Explanation of Violations:

South Harrison Water did not report any violations during calendar year 2001.

Undetected Contaminants:

During 2001, South Harrison Water tested for 24 regulated and 21 unregulated volatile organic compounds. No contaminants were detected during these 45 tests. We did not test for Radon. 105 total coliform bacteria samples were collected from our drinking water system in 2001 and none tested positive. We also conducted required radionuclide testing for Gross Alpha and Gross Beta and none were detected. All of these tests are part of our state and federal required testing that ensures your drinking water is safe to drink.

Required Additional Health Information:

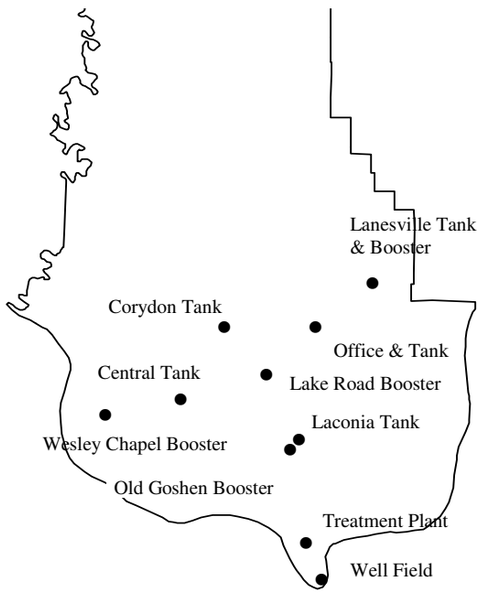
To ensure that tap water is safe to drink, EPA prescribes limits on the amount of certain contaminants in water provided by public water systems. FDA regulations establish limits for contaminants in bottled water. Drinking water, including bottled water, may reasonably be expected to contain at least 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 Environmental Protection Agency's Safe Drinking Water Hotline at (800) 426-4791.

The sources of drinking water, both bottled and tap, 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 radio active material, and can pick up substances resulting from the presence of animal or human activity. Contaminants that may be present in source water include: (A) Microbial contaminants, such as viruses and bacteria, which may come from sewage plants, septic systems, livestock operations, and wildlife. (B) Inorganic contaminants, such as salts and metals, which can be naturally occurring or result from urban storm runoff, industrial or domestic wastewater discharges, oil and gas production, mining or farming. (C) Pesticides and herbicides, which may come from a variety of sources such as agricultural, stormwater runoff, and residential uses. (D) Organic chemical contaminants, including synthetic and volatile organics, which are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff and septic systems. (E) Radioactive contaminants, which can be naturally occurring or be the result of oil and gas production and mining activities. 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. FDA regulations establish limits for contaminants in bottled water which must provide the same protection for public health.

Some people may be more vulnerable to contaminants in drinking water than is the general population. Immuno-comprised 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 can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by Cryptosporidium are available from the Safe Drinking Water Hotline at (800) 426-4791.

Harrison County, Indiana

Map shows location of water Facilities.



South Harrison Water Corp.
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New Middletown, IN 47160

www.geocities.com/~shwc
shwc@hotmail.com

Presorted Standard
U.S. Postage
PAID
New Middletown, IN
Permit No. 2

South Harrison Water Corp.

Serving Harrison & Floyd Counties

2001 Annual Water Quality Report

Introduction:

South Harrison Water Corp. is pleased to present a summary of the quality of our drinking water provided to you during the last year. The Safe Drinking Water Act (SDWA) requires that utilities issue an annual "Consumer Confidence Report" to customers, in addition to other notices that may be required by law. This report details where our water comes from, what it contains, and the risks our water testing and treatment are designed to prevent. South Harrison Water is committed to providing you with a safe and reliable water supply.

Summary:

South Harrison Water's drinking water meets or exceeds all federal and state drinking water standards. We had no violations during calendar year 2001.

More Information:

Consult our web site at www.geocities.com/~shwc. We provide information about us at this site and also include many links to other drinking water information sites. You can also check the U. S. Environmental Protection Agency site at www.epa.gov/safewater/. Call, write, or email us about the next opportunity for public participation in decisions about our drinking water.

Overview:
In 2001 South Harrison Water treated and pumped 235 million gallons of water to our customers. On an average day, we treated 645,000 gallons of water. We also installed or upgraded some 69,000 feet of water mains, built two new water tanks, and built a new water pumping station. We connected 80 new water meters. We served 2,666 meters, or an approximate population of 7,200 at the end of 2001.

