

Exhibit No.:
Issue: Accounting Schedules
Witness: MoPSC Auditors
Sponsoring Party: MoPSC Staff
Case Nos.: ER-2004-0034 and
HR-2004-0024
(Consolidated)
Date Prepared: December 9, 2003

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

STAFF ACCOUNTING SCHEDULES

AQUILA, INC.

d/b/a AQUILA NETWORKS-L&P (Electric)

**CASE NOS. ER-2004-0034 AND HR-2004-0024
(CONSOLIDATED)**

*Jefferson City, Missouri
December 2003*

Aquila Inc. Dba Aquila Networks L & P
 Case: ER-04-034A
 L & P Known & Measurable through Sept. 30, 2003

Revenue Requirement

Line	7.97% Return	8.15% Return	8.32% Return
(A)	(B)	(C)	(D)
1 Net Orig Cost Rate Base (Sch 2)	\$ 182,580,468	\$ 182,580,468	\$ 182,580,468
2 Rate of Return	7.97%	8.15%	8.32%

3 Net Operating Income Requirement	\$ 14,551,663	\$ 14,880,308	\$ 15,190,695
4 Net Income Available (Sch 9)	\$ 12,456,524	\$ 12,456,524	\$ 12,456,524

5 Additional NOI&T Needed	\$ 2,095,139	\$ 2,423,784	\$ 2,734,171

6 Income Tax Requirement (Sch 11)			
7 Required Current Income Tax	\$ 3,187,815	\$ 3,384,670	\$ 3,570,588
8 Test Year Current Income Tax	\$ 1,932,847	\$ 1,932,847	\$ 1,932,847

9 Additional Current Tax Required	\$ 1,254,968	\$ 1,451,823	\$ 1,637,741

10 Required Deferred ITC	\$ 0	\$ 0	\$ 0
11 Test Year Deferred ITC	\$ 0	\$ 0	\$ 0

12 Additional Deferred ITC Required	\$ 0	\$ 0	\$ 0

13 Total Additional Tax Required	\$ 1,254,968	\$ 1,451,823	\$ 1,637,741

14 Gross Revenue Requirement	\$ 3,350,107	\$ 3,875,607	\$ 4,371,912

AQUILA, INC.
CASE NOS. ER-2004-0034 AND HR-2004-0024

Weighted Cost of Capital as of June 30, 2001
For Aquila, Inc. d/b/a Aquila Networks MPS And
Aquila Networks L&P

Weighted Cost of Capital Using
Common Equity Return of:

Capital Component	Percentage of Capital	Embedded Cost	8.64%	9.14%	9.64%
Common Stock Equity	35.31%	—	3.05%	3.23%	3.40%
Long-Term Debt	64.31%	7.632%	4.91%	4.91%	4.91%
Short-Term Debt	0.38%	3.37%	0.01%	0.01%	0.01%
	<u>100.00%</u>		<u>7.97%</u>	<u>8.15%</u>	<u>8.32%</u>

Aquila Inc. Dba Aquila Networks L & P
Case: ER-04-034A
L & P Known & Measurable through Sept. 30, 2003

Rate Base

Line Description	Amount
(A)	(B)
1 Total Plant in Service (Sch 3)	\$ 354,539,116
Subtract from Total Plant	
2 Depreciation Reserve (Sch 6)	\$ 191,921,720

3 Net Plant in Service	\$ 162,617,396
Add to Net Plant in Service	
4 Cash Working Capital (Sch 8)	\$ (4,368,425)
5 Materials and Supplies-Exempt	5,863,532
6 Undistributed Stores	656,215
7 AM/FM System	22,379
8 Emission Allowances	0
9 Prepayments L & P	218,237
10 Prepayments L & P's share of UCU	580,466
11 Fuel Inventory - Oil & Propane	477,488
12 Fuel Inventory - Coal	2,437,443
13 Prepaid Pension Asset	31,927,548
Subtract from Net Plant	
14 Federal Tax Offset ***** %	\$ 2,910,930
15 State Tax Offset ***** %	473,740
16 City Tax Offset 0.0000 %	0
17 Interest Expense Offset 18.8250 %	1,691,042
18 Customer Advances for Construction	0
19 Customer Deposits	355,262
20 Deferred Income Taxes-Depreciation	5,573,129
21 Deferred Inc Taxes Shared Assets	6,847,708
22 Unamortized Investment Tax Credit	0

