

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 or 15 (d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended September 30, 1997

Commission File Number 1-6659

PHILADELPHIA SUBURBAN CORPORATION

-----  
(Exact name of registrant as specified in its charter)

Pennsylvania

23-1702594

-----  
(State or other jurisdiction of  
incorporation or organization)

-----  
(I.R.S. Employer  
Identification No.)

762 Lancaster Avenue, Bryn Mawr, Pennsylvania

19010

-----  
(Address of principal executive offices)

-----  
(Zip Code)

Registrant's telephone number, including area code:

(610)-527-8000  
-----

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of September 30, 1997.

19,606,855  
-----

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In thousands of dollars, except per share amounts)

	September 30, 1997 ----- (Unaudited)	December 31, 1996 ----- (Audited)
Property, plant and equipment, at cost	\$ 635,913	\$ 612,812
Less accumulated depreciation	119,177	109,874
Net property, plant and equipment	----- 516,736	----- 502,938
Current assets:		
Cash	1,449	1,518
Accounts receivable, net	23,378	21,914
Inventory, materials and supplies	1,938	1,943
Prepayments and other current assets	872	660

Total current assets	27,637	26,035
Regulatory assets	48,388	48,491
Deferred charges and other assets, net	6,542	5,480
	-----	-----
	\$ 599,303	\$ 582,944
	=====	=====
Stockholders' equity:		
6.05% Series B cumulative preferred stock	\$ 3,220	\$ 3,220
Common stock at \$.50 par value, authorized 40,000,000 shares, outstanding 19,606,855 and 19,198,579 in 1997 and 1996	9,984	9,731
Capital in excess of par value	129,734	121,439
Retained earnings	54,876	49,272
Treasury stock, 361,181 and 262,230 shares in 1997 and 1996	(5,632)	(3,647)
	-----	-----
Total stockholders' equity	192,182	180,015
Preferred stock of subsidiary with mandatory redemption requirements	2,786	4,214
Long-term debt, excluding current portion	205,391	217,518
Commitments	--	--
Current liabilities:		
Current portion of long-term debt and preferred stock of subsidiary	27,581	13,873
Loans payable	10,070	5,560
Accounts payable	4,000	9,659
Accrued interest	4,676	3,660
Accrued taxes	2,279	3,363
Other accrued liabilities	10,132	8,924
	-----	-----
Total current liabilities	58,738	45,039
Deferred credits and other liabilities:		
Deferred income taxes and investment tax credits	79,903	75,949
Customers' advances for construction	22,470	23,524
Other	13,038	12,826
	-----	-----
Total deferred credits and other liabilities	115,411	112,299
Contributions in aid of construction	24,795	23,859
	-----	-----
	\$ 599,303	\$ 582,944
	=====	=====

See notes to consolidated financial statements on page 6 of this report.

1

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME  
(In thousands, except per share amounts)

(UNAUDITED)

	Nine Months Ended September 30,	
	1997	1996
	-----	-----
Earned revenues	\$ 101,090	\$ 90,804
Costs and expenses		
Operating expenses	40,829	37,441
Depreciation	10,681	9,773
Amortization	24	241
Taxes other than income taxes	6,407	6,391
	-----	-----
	57,941	53,846
Operating income	43,149	36,958
Interest expense	13,423	11,368
Dividends on preferred stock of subsidiary	279	372
Allowance for funds used during construction	(334)	(174)
	-----	-----
Income from continuing operations before income taxes	29,781	25,392
Provision for income taxes	12,074	10,296
	-----	-----
Income from continuing operations	17,707	15,096
Reversal of reserve for discontinued operations,		

net of income tax of \$197	--	365
Net income	17,707	15,461
Dividends on preferred stock	146	--
Net income available to common stock	\$ 17,561	\$ 15,461
Net income per common share		
Continuing operations	\$ 0.89	\$ 0.80
Discontinued operations	--	0.02
Total	\$ 0.89	\$ 0.82
Average common and common equivalent shares outstanding during the period	19,664	18,855

See notes to consolidated financial statements on page 6 of this report.

