/07	AR5 2007 Process Upgrade	449,146	556,890	902,907
02/01/08	AR5 Run Rate Acceleration	546,460	677,549	1,073,994
03/01/08	AR1 Run Rate Acceleration	577,427	715,944	1,134,854
06/01/08	AR1 Multi-Product Facility	621,517	770,611	1,189,521

* Approximate date change goes into effect.

** Data taken from representative periods after implementation.

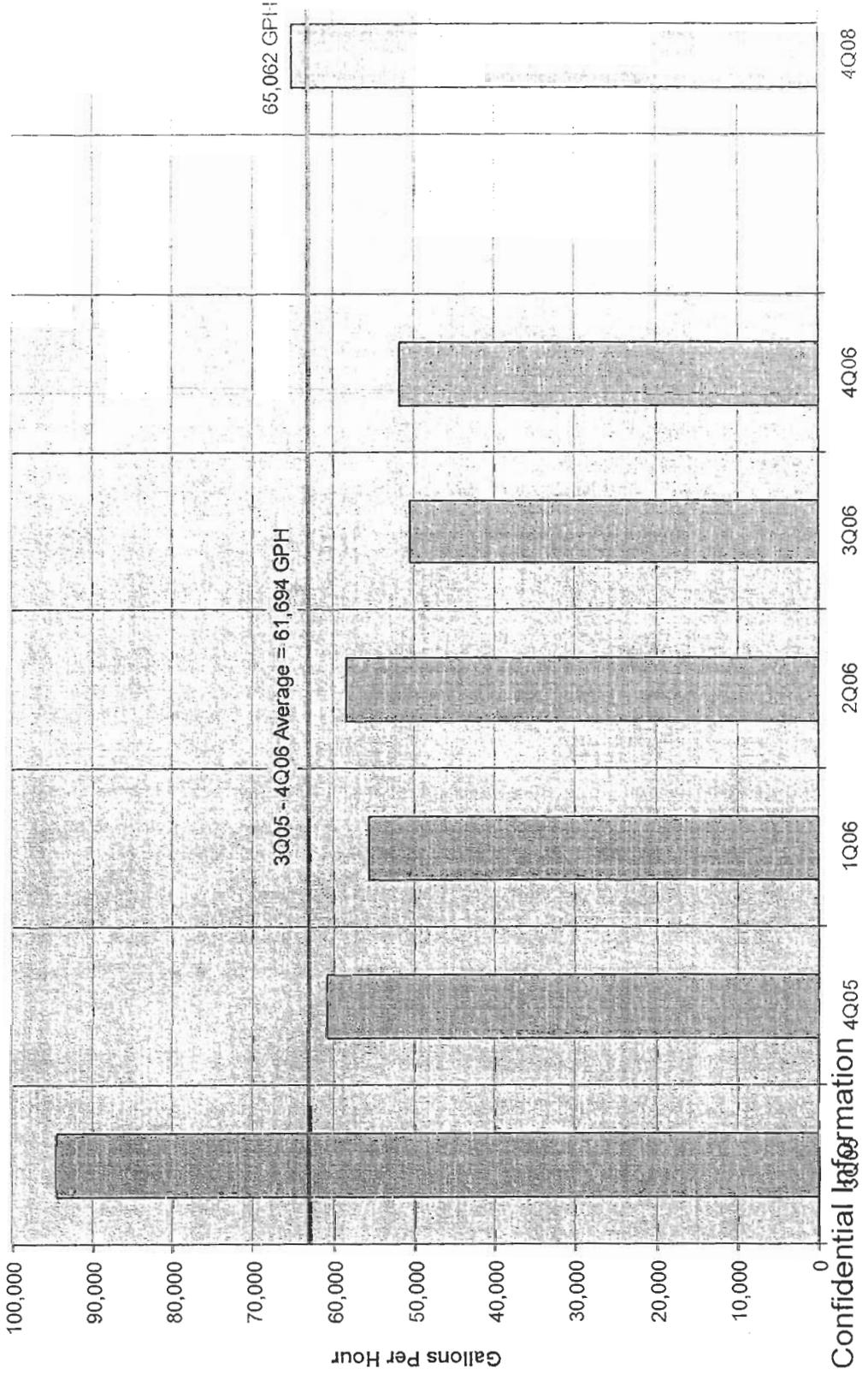
Confidential Information

Amgen Rhode Island Water Usage



Maximum Hourly Flow Rate

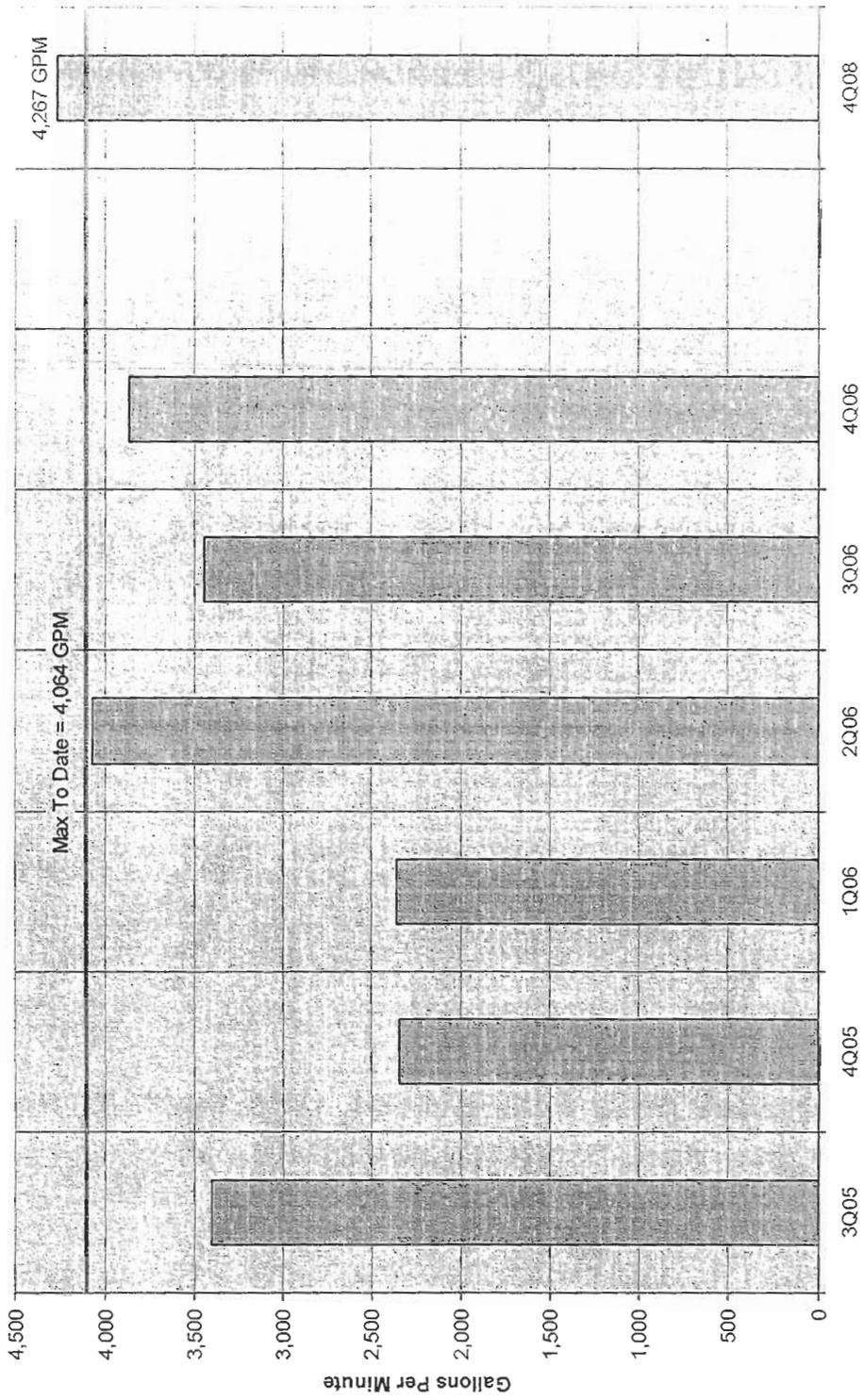
Data Not Available prior to 3Q05



Confidential Information

Maximum Instantaneous Flow Rate

Data Not Available prior to 3Q05



Confidential Information



40 Technology Way
West Greenwich, Rhode Island 02817
401.392.1180/Telephone
401.392.1971/Fax

15 January 2002

Mr. Timothy J. Brown, P.E.
Kent County Water Authority
1072 Main Street
P.O. Box 192
West Warwick, RI 02893-0192

Re: The Immunex Greenwich Project/BioNext Project
West Greenwich, Rhode Island
PARE Project No. 01047.00

Mr. Brown:

Please confirm that Kent County Water Authority can provide water for the manufacturing facility located at 40 Technology Way, West Greenwich, Rhode Island owned by Immunex. We anticipate the demands to be as follows:

- The additional service will be needed, on or about 1 July 2002, and require a total of 700,000 Gallons per Day (GPD) for the entire site.
- The requirements may grow to a maximum daily consumption of 1,400,000 GPD, for the entire site, on or about 1 July 2003, during the start-up of the plant.
- The steady state annual average daily consumption will be 895,000 GPD, for the entire site, on or about 1 October 2004. This number is an average of the seasonal ranges for the facility, which are estimated to range between 700,000 and 1,250,000 GPD.
- The maximum instantaneous flow rate on a maximum demand day is expected to be 1500 Gallons per Minute (GPM).

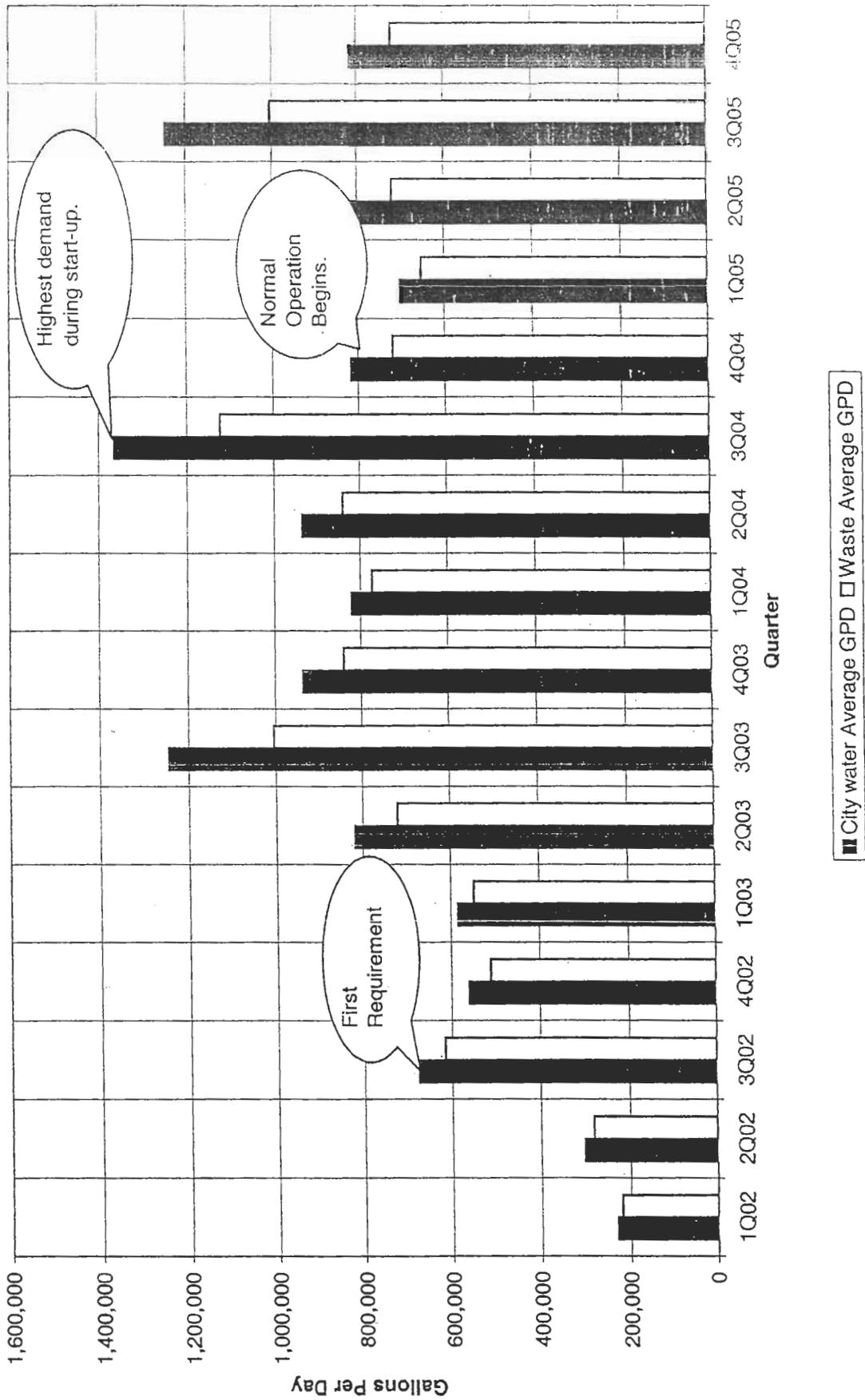
Please refer to the attached chart: Immunex, BioNext Project Average Water usage estimate, J.Vogel (16 Jan 2001), for details.

Best Regards,

James D. Vogel, P.E.

cc: Atty. Stephen Lichatin, III, Nixon Peabody, LLP
Mr. Russell B. Parry, PCM, Inc.
Mr. Albert G. Bisacky, P.E., Pare Engineering Corporation

ImmuneX, BioNext Project Average Water and Waste estimate
J.Vogel (16 Jan 2002)



Immune: Water Consumption Estimate

Average Flowrates (Gallons per minute)				
Season	Current (Phase A)	Future (Phase B)	Total (A+B)	
Summer Start-up	337	611	948	
Summer Average	337	528	865	
Fall and Spring Average	209	358	567	
Winter Average	159	328	487	
Peak Flow	337	1168	1505	
Average Flowrates	228.5	393	621.5	
Average Flowrates (Gallons per day)				
Season	Current (Phase A)	Future (Phase B)	Total (A+B)	
Summer Start-up	485,280	879,840	1,365,120	
Summer Average	485,280	760,320	1,245,600	
Fall and Spring Average	300,960	515,520	816,480	
Winter Average	228,960	472,320	701,280	
Peak Flow	Not Applicable			
Average Flowrates	329,040	565,920	894,960	
Date	City water Average GPD	Waste Average GPD	Description	
1Q02	228,960	218,880	Phase A Winter	
2Q02	300,960	280,800	Phase A Spring	
3Q02	675,360	614,880	Phase A Summer +25% B Sum	
4Q02	558,720	510,336	Phase A Fall + 50% B Fall	
1Q03	583,200	546,912	Phase A Winter +75% B Winter	
2Q03	816,480	719,712	Phase A and B Spring	
3Q03	1,245,600	1,003,680	Phase A and B Summer	
4Q03	936,000	839,232	Phase A Fall and B Fall Start-up	
1Q04	820,800	772,416	Phase A Winter and B Winter S	
2Q04	936,000	839,232	Phase A Spring and B Spring S	
3Q04	1,365,120	1,123,200	Phase A Summer and B Summ	
4Q04	816,480	719,712	Phase A and B Fall	
1Q05	701,280	652,896	Phase A and B Winter	
2Q05	816,480	719,712	Phase A and B Spring	
3Q05	1,245,600	1,003,680	Phase A and B Summer	
4Q05	816,480	719,712	Phase A and B Fall	
	241,920		summer evaporative loss per design day	
	48384		winter evaporative loss per design day	
	96768		fall/spring evaporative loss per design day	

APPROVED HIGH SERVICE

(1/17/2007)

Number	Development	Street	Description	Avg. Day (gpm)	Max Day Multiplier	Max Day Approved (gpm)	Date Approved	Date Approved Mailed Sent Out	Letter Returned	Letter Sent To
1	Signal Ridge	EG Re-service	Homes	141.1	2.3	324.5	1/1/2001			
2	Rose Farm	Frenchtown Rd., EG	Homes	1.11	2.3	2.6	5/4/2001			
3	Birchwood Glen	Kulus Rd., WW	Homes	2.78	2.3	6.4	11/20/2001			
4	Middle Woods	Middle Rd., EG	Homes	27.8	2.3	63.9	11/27/2001			
5	Shippeetown Road Sub.	Shippeetown Rd., EG	Homes	6.67	2.3	15.3	12/10/2001			
6	Amgen *	Technology Way, WG	Industrial	556	*	833.0	2/8/2002			Revised January 2007
7	Sandra Court	Reservoir Rd., COV	Homes	1.81	2.3	4.2	5/20/2002			
8	Chole Court	Clark Rd., COV	Homes	2.08	2.3	4.8	7/19/2002			
9	Hawk Crest Est.	Hill Farm Rd., COV	Homes	12.2	2.3	28.1	4/4/2003			
10	Crystal Creek	Middle Rd., EG	Homes	9.58	2.3	22.0	4/10/2003			
11	Long Meadow	Frenchtown Rd., EG	Homes	8.33	2.3	19.2	4/10/2003			
12	Middle Hollow	Middle Rd., EG	Homes	2.78	2.3	6.4	5/14/2003			
13	Blueberry Hill	Shippeetown Rd., EG	Homes	7.78	2.3	17.9	8/26/2003			
14	Hidden Ridge	Shippeetown Rd., EG	Homes	8.89	2.3	20.4	10/29/2003			
15	Green Farm	Squirrel Ln./Tillinghast Rd., EG	Homes	6.67	2.0	13.3	1/12/2004			Peter Nizwantowski and Steven Cabral
16	Dunkin Donuts	New London Turnpike	Commercial	1.3	1.5	2.0	2/9/2004	4/25/2005		
17	Chiropractic Center	Nooseneck Hill Rd., WG	Commercial	0.63	1.5	0.9	7/24/2004			
18	Keith White	Lot 22, AP50 Lot A Reservoir Rd	1 House	0.4	2.3	0.9	10/21/2004			Keith White
19	Keith White	136 Reservoir Road, Cov	1 House	0.4	2.3	0.9	10/21/2004			Keith White
20	Randolph Bank	Center of New England, COV	Commercial	1	1.5	1.5	1/11/2004			
21	Leisure Condo	Nooseneck Hill Rd., COV	Condos	13.9	2.0	27.8	11/12/2004			
22	Coventry Lumber	Nooseneck Hill Rd., COV	Commercial	1	1.5	1.5	11/16/2004			
23	Santo Lombardi	Sharon Drive, COV	1 House	0.4	2.3	0.9	11/18/2004			
24	Home Depot	Center of New England, COV	Commercial	1.7	1.5	2.6	12/6/2004			
25	Debra Zarrella	Frenchtown Rd., EG	1 House	0.4	2.3	0.9	3/16/2005	4/8/2005	YES	Debra Zarrella
26	Arlington RV	Division Road, WG	Commercial	3.5	1.5	5.3	3/16/2005	4/7/2005	YES	Sandy Cleary
27	Brooks Drugs	Division Road, EG	Commercial	10.4	1.5	15.6	3/16/2005	4/8/2005	YES	Steven Cleary
28	Pine Ridge	Hopkins Hill, COV	69 Homes	28.8	2.3	66.2	3/16/2005	4/8/2005	YES	Christopher Cleary
29	Westwood Apartments	Reservoir Rd., COV	No Application	4.9	2.0	9.8	3/16/2005	4/8/2005		John Assalone
30	Dawn Santilli	68 Surrey Lane, W. WAR	1 House	0.4	2.3	0.9	3/22/2005	4/8/2005	YES	Maryann Santilli

APPROVED HIGH SERVICE

(1/17/2007)

Number	Development	Street	Description	Avg. Day (gpm)	Max Day Multiplier	Max Day Approved (gpm)	Date Approved	Date Approved Mailed Sent Out	Letter Returned	Letter Sent To
31	Maurice Cooney	949 Tillinghast Road, EG	1 House	0.4	2.3	0.9	4/21/2005	4/21/2005	YES	Maurice Cooney Jeff Hanson and Robert Rapoza
		CNE Universal Boulevard, Cov	Hotel	2	2.0	4.0	5/2/2005	5/24/2005		John Kucich, Robert Rapoza & Tom Richards
		CNE Boulevard, Cov	Commercial	1.7	1.5	2.6	5/2/2005	5/24/2005		
34	Paul & Tanya Rossi	53 Mohawk Trail, WG	1 House	0.4	2.3	0.9	5/18/2005	5/20/2005		Paul & Tanya Rossi
35	George Olney	22 Marion Drive, Cov	1 House	0.4	2.3	0.9	5/18/2005	5/20/2005	YES	George Olney
36	Mojtaba Rajaei	1627 Middle Road, E.G.	1 House	0.4	2.3	0.9	5/18/2005	5/20/2005	YES	Mojtaba Rajaei
37	John Assalone	Valerie Drive, Parcel 1(a)	1 House	0.4	2.3	0.9	5/18/2005	5/20/2005	YES	John Assalone
38	John Assalone	Valerie Drive, Parcel 1(b)	1 House	0.4	2.3	0.9	5/18/2005	5/20/2005	YES	John Assalone
39	Peter Suorsa	12 Island Drive, Coventry (1")	1 House	0.4	2.3	0.9	6/15/2005	6/22/2005	YES	Peter Suorsa (Ken Goodwin)
40	Peter Suorsa	13 Island Drive, Coventry (2")	1 House	0.4	2.3	0.9	6/15/2005	6/22/2005	YES	Peter Suorsa (Ken Goodwin)
41	Dana Carlow	Rejane Street, Coventry	1 House	0.4	2.3	0.9	6/15/2005	6/22/2005	YES	Dana Carlow
		Burkin Donuts Hopkins Hill Rd, WGS	Commercial	1.3	1.5	2.0	6/15/2005	6/22/2005	YES	Jeff Butler, Kevin Morin
43	Andrew Potvin	Hopkins Hill, COV	1 House	0.4	2.3	0.9	7/1/2005	7/1/2005	YES	Andrew Potvin
		599 Club House Road	1 House	0.4	2.3	0.9	7/1/2005	7/1/2005	YES	Matthew L. Tucci
		Veronica Court, Plat 34, Lot 19	1 House	0.4	2.3	0.9	7/1/2005	7/1/2005	YES	Caren Bourque
		Pratt View Court, Lot 102	1 House	0.4	2.3	0.9	7/1/2005	7/1/2005	YES	Peter Rosiello, Mike Duckett
		307 Shippstown Road, EG	1 House	0.4	2.3	0.9	7/20/2005	7/21/2005	YES	Albert & Barbara LaPlume
		298 Shippstown Road, EG	1 House	0.4	2.3	0.9	7/20/2005	7/20/2005	YES	Arthur L. Larsson
49	Frederick Schultz	58 Crompton Road, EG	1 House	0.4	2.3	0.9	8/11/2005	8/11/2005	YES	Frederick Schultz
		31 Island Drive, Coventry	1 House	0.4	2.3	0.9	8/17/2005	8/18/2005		Richard Todisco
51	Maple Root Center	2435 Nooseneck Hill Rd, Cov	Commercial	1.7	1.5	2.6	8/17/2005	8/18/2005	YES	Edward J. Overton, Jr, Patricia Walker (Installed Well)
		Deer Run Estates, WGS	24 Homes	1.3	2.3	29.9	8/17/2005	8/18/2005		Gary Johnson, Joseph Casali
53	Gentry Glen Condos	Crompton Road, WW	62 Units	1.3	2.0	25.8	9/21/2005	9/30/2005		Mike Duckett, Kevin Morin
		Reservoir Road, Coventry	12 Condos	3.3	2.0	6.7	9/21/2005	9/30/2005	YES	Brian Bamford, Joseph Casali
		Center of New England, Cov	Commercial	1.3	1.5	2.0	9/21/2005	9/30/2005		Robert Rapoza, Jeffrey Hanson
		Center of New England, WGS	300 Apts/Condos	31.1	2.5	77.8	9/21/2005	9/30/2005		Roney Malafroite, John Calio