23 Total Rate Base	\$ 182,580,468
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Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
	(A)		(B)	(C)	(D)	(E)	(F)
Intangible Plant							
1	301.000	Organization	\$ 75,029	\$ 0	98.1540	\$ 0	\$ 73,644
2	303.000	Miscellaneous Intangible Plant	74,566	0	100.0000	0	74,566
3		Total	\$ 149,595	\$ 0		\$ 0	\$ 148,210
Production Steam Lake Road Plant							
4	310.000	Land & Land Rights	\$ 289,246	\$ 0	91.5670	\$ 0	\$ 264,854
5	311.120	Structures & Improve - Lake Road	10,897,384	0	91.5670	0	9,978,408
6	312.120	Boiler Plant Equip - Lake Road	44,508,252	0	86.6250	0	38,555,273
7	314.120	Turbogenerator Units Lake Rd	12,389,730	0	98.5120	0	12,205,371
8	315.120	Accessory Elect Equip - Lake Rd	2,849,361	0	91.5670	0	2,609,074
9	316.120	Misc Power Plt Equip - Lake Rd	214,468	0	78.7000	0	168,786
10		Total	\$ 71,148,441	\$ 0		\$ 0	\$ 63,781,766
Production Steam Iatan Plant							
11	311.110	Structures & Improvements - Iatan	\$ 4,280,260	\$ 0	100.0000	\$ 0	\$ 4,280,260
12	312.110	Boiler Plant Equip. - Iatan	40,164,398	0	100.0000	0	40,164,398
13	314.110	Turbogenerator Units - Iatan	10,918,920	0	100.0000	0	10,918,920
14	315.110	Accessory Elect. Equip. - Iatan	4,421,744	0	100.0000	0	4,421,744
15	316.110	Miscl. Power Plt. Equip. - Iatan	774,574	0	100.0000	0	774,574
16		Total	\$ 60,559,896	\$ 0		\$ 0	\$ 60,559,896
Production Plant Other							
17	341.000	Struct & Improvements	\$ 1,297,205	\$ 0	100.0000	\$ 0	\$ 1,297,205
18	342.000	Fuel Holders Prod & Acc	605,108	0	100.0000	0	605,108
19	343.000	Prime Movers	10,773,255	0	100.0000	0	10,773,255
20	344.000	Generators	2,750,470	0	100.0000	0	2,750,470
21	345.000	Accessory Elect Equip	1,126,064	0	100.0000	0	1,126,064
22		Total	\$ 16,552,102	\$ 0		\$ 0	\$ 16,552,102

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
	(A)		(B)	(C)	(D)	(E)	(F)
Transmission Plant							
23	350.000	Land & Land Rights	\$ 1,952,080	\$ 0	100.0000	\$ 0	\$ 1,952,080
24	352.000	Structures & Improvements	272,023	0	100.0000	0	272,023
25	353.000	Station Equipment	9,603,214	0	100.0000	0	9,603,214
26	353.000	Station Equipment - Lake Rd	24,586	0	100.0000	0	24,586
27	353.000	Station Equipment - Iatan	1,166,882	0	100.0000	0	1,166,882
28	355.000	Poles & Fixtures	8,440,304	0	100.0000	0	8,440,304
29	356.000	Overhead Conductors & Devices	7,514,142	0	100.0000	0	7,514,142
30	357.000	Underground Conduit	16,148	0	100.0000	0	16,148
31	358.000	Underground Conductors & Devices	31,692	0	100.0000	0	31,692
32		Total	\$ 29,021,071	\$ 0		\$ 0	\$ 29,021,071
Distribution Plant							
33	360.000	Land & Land Rights	\$ 626,750	\$ 0	100.0000	\$ 0	\$ 626,750
34	361.000	Structures & Improvements	1,894,316	0	100.0000	0	1,894,316
35	362.000	Station Equipment	30,678,517	0	100.0000	0	30,678,517
36	364.000	Poles, Towers & Fixtures	23,297,078	0	100.0000	0	23,297,078
37	365.000	Overhead Conductors & Devices	19,704,156	0	100.0000	0	19,704,156
38	366.000	Underground Conduit	5,768,601	0	100.0000	0	5,768,601
39	367.000	Underground Conductors & Devices	13,728,336	0	100.0000	0	13,728,336
40	368.000	Line Transformers	25,227,624	0	100.0000	0	25,227,624
41	369.100	Services - Overhead	2,807,919	0	100.0000	0	2,807,919
42	369.002	Services - Underground	7,451,826	0	100.0000	0	7,451,826
43	370.000	Meters	6,705,770	0	100.0000	0	6,705,770
44	371.000	Installation On Customers' Premises	3,318,858	0	100.0000	0	3,318,858
45	373.000	Street Lighting & Signal Systems	3,947,695	0	100.0000	0	3,947,695
46		Total	\$ 145,157,446	\$ 0		\$ 0	\$ 145,157,446

