



2014 Annual

Water Quality Report

Kokomo Operations

PWS ID: IN5234007



INDIANA
AMERICAN WATER



This report contains important information about your drinking water. Have someone translate it for you if needed.

Este informe contiene información importante acerca de su agua potable. Haga que alguien lo traduzca para usted, ó hable con alguien que lo entienda.

A Message from the President



Indiana American Water is proud to be your local water company. Every day, our lives revolve around water. It's involved in everything we do, everything we use. That's why it's important that we provide you with information about our commitment to providing quality water service at a cost of only about a penny a gallon.

I am proud to share with you with the 2014 annual water quality report with detailed information about the source and quality of your drinking water. We have prepared this report using data from water quality testing conducted for your local water system through December 2014.

Just as important, we place a strong focus on acting as stewards of our environment. In Indiana, we participate in activities that help communities protect the watershed and educate customers how to use water wisely. You can learn more about these ideas and programs on our website at www.indianaamwater.com.

As a subsidiary of American Water (NYSE:AWK), we're part of a long standing American tradition of quality service. Our strength as an industry leader comes from our employees and their expertise—scientists, engineers and technicians all coming together to provide high quality water service. American Water is the largest U.S. publicly traded water and wastewater utility in the Country.

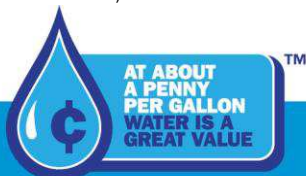
At Indiana American Water, our customers are our top priority, and we are committed to providing them with the highest quality drinking water and service possible now and in the years to come.

In addition to this written report, you can view an electronic version at www.indianaamwater.com.

We look forward to serving you throughout 2015.

Sincerely,

Alan DeBoy
President, Indiana American Water



American Water Works Company, Inc., together with its subsidiaries, is referred to as American Water. "Indiana American Water" and the star logo are the registered trademarks of American Water Works Company, Inc. All rights reserved.

WE CARE ABOUT WATER. IT'S WHAT WE DO.®

About Indiana American Water

Indiana American Water, a subsidiary of American Water (NYSE: AWK), is the largest investor-owned water utility in the state, providing high-quality and reliable water and/or wastewater services to approximately 1.2 million people.

About American Water

Founded in 1886, American Water (NYSE: AWK) is the largest and most geographically diverse publicly traded U.S. water and wastewater utility company. With headquarters in Voorhees, N.J., the company employs approximately 6,400 dedicated professionals who provide drinking water, wastewater and other related services to an estimated 15 million people in more than 45 states and parts of Canada. More information can be found at www.amwater.com.

What is a Water Quality Report?

To comply with state and U.S. Environmental Protection Agency (EPA) regulations, Indiana American Water issues a report annually describing the quality of your drinking water. The purpose of this report is to raise your understanding of drinking water and awareness of the need to protect your drinking water sources. In 2014, we conducted tests for many contaminants, all of which were below state and federal maximum allowable levels. This report provides an overview of last year's (2014) water quality. It includes details about where your water comes from and what it contains.

If you have any questions about this report or your drinking water, please call our Indiana Customer Service Center at (800) 492-8373.

Share this report

Landlords, businesses, schools, hospitals and other groups are encouraged to share this important water quality information with water users at their location who are not billed customers of Indiana American Water and therefore do not receive this report directly.

Source Water Information

The public water system serving Kokomo and surrounding communities relies on surface water and ground water sources. The surface water source is Wildcat Creek. The ground water is obtained from 21 wells.



Protecting Your Water Source

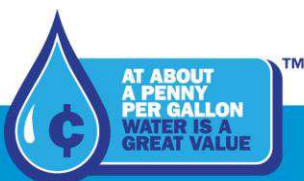
The Indiana Department of Environmental Management (IDEM) has assessed all public surface and groundwater sources throughout the state to identify potential contaminants. For the purpose of source water assessments, in Indiana all surface waters are considered to be susceptible to contamination. Indiana American Water has developed a Wellhead Protection Management Plan, in cooperation with community volunteers, to protect the valuable ground water resources serving your community. IDEM has recently recognized this program by awarding Indiana American Water–Kokomo Operations the Hoosier Water Guardian Award with Distinction. Please share your views with us if you are interested in environmental water quality issues by calling our designated Water Quality Supervisor listed in this report.

Protecting Your Drinking Water Supply is Also Your Responsibility!