APPROVED HIGH SERVICE

(11/17/2007)

Number	Development	Street	Description	Avg. Day (gpm)	Max Day Multiplier	Max Day Approved (gpm)	Date Approved	Date Approved	Approved Letter Mailed Sent Out	Letter Returned	Letter Sent To
62	Development	386 Shippackowia Road, EG	1 House	0.4	2.3	0.9	9/21/2005	9/30/2005		YES	Kenneth Hendrickson
62	Development	362 Mooselkorn Road, EG	1 House	0.4	2.3	0.9	9/21/2005	9/30/2005			Jane Revkin
62	Development	20 Marion Lane, Coventry	1 House	0.4	2.3	0.9	9/21/2005	9/30/2005			Howard Dulude
62	Development	55 Robin Lane	1 House	0.4	2.3	0.9	9/21/2005	9/30/2005			Larry LaChance, John Brunero
62	Development	Marble Avenue, Coventry	184 Houses	19.7	2.3	45.3	9/21/2005				Board Approved Re-Service
62	Development	7 Regane Street	1 House	0.4	2.3	0.9	10/19/2005	11/1/2005			Karen Carlow
63	Scott Tierney	Spencer's Grant Drive & Stone Carry Way Residence Center of New England, Cov Retail Pad B	12 Homes Commercial	4.8 1.3	2.3 1.5	11.0 2.0	10/19/2005	11/9/2005			Scott P. Tierney
63	Development	129 East Greatwich Avenue Retail Pad B	1 House	0.4	2.3	0.9	10/19/2006	11/9/2006			Jeffrey Hanson
63	Development	5151 East Greatwich Avenue, Phd 12-2, lot 241	2 Houses	0.8	2.3	1.8	11/16/2005	11/23/2005			Sarah Wye, MA, LMHC Gertrude M. Izbicki, John S. Brunero, Jr.
63	Development	185 East Greenwich Avenue	1 House	0.4	2.3	0.9	11/16/2005	11/23/2005			Ronald Padula, John S. Brunero, Jr.
68	Arthur Brown	183 Greenbush Road	1 House	0.4	2.3	0.9	12/15/2005	12/15/2005			Mr. Arthur Brown
69	Clark R. Smith	2594 Division Road, EG	1 House	0.4	2.3	0.9	4/19/2006	4/20/2006			Clark Smith
69	Development	47 Clark Hill Road, Coventry	1 House	0.4	2.3	0.9	6/21/2006	6/26/2006			Scott and Maria Brown, Town of Coventry - Building & Zoning Office
69	Development	5 Hidden Lane, E. G.	Irrigation	2.4	1.0	2.4	6/21/2006	6/26/2006			Peter Nolan
69	Development	36 Hidden Lane, E. G.	Irrigation	2.4	1.0	2.4	6/21/2006	6/26/2006			Peter Nolan
69	Development	44 Hidden Lane, E. G.	Irrigation	2.4	1.0	2.4	6/21/2006	6/26/2006			Peter Nolan
69	Development	40 Hidden Lane, Coventry	1 House	0.4	2.3	0.8	6/12/2006	6/26/2006			Kenneth Parris and Janet Hillier, Town of Coventry - Building & Zoning Office
69	Development	40 Hidden Lane, E. G.	Irrigation	2.4	1.0	2.4	7/19/2006	7/26/2006			Peter Nolan
69	Development	54 Hidden Lane, E. G.	Irrigation	2.4	1.0	2.4	7/19/2006	7/26/2006			Peter Nolan
69	Development	5 Superior Lane, E. G.	Irrigation	2.4	1.0	2.4	7/19/2006	7/26/2006			Peter Nolan

APPROVED HIGH SERVICE

(1/17/2007)

Number	Development	Street	Description	Avg. Day (gpm)	Max Day Multiplier	Max Day Approved (gpm)	Date Approved	Date Approved Letter Mailed Sent Out	Letter Returned	Letter Sent To
76	Charles Hawkins	368 Hopkins Hill Road	1 House	0.4	2.3	0.8	7/21/2006	7/21/2006		Mr. Charles Hawkins, Town of Cov. Building and Zoning Office
77	Matthew & Yadira Gilchrest	420 East Greenwich Avenue, WW	1 House	0.4	2.3	0.8	8/16/2006	8/17/2006		Matthew & Yadira Gilchrest K. Joseph Shekarchi, Paul Brand
78	K. Joseph Shekarchi	Herb Chambers - RT 2	Commercial	0.4	1.5	0.6	8/16/2006	8/17/2006		
79	Alfred & Linda Colucci	2271 Middle Road, EG	1 House	0.4	2.3	0.8	10/18/2006	10/23/2006		Alfred & Linda Colucci
80	Stacy B. Ferrara, P. C.	21 Sharon Drive, Coventry	1 House	0.4	2.3	0.8	10/18/2006	10/23/2006		Stacy B. Ferrara
81	Robert T. Chitto	42 Deer Run, WG	1 House	0.4	2.3	0.8	11/16/2006	11/21/2006		Robert T. Chitto
82	Brian Ascoli	17 Cambio Court, WG	1 House	0.4	2.3	0.8	11/16/2006	11/21/2006		Brian Ascoli
83	Oak Haven Trogue									
	Reduced			60		123.0	11/16/2006			
84	Robert Mellor	74 Tiffany Road, Coventry	2 Houses	0.8	4.6	1.6	12/14/2006	12/15/2006		Robert Mellor
85	Francis Belanger	45 Deer Run, West Greenwich	1 House	0.4	2.3	0.8	12/14/2006	12/15/2006		Francis Belanger
86	Charles Hirsch	30 Deer Run, West Greenwich	1 House	0.4	2.3	0.8	12/14/2006	12/15/2006		Charles Hirsch
		TOTALS GPM		1049.71		1904.30				
		MGD		1.51		2.74				

Maximum day flow demand based on correspondence received from Immunex (Amgen) To KCWA dated 4 January 2007
 Supply/Pumping Capacity (MGD) (-) Current Demand MGD (-) Future Demand = Surplus
 6.34 (-) 3.17 (-) 2.74 427808 gal/day

EXHIBIT B

February 15, 2007

OFFICE MEMO

To: Board
From: Timothy J. Brown
Subject: C & E Engineers Technical Memo No. 3A, Distribution Storage Tank
Hydraulic Evaluation
Date: February 8, 2007

Last months meeting I provided a memo to the Board concerning issues that need to be resolved in reference to Technical Memorandum 3A from C & E Engineers. In my opinion, the C & E Technical Memo 3A and projections as outlined within that memo are accurate and viable. If accepted by the Board, action for approval is needed at the February Board meeting and will allow for a modest rationing of the surplus water as indicated in the amount of 426,000 gallons per day. The remainder of the technical memo is self explanatory. As stated, action is needed at the February 15, 2007 meeting based on the projections and acceptance of those by the Kent County Water Authority.

OFFICE MEMO

To: Board
From: Timothy J. Brown
Subject: Memorandum 3A Reference Memos January 16 & 17, 2007 to the Board
Date: January 18, 2007

Attached please find revisions to Task Order 3A for the distribution storage tank hydraulic evaluation dated December of 2006 (Finalized January 18, 2007) which was attached to the memo of January 16, 2007 and excerpted January 17, 2007 to the Board. I stated in the memo of January 17, 2007 that we were reviewing this and in contact with the engineers to provide comments to them, but did not wish to hold up the memo and the information the Board needed to review. Some of the questions that were raised during our review was a modification from the December 2004 Technical Memo No. 3 which used 20% for unanticipated growth. Under this analysis, 10% is being used because of additional information, review with the planning boards of each of the communities and a better feeling by our engineers for growth. It seems reasonable to consider 10% verses 20% since they have had an opportunity to review with the planning directors of the communities what the anticipated growth and projects are. Also, of course, Amgen's flow has been modified, On-SemiConductor's flow has been reduced to the potential of the new office building verses the manufacturer's facility. There is no longer consideration for a casino at the West Warwick Industrial Park. The Center of New England is providing a private water system and a private water company. The presented projected demand for high service including the Read School House Road System is reduced from the December 2004 memo of 11.68 million gallons per day to the current projections of 7.187 million gallons per day. This would yield then a change in the total system wide maximum day capacity from 30.72 million gallons per day in the December 2004, Technical Memo No. 3 to 24.3 million gallons per day of this revised hydraulic analysis again for the year 2026 projection.

The question now for the Board is to determine the affect based on a private water system at Center of New England and the potential demands. Demands were previously provided directly to our engineers from Center of New England's engineer in 2004 for inclusion in the modeling runs. Since that time, private wells have been installed and a private water system is proposed which would negate the need for water to that development. Therefore, prior to the Board's decision and if the Board accepts these modifications, the Board must determine what will the surplus be? If you do accept the modifications and the assumption that the private water system will be operational at the Center of New England as being installed then no affect upon our system or changes and modifications are needed. Therefore, the surplus exists and can be utilized for other projects within the high service gradient. If that is not the case then that water should be allocated and no surplus exists. This is a very big question for the Board to answer and I believe must be answered prior to the high service approvals and requests of this meeting.

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Kent County Water Authority Distribution Storage Tank Hydraulic Evaluation

Technical Memorandum No. 3A Existing and Future System Demands December 2006 (Finalized January 18, 2007)

1.0 Purpose and Scope

The project has been divided into various sub tasks and each of which will be further detailed in a specific technical memorandum. The purpose of this technical memorandum is to describe the efforts and results associated with the task related to determining and establishing the existing (current) and future (20 year planning period) water demands for use in the evaluation. Also, to provide the diurnal flow curves for the various pressure zones that would be utilized in the model and specifically for use during extended period model simulations. It is intended that the information gathered as part of this task will be the basis for evaluation and analysis as part of this study and ultimately for development of recommendations in subsequent portions of this study. The following are the specific efforts associated with this task.

1. Establish water demands for the current (2006) and future (2026) planning period. These will be provided for the following demand scenarios.
 - Average Day Demand
 - Maximum Day Demand
 - Peak Hour Demands (during Maximum Day)

Demands will be segregated and tabulated by Town / City and also by pressure zone. The future demands shall be entered into the model on a global basis. That is, the demand shall be proportionately assigned to the various junction nodes in the pressure zone in which the demand is projected to occur.

2. System Wide Diurnal Flow Curves – The diurnal water use graphs for each pressure zone that were developed as part of the original model shall be reviewed for use in this evaluation. The graphs are utilized to calculate a series of multipliers (peaking factors) that the model uses to adjust demands for each hour in a day.

These diurnal flow patterns will then be available for use in the model for use in simulations for extended period simulation (EPS) analysis. It is critical that these diurnal flow curves are developed and that extended period simulations be completed in order to gauge how the overall water system responds to periods of increased demand especially during peak hour periods and under fire flow conditions. Most critical are their importance in evaluating the recovery rates of tanks as well as the existing pumping capability to adequately replenish distribution system storage tanks.

2.0 Current and Future Population

The data previously developed in Technical Memorandum 1 (TM 1) regarding current and future population projections for the various communities in the Authority's service territory were utilized for purposes of developing and allocating future water demands. These previously developed tables are repeated for reference in developing this TM 3A.

The current and projected changes in population vary from community to community throughout the service territory. The following tables represent the anticipated change in population up to the year 2020 from year 2000 Census data and projections of changes in population as prepared by Rhode Island Statewide Planning (RISWP). The City of Cranston and Town of Scituate were not included in this table, as the Authority has no designs on increasing its service area in these communities.

PROJECTED POPULATION CHANGE BY COMMUNITY 2000 - 2005

COMMUNITY	2000 (CENSUS) POPULATION	2005 (RISWP) POPULATION	CHANGE (VALUE) AND %
Warwick	85,808	85,803	(-5) - 0.0%
West Warwick	29,581	29,759	(+178) +0.6%
Coventry	33,668	34,590	(+922) +2.7%
West Greenwich	5,085	5,413	(+328) +6.5%
East Greenwich	12,948	13,340	(+392) +3.0%
TOTALS	167,090	168,905	(+1,815) 1.1%

PROJECTED POPULATION CHANGE BY COMMUNITY 2000 - 2020

COMMUNITY	2000 (CENSUS) POPULATION	2020 (RISWP) POPULATION	CHANGE (VALUE) AND %
Warwick	85,808	85,235	(-573) -0.7%
West Warwick	29,581	30,928	(+1,347) +4.6%
Coventry	33,668	37,789	(+4,121) +12.2%
West Greenwich	5,085	6,550	(+1,465) +28.8%
East Greenwich	12,948	14,656	(+1,708) +13.2%
TOTALS	167,090	175,158	(+8,068) 4.8%

A review of the Town and City Community Comprehensive Plans and consultation with the various Planning Directors was also completed as part of TM 1. The information provided in the Plans and available from Planning Directors was generally non-specific with regard to areas of expected growth for the twenty-year planning period. The general consensus was that the Statewide Planning projections were likely a "reasonable" projection of population change. The population projections as developed by Statewide Planning were therefore utilized as part of this evaluation.

The most recent Water Supply System Management Plan (WSSMP) of 2001 provided indication of service population by community premised upon year 2000 data. For the purpose of this evaluation, it will be assumed that any increase or decrease in the overall projected population for each community for the next twenty-year period in the service population will increase or decrease proportionately. For example, data for year 2000 indicates that approximately 59% (19,941 of 33,668) of the total population are served by the Authority. It is projected that the total population in Coventry will increase over the next twenty years by 4,121 persons. The service population would therefore be expected to increase by a proportional rate. Therefore, assuming 59% of the 4,121 increase would be served by the Authority, the projected service population of Coventry for 2020 would equate to 22,382 or an increase of 2,441 persons. A similar approach was applied to the remaining service communities.

KENT COUNTY WATER SERVICE POPULATION 2000 -2020

COMMUNITY	2000 SERVICE POPULATION	2020 SERVICE POPULATION	CHANGE (VALUE) AND %
Warwick	8,578	8,521	(-57) -0.7%
West Warwick	18,083	18,906	(+823) +4.6%
Coventry	19,941	22,382	(+2,441) +12.2%
West Greenwich	824	1,062	(+238) +28.8%
East Greenwich	9,262	10,484	(+1,222) +13.2%
Cranston	2,005	2,005	(0) +0.0%
North Kingstown	28	28	(0) +0.0%
Scituate	1,170	1,170	(0) +0.0%
TOTALS	59,891	64,558	(+4,667) +7.8%

The total system wide service population is therefore anticipated to increase by 7.8% based on the population projections.

The table indicates that the municipalities such as Coventry, East Greenwich and West Greenwich are expected to grow at a moderate pace with the greatest increase in the number of persons identified in Coventry. West Greenwich is anticipated to grow at the fastest pace however the relative number of the increase in actual population is not as great as Coventry. Warwick and West Warwick are anticipated to experience a no change to a slight increase in population. None of the planning departments / planning officials made reference or had knowledge of any specific commercial or industrial project(s) that may

have a substantial direct impact to future water use. They did however indicate that there is always a possibility of such development occurring however it is near impossible to project the volume of water that may be required.

It should be noted that the above are based on projections which can be subject to various factors including but not limited to the following: zoning and demographic changes, economic conditions, industrial development (most notably those employing wet processes which can utilize large volumes of water), conversion from single family to multifamily or commercial use, increase in fire service requirements, etc. The unpredictability of these various factors can serve to singly or in combination serve to increase or possibly decrease the future water volume requirements.

3.0 Current (2006) Water Demands

The following Tables represent the current (year 2006) water demands for each of the various demand scenarios as developed in the most recent hydraulic model update of March 2006. These are provided by both community and pressure zone.

CONSUMER DEMAND BY PRESSURE ZONE (2006)

PRESSURE ZONE	AVERAGE DAY DEMAND (MGD)	MAXIMUM DAY DEMAND (MGD)	PEAK HOUR DEMAND (MGD)
Low Service (334') Gradient	5.418	10.241	11.760
Tiogue Tank (350') Gradient	0.086	0.176	0.200
Intermediate High (430') Gradient (RSHR)	0.397	0.811	0.924
High Service (500') Gradient	2.154	4.061	5.214
Low Service Reduced (334') Gradient	1.871	3.727	4.320
High Service (500') Reduced Gradient	0.528	1.035	1.274
Warwick Wholesale Interconnection (232') Gradient	0.006	0.010	0.011
Hope Road (510') Gradient	0.006	0.013	0.014
Oaklawn (231') Gradient	0.361	0.736	0.847
TOTALS	10.8 MGD	20.8 MGD	24.6 MGD

CONSUMER DEMAND BY COMMUNITY (2006)

COMMUNITY	AVERAGE DAY DEMAND (MGD)	MAXIMUM DAY DEMAND (MGD)	PEAK HOUR DEMAND (MGD)
Warwick	1.866	3.594	4.153
West Warwick	2.796	5.530	6.382
Coventry	2.735	5.232	6.152
West Greenwich	1.064	1.765	2.361
East Greenwich	1.943	3.896	4.693
Cranston	0.303	0.592	0.686
Scituate	0.096	0.195	0.222
TOTALS	10.8 MGD	20.8 MGD	24.6 MGD

Note:

1. The maximum day and peak hour demands represented in the table above are premised upon an historical period (July 2002) when the system experienced its largest water use. Although the system does not experience a similar magnitude in water demand every year, it is prudent for planning purposes to consider that this peak demand can occur in the future.
2. The demands presented in the two tables above reflect the recent water reduction in water use by ON – Semiconductor (Low Service) and Amgen (High Service). The magnitude of these reductions is documented in Section 4.0.

4.0 Future Projected (2026) Water Demands

Water demands for the 20-year planning period were predicated upon a projection of population change to the year 2026 (20 years from current 2006). Due to the fact that population projection data was only available up to the year 2020 and there is an inherent “uncertainty” in the accuracy of these numbers, this evaluation inferred that the 2020 population projections would be used up through the planning period of 2026.

The following summarizes the significant assertions and basis as to the method by which future demands were developed and allocated in the model. This also includes significant changes in system operation, which are anticipated to occur within the planning period.

Demand Calculation and Allocation in Model

- The High Service “Board Approved” developments have already been incorporated into the most recent 2006 model update. These were not reconsidered as part of future projections and have already been allocated to specific areas in the system in which they are expected to occur.

- All “known” development projects in the High Service Gradient which have yet to be approved (but have been modeled) will be added to the model demand database as these would likely be approved and constructed once sufficient supply exists to service this area.
- A spreadsheet, which provides specific development projects, which are “Board Approved” and Known But Not Approved, is provided as Attachment No. 1. This spreadsheet was developed as part of Task Order No. 3 – High Pressure Gradient Model Evaluation, December 2004 and updated through January 18, 2007. Of particular note to the adjustments are the reduction in flow from Amgen and the elimination of the casino project. These adjustments serve to increase the available water supply in the High Service. Currently, with all developments, both approved and not approved there exists a surplus maximum day capacity of 172,712 gallons per day (120 gpm).
- It should also be noted that the Task Order 3 Technical Memorandum included potential demands in the High Service Gradient that were associated with substantial future development that was projected to occur (commercial and residential) in the Center of New England. A tabular summary of these developments is provided as Attachment No. 2. The cumulative demands from the development at full grow out would total 2.62 MGD.

Since preparation of Task Order 3, it has become known that that there are plans currently in place to construct a private water system to service these aforementioned developments at Center of New England. If so, and if it is designed to accommodate all projected flows, then these projected demands would not necessarily need to be considered in this evaluation. At this time, the demands have been removed from the projected future demands in the High Service Gradient hence the reduction of projected flows previously presented in Task Order 3 and those presented herein. In the event that additional information becomes available regarding the disposition of this private water system, it may be necessary to adjust projected flows accordingly.

- Based on the anticipated increase in service population by community previously developed, the water demand will be proportionally increased by this amount. For example, the (service) population is expected to increase by 4.6% in West Warwick for the planning period. Therefore, demands are projected to increase in West Warwick by an equal amount within this area of the service territory. A similar approach was applied to the remaining communities with the Authority service territory.
- Due to the fact that the specific area of future development and growth is unknown, the future anticipated consumer demands would be distributed globally across the particular community in which they are projected to occur.
- In order to account for unanticipated growth (i.e. growth that would result in water demand increase), a conservative estimate of a 10% increase in water demand was allocated across the entire service territory for the planning period. This 10% increase in water demand also included the communities of Cranston, North Kingstown and Scituate for which the Authority has no immediate plans for expansion as a measure to account for “infill” development.
- This 10% factor for unanticipated growth has been reduced from the 20% factor that was previously factored into the calculations for maximum day demand as presented in Task Order 3. The rationale behind this approach is such that a comprehensive evaluation was completed for each City and Town in the service area as part of this study to account for projected increases in population for the next twenty years. These population projections were unknown at the time of preparation of Task Order 3. As such, the water demands that would be associated with the population increases were added to the projected flows in this study. It was concluded that a 10%

factor for unknown anticipated growth is a reasonable conservative estimate given the available information that has been derived and accounted for through projected planning population numbers.

- It should also be noted that the various factors and recent available information as discussed herein have had the overall effect of reducing the maximum day projected demand of 30.72 MGD as presented in Task Order to 24.3 MGD as provided in this study. The most significant cause of the reduction is attributed to the following.