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)			(B)	(C)	(D)	(E)	(F)
General Plant							
47	389.000	Land & Land Rights	\$ 544,238	\$ 0	100.0000	\$ 0	\$ 544,238
48	390.000	Structures & Improvements	4,922,591	0	100.0000	0	4,922,591
49	391.000	Office Furniture & Equipment	323,482	0	100.0000	0	323,482
50	391.000	Office Furn & Equip - Lake Rd	421,426	0	91.5670	0	385,887
51	391.000	Office Furn. & Equip - Iatan	1,742	0	100.0000	0	1,742
52	391.003	Gen Plant - Computer Hardware	711,199	0	100.0000	0	711,199
53	391.003	Gen Plt Comp Hrdw - Lake Rd	379,932	0	91.5670	0	347,892
54	391.004	Gen Plt-Computer Software	324,776	0	100.0000	0	324,776
55	391.004	Gen Plt Comp Sftw - Lake Rd	106,199	0	91.5670	0	97,243
56	391.004	Gen Plt Comp Sftw - Iatan	157,762	0	100.0000	0	157,762
57	392.002	Transportation Equip - Car	16,766	0	91.5670	0	15,352
58	392.003	Transportation Equip-Light Trk	120,913	0	91.5670	0	110,716
59	392.004	Transportation Equip-Med Trk	188,039	0	99.1842	0	186,505
60	392.005	Transportation Equip-Heavy Trk	1,096,060	0	98.9210	0	1,084,234
61	393.000	Stores Equipment - Elect Gen	12,698	0	100.0000	0	12,698
62	393.000	Stores Ewuipment - Lake Rd	841	0	91.5670	0	770
63	393.000	Stores Equip - SJLP Common	132,027	0	100.0000	0	132,027
64	394.000	Tools Shop & Grg Eqp-Elect Gen	1,204,869	0	100.0000	0	1,204,869
65	394.000	Tools Shop & Grg Eqp - Lake Rd	436,969	0	91.5670	0	400,119
66	395.000	Laboratory Equipment - Lake Rd	359,404	0	91.5670	0	329,095
67	395.000	Laboratory Equipment - SJLP Cmmn	274,928	0	100.0000	0	274,928
68	396.002	Power Operated Equip-LL Lake Rd	999,703	0	91.5670	0	915,398
69	397.000	Communication Equipment	1,819,483	0	100.0000	0	1,819,483
70	397.000	Communications Equip - Lake Rd	111,190	0	91.5670	0	101,813
71	397.000	Communications Equip - Iatan	77,733	0	100.0000	0	77,733
72	398.000	Miscellaneous Equip - Lake Rd	10,234	0	91.5670	0	9,371
73	398.001	Miscl Equip. - Electric General	73,879	0	100.0000	0	73,879
74		Total	\$ 14,829,083	\$ 0		\$ 0	\$ 14,565,802

