



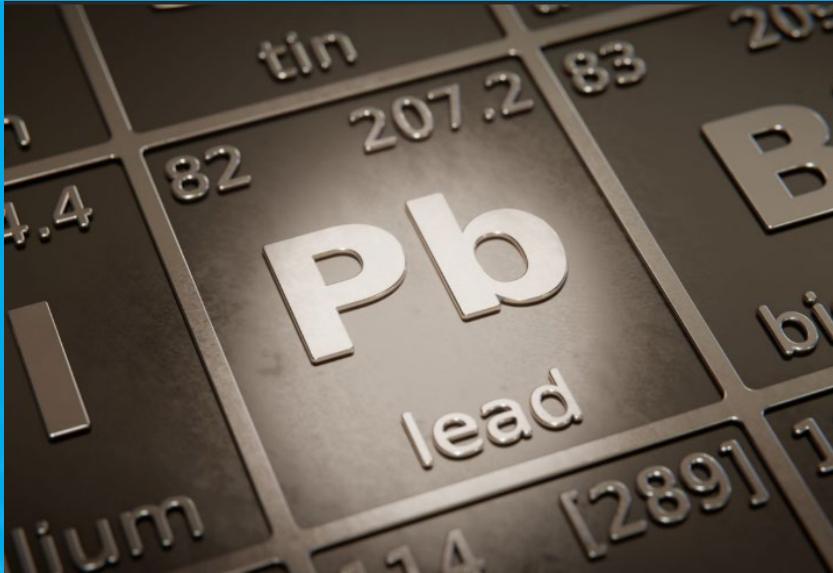
Lead Service Line Replacement Initiative

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Today's Topics



- About American Water & Iowa American Water
- Lead and Copper Rule Improvement
- Lead Service Line Inventory & Replacement Requirements
- Iowa American Water System Data & Response Plan
- Lead Service Line Replacement Plan
- LCRI Sampling Requirements

American Water Operations



Regulated Operations

- 80 surface water treatment plants
- 520 groundwater treatment plants
- 170 wastewater treatment plants
- 55,000 miles of transmission, distribution and collection mains and pipes
- 1,200 groundwater wells
- 1,800 water and wastewater pumping stations
- 1,100 treated water storage facilities
- 75 dams



Military Services Group

Operates on 19 military installations under 50-year contracts with the U.S. government as part of its Utilities Privatization program.

- 13 Army
- 4 Air Force
- 1 Space Force
- 1 Navy

Our National Footprint



American Water

Founded in 1886, American Water (NYSE: AWK) has served customers and communities for more than 140 years. As the country's largest regulated water and wastewater utility company. Our size and scale greatly differentiate us from our competitors in terms of the type of solutions we can offer our communities. Here are a few of the numbers that we're proud to share.

1 BILLION

Gallons of water treated and delivered every day

7,200

Employees serving communities nationwide

25+

Years receiving awards for quality

Keeping Life Flowing Across Iowa Iowa

Safe, clean, reliable and affordable water and wastewater services.

LOCAL SERVICE • NATIONAL EXPERTISE



Iowa at a glance



225,000

PEOPLE SERVED



10

EASTERN IOWA
COMMUNITIES



140

YEARS SERVING IOWA



~90

DEDICATED EMPLOYEES



\$45M-\$55M

INVESTED ANNUALLY



8,500+

FIRE HYDRANTS
MAINTAINED

What our work means for customers

WATER QUALITY

Treated and tested daily to meet drinking water standards

RELIABLE SERVICE

Plants, tanks, pumps and hydrants maintained year-round

INVESTMENT

\$45M-\$55M reinvested yearly in pipes and plants

CUSTOMER FOCUS

Local teams, 24/7 emergency response, payment assistance

STATE OVERSIGHT

EPA, Iowa DNR and Iowa Utilities Commission oversight

Strengthening our communities

A good neighbor and trusted partner — supporting quality of life, environmental stewardship and healthy communities where we live and work.

Charitable Giving & Community Partners

In-Kind Support

\$290,000+

CONTRIBUTED IN IOWA
COMMUNITIES IN 2025

Employee Volunteerism

Educational Speakers & Experts

297

EMPLOYEE VOLUNTEER
HOURS IN 2025



CONNECT WITH US

866-641-2108 • iowaamwater.com • Emergencies available 24/7

Maintaining & Gaining Trust in an Everchanging Environment



Lead and Copper Rule Improvement

Lead and Copper Rules: 1991 to 2024

LCR 1991

- Optimization of corrosion control
- Tap water and source water monitoring
- Public education requirements
- Lead line replacement triggered by action level exceedance

LCRR 2021

- Creation of initial service line inventories
- Service line replacement plans required
- Compliance deadline: October 2024

LCRI 2024

- Accelerates lead service line replacement
- Lowers the lead action level to 10 ppb
- Strengthens public health protection and notification
- Compliance deadline (baseline inventory & replacement plan): **November 2027**

Each rule builds on the last: monitor and control, then inventory and plan, then replace and protect.