2

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME  
(in thousands, except per share amounts)

(UNAUDITED)

	Three Months Ended September 30,	
	1997	1996
Earned revenues	\$ 36,754	\$ 30,831
Costs and expenses		
Operating expenses	14,466	11,757
Depreciation	3,385	3,268
Amortization	11	102
Taxes other than income taxes	2,083	2,066
	19,945	17,193
Operating income	16,809	13,638
Interest expense	4,463	3,796
Dividends on preferred stock of subsidiary	92	122
Allowance for funds used during construction	(141)	(92)
Income from continuing operations before income taxes	12,395	9,812
Provision for income taxes	5,023	3,965
Income from continuing operations	7,372	5,847
Reversal of reserve for discontinued operations, net of income tax of \$197	--	365
Net income	7,372	6,212
Dividends on preferred stock	49	--
Net income available to common stock	\$ 7,323	\$ 6,212
Net income per common share		
Continuing operations	\$ 0.37	\$ 0.31
Discontinued operations	--	0.02
Total	\$ 0.37	\$ 0.33
Average common and common equivalent shares outstanding during the period	19,777	19,100

See notes to consolidated financial statements on page 6 of this report.

3

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOW  
(In thousands of dollars)

(UNAUDITED)

	Nine Months Ended September 30,	
	1997	1996
Cash flows from operating activities:		
Income from continuing operations	\$ 17,707	\$ 15,096
Adjustments to reconcile income from continuing operations to net cash flows from operating activities:		
Depreciation and amortization	10,705	10,015
Deferred taxes, net of taxes on customers' advances	3,485	1,262
Net decrease (increase) in receivables, inventory and prepayments	(1,220)	397
Net decrease in payables, accrued interest, accrued taxes and other accrued liabilities	(3,785)	(3,178)
Other	(703)	(551)
Net cash flows from operating activities	26,189	23,041
Cash flows from investing activities:		
Property, plant and equipment additions, including allowance for funds used during construction of \$334 and \$174	(22,580)	(17,343)
Acquisitions of water systems	(1,090)	(2,396)
Other	(459)	(373)
Net cash flows used in investing activities	(24,129)	(20,112)
Cash flows from financing activities:		
Customers' advances and contributions in aid of construction	854	295
Repayments of customers' advances	(1,736)	(1,619)
Net proceeds (repayments) of short-term debt	4,510	(755)
Proceeds from long-term debt	19,712	21,699
Repayments of long-term debt	(18,419)	(20,054)
Redemption of preferred stock of subsidiary	(1,428)	(1,500)
Proceeds from issuing common stock	8,528	10,667
Repurchase of common stock	(1,965)	(47)
Dividends paid on preferred stock	(146)	--
Dividends paid on common stock	(11,957)	(10,943)
Other	(82)	(161)
Net cash flows used in financing activities	(2,129)	(2,418)
Net cash flows from discontinued operations	--	170
Net increase (decrease) in cash	(69)	681
Cash balance beginning of year	1,518	2,387
Cash balance at end of period	\$ 1,449	\$ 3,068

See notes to consolidated financial statements on page 6 of this report.

4

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CAPITALIZATION  
(In thousands of dollars, except per share amounts)

	September 30, 1997	December 31, 1996
	----- (Unaudited)	----- (Audited)
Stockholders' equity:		

