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# Aqua America

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## Executive Compensation Analysis

February 2007

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FPSC-COMMISSION CLERK

### III. Results

#### Summary of Overall Results

- The table below summarizes the overall results of our competitive compensation analysis; details are provided on the following pages.

Aqua America Variance from the Competitive 50th Percentile			
Market Reference	Base Salary	Total Cash Compensation	Total Direct Compensation
Utility Industry	-13%	-14%	-5%
General Industry	-23%	-29%	-32%

- In general, Aqua America's base salaries, target total cash compensation, and total direct compensation levels are within the competitive range (+/- 15 percent) versus the utility industry 50<sup>th</sup> percentile data (although below full median rates) and below the competitive range versus the general industry 50<sup>th</sup> percentile.

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# **Aqua America**

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## **Executive Compensation Analysis**

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### III. Results

#### Summary of Overall Results

- The table below summarizes the overall results of our competitive compensation analysis; details are provided on the following pages.

Aqua America Variance from the Competitive 50th Percentile			
Market Reference	Base Salary	Total Cash Compensation	Total Direct Compensation
Utility Industry (Actual Revenues)	-10%	-12%	4%
Utility Industry (Adjusted Revenues)	-20%	-24%	-17%
Blended <sup>(1)</sup>	-10%	-12%	-6%
General Industry	-21%	-27%	-28%

**Notes:**

(1) Blended reflects the utility industry (actual revenues) 50th%ile base salary, utility industry (actual revenues) 50th%ile annual incentive, and average of the utility industry (actual revenues) and general industry 50th%ile LTI.

- In general, Aqua America's base salaries, total cash compensation, and total direct compensation levels are within the competitive range (+/- 15 percent) versus the utility industry 50<sup>th</sup> percentile data based on reported revenues and on a blended basis.
  - Relative to the utility industry data based on adjusted revenue figures, Aqua America is below the 50<sup>th</sup> percentile competitive range.
  - Aqua America is also below the general industry 50<sup>th</sup> percentile data.