LCRI 2024 – Compliance Date November 1, 2027



- **Accelerates Lead Service Line Replacement**
 - Replace all lead and GRR service lines within the system by Federal deadline of December 31, 2037 (10 years)
- **Lowers the lead action level**
 - Reduced from 15 ppb to 10 ppb
- **Strengthens public health protection**
 - Filter requirements after disturbances
- **Submit A Baseline Inventory by November 1, 2027**
 - Identify all Lead, GRR, Non-Lead, and Lead Status Unknown
 - Replacement Plan (10% of the total lead, GRR, and Unknown SL)
 - Update inventories each year after compliance date
 - Make inventory publicly accessible
 - Annual notification letters

Drinking Water – Multi-Barrier Concept

- Source Water Monitoring
- Pre-Treatment
- Clarification
- Filtration
- Disinfection
- Monitoring and Control



Lead Service Line Inventory & Replacement

Service Line Ownership

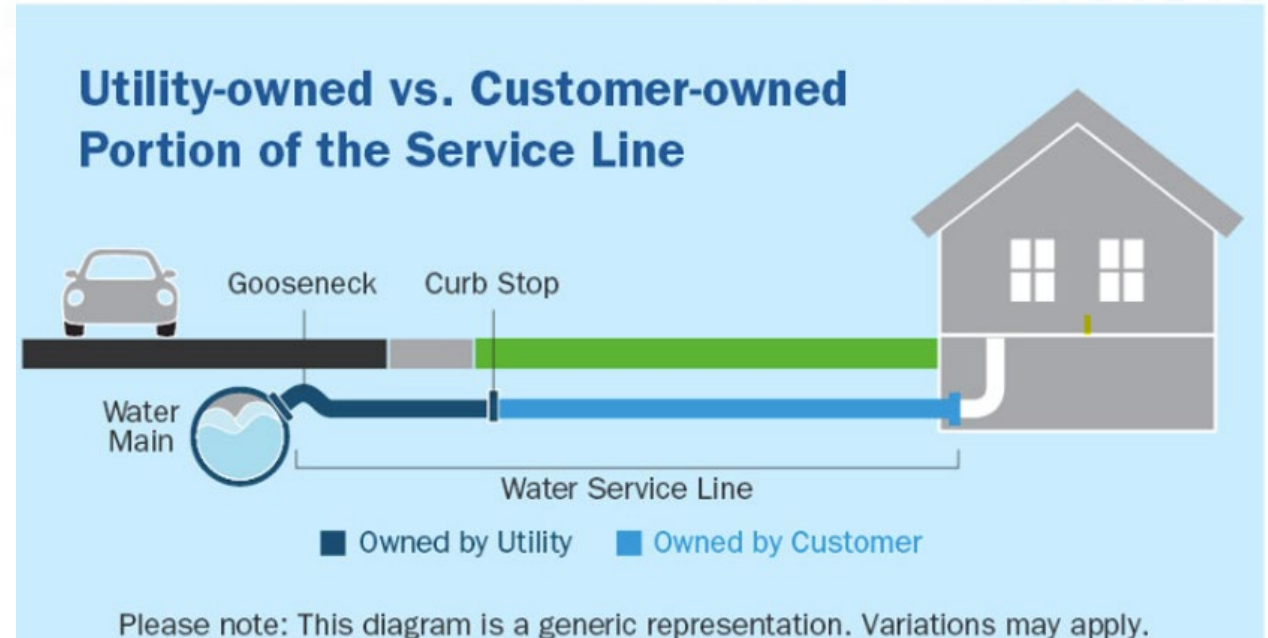
Customer owns entire service line

Davenport	Bettendorf
Panorama Park	Riverdale
LeClaire	

Customer owns from curb box to house

Clinton	Bluegrass
Dixon	Donahue
Low Moor	

While IAW does not own all or part of these services, the company will make these replacements at no direct cost to our customers. This adds over \$200M in capital cost.