Reduced flows from Amgen (0.9 MGD) and ON-Semiconductor (0.425 MGD)
Removal of Center of New England Development (2.6 MGD) and Casino (0.4 MGD)
Decrease in the unanticipated growth factor from 20 to 10 percent

- The future demands for Amgen and ON Semiconductor were also considered in this study and both of which have been significantly reduced. The demands for each of these facilities were readjusted in the model database as follows.
 - An average day demand of 10.42 gpm (5,000 gallons per day) was utilized for ON-Semiconductor. This demand has decreased from 299.34 gpm (431,050 gallons per day) or by over 95% in the Low Service Gradient.
 - Based upon recent correspondence from Amgen dated January 4, 2007, detailing forecasted water use through year 2008 overall water demands have decreased for all demand scenarios. June 2008 is the projected point at full grow out for the facility. These adjusted demands will have an impact on the operation of the water system in the High Service Pressure Gradient. The demands are significantly lower than those provided in 2002 as can be seen below.

MODEL SCENARIO	2002 AMGEN DEMANDS	2008 AMGEN DEMANDS	OVERALL DECREASE IN FORECAST
Average Day	833 gpm (1.2 MGD)	556 gpm (0.80 MGD)	277 gpm (0.40 MGD)
Maximum Day	1,500 gpm (2.16 MGD)	833 gpm (1.20 MGD)	667 gpm (0.96 MGD)
Peak Hour	1,500 gpm (2.16 MGD)	1,084 gpm (1.56 MGD)	416 gpm (0.60 MGD)

- The future water demands were calculated for the entire system based on the aforementioned data and were proportionately applied to each of the various junction nodes within each of the service communities.

Significant changes / modifications to system operations:

- The existing Tiogue Tank (350') Gradient will be served and become part of the High Service (500') Gradient.
- The Bald Hill Booster Pump Station will be upgraded in capacity to 10.0 MGD. This will include installation of significant water main infrastructure such that the pump station will have the ability to

pump directly to the High Service 500 Foot Gradient. The breakdown is anticipated as follows: 2.0 MGD to High Service Gradient and 8.0 MGD to Low Service Gradient

- The new Read School House Road Tank will be in service and the pressure zone increased from 430 feet to 500 feet. This will include the activation of the 3.0 MGD High Service Pumps at Clinton Avenue Pump Station.
- The new Read School House Gradient and the existing High Service Gradient will be interconnected by new water main infrastructure and will operate as one Gradient.
- The Mishnock Well Field and treatment facility will be activated with a total production capacity of approximately 3.0 MGD with the ability to pump into either the Low or High Service Gradient.
- East Greenwich and Spring Lake Well upgrade in pumping capacity.
- Installation of a new interconnection to Providence Water in vicinity to Wakefield Street with the ability to pump up to 6 MGD into the Low Service Gradient and 2 MGD into the High Service Gradient.

CONSUMER DEMAND BY PRESSURE ZONE (2026)

PRESSURE ZONE	AVERAGE DAY DEMAND (MGD)	MAXIMUM DAY DEMAND (MGD)	PEAK HOUR DEMAND (MGD)
Low Service (334') Gradient	6.272	11.896	13.766
New (500') Read School House Gradient	0.485	0.990	1.129
High Service (500') Gradient*	2.554	4.905	6.290
Low Service Reduced (334') Gradient	2.211	4.404	5.107
High Service (500') Reduced Gradient	0.659	1.292	1.588
Warwick Wholesale Interconnection (232') Gradient	0.006	0.011	0.013
Hope Road (510') Gradient	0.007	0.014	0.016
Oaklawn (231') Gradient	0.402	0.821	0.944
TOTALS	12.6 MGD	24.3 MGD	28.9 MGD

*In the future, the Tiogue Tank (350') Gradient will become part of the High Service (500') Gradient.

CONSUMER DEMAND BY COMMUNITY (2026)

COMMUNITY	AVERAGE DAY DEMAND (MGD)	MAXIMUM DAY DEMAND (MGD)	PEAK HOUR DEMAND (MGD)
Warwick	2.052	3.954	4.569
West Warwick	3.204	6.337	7.313
Coventry	3.343	6.394	7.517
West Greenwich	1.165	1.983	2.672
East Greenwich	2.394	4.800	5.782
Cranston	0.333	0.651	0.755
Scituate	0.105	0.215	0.245
TOTALS	12.6 MGD	24.3 MGD	28.9 MGD

In summary, the total system demand for the planning period for all three demand scenarios is anticipated to increase by approximately 20%. The most significant increase is expected to occur within the existing 500 Foot High Service Gradient (34%). The communities with the greatest increase in demand by percentage include Coventry (22%), West Greenwich (39%) and East Greenwich (23%). In terms of overall greatest volume increase, the Low Service is anticipated to increase by approximately 0.9 MGD or roughly 16%.

4.0 System-Wide Diurnal Flow Curves

The system-wide diurnal flow curves were developed from hourly water production and tank level data that is representative of the maximum day water use patterns of the pressure zones of the Authority system. A review of past records indicated that the maximum water demand period occurred during July 2, 2002. Although this demand has not been experienced since, it is considered to be representative of a time period of maximum water use and when the system has been most "stressed".

Due to the fact that Amgen has such a significant water demand in the High Service Pressure Gradient accounting for over 30% of the total demand, an individual diurnal flow curve was created for this facility. The recent information supplied by Amgen was utilized to develop this curve.

These diurnal flow curves are still considered to be most accurate with regard to extreme maximum day conditions and would be utilized during the evaluation through the planning period. The various diurnal patterns were entered into the model and assigned to all the junction demand nodes. The diurnal flow curves for the various Pressure Gradients of the system are provided as Attachment No. 3.

Attachment No. 1 – High Service Pressure Gradient Demand Worksheet

HIGH SERVICE DEVELOPMENTS AS OF JANUARY 18, 2007
BOARD APPROVED & KNOWN BUT NOT BOARD APPROVED

1	Signal Ridge	EG Re-service	Residential	141.1	2.3	324.5	1/1/2001
2	Rose Farm	Frenchtown Rd., EG	Residential	1.11	2.3	2.6	5/4/2001
3	Birchwood Glen	Kulus Rd., WW	Residential	2.78	2.3	6.4	11/20/2001
4	Middle Woods	Middle Rd., EG	Residential	27.8	2.3	63.9	11/27/2001
5	Shippeetown Road Sub.	Shippeetown Rd., EG	Residential	6.67	2.3	15.3	12/10/2001
6	Amgen	Technology Way, WG	Industrial	556.0	*	833.0	2/8/2002
7	Sandra Court	Reservoir Rd., COV	Residential	1.81	2.3	4.2	5/20/2002
8	Chole Court	Clark Rd., COV	Residential	2.08	2.3	4.8	7/19/2002
9	Hawk Crest Est.	Hill Farm Rd., COV	Residential	12.2	2.3	28.1	4/4/2003
10	Crystal Creek	Middle Rd., EG	Residential	9.58	2.3	22.0	4/10/2003
11	Long Meadow	Frenchtown Rd., EG	Residential	8.33	2.3	19.2	4/10/2003
12	Middle Hollow	Middle Rd., EG	Residential	2.78	2.3	6.4	5/14/2003
13	Blueberry Hill	Shippeetown Rd., EG	Residential	7.78	2.3	17.9	8/26/2003
14	Hidden Ridge	Shippeetown Rd., EG	Residential	8.89	2.3	20.4	10/29/2003
15	Green Farm	Squirrel Ln./Tillinghast Rd., EG	Residential	6.67	2.0	13.3	1/12/2004
16	Dunkin Donuts	New London Turnpike	Commercial	1.3	1.5	2.0	2/9/2004
17	Chiropractic Center	Noosneck Hill Rd., WG	Commercial	0.63	1.5	0.9	7/24/2004
18	Randolph Bank	Center of New England, COV	Commercial	1.0	1.5	1.5	11/11/2004
19	Leisure Condo	Noosneck Hill Rd., COV	Commercial	13.9	2.0	27.8	11/12/2004
20	Coventry Lumber	Noosneck Hill Rd., COV	Commercial	1.0	1.5	1.5	11/16/2004
21	Santo Lombardi	Sharon Dr., COV	1 Residence	0.4	2.3	0.9	11/18/2004
22	Home Depot	Center of New England, COV	Commercial	1.7	1.5	2.6	12/6/2004
23	Debra Zarella	Frenchtown Rd., EG	1 Residence	0.4	2.3	0.9	3/16/2005
24	Arlington RV	Division Rd., WG	Commercial	3.5	1.5	5.3	3/16/2005
25	Brooks Pharmacy	Division Rd., EG	Commercial	10.4	1.5	15.6	3/16/2005
26	Pine Ridge	Hopkins Hill Rd., COV	Residential	28.8	2.3	66.2	3/16/2005
27	Westwood Apartments	Reservoir Rd., COV	Apartments	4.9	2.0	9.8	3/16/2005
28	Dawn Santilli	68 Surrey Ln., WW	1 Residence	0.4	2.3	0.9	3/22/2005
29	Maurice Cooney	949 Tillinghast Rd., EG	1 Residence	0.4	2.3	0.9	4/21/2005
30	Wingate Hotel	CNE Universal Blvd., COV	Hotel	2.0	2.0	4.0	5/2/2005
31	Wal-Mart	CNE Boulevard, COV	Commercial	1.7	1.5	2.6	5/2/2005
32	Paul & Tanya Rossi	53 Mohawk Tr., WG	1 Residence	0.4	2.3	0.9	5/18/2005
33	George Olney	22 Marlon Dr., COV	1 Residence	0.4	2.3	0.9	5/18/2005
34	Mojtaba Rajisee	1627 Middle Rd., EG	1 Residence	0.4	2.3	0.9	5/18/2005
35	John Assalone	Valerie Dr., Parcel 1(a), WG	1 Residence	0.4	2.3	0.9	5/18/2005
36	John Assalone	Valerie Dr., Parcel 1(b), WG	1 Residence	0.4	2.3	0.9	5/18/2005
37	Peter Suorsa	12 Island Dr., COV	1 Residence	0.4	2.3	0.9	6/15/2005
38	Dana Carlow	Rejane St., COV	1 Residence	0.4	2.3	0.9	6/15/2005
39	Dunkin Donuts	Hopkins Hill Rd., WG	Commercial	1.3	1.5	2.0	6/15/2005
40	Andrew Potvin	Hopkins Hill Rd., COV	1 Residence	0.4	2.3	0.9	7/1/2005
41	Matthew L. Tucci	59 Club House Rd., WG	1 Residence	0.4	2.3	0.9	7/1/2005
42	Caren Bourque	Veronica Ct., COV	1 Residence	0.4	2.3	0.9	7/1/2005

HIGH SERVICE DEVELOPMENTS AS OF JANUARY 18, 2007
BOARD APPROVED & KNOWN BUT NOT BOARD APPROVED

43	Peter Rosiello	Pond View Ct., WG	1 Residence	0.4	2.3	0.9	7/1/2005
44	Albert/Barbara LaPlume	307 Shippettown Rd., EG	1 Residence	0.4	2.3	0.9	7/20/2005
45	Arthur L. Larsson	298 Shippettown Rd., EG	1 Residence	0.4	2.3	0.9	7/20/2005
46	Frederick Schultz	58 Crompton Rd., EG	1 Residence	0.4	2.3	0.9	8/11/2005
47	Richard Todisco	61 Island Dr., COV	1 Residence	0.4	2.3	0.9	8/17/2005
48	Maple Root Center	Nooseneck Hill Rd., COV	Commercial	1.7	1.5	2.6	8/17/2005
49	Deer Run	Carr Pond Rd., WG	Residential	13.0	2.3	29.9	8/17/2005
50	Gentry Glen Condos	Crompton Rd., WW	Condominiums	13.0	2.0	25.8	9/21/2005
51	Carriage House Condos	Reservoir Rd., COV	Condominiums	3.3	2.0	6.7	9/21/2005
52	Retail Pad A	Center of New England, COV	Commercial	1.3	1.5	2.0	9/21/2005
53	GrandVile @ Greenwich	Center of New England, WG	300 Apts/Condos	31.1	2.5	77.8	9/21/2005
54	Kenneth Hendrickson	335 Shippettown Rd., EG	1 Residence	0.4	2.3	0.9	9/21/2005
55	Jane Revkin	385 Moosehorn Rd., EG	1 Residence	0.4	2.3	0.9	9/21/2005
56	Howard M. Duliude	20 Marion Dr., COV	1 Residence	0.4	2.3	0.9	9/21/2005
57	Larry Lachance	58 Robin Ln., WW	1 Residence	0.4	2.3	0.9	9/21/2005
58	184 Homes	Maude Ave., COV	Residential	19.7	2.3	45.3	9/21/2005
59	Karen Cartow	7 Rejane St., COV	1 Residence	0.4	2.3	0.9	10/19/2005
60	Scott Tierney	Spencer's Grant Dr. & Stone Carry Way	Residential	4.8	2.3	11.0	10/19/2005
61	Sarah Wye	129 East Greenwich Ave.	1 Residence	0.4	2.3	0.9	11/16/2005
62	John Brunero	East Greenwich Ave., AP 12-2, Lot 241	2 Residences	0.8	2.3	1.8	11/16/2005
63	John Brunero	199 East Greenwich Ave.	1 Residence	0.4	2.3	0.9	11/16/2005
64	Retail Pad B	Center of New England, COV	Commercial	1.3	1.5	2.0	10/19/2006
65	Arthur Brown	183 Greenbush Rd.	1 Residence	0.4	2.3	0.9	12/15/2005
66	Clark R. Smith	2594 Division Rd., EG	1 Residence	0.4	2.3	0.9	4/19/2006
67	Scott and Maria Brown	47 Clark Mill Rd., COV	1 Residence	0.4	2.3	0.9	6/26/2006
68	Peter Nolan	5 Hidden Ln., EG	Irrigation	2.4	1.0	2.4	6/21/2006
69	Peter Nolan	35 Hidden Ln., EG	Irrigation	2.4	1.0	2.4	6/21/2006
70	Peter Nolan	45 Hidden Ln., EG	Irrigation	2.4	1.0	2.4	6/21/2006
71	Kenneth Parris and Janet Hillier	65 Clark Mill Rd., COV	1 Residence	0.4	2.3	0.9	6/21/2006
72	Peter Nolan	40 Hidden Ln., EG	Irrigation	2.4	1.0	2.4	7/19/2006
73	Peter Nolan	55 Hidden Ln., EG	Irrigation	2.4	1.0	2.4	7/19/2006
74	Peter Nolan	5 Secret Ln., EG	Irrigation	2.4	1.0	2.4	7/19/2006
75	Charles Hawkins	368 Hopkins Hill Rd.	1 Residence	0.4	2.3	0.9	7/21/2006
76	Matthew and Yadira Gilchrist	420 East Greenwich Ave., WW	1 Residence	0.4	2.3	0.9	8/16/2006
77	K. Joseph Shekarchi	Herb Chambers, Rte. 2	Commercial	0.4	1.5	0.6	8/16/2006
78	Alfred & Linda Colucci	2271 Middle Rd., EG	1 Residence	0.4	2.3	0.9	10/18/2006
79	Stacy B. Ferrara, P.C.	21 Sharon Dr., COV	1 Residence	0.4	2.3	0.9	10/18/2006
80	Robert T. Chlito	42 Deer Run, WG	1 Residence	0.4	2.3	0.9	11/18/2006
81	Brian Ascoli	17 Cambio Ct., WG	1 Residence	0.4	2.3	0.9	11/16/2006
82	Robert Mellor	74 Tiffany Rd., COV	2 Residences	0.8	2.3	1.8	12/14/2006

**Attachment No. 2 – Center of New England Projected Flows for 2005 -
2009, as Prepared 3/16/04**

Projected Flows - Task Order 3,
Dec. 2004.

Center of New England Proposed Development Scenario

Number	Development	Year	Description	Avg. Day (gpm)	Max Day Multiplier	Max Day (gpm)
24	CNE	2005	Retail / Comm. - 400,000 sf	27.8	1.5	41.7
			Restaurant	12.7	2.3	29.21
			Hotel	9.1	2.0	18.2
			300 Homes	87.5	2.3	201.25
			337 Apartments	91.3	2.0	182.6
			120 Age Rest. Apts	26.7	2.0	53.4
			Subtotal	255.1		526.36
		2006	Retail / Comm. - 400,000 sf	27.8	1.5	41.7
			Restaurant	12.7	2.3	29.21
			Hotel	8.3	2.0	16.6
			300 Homes	87.5	2.3	201.25
			Subtotal	136.3		288.76
		2007	300 Homes	87.5	2.3	201.25
			Subtotal	87.5		201.25
		2008	300 Homes	87.5	2.3	201.25
			900 Asst. Living Units	100.0	2.0	200
			Subtotal	187.5		401.25
		2009	300 Homes	87.5	2.3	201.25
			900 Asst. Living Units	100.0	2.0	200
			Subtotal	187.5		401.25

Note: All flows and development time tables premised upon information contained in data supplied by John P. Catio Corporation (dated 3/16/04).

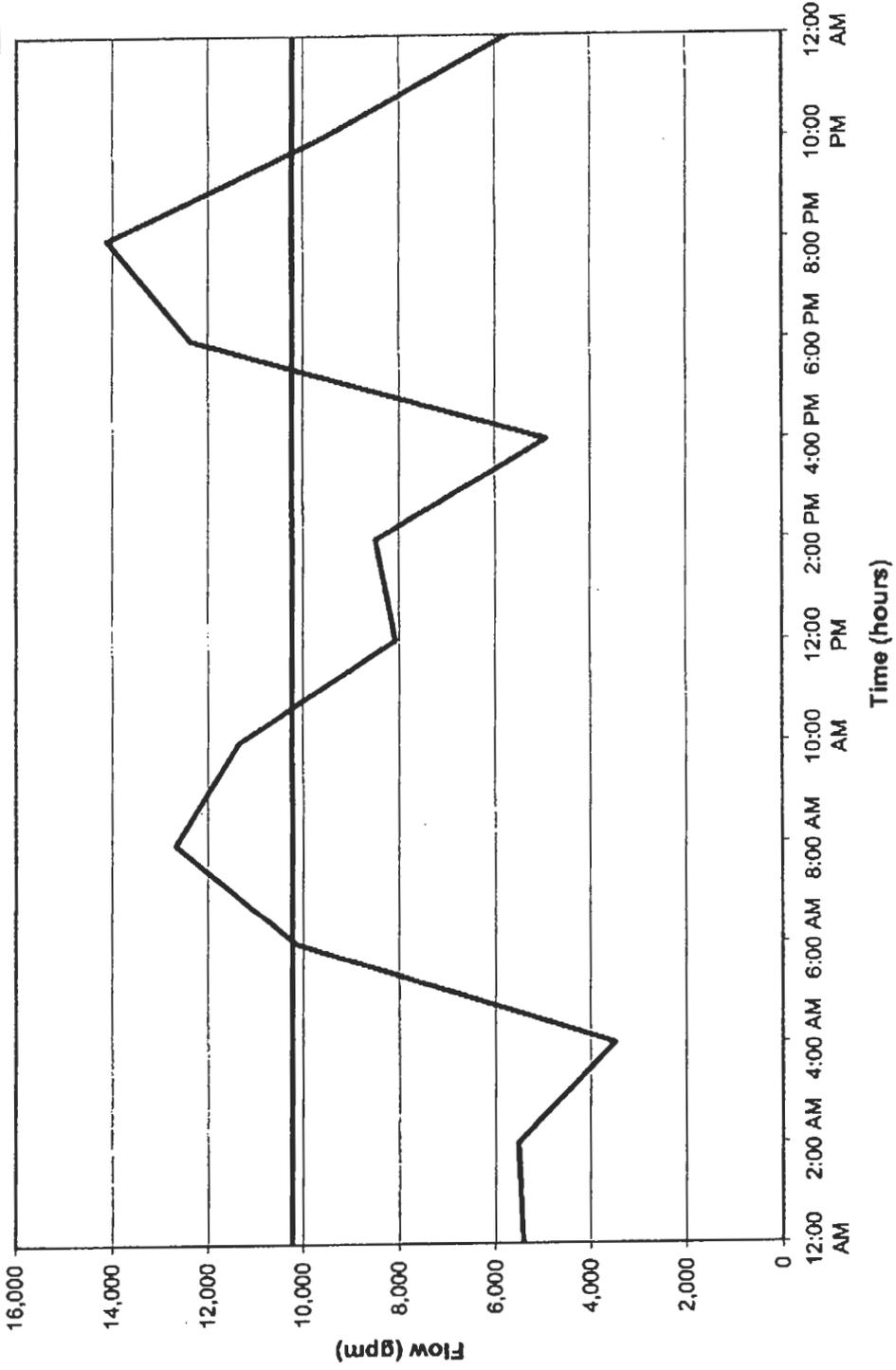
<u>Year</u>	<u>demand - max day</u>
2005	526.36
2006	288.76
2007	201.25
2008	401.25
2009	401.25
	<u>1818.87 gpm</u>

(2.62 MGD)
}

Attachment No. 3 - Water System Diurnal Flow Curves

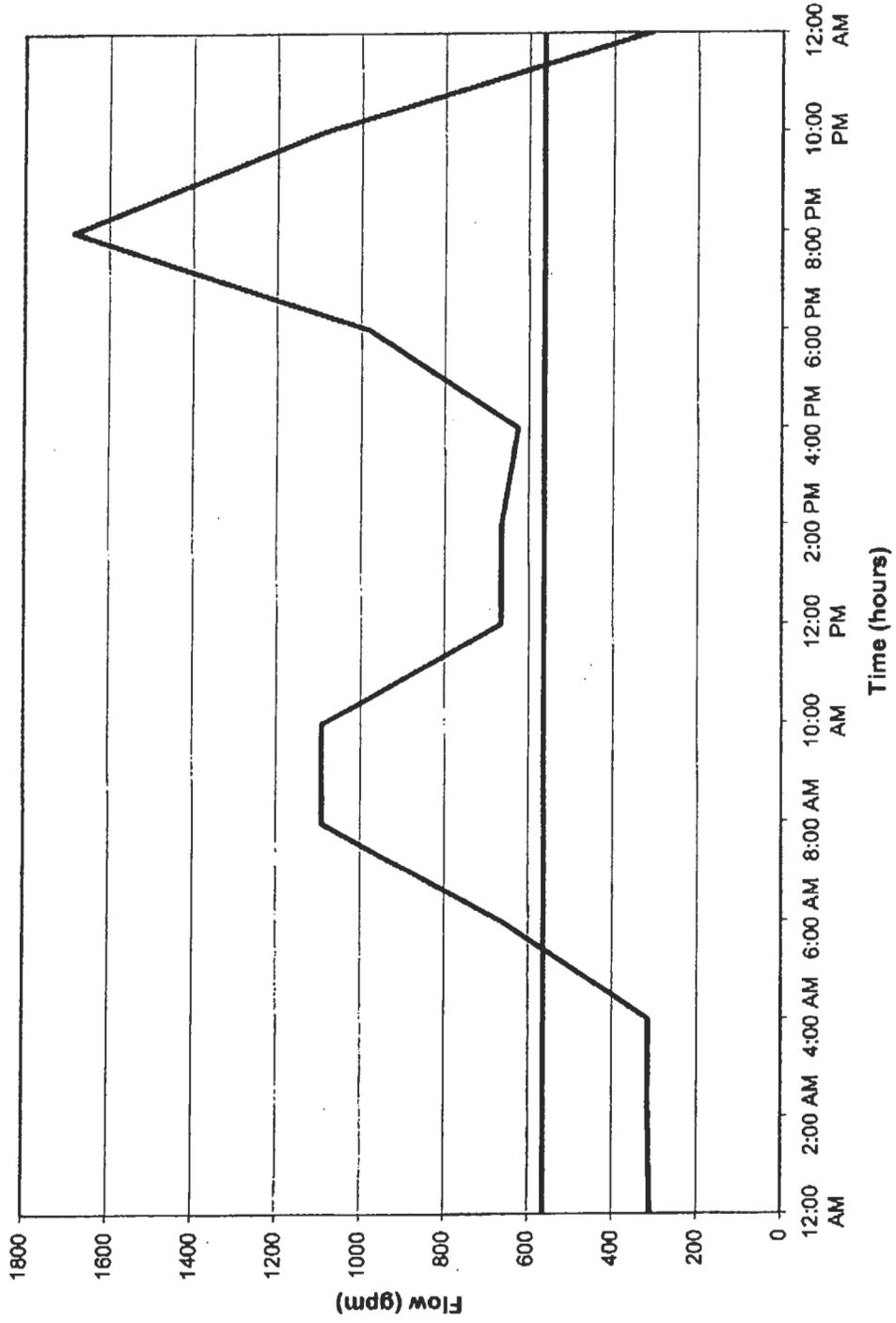
Maximum Day - Diurnal Flow Curve 334' Gradient (Low Service)