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)		(B)	(C)	(D)	(E)	(F)	
General Common Plant							
75	389.010	Land and Land Rights	\$ 213,180	\$ 0	99.3700	\$ 0	\$ 211,837
76	390.000	Structures and Improvements	6,021,911	0	99.3700	0	5,983,973
77	391.001	Office Furn & Equipment	38,137	0	99.3700	0	37,897
78	391.003	Gen Plant Computer Hardware	176,852	0	99.3700	0	175,738
79	391.004	Computer Software	2,937	0	99.3700	0	2,918
80	391.011	Office Machines	137,041	0	99.3700	0	136,178
81	392.003	Trans Equip - Light Truck	211,612	0	99.3700	0	210,279
82	392.040	Trans Equip - Med Truck	343,361	0	99.3700	0	341,198
83	392.050	Trans Equip - Heavy Truck	229,662	0	99.3700	0	228,215
84	392.006	Transportation Equip-Trailers	180,150	0	99.3700	0	179,015
85	393.000	Stores Equipment	5,253	0	99.3700	0	5,220
86	394.000	Tools, Shop and Garage Equip	72,513	0	99.3700	0	72,056
87	396.002	Power Operated Equip-Long Life	348,908	0	99.3700	0	346,710
88	397.000	Communications Equipment	667,873	0	99.3700	0	663,665
89	398.000	Miscellaneous Equipment	20,762	0	99.3700	0	20,631
90	Total		\$ 8,670,152	\$ 0		\$ 0	\$ 8,615,530
UCU Common General Plant							
91	389.000	Land and Land Rights	\$ 44,745	\$ 0	98.2450	\$ 0 P-1	\$ 43,960
92	390.001	Structures & Improvements-Own	4,348,409	0	98.2450	0 P-2	4,272,094
93	390.051	Structures & Improve-Lease	436,665	0	98.2450	0 P-3	429,002
94	391.001	Office Furniture & Equipment	1,026,333	0	98.2450	0 P-4	1,008,321
95	391.003	UCU Gen Plt Computer Hardware	1,147,622	0	98.2450	0 P-5	1,127,481
96	391.004	UCU Gen Plt Computer Software	6,143,913	0	98.2450	0 P-6	6,036,087
97	391.005	UCU Gen Plt Computer System Develop	2,330,523	0	98.2450	0 P-7	2,289,622
98	392.004	Trans Equip - Med Truck	1,859	0	98.2450	0 P-8	1,826
99	394.000	Tools, Shop and Garage Equip	25,197	0	98.2450	0 P-9	24,755
100	395.000	Lab Equipment	5,295	0	98.2450	0 P-10	5,202
101	397.000	Communications Equipment	873,589	0	98.2450	0 P-11	858,258
102	398.000	Miscellaneous Equipment	41,412	0	98.2450	0 P-12	40,685
103	Total		\$ 16,425,562	\$ 0		\$ 0	\$ 16,137,293
104	Total Plant In Service		\$ 362,513,348	\$ 0		\$ 0	\$ 354,539,116

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Adjustments to Total Plant

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
	(A)		(B)	(C)	(D)
Intangible Plant					
1	301.000	Organization	\$ 73,644	0.0000	\$ 0
2	303.000	Miscellaneous Intangible Plant	74,566	0.0000	0
3		Total	\$ 148,210		\$ 0
Production Steam Lake Road Plant					
4	310.000	Land & Land Rights	\$ 264,854	0.0000	\$ 0
5	311.120	Structures & Improve - Lake Road	9,978,408	2.2200	221,521
6	312.120	Boiler Plant Equip - Lake Road	38,555,273	2.2200	855,927
7	314.120	Turbogenerator Units Lake Rd	12,205,371	2.2200	270,959
8	315.120	Accessory Elect Equip - Lake Rd	2,609,074	2.6300	68,619
9	316.120	Misc Power Plt Equip - Lake Rd	168,786	2.8600	4,827
10		Total	\$ 63,781,766		\$ 1,421,853
Production Steam Iatan Plant					
11	311.110	Structures & Improvements - Iatan	\$ 4,280,260	2.2200	\$ 95,022
12	312.110	Boiler Plant Equip. - Iatan	40,164,398	2.2200	891,650
13	314.110	Turbogenerator Units - Iatan	10,918,920	2.2200	242,400
14	315.110	Accessory Elect. Equip. - Iatan	4,421,744	2.6300	116,292
15	316.110	Miscl. Power Plt. Equip. - Iatan	774,574	2.8600	22,153
16		Total	\$ 60,559,896		\$ 1,367,517
Production Plant Other					
17	341.000	Struct & Improvements	\$ 1,297,205	1.6700	\$ 21,663
18	342.000	Fuel Holders Prod & Acc	605,108	2.8600	17,306
19	343.000	Prime Movers	10,773,255	3.3300	358,749
20	344.000	Generators	2,750,470	3.3300	91,591
21	345.000	Accessory Elect Equip	1,126,064	2.6300	29,615
22		Total	\$ 16,552,102		\$ 518,924

Aquila Inc. Dba Aquila Networks L & P
Case: ER-04-034A
L & P Known & Measurable through Sept. 30, 2003