Find out more: <http://www.amwater.com/inaw/water-quality-and-stewardship/cross-connection.html>

Investing in Kokomo's Future

Indiana American Water invested more than \$5.1 million in improvements in the Kokomo Water system in 2014. Indiana American Water also paid over \$743,000 in local taxes in 2014 and is a valuable source of revenue to the local community and its services.



American Water Works Company, Inc., together with its subsidiaries, is referred to as American Water. "Indiana American Water" and the star logo are the registered trademarks of American Water Works Company, Inc. All rights reserved.

WE CARE ABOUT WATER. IT'S WHAT WE DO.®

Chloramines

Chloramines are an Indiana and federally-approved alternative to free chlorine for water disinfection. Chloramines minimize disinfection by-product formation. Another benefit of chloramines is improved taste of the water as compared with free chlorine. Indiana American Water has successfully used chloramines in our Kokomo system during 2014. Chloramines are also used by many other water utilities nationally. Chloramines have the same effect as chlorine for typical water uses with the exception that chloramines must be removed from water used in kidney dialysis and fish tanks or aquariums. Treatments to remove chloramines are different than treatments for removing chlorine. Please contact your physician or dialysis specialist for questions pertaining to kidney dialysis water treatment. Contact your pet store or veterinarian for questions regarding water used for fish and other aquatic life. You may also contact Indiana American Water for more chloramine information.

Partnership for Safe Drinking Water Program

Indiana American Water–Kokomo was awarded the prestigious Ten Year Director’s Award under the Partnership for Safe Water program administered by EPA, Indiana Department of Environmental Management, and other water-related organizations. The award honors water utilities for achieving operational excellence, by voluntarily optimizing their treatment facility operations and adopting more stringent performance goals than those required by federal and state drinking water standards. We are proud to report that we have maintained those standards throughout 2014.

How to Contact Us

For more information about this report, or for any questions relating to your drinking water, please call Kirk Kuroiwa, Water Quality Supervisor, at (765) 457-5563 ext. 3104 or (800) 492-8373. You can also contact Mr.Kuroiwa by e-mail at kirk.kuroiwa@amwater.com.

For questions about your water bill or service issues, please call our Customer Service Center at (800) 492-8373.

To learn more about Indiana American Water, please visit our web site at www.indianaamwater.com.

Water Information Sources

Indiana American Water

www.indianaamwater.com

Indiana Department of Environmental Management

www.in.gov/idem

United States Environmental Protection Agency

www.epa.gov/safewater

Safe Drinking Water Hotline: (800) 426-4791

Centers for Disease Control and Prevention

www.cdc.gov

American Water Works Association

www.awwa.org

Water Quality Association

www.wqa.org

National Library of Medicine/National Institute of Health

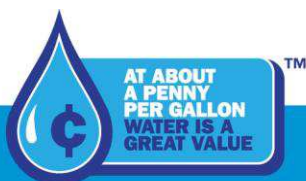
www.nlm.nih.gov/medlineplus

Substances Expected to be in Drinking Water

The source of drinking water (both tap water and bottled water) includes rivers, lakes, streams, ponds, reservoirs, springs and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

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



American Water Works Company, Inc., together with its subsidiaries, is referred to as American Water. “Indiana American Water” and the star logo are the registered trademarks of American Water Works Company, Inc. All rights reserved.

WE CARE ABOUT WATER. IT’S WHAT WE DO.®

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

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

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

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

Special Health Information

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants may be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA and CDC (Centers for Disease Control and Prevention) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the EPA's Safe Drinking Water Hotline at (800) 426-4791. For additional information regarding cryptosporidiosis (a gastrointestinal disease caused by *Cryptosporidium*) and how it may impact those with weakened immune systems, please contact our Customer Service Center at (800) 492-8373.

In order to ensure that tap water is safe to drink, EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. U.S. Food and Drug Administration regulations establish limits for contaminants in bottled water, which must provide the same protection for public health. Indiana American Water's treatment processes are designed to reduce any such substances to levels well below any health concern and the processes are controlled to provide maximum protection against microbial and viral pathogens which could be naturally present in surface and groundwater. Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the U.S. Environmental Protection Agency's Safe Drinking Water Hotline (800) 426-4791.

Nitrate

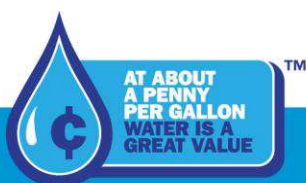
Nitrate in drinking water at levels above 10 ppm is a health risk for infants of less than six months of age. High nitrate levels in drinking water can cause blue baby syndrome. Nitrate levels may rise quickly for short periods of time because of rainfall or agricultural activity. If you are caring for an infant, you should ask for advice from your health care provider.