— Demand (gpm)
— Max Day Demand Rate =
10,227 gpm



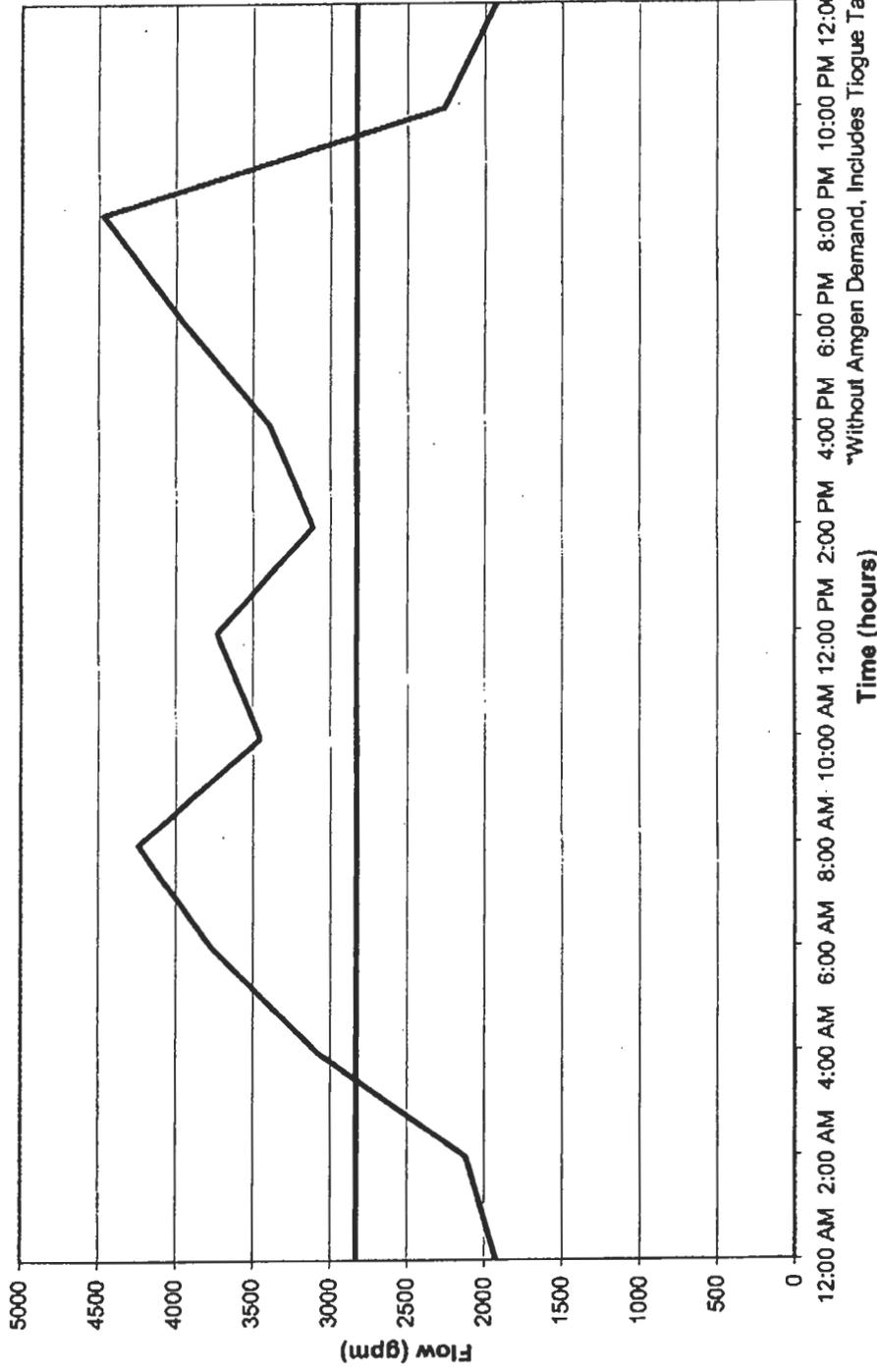
Maximum Day - Diurnal Flow Curve 430' Gradient (Read School House Road)

— Demand (gpm)
— Max Day Demand Rate = 563 gpm



**Maximum Day - Diurnal Flow Curve
500' Gradient (High Service)**

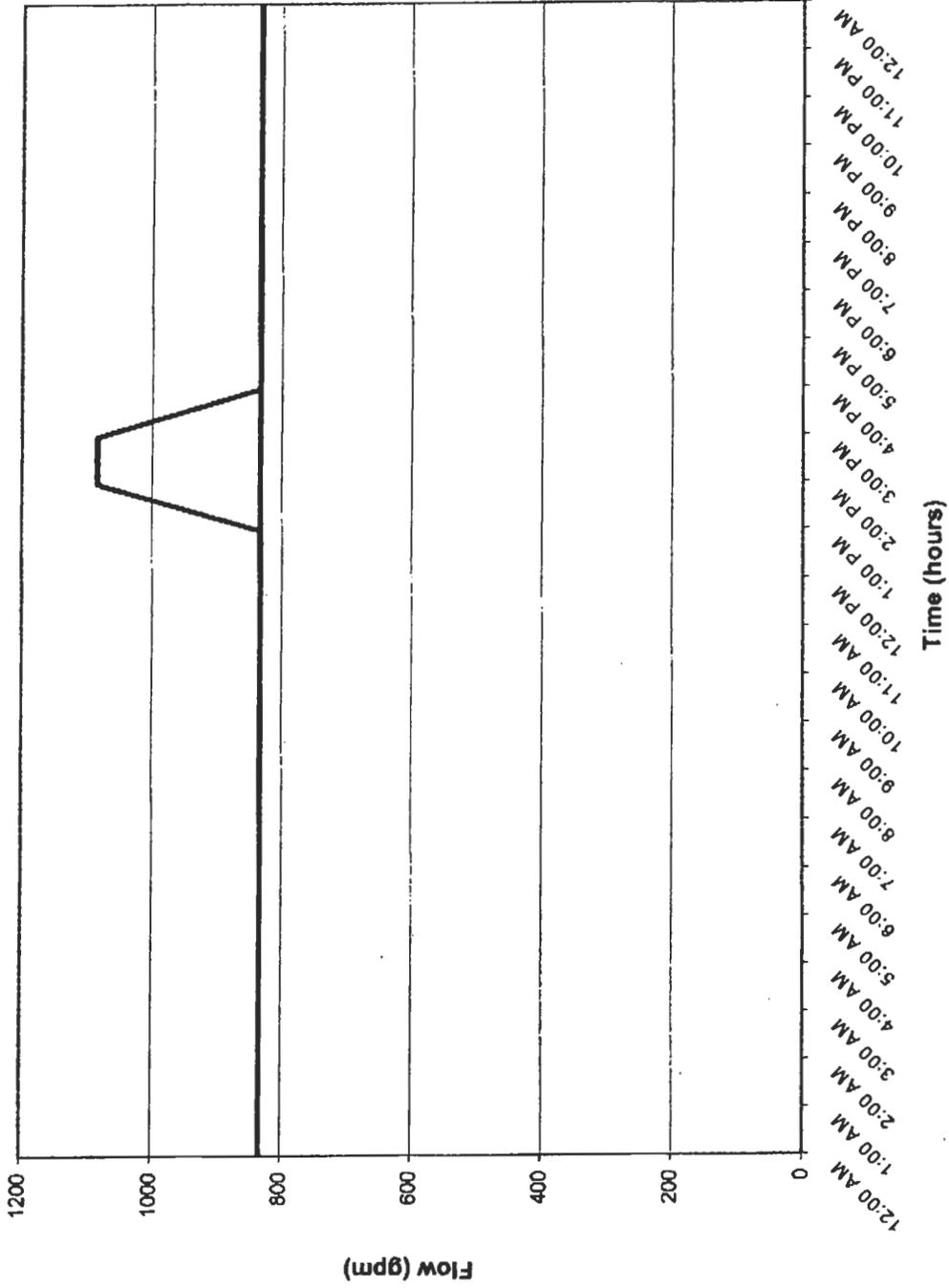
— Demand (gpm)
— Max Day Demand Rate = 2828 gpm



12:00 AM 2:00 AM 4:00 AM 6:00 AM 8:00 AM 10:00 AM 12:00 PM 2:00 PM 4:00 PM 6:00 PM 8:00 PM 10:00 PM 12:00 AM
Time (hours)
*Without Amgen Demand, Includes Tiogue Tank Gradient

Maximum Day - Diurnal Flow Curve Amgen

Max Day Demand Rate = 833 gpm
Demand (gpm)



APPROVED HIGH SERVICE

(1/18/2007)

Number	Development	Street	Description	Avg. Day (gpm)	Max Day Multiplier	Max Day Approved (gpm)	Date Approved	Date Letter Mailed Sent Out	Letter Returned	Letter Sent To
1	Signal Ridge	EG Re-service	Homes	141.1	2.3	324.5	1/1/2001			
2	Rose Farm	Frenchtown Rd., EG	Homes	1.11	2.3	2.6	5/4/2001			
3	Birchwood Glen	Kulus Rd., WW	Homes	2.78	2.3	6.4	11/20/2001			
4	Middle Woods	Middle Rd., EG	Homes	27.8	2.3	63.9	11/27/2001			
5	Shippeetown Road Sub.	Shippeetown Rd., EG	Homes	6.67	2.3	15.3	12/10/2001			
6	Amgen *	Technology Way, WG	Industrial	556	*	833.0	2/8/2002			Revised January 2007
7	Sandra Court	Reservoir Rd., COV	Homes	1.81	2.3	4.2	5/20/2002			
8	Chole Court	Clark Rd., COV	Homes	2.08	2.3	4.8	7/19/2002			
9	Hawk Crest Est.	Hill Farm Rd., COV	Homes	12.2	2.3	28.1	4/4/2003			
10	Crystal Creek	Middle Rd., EG	Homes	9.58	2.3	22.0	4/10/2003			
11	Long Meadow	Frenchtown Rd., EG	Homes	8.33	2.3	19.2	4/10/2003			
12	Middle Hollow	Middle Rd., EG	Homes	2.78	2.3	6.4	5/14/2003			
13	Blueberry Hill	Shippeetown Rd., EG	Homes	7.78	2.3	17.9	8/26/2003			
14	Hidden Ridge	Shippeetown Rd., EG	Homes	8.89	2.3	20.4	10/29/2003			
15	Green Farm	Squirrel Ln./Tillinghast Rd., EG	Homes	6.67	2.0	13.3	11/21/2004			
16	Dunkin Donuts	New London Turnpike	Commercial	1.3	1.5	2.0	2/9/2004	4/25/2005		Peter Nizwantowski and Steven Cabral
17	Chiropractic Center	Nooseneck Hill Rd., WG	Commercial	0.63	1.5	0.9	7/24/2004			
18	Keith White	Lot 22, AP50 Lot A Reservoir Rd	1 House	0.4	2.3	0.9	10/21/2004			Keith White
19	Keith White	136 Reservoir Road, Cov	1 House	0.4	2.3	0.9	10/21/2004			Keith White
20	Randolph Bank	Center of New England, COV	Commercial	1	1.5	1.5	11/11/2004			
21	Leisure Condo	Nooseneck Hill Rd., COV	Condos	13.9	2.0	27.8	11/12/2004			
22	Coventry Lumber	Nooseneck Hill Rd., COV	Commercial	1	1.5	1.5	11/16/2004			
23	Santo Lombardi	Sharon Drive, COV	1 House	0.4	2.3	0.9	11/18/2004			
24	Home Depot	Center of New England, COV	Commercial	1.7	1.5	2.6	12/6/2004			
25	Debra Zarrella	Frenchtown Rd., EG	1 House	0.4	2.3	0.9	3/16/2005	4/8/2005	YES	Debra Zarella
26	Arlington RV	Division Road, WG	Commercial	3.5	1.5	5.3	3/16/2005	4/7/2005	YES	Sandy Oleary
27	Brooks Drugs	Division Road, EG	Commercial	10.4	1.5	15.6	3/16/2005	4/8/2005	YES	Steven Cabral
28	Pine Ridge	Hopkins Hill, COV	69 Homes	28.8	2.3	66.2	3/16/2005	4/8/2005	YES	Christopher Duhamel
29	Westwood Apartments	Reservoir Rd., COV	No Application	4.9	2.0	9.8	3/16/2005	4/8/2005		John Assalone
30	Dawn Santilli	68 Surrey Lane, W. WAR	1 House	0.4	2.3	0.9	3/22/2005	4/8/2005	YES	Massimo and Dawn Santilli

APPROVED HIGH SERVICE

(1/18/2007)

Number	Development	Street	Description	Avg. Day (gpm)	Max Day Multiplier	Max Day Approved (gpm)	Date Approved	Date Approved Letter Mailed Sent Out	Letter Returned	Letter Sent To
31	Maurice Cooney	949 Tillinghast Road, EG	1 House	0.4	2.3	0.9	4/21/2005	4/21/2005	YES	Maurice Cooney
32	Wingate Hotel	CNE Universal Boulevard, Cov	Hotel	2	2.0	4.0	5/2/2005	5/24/2005		Jeff Hanson and Robert Rapoza
33	Wal-Mart	CNE Boulevard, Cov	Commercial	1.7	1.5	2.6	5/2/2005	5/24/2005		John Kucich, Robert Rapoza & Tom Richards
34	Paul & Tanya Rossi	53 Mohawk Trail, WG	1 House	0.4	2.3	0.9	5/18/2005	5/20/2005	YES	Paul & Tanya Rossi
35	George Olney	22 Marion Drive, Cov	1 House	0.4	2.3	0.9	5/18/2005	5/20/2005	YES	George Olney
36	Mojtaba Rajaei	1627 Middle Road, E.G.	1 House	0.4	2.3	0.9	5/18/2005	5/20/2005	YES	Mojtaba Rajaei
37	John Assalone	Valerie Drive, Parcel 1 (a)	1 House	0.4	2.3	0.9	5/18/2005	5/20/2005	YES	John Assalone
38	John Assalone	Valerie Drive, Parcel 1 (b)	1 House	0.4	2.3	0.9	5/18/2005	5/20/2005	YES	John Assalone
39	Peter Suorsa	12 Island Drive, Coventry (1")	1 House	0.4	2.3	0.9	6/15/2005	6/22/2005	YES	Peter Suorsa (Ken Goodwin)
40	Peter Suorsa	13 Island Drive, Coventry (2")	1 House	0.4	2.3	0.9	6/15/2005	6/22/2005	YES	Peter Suorsa (Ken Goodwin)
41	Dana Carlow	Rejane Street, Coventry	1 House	0.4	2.3	0.9	6/15/2005	6/22/2005	YES	Dana Carlow
42	Jeff Butler	Dunkin Donuts	Commercial	1.3	1.5	2.0	6/15/2005	6/22/2005	YES	Jeff Butler, Kevin Morin
43	Andrew Potvin	Hopkins Hill Rd, WG	1 House	0.4	2.3	0.9	7/1/2005	7/1/2005	YES	Andrew Potvin
44	Matthew L. Tucci	Hopkins Hill, COV	1 House	0.4	2.3	0.9	7/1/2005	7/1/2005	YES	Matthew L. Tucci
45	Caren Bourque	59 Club House Road	1 House	0.4	2.3	0.9	7/1/2005	7/1/2005	YES	Caren Bourque
46	Peter Rosiello	Veronica Court, Plat 34, Lot 19	1 House	0.4	2.3	0.9	7/1/2005	7/1/2005	YES	Peter Rosiello, Mike Duckett
47	Albert/Barbara LaPlume	Pond View Court, Lot 102	1 House	0.4	2.3	0.9	7/20/2005	7/21/2005	YES	Albert & Barbara LaPlume
48	Arthur L. Larsson	307 Shippeetown Road, EG	1 House	0.4	2.3	0.9	7/20/2005	7/20/2005	YES	Arthur L. Larsson
49	Frederick Schultz	298 Shippeetown Road, EG	1 House	0.4	2.3	0.9	8/11/2005	8/11/2005	YES	Frederick Schultz
50	Richard Todisco	58 Crompton Road, EG	1 House	0.4	2.3	0.9	8/17/2005	8/18/2005		Richard Todisco
51	Maple Root Center	61 Island Drive, Coventry	1 House	0.4	2.3	0.9				Edward J. Overton, Jr, Patricia Walker (Installed Well)
52	Deer Run	2435 Nooseneck Hill Rd, Cov	Commercial	1.7	1.5	2.6	8/17/2005	8/18/2005	YES	Walker (Installed Well)
53	Gentry Glen Condos	Deer Run Estates, WG	24 Homes	13	2.3	29.9	8/17/2005	8/18/2005		Gary Johnson, Joseph Casali
54	Carriage House Condos	Crompton Road, WW	62 Units	13	2.0	25.8	9/21/2005	9/30/2005		Mike Duckett, Kevin Morin
55	Retail Pad A	Reservoir Road, Coventry	12 Condos	3.3	2.0	6.7	9/21/2005	9/30/2005	YES	Brian Bamford, Joseph Casali
56	GrandVille @ Greenwich	Center of New England, Cov	Commercial	1.3	1.5	2.0	9/21/2005	9/30/2005		Robert Rapoza, Jeffrey Hanson
		Center of New England, WG	300 Apts/Condos	31.1	2.5	77.8	9/21/2005	9/30/2005		Roney Malafronte, John Caito

APPROVED HIGH SERVICE

(1/18/2007)

Number	Development	Street	Description	Avg. Day (gpm)	Max Day Multiplier	Max Day Approved (gpm)	Date Approved	Date Letter Mailed Sent Out	Letter Returned	Letter Sent To
57	Kenneth Hendrickson	335 Shippeetown Road, EG	1 House	0.4	2.3	0.9	9/21/2005	9/30/2005	YES	Kenneth Hendrickson
58	Jane Revkin	385 Moosehorn Road, EG	1 House	0.4	2.3	0.9	9/21/2005	9/30/2005		Jane Revkin
59	Howard M. Dulude	20 Marion Drive, Coventry	1 House	0.4	2.3	0.9	9/21/2005	9/30/2005		Howard Dulude
60	Larry Lachance	58 Robin Lane	1 House	0.4	2.3	0.9	9/21/2005	9/30/2005		Larry Lachance, John Brunero
61	KCWA Project	Maude Avenue, Coventry	184 Houses	19.7	2.3	45.3	9/21/2005			Board Approved Re-Service
62	Karen Carlow	7 Rejane Street	1 House	0.4	2.3	0.9	10/19/2005	11/1/2005		Karen Carlow
63	Scott Tierney	Spencer's Grant Drive & Stone Carry Way Residence	12 Homes	4.8	2.3	11.0	10/19/2005	11/9/2005		Scott P. Tierney
64	Jeffrey Hanson	Center of New England, Cov Retail Pad B	Commercial	1.3	1.5	2.0	10/19/2006	11/9/2006		Jeffrey Hanson
65	Sarah Wye	129 East Greenwich Avenue	1 House	0.4	2.3	0.9	11/16/2005	11/23/2005		Sarah Wye, MA, LMHC
66	Gertrude M. Izbicki	315 East Greenwich Avenue, Plat 12-2, Lot 241	2 Houses	0.8	2.3	1.8	11/16/2005	11/23/2005		Gertrude M. Izbicki, John S. Brunero, Jr.
67	Ronald Padula	199 East Greenwich Avenue	1 House	0.4	2.3	0.9	11/16/2005	11/23/2005		Ronald Padula, John S. Brunero, Jr.
68	Arthur Brown	183 Greenbush Road	1 House	0.4	2.3	0.9	12/15/2005	12/15/2005		Mr. Arthur Brown
69	Clark R. Smith	2594 Division Road, EG	1 House	0.4	2.3	0.9	4/19/2006	4/20/2006		Clark Smith
70	Scott and Maria Brown	47 Clark Mill Road, Coventry	1 House	0.4	2.3	0.9	6/21/2006	6/26/2006		Scott and Maria Brown, Town of Coventry - Building & Zoning Office
71	Peter Nolan	5 Hidden Lane, E. G.	Irrigation	2.4	1.0	2.4	6/21/2006	6/26/2006		Peter Nolan
72	Peter Nolan	35 Hidden Lane, E. G.	Irrigation	2.4	1.0	2.4	6/21/2006	6/26/2006		Peter Nolan
73	Peter Nolan	45 Hidden Lane, E. G.	Irrigation	2.4	1.0	2.4	6/21/2006	6/26/2006		Peter Nolan
74	Kenneth Parris and Janet Hillier	65 Clark Mill Road, Coventry	1 House	0.4	2.3	0.9	6/21/2006	6/26/2006		Kenneth Parris and Janet Hillier, Town of Coventry - Building & Zoning Office
75	Peter Nolan	40 Hidden Lane, E. G.	Irrigation	2.4	1.0	2.4	7/19/2006	7/26/2006		Peter Nolan
76	Peter Nolan	55 Hidden Lane, E. G.	Irrigation	2.4	1.0	2.4	7/19/2006	7/26/2006		Peter Nolan
77	Peter Nolan	5 Secret Lane, E. G.	Irrigation	2.4	1.0	2.4	7/19/2006	7/26/2006		Peter Nolan

APPROVED HIGH SERVICE

(1/18/2007)