Connections By District That Require Replacement

Quad Cities District

62,105 Total Service Connections

- Lead - 8,245 (13%)
- **Unknowns - 4,774 (8%)**
- Galvanized – 300 (<1%)
- Total LSLR – 13,319 (21%)

Clinton District

10,903 Total Service Connections

- Lead – 736 (7%)
- **Unknowns – 1,098 (10%)**
- Galvanized – 267 (2%)
- Total LSLR – 2,101 (19%)

Importance of Identifying Unknowns

Per the Lead and Copper Rule Improvement, all unknown service lines that exist on **November 1, 2027**, count toward the 10% of the total LSLR to be replaced annually.

To put that into context:

Estimated Total Number of Lines By Type	<u>10%</u>
Lead = 8,981	898
GRR = 567	57
Unknown = 5,872	587
Total = 15,420	1,542

Without the unknowns we would need to replace 955 LSL per year.



Identifying Unknowns

- Temporary Employees – Canvassing
- Field Service Representative (FSR)
- Self-Reporting
- Predictive Modeling
- Hydro Excavation

The screenshot displays the Iowa American Water website. The header includes the company logo, navigation links (Pay Bill, Report Emergency, Start/Stop Service, Alerts, Login), and a main menu (About Us, Customer Service & Billing, Water Quality, Water & Wastewater Information, News & Community). The breadcrumb trail reads: [Iowa](#) / [Water Quality](#) / [Lead and Drinking Water](#).

The main content area is titled "Is Your Service Line Made of Lead?" and explains that the most common source of lead in tap water is from interior plumbing and the service line. It provides a link to "CLICK HERE TO OPEN THE MAP" and a list of steps to identify the material:

1. Type your address in the map search field
2. Click on the material location symbol () at your service address
3. Review what materials are used in your service line
4. If the Customer Side says "Lead Status Unknown," please fill out our survey by clicking on the self-reporting survey link

A pop-up window shows the results for Public Water System ID: IAW1234567. It displays a map of the service area and provides the following information:

- Service Address: 123 Water St, Anytown, USA 12345
- American Side: Lead
- Customer Side: Lead Status Unknown

Based on our records, your service material is Unknown. Please click on this link to complete a self-reporting survey.

<https://www.amwater.com/iaaw/Water-Quality/Lead-and-Drinking-Water/>

Our Approach To LSLR

A flexible, multi-path approach to lead service line replacement

Iowa American Water advances replacements through three coordinated delivery paths.

1

IN-HOUSE CREWS

Smaller project areas and one-off replacements where a focused, responsive approach is most effective.

2

CONTRACTED PROJECTS

Larger, concentrated replacement areas, sometimes delivered through multiple contractors to increase capacity.

3

MAIN REPLACEMENT PROJECTS

Lead service lines are also replaced when encountered as part of planned water main replacement work.