Availability of Monitoring Data for Unregulated Contaminants

Monitoring was conducted during 2010 under the EPA Unregulated Contaminant Monitoring Rule 2 (UCMR2) and in 2014 under the EPA Unregulated Contaminant Monitoring Rule 3 (UCMR3). The compound(s) detected under UCMR2 and UCMR3 are noted in the table. For information concerning our results, please contact our designated Water Quality Supervisor listed in this report. Data is also available on the EPA's web site (www.epa.gov/safewater/data/ucmrgetdata.html). Unregulated contaminants are those for which the EPA has not established drinking water standards. The purpose of unregulated contaminant monitoring is to assist the EPA in determining the occurrence of unregulated contaminants in drinking water and whether regulation is warranted.

Lead

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Indiana American Water-Kokomo is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/safewater/lead>.



American Water Works Company, Inc., together with its subsidiaries, is referred to as American Water. "Indiana American Water" and the star logo are the registered trademarks of American Water Works Company, Inc. All rights reserved.

WE CARE ABOUT WATER. IT'S WHAT WE DO.®

How to Read This Table

Indiana American Water conducts extensive monitoring to ensure that your water meets all water quality standards. The table in this report lists all the drinking water contaminants that we detected in the last round of sampling for the particular contaminant group. The presence of contaminants does not necessarily indicate that water poses a health risk. Unless otherwise noted, the data presented in this table is from testing done January 1 through December 31, 2014. The EPA or the State requires us to monitor for certain contaminants less than once per year because the concentrations of these contaminants are not expected to vary significantly from year to year. Some of the data, though representative of the water quality, is more than one year old. For help with interpreting this table, see the “Table Definitions” section.

Starting with a **Substance**, read across. **Year Sampled** is usually in 2014 or year prior. **MCLG** is the goal level for that substance (this may be lower than what is allowed). **MCL** shows the highest level of substance (contaminant) allowed. **Level Found** represents the measured amount (less is better). **Range of Detections** tells the highest and lowest amounts measured. A **Yes** under **Compliance Achieved** means the amount of the substance met government requirements. **Typical Source** tells where the substance usually originates.

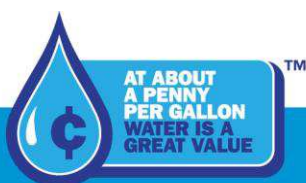
Unregulated substances are measured, but maximum contaminant levels have not been established by the government.

Definitions of Terms Used in This Report

- **AL (Action Level):** The concentration of a contaminant, which, if exceeded, triggers treatment or other requirements, which a water system must follow.
- **MCL (Maximum Contaminant Level):** The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.
- **MCLG (Maximum Contaminant Level Goal):** The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
- **MRDL (Maximum Residual Disinfectant Level):** The level of drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contamination.
- **MRDLG (Maximum Residual Disinfectant Level Goal):** The level of drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contamination.
- **mrem/year:** Millirems per year (a measure of radiation absorbed by the body).
- **NA:** Not applicable
- **ND:** Not detected
- **NTU (Nephelometric Turbidity Units):** Measurement of the clarity, or turbidity, of the water.
- **pCi/L (picocuries per liter):** Measurement of the natural rate of disintegration of radioactive contaminants in water (also beta particles).
- **ppm (parts per million):** One part substance per million parts water, or milligrams per liter.
- **ppb (parts per billion):** One part substance per billion parts water, or micrograms per liter.
- **ppt (parts per trillion):** One part substance per trillion parts water, or nanograms per liter.
- **TT (Treatment Technique):** A required process intended to reduce the level of a contaminant in drinking water.
- **%:** means percent

Water Quality Statement

We are pleased to report that during the past year, the water delivered to your home or business complied with, or was better than, all state and federal drinking water requirements. For your information, we have compiled a list in the table below indicating what substances were detected in your drinking water during 2014. Although all of the substances listed below are under the Maximum Contaminant Level (MCL) set by the EPA, we feel it is important that you know exactly what was detected and how much of the substance was present in the water.



American Water Works Company, Inc., together with its subsidiaries, is referred to as American Water. “Indiana American Water” and the star logo are the registered trademarks of American Water Works Company, Inc. All rights reserved.