Number	Development	Street	Description	Avg. Day (gpm)	Max Day Multiplier	Max Day Approved (gpm)	Date Approved	Date Letter Mailed Sent Out	Letter Returned	Letter Sent To
78	Charles Hawkins Matthew & Yadira Gilchrest	368 Hopkins Hill Road 420 East Greenwich Avenue, WW	1 House	0.4	2.3	0.9	7/21/2006	7/21/2006		Mr. Charles Hawkins, Town of Cov. Building and Zoning Office
77			1 House	0.4	2.3	0.9	8/16/2006	8/17/2006		Matthew & Yadira Gilchrest
78	K. Joseph Shekarchi	Herb Chambers - RT 2	Commercial	0.4	1.5	0.6	8/16/2006	8/17/2006		K. Joseph Shekarchi, Paul Brand
79	Alfred & Linda Colucci	2271 Middle Road, EG	1 House	0.4	2.3	0.9	10/18/2006	10/23/2006		Alfred & Linda Colucci
80	Stacy B. Ferrara, P. C.	21 Sharon Drive, Coventry	1 House	0.4	2.3	0.9	10/18/2006	10/23/2006		Stacy B. Ferrara
81	Robert T. Chito	42 Deer Run, WG	1 House	0.4	2.3	0.9	11/16/2006	11/21/2006		Robert T. Chito
82	Brian Ascoli	17 Cambio Court, WG	1 House	0.4	2.3	0.9	11/16/2006	11/21/2006		Brian Ascoli
83	Oak Haven Tiogue Reduced			60		123.0	11/16/2006			
84	Robert Mellor	74 Tiffany Road, Coventry	2 Houses	0.8	2.3	1.8	12/14/2006	12/15/2006		Robert Mellor
85	Francis Belanger	45 Deer Run, West Greenwich	1 House	0.4	2.3	0.9	12/14/2006	12/15/2006		Francis Belanger
86	Charles Hirsch	30 Deer Run, West Greenwich	1 House	0.4	2.3	0.9	12/14/2006	12/15/2006		Charles Hirsch
TOTALS GPM				1049.71		1905.40				
MGD				1.51		2.74				

* Maximum day flow demand based on correspondence received from Immunex (Amgen) To KCWA dated 4 January 2007

Supply/Pumping Capacity (MGD) 6.34 (-) Current Demand MGD (-) Future Demand = Surplus
 (-) 3.17 (-) 2.74 426224 gal/day

EXHIBIT C

February 15, 2007

OFFICE MEMO

To: Board
From: Timothy J. Brown
Subject: Preliminary Design Report Mishnock Well Field Treatment
Date: February 8, 2007

Attached please find the preliminary design report for the Mishnock well water treatment. I have scheduled Mr. McCarthy from Stantec to be present at our February meeting for a presentation concerning this. We are very pleased with this report and the outcome of our technology piloting work. We have now found what we believe is a very good technology, state of the art, that has been proven and tried on the similar secondary contamination that we have in our well field being iron, manganese and color. It is also flexible enough that it will allow us if the water quality degrades further to be able to utilize the exact same technology for that removal. Therefore, the flexibility that is built into this I believe is exactly what you need for this well field. This preliminary design report reviews the technology that was looked at during the piloting and analysis as to the cost and sizing as well as waste disposal along with that is some schematic drawing of how the treatment will look and operate at the well field. It will be designed for future build-out if additional supply is found. It is important I believe that we build in flexibility even though it may cost us a little extra now; it will certainly be much more cost effective than in the future. Certainly, Mr. McCarthy can answer any of the Board's questions at the February meeting. We will proceed with those recommendations upon completion of that meeting to the next step, the design phase.

EXHIBIT D

February 15, 2007

Kent County Water Authority

Proposed Mishnock Wellfield
Water Treatment Facility

Board Meeting
February 15, 2007



Presentation Overview

● ● ● ● ●

- Project History and Goals
- Pilot Study
- Preliminary Design
- Implementation



Project History and Goals

● ● ● ● ●

- Project involves the study of treatment technologies for the Mishnock Wells
- Mishnock Wells include Well 3, 4 and 5
- Additional wells could be constructed in the future
- WTP design capacity of 2.9 million gallons per day (MGD), plan for expansion
- Treatment required to remove iron, manganese, organic color and radon



Pilot Study

- Wells inspected and cleaned
- Electrician wired temporary pumps
- All piping and conduit above grade
- Treatment equipment housed in tented space
- Testing completed May 15 to August 11
- Zenon submerged membrane
- USFilter MultiTech
- Greensand filtration
- Deep bubble aeration



Pilot Study



Pilot Study

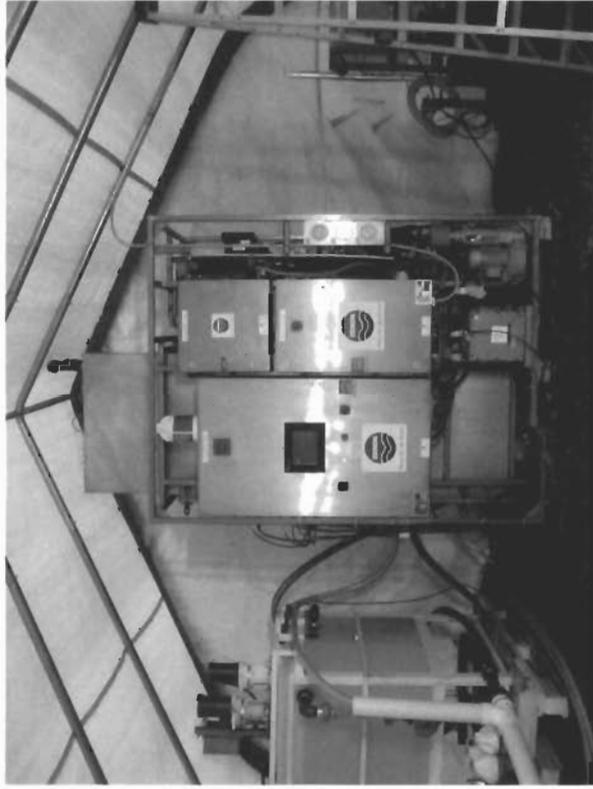


Pilot Study



Stantec

Pilot Study



Pilot Study Results

- Aeration effective
- All technologies removed iron, manganese and color
- Zenon will generate lowest backwash waste volume
- Higher color possible in the future
- Wells 3 and 4 possible GUI



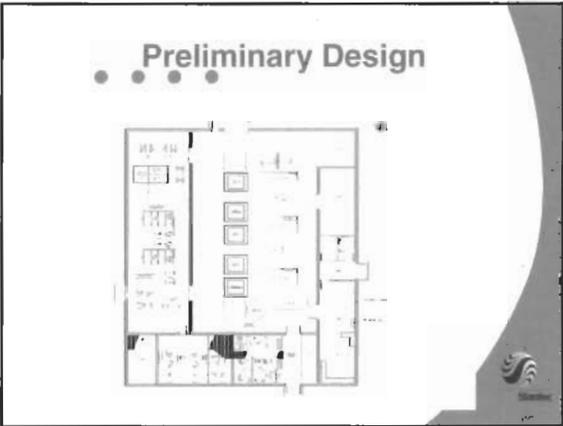
Preliminary Design

- Bubble aeration reduces pH adjustment chemicals
- Backwash water recycle economically feasible
- UV light treatment reduces chlorine demand and assists with SWTR compliance
- Technology selection criteria - performance, flexibility, operability and cost
- Selected technology - Zenon Primary and Secondary membrane systems
- Redundant treatment systems
- Onsite disposal of backwash and sanitary wastewater

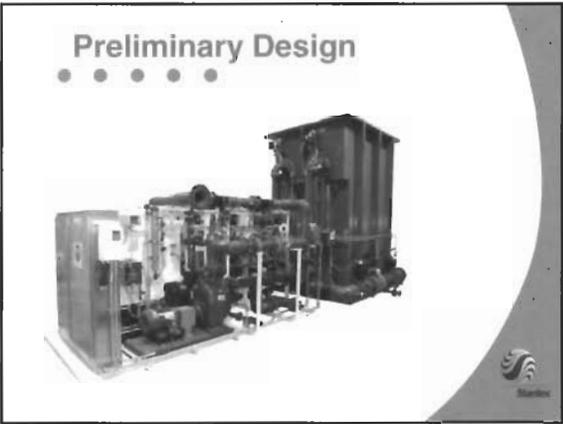


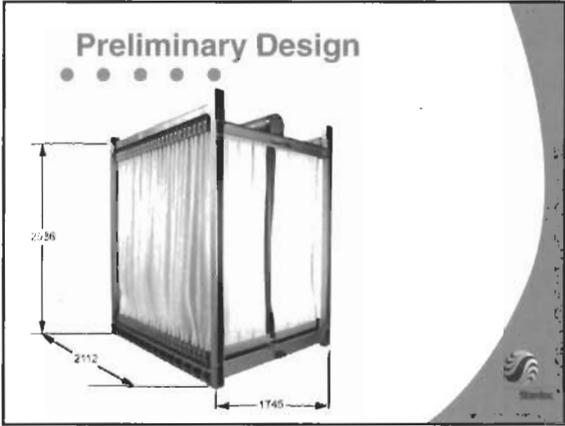
Preliminary Design











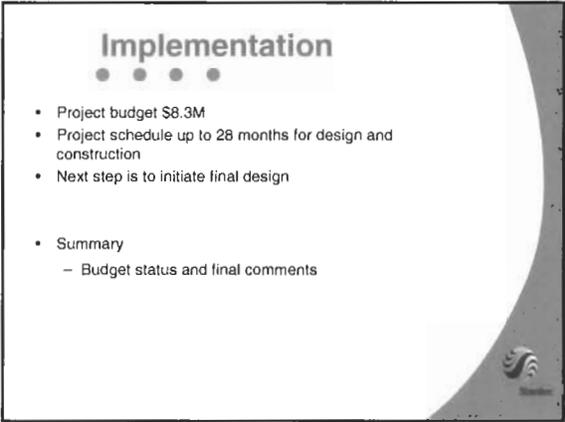


EXHIBIT E

February 15, 2007



Kent County Water Authority

February 1, 2007

Mr. Eric Tift
66 King Street, Apartment 2
East Greenwich, RI 02818

Dear Mr. Tift:

Pursuant to Rhode Island General Laws, 42-46-5 (a) (1), Rhode Island's Open Meetings Act, this letter advises you that Kent County Water Authority intends to discuss your job performance, character, physical or mental health in executive session on February 15, 2007 at 5:00 p.m. at the offices of the Kent County Water Authority. Your option regarding the Open Meetings Act requires that the Kent County Water Authority convene this meeting in open session. Accordingly, if you do not wish the discussion related to you to occur in executive session, and if you instead wish this discussion to take place in open session, kindly contact Tim Brown, General Manager, Kent County Water Authority at 1072 Main Street, West Warwick or you may call him at (401) 821-9300. You are also invited to this meeting taking place and can make your decision whether this meeting will be held in closed or open session at that time.

Very truly yours,
KENT COUNTY WATER AUTHORITY

A handwritten signature in black ink, appearing to read "Timothy J. Brown", is written over the typed name.

Timothy J. Brown, P.E.
General Manager/Chief Engineer

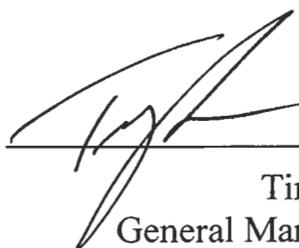
TJB/lms

" E "

OPEN MEETING NOTICE

ERIC TIFT PERFORMANCE REVIEW

The attached notice was hand delivered to Mr. Eric Tift by the undersigned on January 30, 2007 at 3:30 p.m.

A handwritten signature in black ink, appearing to be 'TJB', is written over a horizontal line.

Timothy J. Brown, P.E.
General Manager/Chief Engineer

EXHIBIT F

February 15, 2007

February 15, 2007

**Kent County Water Authority
Pension Plan**



Kent County Water Authority
Portfolio Review

For the period ending 12/31/2006

Kent County Water Authority

Investment Policy Review

Period Ending 12/31/2006

GR#004214-201-001

This investment policy review is to remind plan sponsors of the importance in keeping your plan compliant as it pertains to the Employee Retirement Income Saving Act of 1974 (ERISA). If you do not currently have an Investment Policy Statement please contact your financial advisor.

1. Investment Goals and Responsibilities

- a. The Plan Sponsor shall be responsible for the development of the investment policies of the plan and oversight for the plan's assets
- b. The Plan Sponsor must select investments with specific objectives and guidelines
- c. The pension investment program must comply with existing and future state and federal regulations

3. Investment Guidelines and Review

- a. The Plan Sponsor selects investment options to implement investment policies
- b. Each option must adhere to investment guidelines and objectives
- c. Modifications may occur when: changes in plan objectives or the current program is no longer appropriate and/or asset class expectations change

2. Investment Policies and Procedures

- a. The asset allocation should be sufficiently diversified to maintain a reasonable level of risk as determined by the plan sponsor without imprudently sacrificing return
- b. Plan Sponsor must exercise its fiduciary responsibilities in regard to the investment program in accordance with the plan document
- c. Plan Sponsor must conduct a formal annual plan review

4. Asset Allocation Policies and Investment Allocations

- a. Plan performance objectives shall be set forth at the Total Plan Level
- b. To meet or exceed the plan's stated rate of return
- c. To achieve a real return above inflation

Kent County Water Authority

Annual Projection

Period Ending 12/31/2006

GR#004214-201-001

Wilshire Associates Expected Return Assumptions

At the beginning of each year Wilshire Associates produces their Annual Asset Allocation Report. The risk and return assumptions should be used for asset allocation analysis conducted for that year. Below is a summary of the report as it pertains to the product offered by Nationwide Life.

	2005	2006	Change
Total Returns:			
U.S. Stocks	8.00%	8.25%	0.25%
Non-U.S. Stocks	8.00%	8.25%	0.25%
U.S. Bonds	4.75%	5.00%	0.25%
Cash Equivalents	3.00%	3.00%	0.00%
Inflation	2.50%	2.25%	-0.25%
Real Returns			
U.S. Stocks	5.50%	6.00%	0.50%
U.S. Bonds	2.25%	2.75%	0.50%
Cash Equivalents	0.50%	0.75%	0.25%
Stocks minus Bonds	3.25%	3.25%	0.00%
Bonds minus Cash	1.75%	2.00%	0.25%

Total Returns: at the beginning of each year Wilshire Assoc. reviews its return and risk assumptions for the major asset classes. From this a prediction is made as to the asset class returns over the next 10 years.

Real Returns: the sum of total returns minus inflations

The above information was supplied by Wilshire Associates and can be found in the 2006 Asset Allocation Return and Risk Assumptions report.

Kent County Water Authority

Disclosure

Period Ending 12/31/2006

GR#004214-201-001

Investment Risk

Foreign Securities Portfolios/Emerging Market Portfolios: The investor should note that portfolios that invest in foreign securities involve special additional risks. These risks included, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets can accentuate these risks.

Non-Diversified Portfolios: The investor should note that portfolios that invest more of their assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investment.

Small Cap Portfolios: The investor should note these portfolios are more volatile than large cap stocks, are subject to significant price fluctuation and business risks, and are thinly traded. Investments in equities are not guaranteed. Performance reflects investment results of a separate account.

Mid Cap Portfolios: The investor should note that portfolios that invest in companies with market capitalization below \$10 billion involve additional risks. The securities of these companies may be more volatile and less liquid than securities of larger companies.

High Yield Bond Portfolios: The investor should note that portfolios that invest in lower-rated debt securities (commonly referred to as junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. The investor should be aware of the possible higher level of volatility and increase risk of default.

Money Market Portfolios: The investor should note that a money market portfolio's investment is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although a money market portfolio seeks to preserve the value of an investment at \$1 per share, it is possible to lose money by investing in such a portfolio. The income will vary daily, generally reflecting changes in short-term interest rates.

Kent County Water Authority

Disclosure

Period Ending 12/31/2006

GR#0004214-201-001

Index Specifications

Wilshire 5000 Index: Measures the performance of all U.S. headquartered equity securities with readily available price data. Over 5,000 capitalization weighted security returns are used to adjust the index.

Wilshire Large Growth Index: Measures large cap stocks that exhibit growth characteristics. This is a market cap weighted index including a selection of securities from the Wilshire Large Cap 750 Index that meet Wilshire's definition of growth.

Wilshire Large Value Index: Measures large cap stocks that exhibit value characteristics. This is a market cap weighted index including a selection of securities from the Wilshire Large Cap 750 Index that meet Wilshire's definition of value.

Wilshire Small Growth Index: Measures small cap stocks that exhibit growth characteristics. This is a market cap weighted index including a selection of securities chosen from the Wilshire Small Cap 1750 Index that meet Wilshire's definition for growth.

Wilshire Small Value Index: Measures small cap stocks that exhibit value characteristics. This is a market cap weighted index including a selection of securities chosen from the Wilshire Small Cap 1750 Index that meet Wilshire's definition for value.

S&P 500 Index: Measures the performance of large capitalization U.S. stocks. The S&P 500 is a market-value-weighted index of 500 stocks that are traded on the NYSE, AMEX and NASDAQ. The weightings make each company's influence on the Index performance directly proportional to that company's market value.

Russell 1000 Index: Measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. As of the latest reconstitution, the average market capitalization was approximately \$12.1 billion; the median market capitalization was approximately \$4.0 billion. The smallest company in the index had an approximate market capitalization of \$1.6 billion.

Russell 1000 Growth Index: Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Value Index: Measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Nationwide Life Insurance Company of America is a wholly owned subsidiary of Nationwide Financial Services, Inc. The retirement plans are funded through the Selector + Group Variable Annuity Contract issued by Nationwide Life Insurance Company of America.

Kent County Water Authority

Disclosure

Period Ending 12/31/2006

GR#004214-201-001

Russell 2000 Index: Measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. As of the latest reconstitution, the average market capitalization was approximately \$607.1 million; the median market capitalization was approximately \$496.4 million. The largest company in the index had an approximate market capitalization of \$1.6 billion.

Russell 2000 Growth Index: measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 2000 Value Index: measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 3000 Index: measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market. As of the latest reconstitution, the average market capitalization was approximately \$4.4 billion; the median market capitalization was approximately \$822.4 million. The index had a total market capitalization range of approximately \$317.8 billion to \$175.8 million.

Russell 3000 Growth Index: measures the performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values. The stocks in this index are also members of either the Russell 1000 Growth or the Russell 2000 Growth indexes.

Russell 3000 Value Index: measures the performance of those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth values. The stocks in this index are also members of either the Russell 1000 Value or the Russell 2000 Value indexes.

MSCI EAFE Index: Morgan Stanley Capital International Index is designed to measure the performance of the developed stock markets of Europe, Australia, and the Far East.

MSCI World Index: Morgan Stanley Capital International World Index is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance.

MSCI Emerging Markets Index: Morgan Stanley Capital International Emerging Markets Index a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

Lehman Aggregate Bond Index: An index made up of the Lehman Brothers Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index, including securities that are of investment-grade quality or better, have at least one year to maturity, and have an outstanding par value of at least \$100 million.

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Kent County Water Authority

Disclosure

Period Ending 12/31/2006

GR#004214-201-001

Lehman Government Bond Index: An index made up of the Treasury Bond Index and the Agency Bond Index as well as the 1-3 Year Government Index and the 20+ Year Treasury Index.

Merrill Lynch High Yield Index: An unmanaged market index comprised of all domestic and Yankee high yield bonds greater than one year in maturity.

Indices are hypothetical and unmanaged portfolios of specified securities, the performance of which is used as a benchmark in judging the relative performance of securities. It is not possible to invest in an index and it is not intended to predict the performance or return of any investment.

This group variable annuity contract has limitations and may contain additional charges. For costs and complete details contact your investment advisor or Nationwide Life Insurance Company of America plan representative. Nationwide Life Insurance Company of America is a wholly owned subsidiary of Nationwide Financial Services, Inc. The retirement plans are funded through the Selector + Group Variable Annuity Contract issued by Nationwide Life Insurance Company of America.

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Kent County Water Authority

Benchmark Summary

Period Ending 12/31/2006

GR#004214-201-001

	<u>Month</u>	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
International/Global Equity							
MSCI EAFE Index	3.14%	10.36%	26.35%	26.35%	19.93%	15.35%	7.88%
MSCI Emerging Markets Index	4.50%	17.60%	32.16%	32.16%	30.59%	26.74%	9.76%
MSCI World Index	20.30%	27.77%	42.12%	42.12%	22.88%	14.31%	9.74%
Cash/Cash Equivalent							
91 Day T-Bill	0.41%	1.18%	4.77%	4.77%	2.97%	2.36%	3.77%
Bond							
Lehman Aggregate Bond Index	-0.58%	1.24%	4.33%	4.33%	3.70%	5.06%	6.24%
Lehman Government Bond Index	-0.69%	0.83%	3.46%	3.46%	3.20%	4.64%	6.01%
Lehman High Yield Index	1.10%	4.20%	11.87%	11.87%	8.50%	10.18%	6.59%
Lehman US Treasury Inflation Notes Index	-0.82%	0.72%	3.24%	3.24%	4.82%	7.79%	
Merrill Lynch High Yield Index	1.06%	3.81%	10.34%	10.34%	7.92%	9.58%	6.48%
Domestic Equity							
Dow Jones Wilshire 5000 Composite Index	1.14%	7.36%	15.91%	15.91%	11.51%	7.64%	8.66%
Lipper Multicap Value Index	1.62%	7.39%	17.07%	17.07%	12.67%	9.03%	9.38%
MSCI US Broad Market Index	1.15%	7.12%	15.69%	15.69%	11.42%		
MSCI US Mid Cap 450 Index	-0.27%	7.41%	13.76%	13.76%	16.02%	12.65%	12.14%
MSCI US Prime Market Growth Index	0.16%	5.90%	9.20%	9.20%	7.28%	3.01%	6.06%
MSCI US Prime Market Value Index	2.39%	7.84%	22.36%	22.36%	14.85%	10.30%	10.81%
MSCI US REIT Index	-2.26%	8.77%	35.32%	35.32%	25.88%	23.10%	14.29%
MSCI US Small Cap 1750 Index	0.08%	8.56%	15.79%	15.79%	14.31%	12.44%	11.88%
MSCI US Small Cap Growth Index	-0.38%	8.56%	12.03%	12.03%	12.25%	8.49%	8.97%
MSCI US Small Cap Value Index	0.54%	8.58%	21.02%	21.02%	16.75%	16.48%	13.89%
Russell 1000 Growth Index	0.34%	5.93%	9.09%	9.09%	6.88%	3.19%	5.70%
Russell 1000 Value Index	2.24%	7.99%	22.21%	22.21%	15.08%	10.84%	10.99%
Russell 2000 Growth Index	-0.24%	8.76%	13.35%	13.35%	10.37%	8.09%	5.45%
Russell 2000 Index	0.33%	8.90%	18.35%	18.35%	13.55%	12.23%	9.85%
Russell 2000 Value Index	0.87%	9.03%	23.48%	23.48%	16.48%	15.91%	13.53%
Russell 2500 Growth Index	-0.23%	8.25%	12.27%	12.27%	11.65%	8.71%	7.65%

Indices are hypothetical and unmanaged portfolios of specified securities, the performance of which is used as a benchmark in judging the relative performance of securities. The benchmark index chosen most closely represents the composition of the separate account fund but the group variable annuity contract will differ significantly from the securities representing the index. It is not possible to invest in an index and it is not intended to predict the performance or return of any investment.