6.05% Series B cumulative preferred stock	\$ 3,220	\$ 3,220
Common stock, \$.50 par value	9,984	9,731
Capital in excess of par value	129,734	121,439
Retained earnings	54,876	49,272
Treasury stock	(5,632)	(3,647)
Total stockholders' equity	192,182	180,015
Preferred stock of subsidiary with mandatory redemption requirements	4,215	5,643
Current portion of preferred stock of subsidiary	1,429	1,429
	2,786	4,214
Long-term debt:		
First Mortgage Bonds secured by utility plant:		
8.44% Series, due 1997	--	12,000
5.95% Series, due 2002*	2,000	2,400
6.83% Series, due 2003	10,000	10,000
7.47% Series, due 2003	10,000	10,000
7.06% Series, due 2004	10,000	--
6.82% Series, due 2005	10,000	10,000
6.99% Series, due 2006	10,000	10,000
6.75% Series, due 2007	10,000	--
9.89% Series, due 2008	5,000	5,000
7.15% Series, due 2008*	22,000	22,000
9.12% Series, due 2010	20,000	20,000
6.50% Series, due 2010*	3,200	3,200
9.17% Series, due 2011	5,000	5,000
9.93% Series, due 2013	5,000	5,000
6.89% Series, due 2015	12,000	12,000
9.97% Series, due 2018	5,000	5,000
9.17% Series, due 2021*	8,000	8,000
6.35% Series, due 2025	22,000	22,000
7.72% Series, due 2025	15,000	15,000
9.29% Series, due 2026	12,000	12,000
Total First Mortgage Bonds	196,200	188,600
Note payable to bank under revolving credit agreement, due March 1998	33,708	39,727
Installment note payable, 9%, due in equal annual payments through 2013	1,635	1,635
Current portion of long-term debt	26,152	12,444
Long-term debt, excluding current portion	205,391	217,518
Total capitalization	\$ 400,359	\$ 401,747

\*Trust indentures relating to these First Mortgage Bonds require annual sinking fund payments.

See notes to consolidated financial statements on page 6 of this report.

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands of dollars, except per share amounts)

Note 1 Basis of Presentation

The accompanying consolidated balance sheet and statement of capitalization of Philadelphia Suburban Corporation at September 30, 1997, the consolidated statements of income for the nine months and quarter ended September 30, 1997 and 1996, and the consolidated statements of cash flow for the nine months ended September 30, 1997 and 1996 are unaudited, but reflect all adjustments, consisting of only normal recurring accruals, which are, in the opinion of management, necessary to present fairly the consolidated financial position at September 30, 1997, the consolidated results of operations, and the consolidated cash flow for the periods presented. Because they cover interim periods, the statements and related notes to the financial statements do not include all disclosures and notes normally provided in annual financial statements and, therefore, should be read in conjunction with the Annual Report on Form 10-K for the year ended December 31, 1996 and the Quarterly Reports on Form 10-Q for the quarters ended March 31, 1997 and June 30, 1997.

Note 2 Water Rates

On October 23, 1997, the Pennsylvania Public Utility Commission ("PUC")

approved a rate settlement reached between Philadelphia Suburban Water Company ("PSW") and the parties actively litigating the rate application PSW filed in April 1997. The settlement is designed to increase PSW's annual revenue by \$9.3 million or 7.3% over the level in effect at the time of the filing. The rates in effect at the time of the filing included a 1% or \$1.3 million Distribution System Improvement Charge ("DSIC"). Consequently, the settlement resulted in a total base rate increase of \$10.6 million or 8.3%. As a part of the settlement, the DSIC was reset to zero and the Company agreed not to file its next base rate increase request prior to April 1999, absent extraordinary circumstances.

Note 3 Long-Term Debt and Loans Payable

In October 1997, PSW issued \$10,000 First Mortgage Bonds 6.3% Series due 2002. The net proceeds of this issue were used to repay amounts outstanding under PSW's revolving credit agreement. Accordingly, \$10,000 of amounts outstanding under the revolving credit facility have been reclassified from current portion of long-term debt to long-term debt.

Note 4 Acquisitions

During the nine months ended September 30, 1997, PSW has purchased the water utility and related assets of three water systems and one wastewater system for a combined purchase price of \$1,090. These systems serve customers near PSW's existing service territory and have combined annual operating revenues of approximately \$350.

PSW continues to hold acquisition discussions with several other water systems which have annual revenues of approximately \$4,700. If the acquisitions of these water systems are all successfully completed, the combined purchase price will likely be in excess of \$22,000. These systems are adjacent or near to PSW's service territory. Final closings may not occur until 1998 and the consummation of these water system acquisitions is subject to the negotiation and execution of definitive agreements, the completion of due diligence investigations satisfactory to the Company, the receipts of all necessary board of directors and government approvals, and other closing conditions. No assurance can be given that any acquisition will ultimately be consummated.