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
(A)			(B)	(C)	(D)
Transmission Plant					
23	350.000	Land & Land Rights	\$ 1,952,080	0.0000	\$ 0
24	352.000	Structures & Improvements	272,023	1.6700	4,543
25	353.000	Station Equipment	9,603,214	1.9200	184,382
26	353.000	Station Equipment - Lake Rd	24,586	1.9200	472
27	353.000	Station Equipment - Iatan	1,166,882	1.9200	22,404
28	355.000	Poles & Fixtures	8,440,304	1.8500	156,146
29	356.000	Overhead Conductors & Devices	7,514,142	1.6700	125,486
30	357.000	Underground Conduit	16,148	1.4300	231
31	358.000	Underground Conductors & Devices	31,692	1.9200	608
32		Total	\$ 29,021,071		\$ 494,272
Distribution Plant					
33	360.000	Land & Land Rights	\$ 626,750	0.0000	\$ 0
34	361.000	Structures & Improvements	1,894,316	1.6700	31,635
35	362.000	Station Equipment	30,678,517	1.9200	589,028
36	364.000	Poles, Towers & Fixtures	23,297,078	2.2700	528,844
37	365.000	Overhead Conductors & Devices	19,704,156	1.8200	358,616
38	366.000	Underground Conduit	5,768,601	1.4300	82,491
39	367.000	Underground Conductors & Devices	13,728,336	1.9200	263,584
40	368.000	Line Transformers	25,227,624	3.2300	814,852
41	369.100	Services - Overhead	2,807,919	2.2700	63,740
42	369.002	Services - Underground	7,451,826	2.2700	169,156
43	370.000	Meters	6,705,770	2.0000	134,115
44	371.000	Installation On Customers' Premises	3,318,858	4.1700	138,396
45	373.000	Street Lighting & Signal Systems	3,947,695	3.3300	131,458
46		Total	\$ 145,157,446		\$ 3,305,915

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
General Plant					
47	389.000	Land & Land Rights	\$ 544,238	0.0000	\$ 0
48	390.000	Structures & Improvements	4,922,591	2.2200	109,282
49	391.000	Office Furniture & Equipment	323,482	4.5500	14,718
50	391.000	Office Furn & Equip - Lake Rd	385,887	4.5500	17,558
51	391.000	Office Furn. & Equip - Iatan	1,742	4.5500	79
52	391.003	Gen Plant - Computer Hardware	711,199	14.2900	101,630
53	391.003	Gen Plt Comp Hrdw - Lake Rd	347,892	14.2900	49,714
54	391.004	Gen Plt-Computer Software	324,776	14.2900	46,410
55	391.004	Gen Plt Comp Sftw - Lake Rd	97,243	14.2900	13,896
56	391.004	Gen Plt Comp Sftw - Iatan	157,762	14.2900	22,544
57	392.002	Transportation Equip - Car	15,352	0.0000	0
58	392.003	Transportation Equip-Light Trk	110,716	0.0000	0
59	392.004	Transportation Equip-Med Trk	186,505	0.0000	0
60	392.005	Transportation Equip-Heavy Trk	1,084,234	0.0000	0
61	393.000	Stores Equipment - Elect Gen	12,698	3.7000	470
62	393.000	Stores Ewipment - Lake Rd	770	3.7000	28
63	393.000	Stores Equip - SJLP Common	132,027	3.7000	4,885
64	394.000	Tools Shop & Grg Eqp-Elect Gen	1,204,869	3.7000	44,580
65	394.000	Tools Shop & Grg Eqp - Lake Rd	400,119	3.7000	14,804
66	395.000	Laboratory Equipment - Lake Rd	329,095	3.4500	11,354
67	395.000	Laboratory Equipment - SJLP Cmmn	274,928	3.4500	9,485
68	396.002	Power Operated Equip-LL Lake Rd	915,398	0.0000	0
69	397.000	Communication Equipment	1,819,483	3.4500	62,772
70	397.000	Communications Equip - Lake Rd	101,813	3.4500	3,513
71	397.000	Communications Equip - Iatan	77,733	5.0000	3,887
72	398.000	Miscellaneous Equip - Lake Rd	9,371	4.3500	408
73	398.001	Miscl Equip. - Electric General	73,879	4.3500	3,214
74		Total	\$ 14,565,802		\$ 535,231