Nationwide Life Insurance Company of America is a wholly owned subsidiary of Nationwide Financial Services, Inc. The retirement plans are funded through the Selector + Group Variable Annuity Contract issued by Nationwide Life Insurance Company of America.

Kent County Water Authority

Benchmark Summary

Period Ending 12/31/2006

GR#004214-201-001

	Month	3 Months	YTD	1 Year	3 Years	5 Years	10 Years
Russell 3000 Growth Index	0.29%	6.16%	9.46%	9.46%	7.17%	3.56%	5.62%
Russell 3000 Index	1.20%	7.13%	11.93%	11.93%	7.80%	3.23%	5.72%
Russell 3000 Value Index	2.12%	8.09%	22.33%	22.33%	15.20%	11.24%	11.13%
Russell Mid Cap Growth Index	-0.90%	6.94%	10.64%	10.64%	12.72%	8.85%	8.93%
Russell Mid Cap Index	-0.01%	7.67%	15.27%	15.27%	16.01%	13.22%	12.31%
S&P 500 Index	1.40%	6.70%	15.64%	15.64%	10.38%	6.16%	8.40%

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Kent County Water Authority

Portfolio Allocation

Period Ending 12/31/2006

GR#004214-201-001

<u>Asset Class</u>	<u>Market Value</u>	<u>% of Portfolio</u>
Bond		
All Pro Diversified Bond Fund	\$1,256,240	34.56%
	\$1,256,240	34.56%
Cash/Cash Equivalent		
Fixed Income Fund	\$481,410	13.25%
	\$481,410	13.25%
Domestic Equity		
All Pro Diversified Equity Fund	\$566,882	15.60%
All Pro Equity Growth Fund	\$375,308	10.33%
All Pro Value Equity Fund	\$571,038	15.71%
	\$1,513,228	41.64%
International/Global Equity		
International Value Fund	\$383,590	10.55%
	\$383,590	10.55%
	Total Portfolio	
	\$3,634,468	

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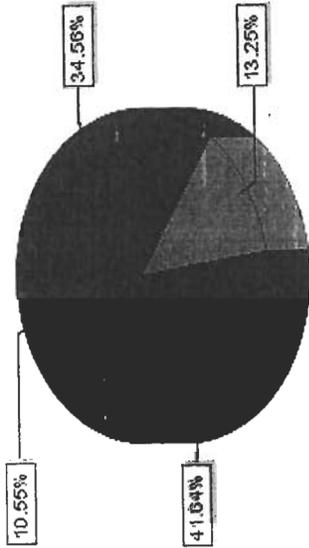
Kent County Water Authority

Portfolio Allocation

Period Ending 12/31/2006

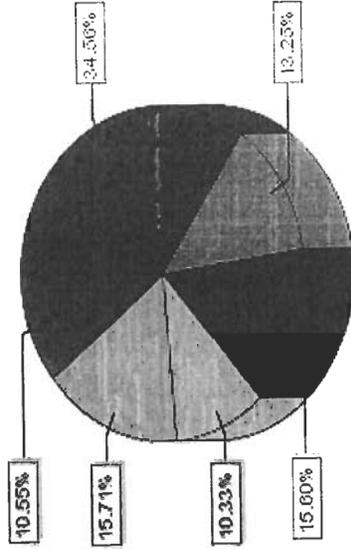
GR#004214-201-001

Asset Class Portfolio Allocation



- Bond
- Cash/Cash Equivalent
- Domestic Equity
- International/Global Equity

Investment Option Portfolio Allocation



- All Pro Diversified Bond Fund
- All Pro Diversified Equity Fund
- All Pro Value Equity Fund
- Fixed Income Fund
- All Pro Equity Growth Fund

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Kent County Water Authority

Activity Summary with Benchmark

Period Ending 12/31/2006

GR#004214-201-001

	<u>Current Month</u>	<u>10/2006 - 12/2006</u>	<u>07/2006 - 09/2006</u>	<u>04/2006 - 06/2006</u>	<u>01/2006 - 03/2006</u>	<u>Current</u> <u>Year-to-Date</u>	<u>Since</u> <u>02/21/1996</u>
Beginning Market Value	\$3,629,230	\$3,550,997	\$3,501,900	\$3,356,082	\$3,303,247	\$3,303,247	\$662,698
Contributions	\$0	\$0	\$0	\$215,654	\$0	\$215,654	\$3,211,024
Distributions	(\$18,551)	(\$55,654)	(\$55,654)	(\$47,880)	(\$46,602)	(\$205,789)	(\$1,770,214)
Gain/Losses	\$23,790	\$139,125	\$104,752	(\$21,956)	\$99,437	\$321,357	\$1,530,960
Ending Market Value	\$3,634,468	\$3,634,468	\$3,550,997	\$3,501,900	\$3,356,082	\$3,634,468	\$3,634,468
Portfolio Return	0.66%	3.95%	3.03%	-0.78%	3.02%	9.48%	6.49%
Benchmark Return	0.74%	4.70%	3.90%	-0.64%	2.85%	11.26%	7.09%
Period End Asset Allocation							
Bond	34.56%	34.56%	35.70%	35.60%	34.21%		
Cash/Cash Equivalent	13.25%	13.25%	13.35%	14.05%	13.49%		
Domestic Equity	41.64%	41.64%	40.77%	40.08%	41.68%		

Benchmark Return since the contract inception date, unlike Portfolio Return since the contract inception date, cannot be calculated on an intra-month basis due to the availability of the benchmark data. Therefore, Benchmark Return since the contract inception date will reflect performance data effective the first of the month subsequent to the commencement of the Contract, unless the Contract commenced on the first day of the month. Benchmark Return since contract inception is based upon current investment allocation.

Past performance is no guarantee of future results. Portfolio return reflects the deduction of investment management fees and any applicable group variable annuity contract charges (inclusive of broker commissions) that may exist. Investment option performance reflects the deduction of investment management fees, but does not reflect any applicable group variable annuity contract charges (inclusive of broker commissions) that may exist, which will alter investment return. All performance reflects the reinvestment of all income and capital gains.

Indices are hypothetical and unmanaged portfolios of specified securities, the performance of which is used as a benchmark in judging the relative performance of securities. The benchmark index chosen most closely represents the composition of the separate account fund but the group variable annuity contract will differ significantly from the securities representing the index. It is not possible to invest in an index and it is not intended to predict the performance or return of any investment.

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Kent County Water Authority

Activity Summary with Benchmark

Period Ending 12/31/2006

GR#004214-201-001

International/Global Equity	10.55%	10.18%	10.27%	10.61%
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Benchmark Return since the contract inception date, unlike Portfolio Return since the contract inception date, cannot be calculated on an intra-month basis due to the availability of the benchmark data. Therefore, Benchmark Return since the contract inception date will reflect performance data effective the first of the month subsequent to the commencement of the Contract, unless the Contract commenced on the first day of the month. Benchmark Return since contract inception is based upon current investment allocation.

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Kent County Water Authority

Performance with Benchmark Summary

Period Ending 12/31/2006

GR#004214-201-001

	<u>Fund Inception</u>	<u>Month</u>	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>Since Fund Inception</u>
International/Global Equity									
International Value Fund	03/01/1994	2.36%	8.16%	21.34%	21.34%	17.62%	15.02%	10.21%	9.53%
<i>MSCI EAFE Index</i>		3.14%	10.36%	26.35%	26.35%	19.93%	15.35%	7.88%	7.43%
Cash/Cash Equivalent									
Fixed Income Fund	04/01/1990	0.38%	1.16%	4.77%	4.77%	4.11%	4.14%	5.14%	
<i>91 Day T-Bill</i>		0.41%	1.18%	4.77%	4.77%	2.97%	2.36%	3.77%	
Bond									
All Pro Diversified Bond Fund	07/29/1996	-0.54%	1.22%	4.09%	4.09%	3.64%	5.11%	5.92%	6.05%
<i>Lehman Aggregate Bond Index</i>		-0.58%	1.24%	4.33%	4.33%	3.70%	5.06%	6.24%	6.42%
Domestic Equity									
All Pro Diversified Equity Fund	06/30/1993	1.32%	6.58%	14.36%	14.36%	10.07%	6.38%	8.18%	10.25%
<i>Russell 3000 Index</i>		1.20%	7.13%	11.93%	11.93%	7.80%	3.23%	5.72%	8.97%
All Pro Equity Growth Fund	04/30/1988	0.82%	5.84%	7.52%	7.52%	6.38%	1.41%	2.98%	
<i>Russell 3000 Growth Index</i>		0.29%	6.16%	9.46%	9.46%	7.17%	3.56%	5.62%	
All Pro Value Equity Fund	12/31/1984	2.02%	7.37%	20.15%	20.15%	13.34%	9.99%	7.84%	

Benchmark Return since the contract inception date, unlike Portfolio Return since the contract inception date, cannot be calculated on an intra-month basis due to the availability of the benchmark data. Therefore, Benchmark Return since the contract inception date will reflect performance data effective the first of the month subsequent to the commencement of the Contract, unless the Contract commenced on the first day of the month. Benchmark Return since contract inception is based upon current investment allocation.

Past performance is no guarantee of future results. Portfolio return reflects the deduction of investment management fees and any applicable group variable annuity contract charges (inclusive of broker commissions) that may exist. Investment option performance reflects the deduction of investment management fees, but does not reflect any applicable group variable annuity contract charges (inclusive of broker commissions) that may exist, which will alter investment return. All performance reflects the reinvestment of all income and capital gains.

Indices are hypothetical and unmanaged portfolios of specified securities, the performance of which is used as a benchmark in judging the relative performance of securities. The benchmark index chosen most closely represents the composition of the separate account fund but the group variable annuity contract will differ significantly from the securities representing the index. It is not possible to invest in an index and it is not intended to predict the performance or return of any investment.

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Kent County Water Authority

Performance with Benchmark Summary

Period Ending 12/31/2006

GR#004214-201-001

Fund Inception Date	Fund Inception						Since Fund Inception
	Month	3 Months	YTD	1 Year	3 Years	5 Years	
	2.12%	8.09%	22.33%	22.33%	15.20%	11.24%	11.13%

Russell 3000 Value Index

Fund Inception Date	Fund Inception						Since Fund Inception
	Month	3 Months	YTD	1 Year	3 Years	5 Years	
	0.66%	3.95%	9.48%	9.48%	7.30%	6.39%	6.61%
	0.74%	4.70%	11.26%	11.26%	8.12%	6.32%	6.71%

Since 02/21/1996

Portfolio Level Return

Total Portfolio

Benchmark Return

Portfolio Level Return

Total Portfolio

Benchmark Return

	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Total Portfolio	4.10%	8.38%	17.89%	-6.40%	-1.05%	0.43%	9.38%	11.61%	14.66%	
Benchmark Return	5.03%	8.25%	18.61%	-7.98%	-5.51%	-0.96%	14.14%	18.48%	17.42%	

Benchmark Return since the contract inception date, unlike Portfolio Return since the contract inception date, cannot be calculated on an intra-month basis due to the availability of the benchmark data. Therefore, Benchmark Return since the contract inception date will reflect performance data effective the first of the month subsequent to the commencement of the Contract, unless the Contract commenced on the first day of the month. Benchmark Return since contract inception is based upon current investment allocation.

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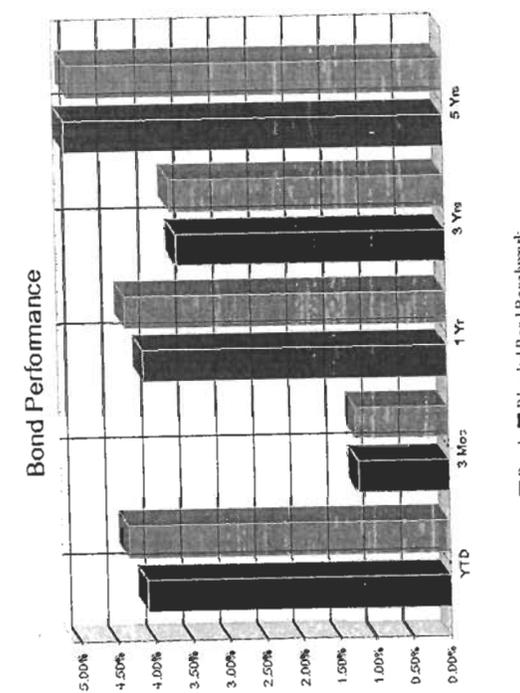
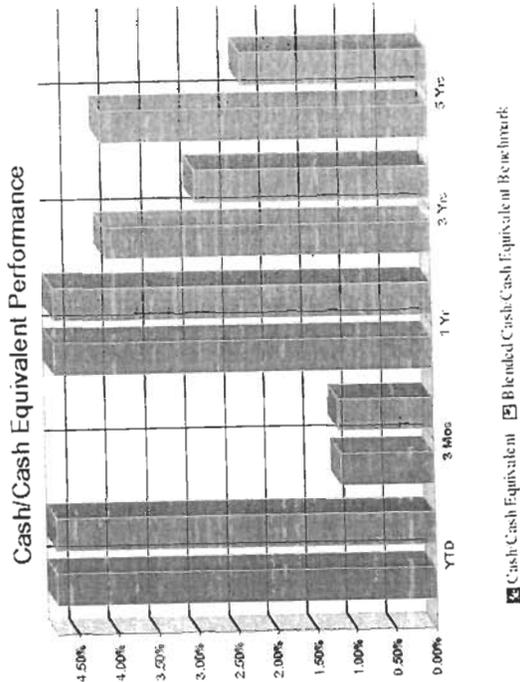
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Kent County Water Authority

Periodic Performance Graphs

Period Ending 12/31/2006

GR#004214-201-001



Fixed Income Fund - 100.00%

All Pro Diversified Bond Fund - 100.00%

Indices are hypothetical and unmanaged portfolios of specified securities, the performance of which is used as a benchmark in judging the relative performance of securities. The benchmark index chosen most closely represents the composition of the separate account fund but the group variable annuity contract will differ significantly from the securities representing the index. It is not possible to invest in an index and it is not intended to predict the performance or return of any investment.

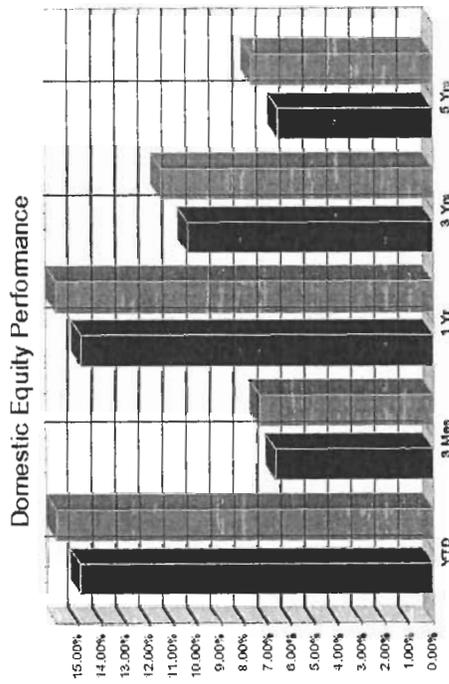
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Kent County Water Authority

Periodic Performance Graphs

Period Ending 12/31/2006

GR#004214-201-001

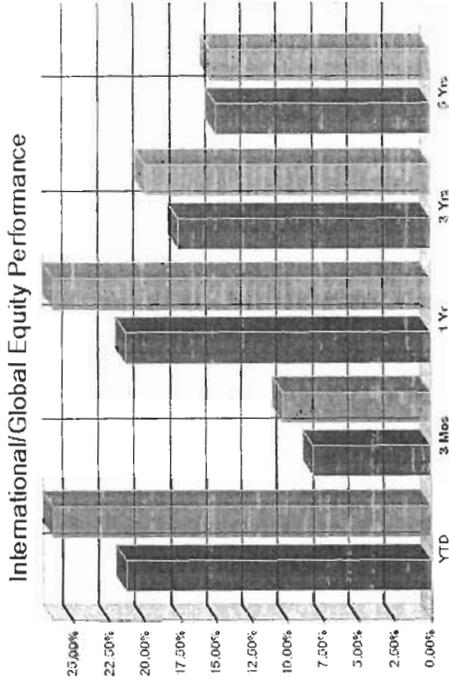


■ Domestic Equity ■ Blended Domestic Equity Benchmark

All Pro Diversified Equity Fund - 37.46%

All Pro Equity Growth Fund - 24.80%

All Pro Value Equity Fund - 37.74%



■ International/Global Equity ■ Benchmark International Global Equity Benchmark

International Value Fund - 100.00%

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Kent County Water Authority

History of Fund Dynamics

Period Ending 12/31/2006

GR#004214-201-001

Investment Option	Beginning	Deposits	Transfers From	Transfers To	Benefit	Other	Investment	Ending
	Balance 02/21/1996		Other Funds					Payments	Distributions	Growth	Balance 12/31/2006
All Pro Diversified Bond Fund	\$0	\$719,529	\$1,167,449	(\$984,196)	\$0	\$0	\$353,458	\$1,256,240
All Pro Diversified Equity Fund	\$0	\$308,370	\$414,332	(\$407,704)	\$0	\$0	\$251,884	\$566,882
All Pro Equity Growth Fund	\$0	\$205,582	\$388,750	(\$300,446)	\$0	\$0	\$81,422	\$375,308
All Pro Value Equity Fund	\$0	\$308,370	\$399,130	(\$418,410)	\$0	\$0	\$281,947	\$571,038
Fixed Income Fund	\$525,860	\$1,463,591	\$694,611	(\$710,152)	(\$1,770,214)	\$0	\$277,714	\$481,410
International Value Fund	\$0	\$205,582	\$291,937	(\$391,958)	\$0	\$0	\$278,030	\$383,590
Money Market Fund	\$136,838	\$0	\$0	(\$143,343)	\$0	\$0	\$6,506	\$0
Total Portfolio	\$662,698	\$3,211,024	\$3,356,209	(\$3,356,209)	(\$1,770,214)	\$0	\$1,530,960	\$3,634,468

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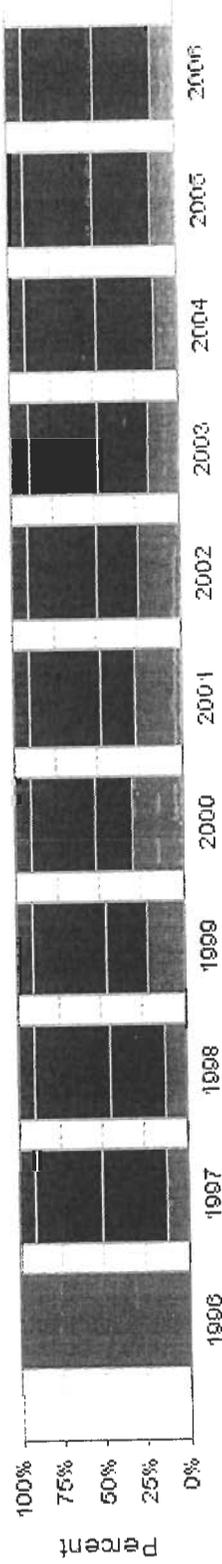
Kent County Water Authority

History of Asset Growth

Period Ending 12/31/2006

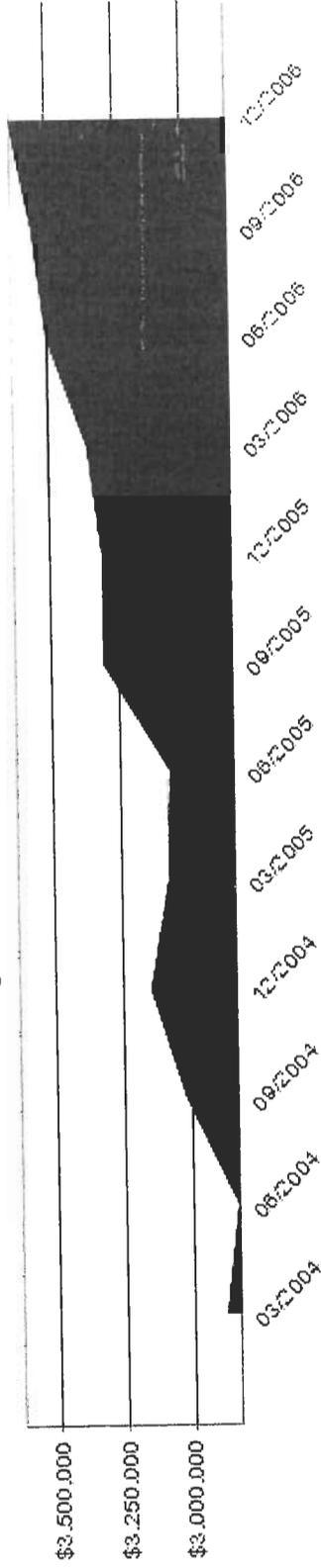
GR#004214-201-001

Portfolio Allocation Over Time



■ Cash/Cash Equivalent ■ Bond ■ Domestic Equity ■ International/Global Equity

Ending Market Values Over Time



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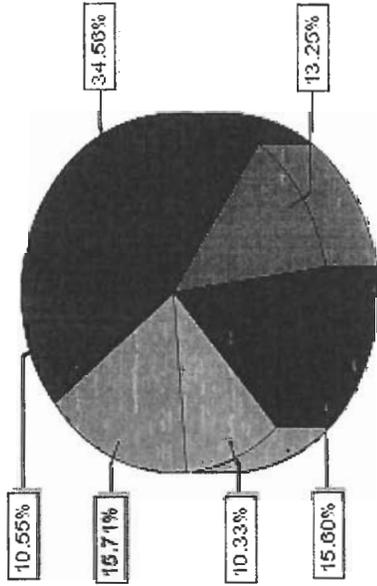
Kent County Water Authority

Portfolio Rebalancing Review

Period Ending 12/31/2006

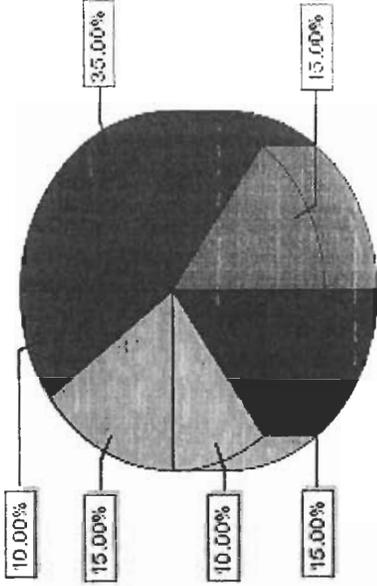
GR#004214-201-001

Current Portfolio Allocation



All Pro Diversified Bond Fund
 Fixed Income Fund
 All Pro Diversified Equity Fund
 All Pro Equity Growth Fund
 All Pro Value Equity Fund
 International Value Fund

Targeted Portfolio Allocation



All Pro Diversified Bond Fund
 Fixed Income Fund
 All Pro Diversified Equity Fund
 All Pro Equity Growth Fund
 All Pro Value Equity Fund
 International Value Fund

The Targeted Portfolio Allocation is the stated portfolio rebalanced on a quarterly basis. Rebalancing plan assets can help assure that the plan will stay on course in achieving its particular goals.