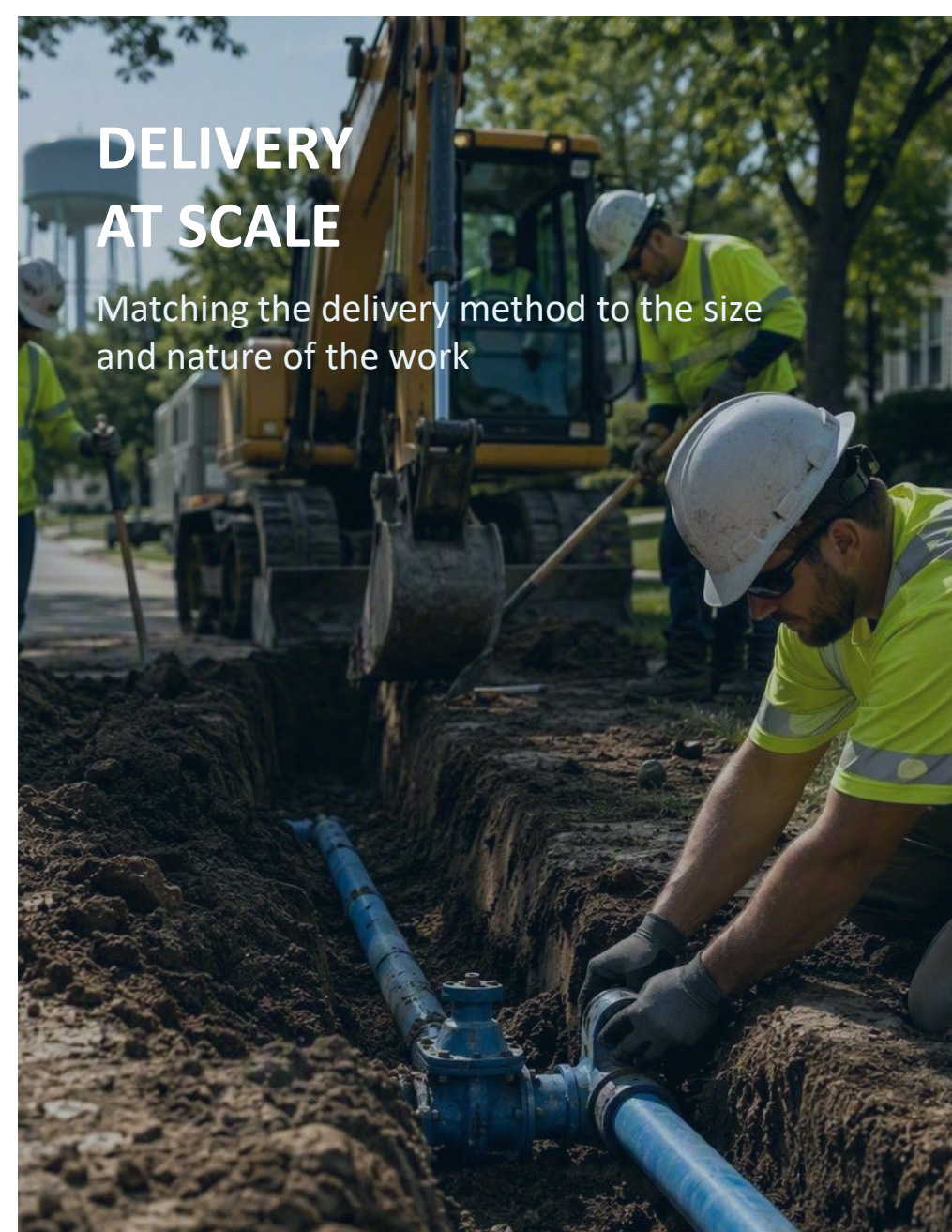
ULTIMATE GOAL

1,000

lead service line replacements per year

DELIVERY AT SCALE

Matching the delivery method to the size and nature of the work



Cost and Delivery Trade-offs

Delivery Method	Typical Cost per Replacement	Capacity	Best Use
In-House Crews	Lower mobilization costs	Limited by available crews	Small project areas, scattered replacements, emergency or one-off locations
Contracted Projects	Higher mobilization but economies of scale	High capacity	Large concentrated replacement areas
Water Main Projects	Lowest incremental replacement cost	Tied to main replacement schedules	Areas already scheduled for infrastructure

Cost Per Replacement by Delivery Method

The average cost per LSLR and total number of replacements per delivery method at the end of August 2026.

Lowest Cost ----- Highest Capacity

	City Repairs Water Main Projects In-House Crews Contracted Projects			
Avg. Cost/LSLR:	\$3,500	\$6,000	\$10,000	\$12,000
Number of LSLR:	27	71	112	245

Replacement and Cost Trends

No single delivery method can achieve the annual replacement goals alone. Iowa American Water uses the most cost-effective delivery method for each situation, balancing cost, efficiency, customer impact, and program capacity.

Below is replacement data for 2023, 2024, 2025 and year to date 2026:

Project Year	Total Number of LSLR	Avg Cost per LSLR	Total Spend
2023	238	\$8,716	~\$2M
2024	466	\$8,989	~\$4.2M
2025	928	\$8,600	~\$8.0M
2026 YTD	455	\$12,000	~\$4.5M

We have seen an approximately 50% increase in contractor replacement cost from 2025 to 2026.

How We Are Replacing Services

- In-House Service crew
- Our team makes all their own taps associated with replacing services
- Kobus Puller
- Local Plumbers
- Replacing services from house to curb stop



LCRI Sampling Requirements

LSLR Customer Requirements, Sampling and Results

Required for Replacement

- Signed paperwork
- Informational lead paperwork
- Flushing instructions
- Pitcher filter

Sampling Offer

- Customer receives a postcard from Central Lab about 3 to 6 months after the replacement
- Postcard gives the customer the opportunity to request their water be sampled

Sample Kit

- If the customer participates, the American Water certified lab in Bellville, Illinois sends a kit with collection materials and instructions
- Customer follows the “LSLR Sampling Instructions” and returns bottles with the prepaid label
- The Lab analyzes samples and provides results to the local Water Quality (WQ) department

Results and Notification

- Above the EPA Action Level: WQ contacts the customer within three days, then flushes and resamples up to two times
- Below the EPA Action Level: WQ provides the results to the customer
- All customers receive a “Water Sample Results Letter” with test results, health effects language, required definitions and steps to reduce exposure

Questions?