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
General Common Plant					
75	389.010	Land and Land Rights	\$ 211,837	0.0000	\$ 0
76	390.000	Structures and Improvements	5,983,973	2.2200	132,844
77	391.001	Office Furn & Equipment	37,897	4.5500	1,724
78	391.003	Gen Plant Computer Hardware	175,738	14.2900	25,113
79	391.004	Computer Software	2,918	14.2900	417
80	391.011	Office Machines	136,178	14.2900	19,460
81	392.003	Trans Equip - Light Truck	210,279	0.0000	0
82	392.040	Trans Equip - Med Truck	341,198	0.0000	0
83	392.050	Trans Equip - Heavy Truck	228,215	0.0000	0
84	392.006	Transportation Equip-Trailers	179,015	0.0000	0
85	393.000	Stores Equipment	5,220	3.7000	193
86	394.000	Tools, Shop and Garage Equip	72,056	3.7000	2,666
87	396.002	Power Operated Equip-Long Life	346,710	0.0000	0
88	397.000	Communications Equipment	663,665	3.4500	22,896
89	398.000	Miscellaneous Equipment	20,631	4.3500	897
90		Total	\$ 8,615,530		\$ 206,210
UCU Common General Plant					
91	389.000	Land and Land Rights	\$ 43,960	0.0000	\$ 0
92	390.001	Structures & Improvements-Own	4,272,094	2.2200	94,840
93	390.051	Structures & Improve-Lease	429,002	0.0000	0
94	391.001	Office Furniture & Equipment	1,008,321	4.5500	45,879
95	391.003	UCU Gen Plt Computer Hardware	1,127,481	14.2900	161,117
96	391.004	UCU Gen Plt Computer Software	6,036,087	14.2900	862,557
97	391.005	UCU Gen Plt Computer System Develop	2,289,622	14.2900	327,187
98	392.004	Trans Equip - Med Truck	1,826	0.0000	0
99	394.000	Tools, Shop and Garage Equip	24,755	3.7000	916
100	395.000	Lab Equipment	5,202	3.4500	179
101	397.000	Communications Equipment	858,258	3.4500	29,610
102	398.000	Miscellaneous Equipment	40,685	4.3500	1,770
103		Total	\$ 16,137,293		\$ 1,524,055

104		Total Depreciation Expense	\$ 354,539,116		\$ 9,373,977

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
	(A)		(B)	(C)	(D)	(E)	(F)
Intangible Plant							
1	303.000	Miscellaneous Intangible Plant	\$ 12,272	\$ 0	100.0000	\$ 0	\$ 12,272
2		Total	\$ 12,272	\$ 0		\$ 0	\$ 12,272
Production Steam Lake Road Plant							
3	311.120	Structures & Improvements LR	\$ 4,508,558	\$ 0	96.6600	\$ 0	\$ 4,357,972
4	312.120	Boiler Plant Equipment LR	26,898,333	0	96.6600	0	25,999,929
5	314.120	Turbogenerator Units LR	8,005,311	0	96.6600	0	7,737,934
6	315.110	Accessory Electric Equip LR	2,482,636	0	96.6600	0	2,399,716
7	316.110	Miscl Power Plant Equip LR	172,291	0	96.6600	0	166,536
8		Total	\$ 42,067,129	\$ 0		\$ 0	\$ 40,662,087
Production Steam Iatan Plant							
9	311.110	Structures & Improvements Iatan	\$ 2,197,121	\$ 0	96.6600	\$ 0	\$ 2,123,737
10	312.110	Boiler Plant Equip. Iatan	30,702,737	0	96.6600	0	29,677,266
11	314.110	Turbogenerator Units - Iatan	7,000,725	0	96.6600	0	6,766,901
12	315.110	Accessory Elect. Equip. Iatan	3,408,573	0	96.6600	0	3,294,727
13	316.110	Miscl. Power Plt. Equip. Iatan	515,708	0	96.6600	0	498,483
14		Total	\$ 43,824,864	\$ 0		\$ 0	\$ 42,361,114
Production Plant Other							
15	341.000	Structures & Improvements	\$ 1,185,235	\$ 0	96.6600	\$ 0	\$ 1,145,648
16	342.000	Fuel Holders Prod & Acc	601,415	0	96.6600	0	581,328
17	343.000	Prime Movers	9,261,443	0	96.6600	0	8,952,111
18	344.000	Generators	2,749,808	0	96.6600	0	2,657,964
19	345.000	Accessory Elect Equip	678,699	0	96.6600	0	656,030
20		Total	\$ 14,476,600	\$ 0		\$ 0	\$ 13,993,081