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS  
(In thousands of dollars, except per share amounts)

Philadelphia Suburban Corporation ("PSC" or "the Company"), a Pennsylvania corporation, is the holding Company of Philadelphia Suburban Water Company ("PSW"), a regulated water utility. PSW provides water to approximately 287,000 customers in 94 municipalities within its 465 square-mile service territory. PSW's service territory is located north and west of the City of Philadelphia.

Financial Condition

During the first nine months of 1997, the Company made \$22,580 of expenditures related to routine capital improvements and replacements, retired \$18,419 in long-term debt, repaid \$1,736 of customer advances for construction, repurchased \$1,965 of its common stock and redeemed \$1,428 of Preferred Stock of subsidiary.

During this period, internally generated funds, available working capital, funds available under the revolving credit facility and the proceeds from the issuance of common stock and long-term debt were used to fund the cash requirements discussed above, and to pay dividends. Proceeds from the issuance of common stock, primarily through the Company's Customer Stock Purchase Plan and the Dividend Reinvestment and Optional Stock Purchase Plan amounted to \$8,528.

In July 1997, PSW established a two-year \$150,000 medium-term note program. This program replaced a \$100,000 medium-term note program that expired in March 1997.

The program provides for the issuance of long-term debt with maturities ranging between one and 30 years at fixed rates of interest, as determined at the time of issuance. The terms and conditions for debt issued under the new program are essentially the same as those under the expired program. In March 1997, PSW issued \$10,000 of First Mortgage Bonds 7.06% Series due 2004 through the expired program. In July 1997, PSW issued \$10,000 of First Mortgage Bonds 6.75% Series due 2007 and in October 1997, PSW issued \$10,000 of First Mortgage Bonds 6.3% Series due 2002 through the new program. The net proceeds of these issues were used to repay amounts outstanding under PSW's revolving credit agreement.

At September 30, 1997, the Company had \$4,930 and PSW had \$1,000 available under short-term lines of credit and PSW had \$16,292 available under its revolving credit agreement. In October 1997, \$10,000 of borrowings under the revolving credit agreement were repaid with the proceeds from the issuance of First Mortgage Bonds and accordingly, this portion of the revolving credit balance is classified as long-term debt at September 30, 1997. The remainder of the revolving credit agreement balance, which expires in March 1998, is classified as current portion of long-term debt. The Company intends to renew this facility and continue to refinance portions of the borrowings under the facility through the issuances of First Mortgage Bonds.

7

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)  
(In thousands of dollars, except per share amounts)

Results of Operations

Analysis of First Nine Months of 1997 Compared to First Nine Months of 1996

Revenues increased by \$10,286 or 11.3% primarily as a result of an increase in water sales associated with the hot, dry weather experienced during the summer of 1997 and \$4,270 of water revenues from the 1996 acquisitions. In addition, water revenues included \$942 from the Distribution System Improvement Charge ("DSIC").

Operating expenses increased by \$3,388 or 9.0% primarily due to higher production costs resulting from the increased volume of water sold in the third quarter, additional operating expenses of the water systems acquired in 1996, and increased wage and insurance expenses, partially offset by the effects of the mild 1997 winter which resulted in fewer main breaks and reduced maintenance expenses.

Depreciation increased by \$908 or 9.3% reflecting utility plant placed in service, including the assets from the acquisitions, in the past year, partially offset by a reduction in the average depreciation rate. Depreciation was approximately 2.2% and 2.4% of average utility plant in service in the first nine months of 1997 and 1996 respectively. The decrease in the average depreciation rate is due to an adjustment in depreciation expense related to PSW's fourth quarter 1996 acquisitions.

Amortization decreased \$217 primarily due to the completion of the amortization of the costs associated with PSW's 1995 rate filing, offset partially by the amortization of additional debt issuance costs.

Interest expense increased \$2,055 or 18.1% due to increased borrowing levels, partially offset by lower interest rates. The increase in borrowings were used to finance the 1996 acquisitions and PSW's ongoing capital projects.

Allowance for funds used during construction ("AFUDC") increased by \$160 due to an increase in capital spending which increased the average balance of utility plant construction work in progress to which AFUDC is applied.

The Company's effective income tax rate was 40.5% in the first nine months of 1997 and 1996.