WE CARE ABOUT WATER. IT'S WHAT WE DO.®

Water Quality Results

Turbidity – A Measure of the Clarity of the Water at the Treatment Facilities

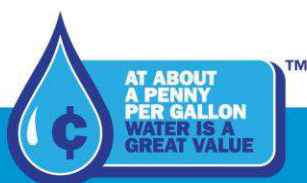
Substance (units)	Year Sampled	MCL	MCLG	Highest Level Detected	Compliance Achieved	Typical Source
Turbidity (NTU) ¹	2014	TT= 1 NTU	0	0.665	Yes	Soil Runoff
Turbidity % meeting standards	2014	TT= % of samples <0.3 NTU	NA	100%	Yes	Soil Runoff

¹Turbidity is a measure of the cloudiness of the water. We monitor it because it is a good indicator of the effectiveness of the filtration system.

Regulated Substances - Measured on the Water Leaving the Treatment Facilities

Substance (units)	Year Sampled	MCL	MCLG	Level Found	Range Low-High	Compliance Achieved	Typical Source
Atrazine (ppb)	2014	3	3	0.3	ND - 0.3	Yes	Runoff from herbicide used on row crops
Fluoride (ppm)	2014	4	4	0.81	NA	Yes	Water additive which promotes strong teeth; Erosion of natural deposits; Discharge from fertilizer and aluminum factories
Nitrate (ppm)	2014	10	10	5.23	ND - 5.23	Yes	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits
Simazine (ppb)	2014	4	4	0.1	ND - 0.1	Yes	Herbicide runoff
Total Organic Carbon (Removal Ratio) ²	2014	TT	NA	2.18	1.78 - 3.06	Yes	Naturally present in the environment

²The value reported under "Level Found" is the lowest running annual average ratio between the percentage of TOC actually removed to the percentage of TOC required to be removed. A value of greater than or equal to 1.0 indicates that the water is in compliance with TOC removal requirements.



American Water Works Company, Inc., together with its subsidiaries, is referred to as American Water. "Indiana American Water" and the star logo are the registered trademarks of American Water Works Company, Inc. All rights reserved.

WE CARE ABOUT WATER. IT'S WHAT WE DO.®

Tap Water Samples: Lead and Copper Results - Measured in the Distribution System

Substance (units)	Year Sampled	Action Level	MCLG	90th Percentile	Number of Samples Taken	Number of Samples Above Action Level	Compliance Achieved	Typical Source
Lead (ppb)	2012	15	0	2	30	0	Yes	Corrosion of household plumbing systems; Erosion of natural deposits
Copper (ppm)	2012	1.3	1.3	0.667	30	0	Yes	Corrosion of household plumbing systems; Erosion of natural deposits

Other Regulated Compounds - Measured in the Distribution System

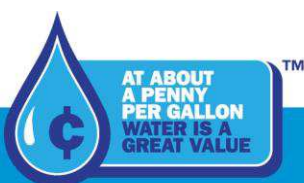
Substance (units)	Year Sampled	MCL	MCLG	Results	Range Low-High	Compliance Achieved	Typical Source
Total trihalomethanes - TTHM (ppb)	2014	80	NA	70.4	4.3 - 97.2	Yes	By-product of drinking water chlorination
Haloacetic Acids (ppb)	2014	60	NA	36.4	1.9 - 44.0	Yes	By-product of drinking water chlorination

Disinfectant Residual - Measured in the Distribution System

Substance (units)	Year Sampled	MRDL	MRDLG	Level Found	Range Low-High	Compliance Achieved	Typical Source
Chloramines (ppm)	2014	4	4	2.0	1.3 - 2.2	Yes	Water additive used to control microbes

Bacterial Results - Measured in the Distribution System

Substance	Year Sampled	MCL	MCLG	Highest Percentage of Positive Samples Detected per Month	Compliance Achieved	Typical Source
Total Coliform Bacteria	2014	No more than 5% of the monthly samples can be positive per month	0	1.50%	Yes	Naturally present in the environment



American Water Works Company, Inc., together with its subsidiaries, is referred to as American Water. "Indiana American Water" and the star logo are the registered trademarks of American Water Works Company, Inc. All rights reserved.