Aquila Inc. DbA Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
	(A)		(B)	(C)	(D)	(E)	(F)
Transmission Plant							
21	352.000	Structures & Improvements	\$ 164,301	\$ 0	96.6600	\$ 0	\$ 158,813
22	353.000	Station Equipment	4,416,914	0	96.6600	0	4,269,389
23	353.000	Station Equipment Lake Rd	2,099	0	96.6600	0	2,029
24	353.000	Station Equipment - Iatan	179,423	0	96.6600	0	173,430
25	355.000	Poles & Fixtures	7,130,138	0	96.6600	0	6,891,991
26	356.000	Overhead Conductors & Devices	5,366,775	0	96.6600	0	5,187,525
27	357.000	Underground Conduit	3,371	0	96.6600	0	3,258
28	358.000	Underground Conductors & Devices	26,015	0	96.6600	0	25,146
29		Total	\$ 17,289,036	\$ 0		\$ 0	\$ 16,711,581
Distribution Plant							
30	361.000	Structures & Improvements	\$ 270,403	\$ 0	99.5900	\$ 0	\$ 269,294
31	362.000	Station Equipment	14,296,502	0	99.5900	0	14,237,886
32	364.000	Poles, Towers & Fixtures	11,176,124	0	99.5900	0	11,130,302
33	365.000	Overhead Conductors & Devices	9,283,409	0	99.5900	0	9,245,347
34	366.000	Underground Conduit	1,361,486	0	99.5900	0	1,355,904
35	367.000	Underground Conductors & Devices	3,546,689	0	99.5900	0	3,532,148
36	368.000	Line Transformers - Other Equip	14,189,494	0	99.5900	0	14,131,317
37	369.100	Services-OH	1,895,748	0	99.5900	0	1,887,975
38	369.200	Services-UG	2,486,651	0	99.5900	0	2,476,456
39	370.000	Meters	4,309,335	0	99.5900	0	4,291,667
40	371.000	Installation On Customers' Premises	1,218,371	0	99.5900	0	1,213,376
41	373.000	Street Lighting & Signal Systems	1,679,449	0	99.5900	0	1,672,563
42		Total	\$ 65,713,661	\$ 0		\$ 0	\$ 65,444,235

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
	(A)		(B)	(C)	(D)	(E)	(F)
General Plant							
43	390.000	Structures & Improvements	\$ 2,175,043	\$ 0	98.2450	\$ 0	\$ 2,136,871
44	391.000	Office Furniture & Equipment	173,236	0	98.2450	0	170,196
45	391.000	Office Furn & Equip - Lake Rd	116,147	0	98.2450	0	114,109
46	391.000	Office Furn & Equip - Iatan	1,162	0	98.2450	0	1,142
47	391.011	Office Machines	21,646	0	98.2450	0	21,266
48	391.003	Gen Plant Computer Hardware	(34,494)	0	98.2450	0	(33,889)
49	391.003	Gen Plt Comp Hrdw - Lake Rd	31,668	0	98.2450	0	31,112
50	391.004	General Plant - Software	324,776	0	98.2450	0	319,076
51	391.004	Gen Plt Comp Sftw - Lake Rd	50,037	0	98.2450	0	49,159
52	391.004	Gen Plt Comp Sftw - Iatan	94,683	0	98.2450	0	93,021
53	392.002	Trans Equip - Cars	16,766	0	98.2450	0	16,472
54	392.003	Trans Equip - Light Trk	95,446	0	98.2450	0	93,771
55	392.004	Trans Equip - Medium Truck	160,740	0	98.2450	0	157,919
56	392.005	Trans Equip - Heavy Truck	821,250	0	98.2450	0	806,837
57	393.000	Stores Equipment - Elect Gen	126,900	0	98.2450	0	124,673
58	393.000	Stores Equipment - Lake Rd	188	0	98.2450	0	185
59	394.000	Tools Shop & Grg Equip - Elect	549,986	0	98.2450	0	540,334
60	394.000	Tools Shop & Grg Equip-Lake Rd	254,890	0	98.2450	0	250,417
61	395.000	Laboratory Equipment - Lake Rd	186,241	0	98.2450	0	182,972
62	395.000	Laboratory Equip - SJLP Cmmn	165,008	0	98.2450	0	162,112
63	396.002	Power Plant Equip - Long Life	267,797	0	98.2450	0	263,097
64	397.000	Communication Equipment	1,188,995	0	98.2450	0	1,168,128
65	397.000	Communications Equip - Iatan	24,412	0	98.2450	0	23,984
66	398.000	Miscellaneous Equipment	3,439	0	98.2450	0	3,379
67	399.000	Other Tangible Property	36,656	0	98.2450	0	36,013
68		Total	\$ 6,852,618	\$ 0		\$ 0	\$ 6,732,356