Net income available to common stock increased by \$2,100 or 13.6% primarily as a result of increased revenues partially offset by increased operating expenses, interest expense and depreciation. In 1996, net income available to common stock

was higher than income from continuing operations due to the reversal of \$365 or \$.02 per share of reserves for the discontinued operations. On a per share basis, net income available to common stock increased \$.07 or 8.5% reflecting the improvement in net income, offset by a 4.3% increase in the average number of shares outstanding. The increased number of shares outstanding reflects additional shares sold since the third quarter of 1996 through the Customer Stock Purchase Plan and the Dividend Reinvestment and Optional Stock Purchase Plan.

8

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)  
(In thousands of dollars, except per share amounts)

Analysis of Third Quarter of 1997 Compared to Third Quarter of 1996

Revenues for the quarter increased \$5,923 or 19.2% primarily due to an increase in water sales associated with the hot, dry weather experienced during the summer of 1997, water revenues from the 1996 acquisitions of \$1,420, and the DSIC which contributed \$482.

Operating expenses increased by \$2,709 or 23.0% as a result of higher production costs resulting from the increased volume of water sold, the operating expenses of the 1996 acquisitions and increased wages and insurance expense.

Depreciation increased by \$117 or 3.6% reflecting the impact of utility plant placed in service since the third quarter of 1996, including the assets from the acquisitions, partially offset by a reduction in the average depreciation rate. Depreciation was approximately 2.1% and 2.4% of average utility plant in service in the third quarter of 1997 and 1996, respectively. The decrease in the average depreciation rate is due to an adjustment in depreciation expense related to PSW's fourth quarter 1996 acquisitions.

Amortization decreased \$91 principally due to the completion of the amortization of the costs associated with PSW's 1995 rate filing.

Interest expense increased by \$667 or 17.6% reflecting a higher level of borrowings, partially offset by lower interest rates. The increased borrowings were used to finance acquisitions and other PSW capital projects.

Allowance for funds used during construction increased by \$49 primarily due to an increase in capital spending which increased the average balance of utility plant construction work in progress to which AFUDC is applied.

The Company's effective income tax rate was 40.5% in 1997 and 40.4% in 1996.

Net income available to common stock for the quarter increased by \$1,111 or 17.9% principally due to increased revenues offset in part by increased operating expenses, depreciation and interest expense. In 1996, net income available to common stock was higher than income from continuing operations due to the reversal of \$365 or \$.02 per share of reserves for the discontinued operations. On a per share basis, net income available to common stock increased \$.04 or 12.1% reflecting the improvement in net income, partially offset by a 3.5% increase in the average number of shares outstanding.

9

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)  
(In thousands of dollars, except per share amounts)

Recent Events

On October 27, 1997 the Delaware River Basin Commission ("DRBC") issued a



drought warning for the Delaware River Basin which includes PSW's service territory. Under a drought warning, the DRBC asks for voluntary restrictions on water use, particularly non-essential uses of water. Because the drought warning was issued in the fourth quarter when non-essential and recreational use of water has traditionally decreased, it is not expected to have a significant impact on revenues. While certain areas of the Delaware River Basin are experiencing water shortages, PSW's water supplies are, at present, adequate.

#### Impact of Recent Accounting Pronouncements

In February 1997, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard No. 128, Earnings per Share (SFAS 128). This Statement introduces new methods for calculating earnings per share. The adoption of this Statement will not affect results from operations, financial condition, or long-term liquidity, but will require the Company to restate earnings per share reported in prior periods. Compliance with this Statement, which will be effective for periods ending after December 15, 1997, is not expected to have a material effect on the Company's earnings per share amounts.

In June 1997, the FASB issued SFAS 130, Reporting Comprehensive Income. This Statement requires that all items that are required to be recognized under accounting standards as components of comprehensive income be reported in a financial statement that is displayed with the same prominence as other financial statements. The Company plans to adopt this Statement on January 1, 1998, as required. The Company does not have any items of comprehensive income, other than that presented on its consolidated statements of income that would require disclosure and presentation of accumulated balances in the equity section of the balance sheet.