WE CARE ABOUT WATER. IT'S WHAT WE DO.®

Unregulated Substances- Measured on the Water Leaving the Treatment Facilities

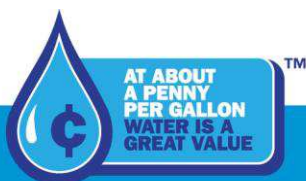
Substance	Year Sampled	Level Found	Range (Low-High)	Typical Source
1,1-Dichlorethane (ppb) ³	2014	0.03	ND - 0.03	Halogenated alkane; used as a solvent
1,4-Dioxane (ppb) ³	2014	0.38	ND - 0.38	Cyclic aliphatic ether; used as a solvent or solvent stabilizer in manufacture and processing of paper, cotton, textile products, automotive coolant, cosmetics and shampoos
Chlorate (ppb) ³	2014	190	ND - 190	Agricultural defoliant or desiccant; disinfection byproduct; and used in production of chlorine dioxide
Chromium (ppb) ⁴	2014	0.6	ND - 0.6	Naturally-occurring element; used in making steel and other alloys; chromium-3 or -6 forms are used for chrome plating, dyes and pigments, leather tanning, and wood preservation
Hardness (ppm)	2014	320	NA	Erosion of natural deposits
Hexavalent Chromium (ppb) ³	2014	0.47	ND - 0.47	Naturally-occurring element; used in making steel and other alloys; chromium-3 or -6 forms are used for chrome plating, dyes and pigments, leather tanning, and wood preservation
Molybdenum (ppb) ³	2014	5.6	1.3 - 5.6	Naturally-occurring element found in ores and present in plants, animals and bacteria; commonly used form molybdenum trioxide used as a chemical reagent
Sodium (ppm)	2014	7.5	NA	Naturally occurring
Sulfate (ppm)	2014	19	NA	Erosion of natural deposits
Strontium (ppb) ³	2014	366.6	126.1 - 366.6	Naturally-occurring element; historically, commercial use of strontium has been in the faceplate glass of cathode-ray tube televisions to block x-ray emissions

Unregulated Substances- Measured on the Water in the Distribution System

Substance	Year Sampled	Level Found	Range (Low-High)	Typical Source
Chromium (ppb) ⁴	2014	1.1	ND - 1.1	Naturally-occurring element; used in making steel and other alloys; chromium-3 or -6 forms are used for chrome plating, dyes and pigments, leather tanning, and wood preservation
Chlorate (ppb) ³	2014	510	ND - 510	Agricultural defoliant or desiccant; disinfection byproduct; and used in production of chlorine dioxide
Hexavalent Chromium (ppb) ³	2014	0.54	ND - 0.54	Naturally-occurring element; used in making steel and other alloys; chromium-3 or -6 forms are used for chrome plating, dyes and pigments, leather tanning, and wood preservation
Molybdenum (ppb) ³	2014	6.2	1.1 - 6.2	Naturally-occurring element found in ores and present in plants, animals and bacteria; commonly used form molybdenum trioxide used as a chemical reagent
Strontium (ppb) ³	2014	392.4	171.4 - 392.4	Naturally-occurring element; historically, commercial use of strontium has been in the faceplate glass of cathode-ray tube televisions to block x-ray emissions

³ Monitored under UCMR3, the EPA has not set drinking water standards for these contaminants.

⁴ Monitored under UCMR3, Total Chromium itself is a regulated substance.



American Water Works Company, Inc., together with its subsidiaries, is referred to as American Water. "Indiana American Water" and the star logo are the registered trademarks of American Water Works Company, Inc. All rights reserved.

WE CARE ABOUT WATER. IT'S WHAT WE DO.®



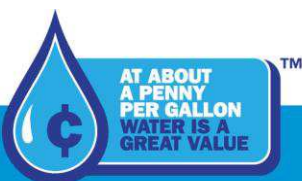
**There's a lot more
to your water bill
than just water.**

When you turn on the tap, it's easy to see what your water bill buys. What's not as easy to see is what it takes to bring that water to your home. The miles of pipeline hidden below the ground. The facilities that draw water from the source. The plant where it's treated and tested. The scientists, engineers, and maintenance crews working around the clock to make sure that water is always there when you need it. Your water payments are helping to build a better tomorrow by supporting needed improvements that will keep water flowing for all of us—today and well into the future. All for about a penny a gallon.



**WE CARE ABOUT WATER. IT'S WHAT WE DO.
FIND OUT WHY YOU SHOULD, TOO, at amwater.com.**

© 2012 American Water. "American Water" and the star logo are the registered trademarks of American Water Works Company, Inc. All rights reserved.



American Water Works Company, Inc., together with its subsidiaries, is referred to as American Water. "Indiana American Water" and the star logo are the registered trademarks of American Water Works Company, Inc. All rights reserved.

WE CARE ABOUT WATER. IT'S WHAT WE DO.®