Celebrating 30th Anniversary:
This year South Harrison Water celebrates our 30th anniversary! Your water corporation's Articles of Incorporation were filed with the Indiana Secretary of State in August of 1972. Many people worked very hard to form our corporation in the 1970's. Your board of directors, general manager, and employees are proud of how we have progressed in those 30 years.

Planned Construction for 2002:
We are constructing a new 100,000 gallon water storage tank at our treatment plant south of Laconia. We are building a new water pumping station on Old Goshen Road. We plan to install 4,000 feet of 6" water main near Mauckport. Major construction is planned to build 38,000 feet of 12" main from Old Goshen to Central. We are installing 29 new fire hydrants.

Source of Water:
South Harrison Water owns two ground water wells along the Ohio River in southern Harrison County. All of our water is pumped from these two wells. This acquifer reserve is adequate for our needs for many years to come. We have submitted our Well Head Protection Plan to the State of Indiana for their approval.

Awards:
South Harrison Water has been awarded our second consecutive Award of Excellence by the American Water Works Association. This award was given for superior safety recognition in the year 2001 by our national association of drinking water utilities. We are proud that we have had no lost time accidents in over 33,000 man hours of work.

National Primary Drinking Water Regulation Compliance:
This report was prepared by Bruce A. Cunningham, South Harrison Water's General Manager. You may contact Bruce at South Harrison's office (812) 968-3425 for more information. Water quality data for community water systems throughout the United States is available on the internet at www.waterdata.com. Learn more about the South Harrison Water Corp. water system, including an online version of this report, at www.geocities.com/~shwc.

Water Treatment Plant:
We operate a hardness removal & filtration treatment plant. Our raw water comes in at about 17.5 grains of hardness, while our finished water leaves at about 7.5 grains. Our water is filtered, fluoridated, and disinfected with 0.75 ppm of chlorine.

Water Quality Testing:
South Harrison Water personnel test the quality of your drinking water 365 days per year. We conduct daily tests at our office, including: fluoride, free chlorine, and total chlorine. We also conduct daily tests at our treatment plant, including: free chlorine, total chlorine, raw water hardness, raw water alkalinity, raw water pH & temperature, treated water hardness, treated water alkalinity, and treated water pH & temperature. These tests are conducted every single day, including weekends and holidays.

We also take at least 7 samples per month to a state certified laboratory to test for total coliform (bacteria).

We are also required to have a state certified laboratory test for 20 inorganic compounds, 35 synthetic organic compounds, 24 volatile organic compounds, nitrates, radionuclides, lead & copper, and a variety of un-regulated contaminants, on a schedule established by EPA and the Indiana Department of Environmental Management.

All in all, over 4,800 tests are conducted annually to ensure the quality of our drinking water.

Detected Contaminants

How do I read this chart?
It's easy! Our water is tested to assure that it is safe and healthy. Please refer to the chart at the right. The column marked "Contaminant" lists the item detected. Only detected contaminants are shown on this chart. The column marked "Detected Level" shows the highest test result during the year. The column marked "Sources" shows where this substance usually originates from. Footnotes explain other details. Columns with the headings "MCL" and "MCLG" refer to:

MCL (Maximum Contaminant Level) - The highest level of a contaminant that is allowed in drinking water. MCLs are set by state or federal agencies and 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.

Key to Table:
MCL - Maximum Contaminant Level
MCLG - Maximum Contaminant Level Goal
ppm - part per million (same as mg/L)

Lead & Copper Testing:
Lead and copper testing is conducted on a schedule prescribed by the Indiana Department of Environmental Management (IDEM). We currently are required to collect 20 lead and copper samples from residences around our service area every three years. The primary source of lead and copper in your drinking water is from the plumbing inside your home. Lead & copper is not present in our treated water.

Lead & copper testing was completed in 1999. No testing was completed in calendar year 2001. The next round of lead & copper testing is scheduled for 2002.

Contaminant	Date Tested	Unit	MCL	MCLG	Detected Level	Range	Sources	Violation
Inorganic:								
Nitrate	4/16/01	ppm	10.0	10.0	4.56	4.56-4.56	Runoff from fertilizers; leaching from septic tanks & sewage.	No.

Footnotes:
Nitrate testing is required annually by state regulations. Because of the remoteness of our well field area and the agricultural land uses of the area, the nitrates found in our drinking water are most probably from fertilizer that has been applied to farm fields. The closest septic system to our well field is nearly a mile away.