In June 1997, the FASB issued SFAS 131, Disclosures About Segments of and Related Information. This Statement established standards for reporting information about operating segments in annual financial statements and requires selected information about operating segments in interim financial reports issued to shareholders. It also establishes standards for related disclosure about products and services, geographic areas and major customers. The Company plans to adopt this statement on January 1, 1998, as required. The adoption of this Statement will not affect results from operations, financial conditions or long-term liquidity.

#### PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES

##### Part II. Other Information

##### Item 1. Legal Proceedings

There are no pending legal proceedings to which the Registrant or any of its subsidiaries is a party or to which any of their properties is the subject that present a reasonable likelihood of a material adverse impact on the Registrant. Reference is made to Item 3 of the Company's Annual Report on Form 10-K for the year ended December 31, 1996, which is included by a reference herein.

##### Item 6. Exhibits and Reports on Form 8-K

###### (a) Exhibits

Exhibit No. -----	Description -----
27	Financial Data Schedule

###### (b) Report on Form 8-K

None

PHILADELPHIA SUBURBAN CORPORATION AND SUBSIDIARIES

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be executed on its behalf by the undersigned thereunto duly authorized.

November 4, 1997

PHILADELPHIA SUBURBAN CORPORATION

-----  
Registrant

Nicholas DeBenedictis

-----  
Nicholas DeBenedictis  
Chairman and President

Michael P. Graham

-----  
Michael P. Graham  
Senior Vice President - Finance  
and Treasurer

12

EXHIBIT INDEX

Exhibit No. -----	Description -----	Page No. -----
27	Financial Data Schedule	15

<ARTICLE> UT

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEETS AND THE STATEMENTS OF CAPITALIZATION AT SEPTEMBER 30, 1997, AND THE CONSOLIDATED STATEMENTS OF INCOME AND CASH FLOW FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1997, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

</LEGEND>

<PERIOD-TYPE>	9-MOS	
<FISCAL-YEAR-END>		SEP-30-1997
<PERIOD-END>		SEP-30-1997
<BOOK-VALUE>		PER-BOOK
<TOTAL-NET-UTILITY-PLANT>		516,667
<OTHER-PROPERTY-AND-INVEST>		69
<TOTAL-CURRENT-ASSETS>		27,637
<TOTAL-DEFERRED-CHARGES>		6,542
<OTHER-ASSETS>		48,388
<TOTAL-ASSETS>		599,303
<COMMON>		4,352
<CAPITAL-SURPLUS-PAID-IN>		129,734
<RETAINED-EARNINGS>		54,876
<TOTAL-COMMON-STOCKHOLDERS-EQ>		188,962
<PREFERRED-MANDATORY>		2,786
<PREFERRED>		3,220
<LONG-TERM-DEBT-NET>		205,391
<SHORT-TERM-NOTES>		0
<LONG-TERM-NOTES-PAYABLE>		10,070
<COMMERCIAL-PAPER-OBLIGATIONS>		0
<LONG-TERM-DEBT-CURRENT-PORT>		26,152
<PREFERRED-STOCK-CURRENT>		1,429
<CAPITAL-LEASE-OBLIGATIONS>		0
<LEASES-CURRENT>		0
<OTHER-ITEMS-CAPITAL-AND-LIAB>		161,293
<TOT-CAPITALIZATION-AND-LIAB>		599,303
<GROSS-OPERATING-REVENUE>		101,090
<INCOME-TAX-EXPENSE>		12,074
<OTHER-OPERATING-EXPENSES>		57,941
<TOTAL-OPERATING-EXPENSES>		70,015
<OPERATING-INCOME-LOSS>		31,075
<OTHER-INCOME-NET>		0
<INCOME-BEFORE-INTEREST-EXPEN>		31,075
<TOTAL-INTEREST-EXPENSE>		13,368
<NET-INCOME>		17,707
<PREFERRED-STOCK-DIVIDENDS>		146
<EARNINGS-AVAILABLE-FOR-COMM>		17,561
<COMMON-STOCK-DIVIDENDS>		11,957
<TOTAL-INTEREST-ON-BONDS>		15,094
<CASH-FLOW-OPERATIONS>		26,189
<EPS-PRIMARY>		0.89
<EPS-DILUTED>		0.89