All Pro Diversified Bond Fund	35.00%	Fixed Income Fund	15.00%
All Pro Diversified Equity Fund	15.00%	All Pro Equity Growth Fund	10.00%
All Pro Value Equity Fund	15.00%	International Value Fund	10.00%

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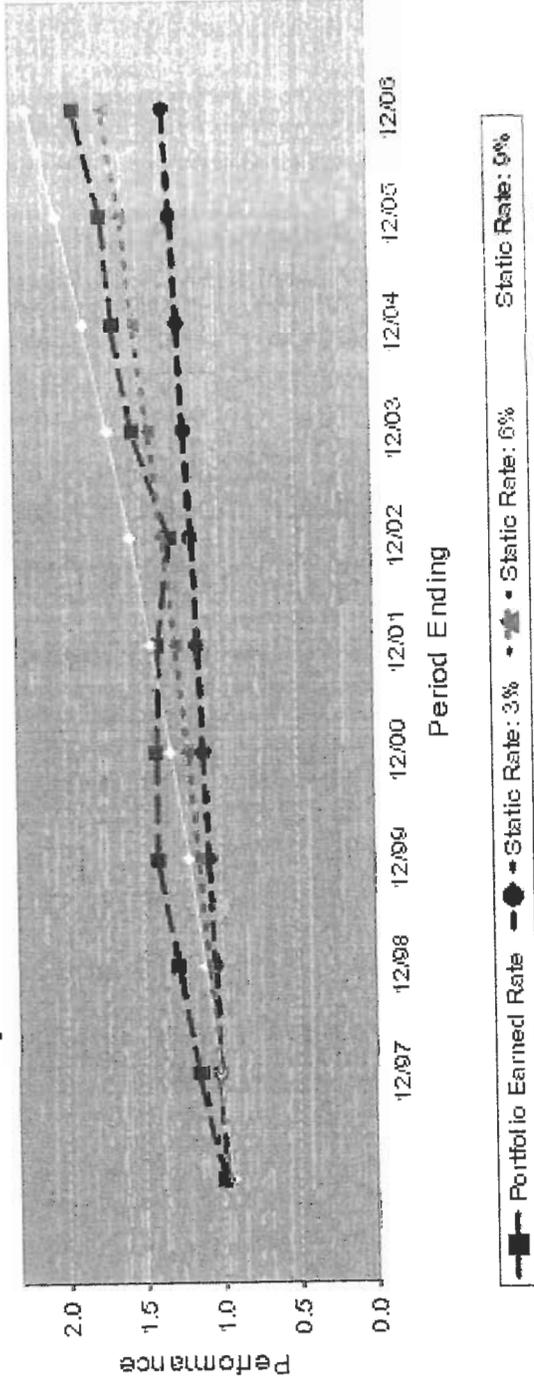
Kent County Water Authority

Portfolio Analysis

Period Ending 12/31/2006

GR#004214-201-001

Projected vs. Earned Portfolio Analysis



Portfolio Earned Rate: annual portfolio performance based on the investment experience of the underlying accounts.

Static Rate 3%: this is a static annual rate of 3% over time.

Static Rate 6%: this is a static annual rate of 6% over time.

Static Rate 9%: this is a static annual rate of 9% over time.

**The purpose of the Static Rates is to show a comparative of what the actual portfolio did over time as compared to a constant.*

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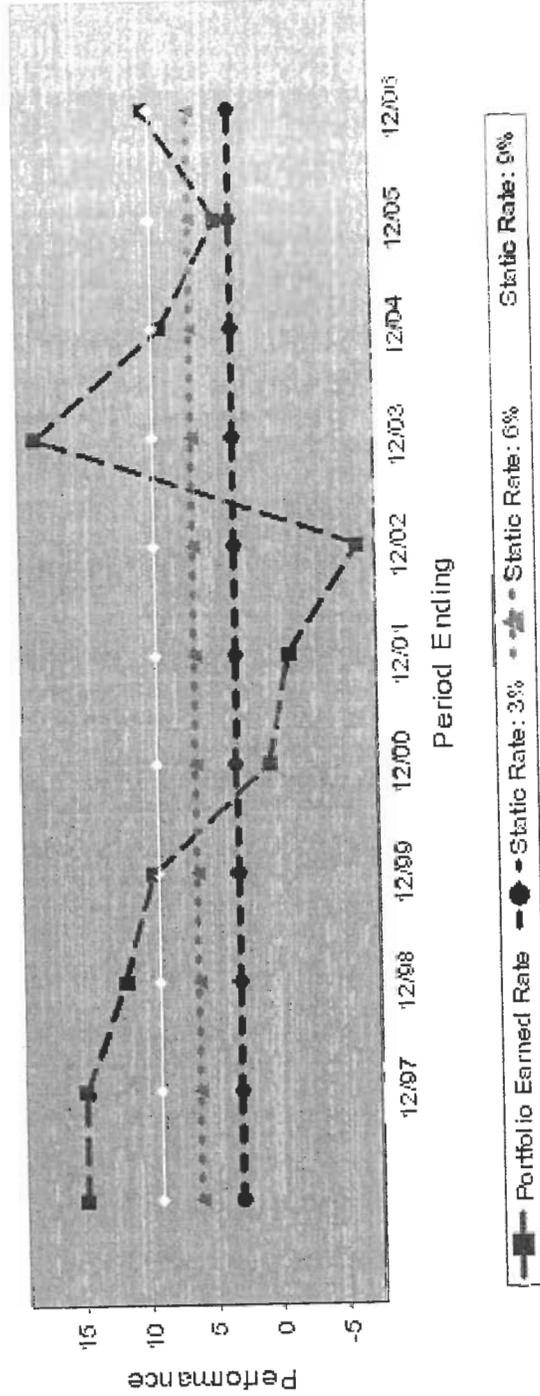
Kent County Water Authority

Portfolio Analysis

Period Ending 12/31/2006

GR#004214-201-001

Portfolio Movement Analysis



Portfolio Earned Rate: annual portfolio performance based on the investment experience of the underlying accounts.

Static Rate 3%: this is a static annual rate of 3% over time.

Static Rate 6%: this is a static annual rate of 6% over time.

Static Rate 9%: this is a static annual rate of 9% over time.

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Kent County Water Authority

Benefit Payment Review

Period Ending 12/31/2006

GR#004214-201-001

Benefit Payment Amounts

	<u>Current Month</u>	<u>10/2006 - 12/2006</u>	<u>07/2006 - 09/2006</u>	<u>04/2006 - 06/2006</u>	<u>01/2006 - 03/2006</u>	<u>Current Year-to-Date</u>	<u>Since 02/21/1996</u>
Beginning Balance	\$3,629,230	\$3,550,997	\$3,501,900	\$3,356,082	\$3,303,247	\$3,303,247	\$662,698
Benefit Payments	(\$18,551)	(\$55,654)	(\$55,654)	(\$47,880)	(\$46,602)	(\$205,789)	(\$1,770,214)
Ending Balance	\$3,634,468	\$3,634,468	\$3,550,997	\$3,501,900	\$3,356,082	\$3,634,468	\$3,634,468

Number of Benefit Payments

	<u>Current Month</u>	<u>10/2006 - 12/2006</u>	<u>07/2006 - 09/2006</u>	<u>04/2006 - 06/2006</u>	<u>01/2006 - 03/2006</u>	<u>Current Year-to-Date</u>	<u>Since 02/21/1996</u>
Repetitive Payments	20	60	60	55	54	229	2026
Other Payments	0	0	0	0	0	0	3

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Kent County Water Authority

Market Commentary

Period Ending 12/31/2006

GR#004214-201-001

Nationwide Market Commentary
Fourth Quarter 2006

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Kent County Water Authority

Market Commentary

Period Ending 12/31/2006

GR#004214-201-001

U.S. Equity Market

The U.S. stock market posted its fourth consecutive annual advance in 2006, with the Dow Jones Wilshire 5000sm up 15.77%. The market rose 7.20% in the 4th quarter, its largest quarterly gain in two years. A fifth straight year of double-digit corporate earnings growth and an active mergers and acquisitions environment, fueled in large part by record levels of private equity buyouts, encouraged equity investors to push stocks higher.

Small capitalization stocks led the way higher during the quarter with the DJW Small Cap index up 8.67% versus 6.96% for the DJW Large Cap index. While all capitalization segments generated impressive returns in 2006, the DJW Small Cap index once again outpaced the DJW Large Cap index; 16.98% vs. 15.62%, respectively. Value stocks maintained their dominance over growth for both the quarter and year, extending a secular style trend that has been in place for several years. For the year, the DJW Large Value index was up 21.87% versus 9.14% for the DJW Large Growth index, with comparative annualized returns over the past five years extending to 10.25% and 3.64%, respectively.

As a clear sign of the market's breadth, all industries closed both the quarter and year in positive territory. Basic Materials and Oil & Gas led the way during the quarter with returns of 11.90% and 11.11%, respectively. Telecommunication stocks were the big winners for the year, as the industry rallied 36.50%. Even Health Care stocks, which represented the worst performing industry in 2006, managed a 7.14% gain. All other industries recorded double-digit returns for the year.

As was mentioned above, 2006 was a record year for private equity buyouts. From a combination of raising large amounts of investment capital, low financing costs and a willingness to take on additional leverage, private equity firms executed a record \$738.1 billion of buyouts. There were nine individual transactions that exceeded \$9.5 billion, the largest of which was the \$21.2 billion buyout of HCA.

Kent County Water Authority

Market Commentary

Period Ending 12/31/2006

GR#004214-201-001

Non-U.S. Equity Market

The non-U.S. equity market closed the year strong, with a 3.11% advance in December. European and emerging market stocks led the way higher for a second consecutive quarter, posting USD based gains of 11.46% and 17.60%, respectively. Some market pundits argue that the relative performance of the emerging markets indicates the beginning of a decoupling from the U.S. economy and a shift towards greater reliance on local consumer demand. In contrast to last quarter, the U.S. dollar weakened notably and produced a windfall for unhedged U.S. investors, particularly on European equities where an additional 4.60% was gained due to currency movement. A relative disappointment for many investors this year was Japan's performance. Many investors had projected at the start of the year that Japan's stock market would benefit from its recovering economy. Unfortunately, that prediction did not bear fruit as local consumer spending was less vigorous than many had expected, causing the annual USD based return of Japanese equities to underperform the All Country ex U.S. index by 20.41%.

Fixed Income Market

The Federal Open Market Committee (FOMC) stayed pat on short term interest rates during the fourth quarter by holding the federal funds rate at 5.25% while the yield on the 10-year Note experienced some notable volatility. The yield was as high as 4.80% and as low as 4.43% but finished the quarter at 4.71%, eight basis points higher than where it stood at the end of last quarter. During the fourth quarter the inversion of the yield curve became more pronounced as the spread between the 10-year Note and the 91-day T-Bill widened by 16 basis points to 31 basis points. The FOMC noted in their December statement that some inflation risks remain but feel that inflation pressures seem likely to moderate over time.

Currency Market

The dollar weakened notably against the Euro (-4.10%) and Pound (-4.78%) and was slightly stronger against the Yen (0.91%) for the quarter. The significant decline in the value of the USD versus the Euro and Pound boded well for unhedged U.S. investors during the quarter as they were able to reap a windfall from the currency movements.

Kent County Water Authority

Market Commentary

Period Ending 12/31/2006

GR#004214-201-001

Performance Overview

The following table summarizes the performance of representative indices for the periods ended 12/31/06:

Index	Monthly (%)	4 th Quarter (%)	1 Year (%)
EQUITY			
<i>Domestic</i>			
Dow Jones Wilshire 5000	1.17	7.20	15.77
S&P 500	1.40	6.70	15.79
Dow Jones Wilshire 4500	0.25	9.05	15.28
Dow Jones Wilshire REIT	-2.26	8.85	35.97
Dow Jones Wilshire 2500	1.16	7.16	15.79
Dow Jones Wilshire Large Cap	1.32	6.96	15.62
Dow Jones Wilshire Large Growth	0.30	6.17	9.14
Dow Jones Wilshire Large Value	2.27	7.68	21.87
Dow Jones Wilshire Small Growth	0.00	8.67	16.98
Dow Jones Wilshire Small Cap	-0.47	8.58	13.78
Dow Jones Wilshire Small Value	0.45	8.76	20.04
<i>International</i>			
MSCI EAFE	3.14	10.35	26.34
Europe	3.21	11.46	33.72
Pacific Basin	2.98	7.93	12.20
Japan	2.48	5.01	6.24
MSCI Emerging Markets	4.50	17.60	32.17
FIXED INCOME			
Lehman Aggregate	Monthly (%)	4 th Quarter (%)	1 Year (%)
Lehman Long Term Treasury	-0.58	1.24	4.33
Lehman Credit	-2.17	0.49	1.85
Lehman US Corp High Yield	-0.86	1.34	4.26
Lehman Global Aggregate	1.10	4.20	11.85
Lehman Non-US Government	-1.33	2.06	6.64
	-1.87	2.34	7.29
	Monthly USD (%)	4 th Quarter USD (%)	1 Year USD (%)

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Nationwide
On Your Side

Kent County Water Authority

Asset Statement

For the period 1/1/2006 to 12/31/2006



Nationwide
On Your Side

STATEMENT OF ASSETS
For the Period 1/1/2006 to 12/31/2006

SUMMARY OF BASIC DATA

Our files contain the following data concerning this plan:

Contract Name: Kent County Water Authority

Contractholder Address: 1072 Main Street
P.O. Box 192
West Warwick, RI 02893-0192

Contract Number: GR 004214-201-001

Type of Contract: Selector Plus

Type of Plan: Defined Benefit

Anniversary Date (First Day of Plan Year): 01-01

Please review all information presented in the asset statement and contact Nationwide Retirement Services at (800) 541-0472 with any questions.

To Notify us of a complaint, please call Corporate Compliance at (800) 523-4681, or write to us at Nationwide Life Insurance Company of America,
Attn: Corporate Compliance, 300 Continental Drive, Newark, DE 19713



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Kent County Water Authority
Investment Option Allocation
For the Period 1/1/2006 to 12/31/2006

Investment Option	*PSA #	Period Ending		Shares		Period Ending	
		Asset Value	Unit Value	Owned	Unit Value		
All Pro Diversified Bond Fund	00418	\$1,256,240.13	18.4532620	68,076.860	18.4532620		
All Pro Diversified Equity Fund	00408	\$566,881.55	37.3734930	15,168.011	37.3734930		
All Pro Equity Growth Fund	00407	\$375,308.41	38.4676630	9,756.465	38.4676630		
All Pro Value Equity Fund	00401	\$571,037.76	296.6362130	1,925.044	296.6362130		
Fixed Income Fund		\$481,409.97	1.0000000	481,409.970	1.0000000		
International Value Fund	00409	\$383,590.40	32.2097700	11,909.132	32.2097700		
Total		\$3,634,468.22					

***POOLED SEPARATE ACCOUNT (PSA):** an account which consists of the assets of two or more participating entities and is maintained for the collective investment and reinvestment of assets contributed thereto.

This PSA is required to be reported on the annual 5500 Filing, Schedule D, if applicable to this contract.



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Kent County Water Authority
Investment Option Transaction Detail
For the Period 1/1/2006 to 12/31/2006

All Pro Diversified Bond Fund

Activity Summary

	<u>Dollars</u>	<u>Units</u>	<u>Unit Value</u>
Value of Assets on: 1/1/2006	\$1,159,211.94	65,388.727	17.728009
Contributions	\$75,478.90	4,309.949	
Distributions	\$0.00	0.000	
Net Interfund Transfers	(\$22,726.54)	(1,240.908)	
Expenses	(\$6,839.63)	(380.907)	
Investment Return	\$51,115.46		
Value of Assets on: 12/31/2006	\$1,256,240.13	68,076.860	18.453262



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Kent County Water Authority
Investment Option Transaction Detail
For the Period 1/1/2006 to 12/31/2006

All Pro Diversified Equity Fund

<u>Date</u>	<u>Transaction Type</u>	<u>Description</u>	<u>Amount</u>	<u>Units</u>	<u>Unit Value</u>
01/03/2006	STAR Interfund Transfer		(\$10,105.09)	(304.263)	33.211647
04/03/2006	STAR Interfund Transfer		(\$22,059.14)	(626.958)	35.184376
04/03/2006	STAR Interfund Transfer		(\$5,974.99)	(169.819)	35.184376
06/22/2006	Deposit	Other	\$32,348.10	976.131	33.139100
07/03/2006	STAR Interfund Transfer		\$1,419.67	41.179	34.475746
10/02/2006	STAR Interfund Transfer		(\$4,689.28)	(134.099)	34.968808

All Pro Diversified Equity Fund

Activity Summary

	<u>Dollars</u>	<u>Units</u>	<u>Unit Value</u>
Value of Assets on: 1/1/2006	\$505,592.10	15,470.675	32.680675
Contributions	\$32,348.10	976.131	
Distributions	\$0.00	0.000	
Net Interfund Transfers	(\$41,408.83)	(1,193.960)	
Expenses	(\$2,978.31)	(84.836)	
Investment Return	\$73,328.49		
Value of Assets on: 12/31/2006	\$566,881.55	15,168.011	37.373493



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Kent County Water Authority
Investment Option Transaction Detail
For the Period 1/1/2006 to 12/31/2006

All Pro Equity Growth Fund

<u>Date</u>	<u>Transaction Type</u>	<u>Description</u>	<u>Amount</u>	<u>Units</u>	<u>Unit Value</u>
01/03/2006	STAR Interfund Transfer		(\$10,812.84)	(297.900)	36.296889
04/03/2006	STAR Interfund Transfer		(\$10,835.80)	(289.206)	37.467391
06/22/2006	Deposit	Other	\$21,565.40	618.310	34.877998
07/03/2006	STAR Interfund Transfer		\$6,923.67	191.188	36.213949
10/02/2006	STAR Interfund Transfer		\$1,902.68	52.623	36.156957

All Pro Equity Growth Fund

Activity Summary

	<u>Dollars</u>	<u>Units</u>	<u>Unit Value</u>
Value of Assets on: 1/1/2006	\$341,137.51	9,534.670	35.778638
Contributions	\$21,565.40	618.310	
Distributions	\$0.00	0.000	
Net Interfund Transfers	(\$12,822.29)	(343.295)	
Expenses	(\$1,960.03)	(53.220)	
Investment Return	\$27,387.82		
Value of Assets on: 12/31/2006	\$375,308.41	9,756.465	38.467663



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Kent County Water Authority
Investment Option Transaction Detail
For the Period 1/1/2006 to 12/31/2006

All Pro Value Equity Fund

<u>Date</u>	<u>Transaction Type</u>	<u>Description</u>	<u>Amount</u>	<u>Units</u>	<u>Unit Value</u>
01/03/2006	STAR Interfund Transfer		(\$5,387.75)	(21.458)	251.084187
04/03/2006	STAR Interfund Transfer		(\$17,645.01)	(67.657)	260.800118
06/22/2006	Deposit	Other	\$32,348.10	127.558	253.595663
07/03/2006	STAR Interfund Transfer		(\$10,979.06)	(41.877)	262.171187
10/02/2006	STAR Interfund Transfer		(\$24,538.12)	(89.083)	275.451821

All Pro Value Equity Fund

Activity Summary

	<u>Dollars</u>	<u>Units</u>	<u>Unit Value</u>
Value of Assets on: 1/1/2006	\$500,874.76	2,028.711	246.893106
Contributions	\$32,348.10	127.558	
Distributions	\$0.00	0.000	
Net Interfund Transfers	(\$58,549.94)	(220.075)	
Expenses	(\$3,010.31)	(11.150)	
Investment Return	\$99,375.15		
Value of Assets on: 12/31/2006	\$571,037.76	1,925.044	296.636213



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Kent County Water Authority
Investment Option Transaction Detail
For the Period 1/1/2006 to 12/31/2006

International Value Fund

<u>Date</u>	<u>Transaction Type</u>	<u>Description</u>	<u>Amount</u>	<u>Units</u>	<u>Unit Value</u>
01/03/2006	STAR Interfund Transfer		(\$12,359.65)	(456.074)	27.100087
04/03/2006	STAR Interfund Transfer		(\$20,470.09)	(708.842)	28.878206
06/22/2006	Deposit	Other	\$21,565.40	772.867	27.903137
07/03/2006	STAR Interfund Transfer		(\$9,518.53)	(328.950)	28.936063
10/02/2006	STAR Interfund Transfer		(\$6,343.43)	(211.664)	29.969334

International Value Fund

Activity Summary

	<u>Dollars</u>	<u>Units</u>	<u>Unit Value</u>
Value of Assets on: 1/1/2006	\$342,684.32	12,909.981	26.544138
Contributions	\$21,565.40	772.867	
Distributions	\$0.00	0.000	
Net Interfund Transfers	(\$48,691.70)	(1,705.530)	
Expenses	(\$2,014.00)	(68.186)	
Investment Return	\$70,046.38		
Value of Assets on: 12/31/2006	\$383,590.40	11,909.132	32.209770



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Kent County Water Authority
Investment Option Transaction Detail
For the Period 1/1/2006 to 12/31/2006

Fixed Income Fund		
Activity Summary		
	<u>Dollars</u>	<u>Units</u>
Value of Assets on: 1/1/2006	\$453,746.09	453,746.090
Contributions	\$32,348.10	32,348.100
Distributions	(\$205,789.45)	(205,789.450)
Net Interfund Transfers	\$184,199.30	184,199.300
Expenses	(\$2,731.50)	(2,731.500)
Investment Return	\$19,637.43	
Value of Assets on: 12/31/2006	\$481,409.97	481,409.970
		<u>1.000000</u>



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Kent County Water Authority
Distribution Register
For the Period 1/1/2006 to 12/31/2006

Repetitive Payments

<u>Type</u>	<u>Name</u>	<u>No</u>	<u>Amount/Each</u>	<u>Total</u>
Retiree Benefit	AMARAL, E	12	\$1,335.85	\$16,030.20
Retiree Benefit	BALLARD, J	12	\$1,482.57	\$17,790.84
Retiree Benefit	BOISVERT, C	7	\$1,278.01	\$8,946.07
Retiree Benefit	BRUNEAU, C	12	\$1,120.12	\$13,441.44
Retiree Benefit	CLAUSON, F	12	\$553.63	\$6,643.56
Retiree Benefit	DUQUETTE, M	12	\$56.05	\$672.60
Retiree Benefit	EMERY, B	6	\$1,739.43	\$10,436.58
Retiree Benefit	GRANDCHAMP SR, R	12	\$526.40	\$6,316.80
Retiree Benefit	GRENIER, L	12	\$1,007.16	\$12,085.92
Retiree Benefit	ISE, A	12	\$1,564.65	\$18,775.80
Retiree Benefit	LAMELIN, R	12	\$1,045.10	\$12,541.20
Retiree Benefit	LAVALLEE, A	12	\$625.22	\$7,502.64
Retiree Benefit	LAVOIE, N	12	\$1,083.59	\$13,003.08
Retiree Benefit	LAWRENCE, M	12	\$512.11	\$6,145.32
Retiree Benefit	MOWREY, W	12	\$187.10	\$2,245.20
Retiree Benefit	PANCIERA, D	12	\$347.63	\$4,171.56
Retiree Benefit	RICE, E	12	\$1,153.73	\$13,844.76
Retiree Benefit	SANTOS, N	12	\$307.86	\$3,694.32



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Kent County Water Authority
Distribution Register
For the Period 1/1/2006 to 12/31/2006

Repetitive Payments

Type	Name	No	Amount/Each	Total
Retiree Benefit	SIMPSON, A	12	\$1,303.86	\$15,646.32
Retiree Benefit	ST SAUVEUR, N	12	\$1,321.27	\$15,855.24
Retiree Benefit Total				\$205,789.45
Total				\$205,789.45

Distribution Payments

Date	Payee	Distribution Type	Gross Amount	Federal Withheld	State Withheld	Net Withheld
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No distribution payments exist for the period requested



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Kent County Water Authority
Distribution Register
For the Period 1/1/2006 to 12/31/2006

Partial/Total Liquidations

<u>Date</u>	<u>Payee</u>	<u>Distribution Type</u>	<u>Gross Amount</u>
-------------	--------------	--------------------------	---------------------

No partial or total liquidations exist for the period requested

Total Distributions

Repetitive Payments	\$205,789.45
Distribution Payments	\$0.00
Partial/Total Liquidations	\$0.00
Total	\$205,789.45



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Kent County Water Authority
Transfer Register
For the Period 1/1/2006 to 12/31/2006

Transfer From				Transfer To			
Date	Investment Option	Dollars	Units	Investment Option	Dollars	Units	
01/03/2006	All Pro Value Equity Fund	\$5,387.75	21.458	Fixed Income Fund	\$5,387.75	5,387.750	
01/03/2006	All Pro Equity Growth Fund	\$10,812.84	297.900	Fixed Income Fund	\$10,812.84	10,812.840	
01/03/2006	All Pro Diversified Equity Fund	\$10,105.09	304.263	Fixed Income Fund	\$10,105.09	10,105.090	
01/03/2006	International Value Fund	\$12,359.65	456.074	Fixed Income Fund	\$12,359.65	12,359.650	
01/03/2006	All Pro Diversified Bond Fund	\$3,075.59	173.177	Fixed Income Fund	\$3,075.59	3,075.590	
04/03/2006	All Pro Value Equity Fund	\$17,645.01	67.657	Fixed Income Fund	\$17,645.01	17,645.010	
04/03/2006	All Pro Equity Growth Fund	\$10,835.80	289.206	Fixed Income Fund	\$10,835.80	10,835.800	
04/03/2006	All Pro Diversified Equity Fund	\$22,059.14	626.958	Fixed Income Fund	\$22,059.14	22,059.140	
04/03/2006	All Pro Diversified Equity Fund	\$5,974.99	169.819	All Pro Diversified Bond Fund	\$5,974.99	339.076	
04/03/2006	International Value Fund	\$20,470.09	708.842	All Pro Diversified Bond Fund	\$20,470.09	1,161.661	
07/03/2006	All Pro Value Equity Fund	\$10,979.06	41.877	Fixed Income Fund	\$10,979.06	10,979.060	
07/03/2006	International Value Fund	\$9,518.53	328.950	Fixed Income Fund	\$9,518.53	9,518.530	
07/03/2006	All Pro Diversified Bond Fund	\$12,772.90	725.686	Fixed Income Fund	\$12,772.90	12,772.900	
07/03/2006	All Pro Diversified Bond Fund	\$6,923.67	393.365	All Pro Equity Growth Fund	\$6,923.67	191.188	
07/03/2006	All Pro Diversified Bond Fund	\$1,419.67	80.658	All Pro Diversified Equity Fund	\$1,419.67	41.179	
10/02/2006	All Pro Value Equity Fund	\$24,538.12	89.083	Fixed Income Fund	\$24,538.12	24,538.120	
10/02/2006	All Pro Diversified Equity Fund	\$4,689.28	134.099	Fixed Income Fund	\$4,689.28	4,689.280	
10/02/2006	International Value Fund	\$6,343.43	211.664	Fixed Income Fund	\$6,343.43	6,343.430	



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Kent County Water Authority
Asset Statement Summary
For the Period 1/1/2006 to 12/31/2006

Investment Option	Beginning Balance	Transfers		Deposits	Withdrawals	Transfers		Expenses	Return	Ending Balance
		To	From			To	From			
All Pro Diversified Bond Fund	\$1,159,211.94	\$26,445.08	(\$49,171.62)	\$75,478.90	\$0.00	(\$49,171.62)	(\$6,839.63)	\$51,115.46	\$1,256,240.13	
All Pro Diversified Equity Fund	\$505,592.10	\$1,419.67	(\$42,828.50)	\$32,348.10	\$0.00	(\$42,828.50)	(\$2,978.31)	\$73,328.49	\$566,881.55	
All Pro Equity Growth Fund	\$341,137.51	\$8,826.35	(\$21,648.64)	\$21,565.40	\$0.00	(\$21,648.64)	(\$1,960.03)	\$27,387.82	\$375,308.41	
All Pro Value Equity Fund	\$500,874.76	\$0.00	(\$58,549.94)	\$32,348.10	\$0.00	(\$58,549.94)	(\$3,010.31)	\$99,375.15	\$571,037.76	
Fixed Income Fund	\$453,746.09	\$184,199.30	\$0.00	\$32,348.10	(\$205,789.45)	\$0.00	(\$2,731.50)	\$19,637.43	\$481,409.97	
International Value Fund	\$342,684.32	\$0.00	(\$48,691.70)	\$21,565.40	\$0.00	(\$48,691.70)	(\$2,014.00)	\$70,046.38	\$383,590.40	
Total	\$3,303,246.72	\$220,890.40	(\$220,890.40)	\$215,654.00	(\$205,789.45)	(\$220,890.40)	(\$19,533.78)	\$340,890.73	\$3,634,468.22	

Investment Option Descriptions

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All Pro Diversified Bond Fund Separate Account Period Ending 09/30/2006

Top Ten Holdings

5.0%	....	U S TREASURY NOTES
3.6%	....	U S TREASURY BONDS
2.9%	....	FNMA POOL #0819170
2.4%	....	COMMIT TO PUR FHLMC GOLD
1.6%	....	U S TREASURY NOTES
1.4%	....	FHLMC POOL #00832443

Current Manager Allocation

Manager	Percent	Investment Style
BLACKROCK FINANCIAL MANAGEMENT	50.0%	Intermediate Term Corporate Bond
WESTERN ASSET MANAGEMENT COMPANY	50.0%	Intermediate Term Bond

Objective and Strategy

The "All Pro" approach brings together various institutional money managers who are specialists in different investment styles. These managers are monitored by Nationwide on an ongoing basis to ensure consistency of style, personnel and returns against appropriate benchmarks.

The Diversified Bond Fund seeks to provide current income, with capital appreciation as a secondary goal. This All Pro fund is divided between two investment managers; both who invest in investment grade securities, while one has the ability to invest in high-yield and non-dollar securities on a strategic basis. The portfolio will maintain characteristics similar to those of the Lehman Aggregate Bond Index, a broad domestic bond market index. The fund is designed for investors seeking current income and can tolerate the risks associated with debt securities.

Manager Profiles

BLACKROCK FINANCIAL MANAGEMENT

BlackRock is a fixed income specialist firm founded in 1988 and based in New York City. The firm is 16% employee-owned, 14% publicly traded, and 70% owned by PNC Bank. The firm is best known for its risk management and quantitative modeling techniques in fixed income and related products such as mortgage bonds. BlackRock's philosophy of fixed income investing relies primarily on identifying and exploiting relative value through active sector rotation and security selection with controlled portfolio duration. Portfolios are constructed with two primary sources of input. Using top-down research, the senior level Investment Strategy Group will guide the broader decisions such as sector allocation, duration control, convexity exposure, and yield curve positioning, while the sector specialists will select securities that best implement these viewpoints. As part of the "plus" component of the mandate, BlackRock will invest opportunistically in high-yield debt and non-dollar debt. These sectors are also supported by BlackRock's quantitative research and risk management teams.

WESTERN ASSET MANAGEMENT COMPANY

Western Asset's team approach to portfolio management revolves around an investment outlook developed by the Investment Strategy Group. This group, composed of an in-house economist and all senior portfolio managers, represents a collection of individuals highly skilled in a particular area of the fixed-income market. With each member acting as an advocate for his particular area of expertise, the group reaches a consensus view on the outlook for the economy over a six-month horizon. This view is then weighed carefully against the expectations already built into the market in order to arrive at a recommended portfolio structure. This includes targets for duration, yield curve exposure, and sector allocation. The Portfolio Management Group is then charged with implementing this overall strategy. The Research Group assists in this process, as they look toward issues and issuers appropriate for the firm's universe. Central to this group analysis is: relative credit strength; liquidity; issue structure; event risk; covenant protection and market valuation.

The retirement plans funded through the Selector+ Group Variable Annuity Contract and its related services are issued by Nationwide Life Insurance Company of America (Nationwide), formerly Provident Mutual Life Insurance Company. Nationwide Retirement Services is a unit of Nationwide, 1000 Chesterbrook Boulevard, Berwyn, PA 19312-1181, 800-523-4681.

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Investment Option Descriptions

[Help](#)All Pro Diversified Equity Fund Separate Account
Period Ending 09/30/2006

Top Ten Holdings

2.6%	....	GENERAL ELECTRIC CO.
2.4%	....	EXXONMOBIL CORP.
2.3%	....	BANK OF AMERICA CORP.
1.8%	....	PROCTER & GAMBLE
1.7%	....	GOOGLE, INC.
1.7%	....	CITIGROUP INC.
1.5%	....	AIG, INC.
1.4%	....	JPMORGAN CHASE & CO.
1.3%	....	PEPSICO, INC.
1.3%	....	PFIZER, INC.

Current Manager Allocation

Manager	Percent	Investment Style
GEEWAX, TERKER & COMPANY	42.5%	Large Cap Growth Equity
JPMORGAN ASSET MANAGEMENT	7.5%	Small Cap Value Equity
MELLON EQUITY ASSOCIATES, LLP	42.5%	Large Cap Value Equity
NICHOLAS-APPLEGATE CAPITAL MANAGEMENT	7.5%	Small Cap Growth Equity

Objective and Strategy

The "All Pro" approach brings together various institutional money managers who are specialists in different investment styles. These managers are monitored by Nationwide on an ongoing basis to ensure consistency of style, personnel and returns against appropriate benchmarks.

The Diversified Equity Fund invests in domestic common stocks. This All Pro portfolio is designed to provide a broad exposure to the entire U.S. stock market. Various money managers will focus on large, medium and small capitalization stocks, with both value and growth investment styles. The fund is designed for investors who seek growth of capital and can tolerate the risks associated with common stock investments.

Manager Profiles

GEEWAX, TERKER & COMPANY

Geewax remains fully invested at all times. The firm seeks to capitalize on the inconsistent and/or inaccurate forecasts of the market. Geewax believes that many growth stocks underperform market indices because of overly optimistic pricing and the disappointment that occurs when these stocks don't perform well. The firm's process eliminates those stocks that are likely to underperform and holds stocks which remain after screens are applied. Individual holdings are weighted as to liquidity, so that the firm has the ability to sell out of a position should there be disappointing earnings.

JPMORGAN ASSET MANAGEMENT

JPMorgan's Small Cap Value strategy strives to add value exclusively through stock selection rather than sector, style or theme bets, which results in a bias toward sector neutrality. The investment objective of their strategy is to outperform the Russell 2000 Value Index by 2.0% - 3.0% annually over a full market cycle (3-5 years). Rigorous quantitative and fundamental analysis, spanning a universe of approximately 2500 stocks, coupled with a disciplined and systematic proprietary multifactor ranking system drives the selection and portfolio construction process. This process of minimizing market forecast biases and sector bets has proven to be one of the most effective ways of reducing residual risk without reducing the ability to add to the portfolio's performance. The emphasis on security selection in conjunction with risk management measures seeks to provide more consistent, reliable return potential and has proven to be successful in both positive and negative market environments.

MELLON EQUITY ASSOCIATES, LLP

Mellon Equity employs a highly quantitative approach to equity management. Mellon believes returns are driven by the degree to which a company is exposed to a series of factors; each of these factors represents one of the different themes or key indicators investors consider important. Through their investment modeling process, Mellon Equity identifies the company characteristics currently being rewarded by the market, with the expectation that this reward will continue in the near future. In Mellon Equity's process, each characteristic is measured and weighted according to its expected contribution to return. These weights are adjusted monthly to reflect emerging return patterns in the market.

NICHOLAS-APPLEGATE CAPITAL MANAGEMENT

Nicholas-Applegate believes that investing in companies undergoing positive change with sustainable characteristics and timely market recognition will result in outstanding investment performance. This investment approach is supported by a foundation of academic research in behavioral finance indicating that investors react inefficiently to changing information. This market inefficiency presents mispricing opportunities that the firm capitalizes on to earn excess return.

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All Pro Equity Growth Fund Separate Account Period Ending 09/30/2006

Top Ten Holdings

1.8%	....	GENERAL ELECTRIC CO.
1.6%	....	PROCTOR & GAMBLE CO.
1.0%	....	MICROSOFT CORP.
1.0%	....	GOGGLE, INC.
0.9%	....	GOLDMAN SACHS GRP, INC.
0.9%	....	ALLERGAN, INC.
0.9%	....	CHICAGO MERC. EXCH. HLDGS
0.9%	....	COLGATE-PALMOLIVE CO.
0.8%	....	ALTRIA GROUP, INC.

Current Manager Allocation

Manager	Percent	Investment Style
BATTERYMARCH FINANCIAL MANAGEMENT, INC.	20.0%	Small Cap Growth Equity
INTECH	80.0%	Large Cap Growth Equity

Objective and Strategy

The "All Pro" approach brings together various institutional money managers who are specialists in different investment styles. These managers are monitored by Nationwide on an ongoing basis to ensure consistency of style, personnel and returns against appropriate benchmarks.

The Equity Growth Fund seeks long-term growth of capital through investment in domestic common stocks. Any income realized is incidental to the fund's objective. This fund employs multiple money managers who will focus on large, medium and small capitalization growth stocks. The fund is designed for long-term investors who seek growth of capital and can tolerate the higher risks associated with growth stock investments.

Manager Profiles

BATTERYMARCH FINANCIAL MANAGEMENT, INC.

Batterymarch uses a bottom-up, quantitative approach based on fundamental principles. Their disciplined process, which incorporates rigorous stock selection and effective risk control, let us efficiently follow far more stocks than fundamental investors. Before selecting securities, they screen the entire stock universe for liquidity. Their proprietary stock selection model uses fundamental factors to rank the relative attractiveness of the 3,000 securities in our liquid universe across six dimensions: cash flow, earnings growth, expectations, value, technical and corporate signals. All factors are tested across each of 20 economic sectors; we use those that are most predictive of excess return in a particular sector. All stocks in the investable universe are ranked 1 to 100 within their own sectors (1 is best). The stock selection process runs daily.

INTECH

INTECH offers equity investors a highly disciplined, mathematical investment strategy designed to seek long-term returns in excess of the target benchmark, while reducing the risk of significant underperformance. INTECH's active strategies are based on rigorous mathematical theory that is the result of research conducted by Dr. Robert Fernholz and published in his 1982 paper, "Stochastic Portfolio Theory and Stock Market Equilibrium." The key element is in INTECH's engineering of that process into a specific portfolio construction methodology.

The retirement plans funded through the Selector+ Group Variable Annuity Contract and its related services are issued by Nationwide Life Insurance Company of America (Nationwide), formerly Provident Mutual Life Insurance Company. Nationwide Retirement Services is a unit of Nationwide, 1000 Chesterbrook Boulevard, Berwyn, PA 19312-1181, 800-523-4681.

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All Pro Value Equity Fund Separate Account Period Ending 09/30/2006

Top Ten Holdings

3.6%	....	BANK OF AMERICA CORP.
3.4%	....	CITIGROUP, INC.
2.9%	....	PFIZER, INC.
2.6%	....	JPMORGAN CHASE & CO.
2.2%	....	AT & T, INC.
2.1%	....	GENERAL ELECTRIC CO.
2.0%	....	AIG, INC.
2.0%	....	CHEVRON CORP.

Current Manager Allocation

Manager	Percent	Investment Style
ALLIANCEBERNSTEIN INSTITUTIONAL INVESTMENT MANAGEMENT	45.0%	Large Cap Value Equity
EPOCH INVESTMENT PARTNERS, INC.	10.0%	Small Cap Value Equity
MELLON EQUITY ASSOCIATES, LLP	45.0%	Large Cap Value Equity

Objective and Strategy

The "All Pro" approach brings together various institutional money managers who are specialists in different investment styles. These managers are monitored by Nationwide on an ongoing basis to ensure consistency of style, personnel and returns against appropriate benchmarks.

The Value Equity Fund seeks long-term growth through investments in domestic common stocks. Income is a secondary objective. This fund employs institutional money managers who focus on large, medium and small capitalization value stocks. The fund is designed for investors who seek long-term growth of capital and can tolerate the risks associated with common stock investments.

Manager Profiles

ALLIANCEBERNSTEIN INSTITUTIONAL INVESTMENT MANAGEMENT

AllianceBernstein's investment approach is value-based and price-driven. They believe that opportunity is created by risk-averse investors who tend to buy and sell based on an emotional overreaction to events. This creates compelling buying opportunities. Intensive fundamental research is performed to identify these buying opportunities in the marketplace. AllianceBernstein takes a bottom-up approach to security selection. Concentration risk is managed by assessment of factors that indicate whether stocks are poor diversifiers when included in a portfolio. Securities are ranked by risk-adjusted expected returns. AllianceBernstein's research staff is organized by global industry groups. This structure is designed to provide superior company/industry research and, consequently, superior security selection.

EPOCH INVESTMENT PARTNERS, INC.

Epoch strives to create superior returns by utilizing an investment process built upon two concepts – return seeking strategies and risk reducing tactics. Epoch only invests in businesses they understand, where they have confidence in the financial statements, and that generate excess or "free" cash flow. Their stock selection process seeks those securities that have unrecognized potential yet possess a combination of above-average yield, above-average free cash flow growth and/or below-average valuation. Diversification is at the heart of Epoch's risk-controlled, portfolio construction strategy. They diversify across attractive sectors, limit individual holding sizes, and have a strict sell discipline. Value is added by ensuring that expected free cash growth rates of portfolio holdings exceed that of an assigned benchmark, the Russell 2000. Through inverse risk weighting, Epoch seeks to produce expected returns with minimum variance. Weekly security reviews combined with both qualitative and quantitative analysis of security weightings control risk and drive their sell discipline – a critical component of risk control.

MELLON EQUITY ASSOCIATES, LLP

Mellon Equity employs a highly quantitative approach to equity management. Mellon believes returns are driven by the degree to which a company is exposed to a series of factors; each of these factors represents one of the different themes or key indicators investors consider important. Through their investment modeling process, Mellon Equity identifies the company characteristics currently being rewarded by the market, with the expectation that this reward will continue in the near future. In Mellon Equity's process, each characteristic is measured and weighted according to its expected contribution to return. These weights are adjusted monthly to reflect emerging return patterns in the market.

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Fixed Income Fund Separate Account
Period Ending

Top Ten Holdings

Current Manager Allocation

Manager	Percent	Investment Style
NATIONWIDE®	100.0%	Cash/Cash Equivalent

Objective and Strategy

The Fixed Income Fund (FIF) invests substantially all its funds in high quality investment grade issues. These may include public bonds, private placements and commercial mortgages. Investments are diversified by type, industry and geography in order to spread risk. This investment is appropriate for conservative investors who desire a guaranteed rate of return.

Manager Profiles

NATIONWIDE®

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International Value Fund Separate Account
Period Ending 09/30/2006

Top Ten Holdings

2.0%	....	ROYAL BANK OF SCOTLAND
1.9%	....	DEUTSCHE POST AG NVP
1.9%	....	GLAXOSMITHKLINE
1.7%	....	BP PLC
1.7%	....	FRANCE TELECOM
1.7%	....	UNILEVER PLC
1.6%	....	ROHM CO.
1.6%	....	SIEMENS AG NVP
1.5%	....	SANOFI-AVENTIS
1.5%	....	NIPPON EXPRESS CO.

Current Manager Allocation

Manager	Percent	Investment Style
THE BOSTON COMPANY ASSET MANAGEMENT LLC	100.0%	International/Global Equity

Objective and Strategy

The International Value Fund seeks long-term capital appreciation through investments in international common stocks. The fund will maintain a country weighting structure similar to that of the Morgan Stanley EAFE Index, a common benchmark for international funds. Large capitalization value companies with low price to earnings ratios will be targeted.

The fund is designed for long-term investors who seek growth of capital through investments in international common stocks and who can tolerate the special risks associated with international investments.

Manager Profiles

THE BOSTON COMPANY ASSET MANAGEMENT LLC

The Boston Company's investment objective is to outperform the MS EAFE Index over a full market cycle, using a value-oriented, research-driven and risk-averse investment process. The firm selects stocks of companies that they believe have strong business fundamentals, good value characteristics and positive business momentum. The Boston Company's research method is performed on a country-to-country basis. The firm maintains a database of 5000 stocks that are analyzed to identify candidates with strong value, fundamental and momentum characteristics. Risk controls (minimum/maximum country and sector weightings, etc.) further limit the pool. Every holding within the Boston Company's portfolio is reviewed weekly to ensure that no "style drift" takes place.

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