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)		(B)	(C)	(D)	(E)	(F)	
General Common Plant							
69	390.000	Structures & Improvements Owned	\$ 3,121,101	\$ 0	99.3700	\$ 0	\$ 3,101,438
70	391.001	Office Furn & Equip-Other	(275,186)	0	99.3700	0	(273,452)
71	391.003	Computer Hardware	63,363	0	99.3700	0	62,964
72	391.004	Computer Software	2,975	0	99.3700	0	2,956
73	391.011	Office Machines	61,806	0	99.3700	0	61,417
74	392.003	Trans Equip - Light Truck	73,659	0	99.3700	0	73,195
75	392.004	Trans Equip - Med Truck	319,466	0	99.3700	0	317,453
76	392.005	Trans Equip - Heavy Truck	106,773	0	99.3700	0	106,100
77	392.006	Trans Equip - Trailers	181,879	0	99.3700	0	180,733
78	393.000	Stores Equipment	3,154	0	99.3700	0	3,134
79	394.000	Tools Shop & Garage Equip	36,186	0	99.3700	0	35,958
80	396.002	Power Oper Equip-Long Life	160,131	0	99.3700	0	159,122
81	397.000	Communication Equipment	275,927	0	99.3700	0	274,189
82	398.000	Miscellaneous Equipment	(2,185)	0	99.3700	0	(2,171)
83		Total	\$ 4,129,049	\$ 0		\$ 0	\$ 4,103,036
UCU General Common Plant							
84	390.001	Structures & Improvements-Owned	\$ 256,977	\$ 9,249	98.2450	0 R-1	\$ 261,554
85	390.051	Structures & Improve-Leased	204,812	0	98.2450	0 R-2	201,218
86	391.001	Office Furniture and Equipment	113,762	(1,184)	98.2450	0 R-3	110,602
87	391.003	Computer Hardware	(247,327)	118,454	98.2450	0 R-4	(126,611)
88	391.004	Computer Software	159,063	643,160	98.2450	0 R-5	788,144
89	391.005	Computer System Development	297,626	237,148	98.2450	0 R-6	525,389
90	392.000	Transportation Equipment Cars	(55)	0	98.2450	0 R-7	(54)
91	392.004	Trans Equip - Medium Truck	(656)	47	98.2450	0 R-8	(598)
92	394.000	Tool Shop & Garage Equip	18,640	1,523	98.2450	0 R-9	19,809
93	395.000	Lab Equipment	446	197	98.2450	0 R-10	632
94	397.000	Communications Equipment	99,002	3,379	98.2450	0 R-11	100,584
95	398.000	Miscellaneous Equipment	21,711	(42)	98.2450	0 R-12	21,289
96		Total	\$ 924,001	\$ 1,011,931		\$ 0	\$ 1,901,958

97		Total Depreciation Reserve	\$ 195,289,230	\$ 1,011,931		\$ 0	\$ 191,921,720

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Structures & Improvements-Owned R-1 \$ 9,249

1. To adjust the reserve to writedown the reserve for corporate general plant allocated to the L&P division. (Traxler) \$ 9,249

Office Furniture and Equipment R-3 \$ (1,184)

1. To adjust the reserve to writedown the reserve for corporate general plant allocated to the L&P division. (Traxler) \$ (1,184)

Computer Hardware R-4 \$ 118,454

1. To adjust the reserve to writedown the reserve for corporate general plant allocated to the L&P division. (Traxler) \$ 118,454

Computer Software R-5 \$ 643,160

1. To adjust the reserve to writedown the reserve for corporate general plant allocated to the L&P division. (Traxler) \$ 643,160

Computer System Development R-6 \$ 237,148

1. To adjust the reserve to writedown the reserve for corporate general plant allocated to the L&P division. (Traxler) \$ 237,148

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Adjustments to Depreciation Reserve

Adj No Description		Total Co Adjustment	Mo Juris Adjustment

Trans Equip - Medium Truck	R-8	\$ 47	

1. To adjust the reserve to writedown the reserve for corporate general plant allocated to the L&P division. (Traxler)		\$ 47	

Tool Shop & Garage Equip	R-9	\$ 1,523	

1. To adjust the reserve to writedown the reserve for corporate general plant allocated to the L&P division. (Traxler)		\$ 1,523	

Lab Equipment	R-10	\$ 197	

1. To adjust the reserve to writedown the reserve for corporate general plant allocated to the L&P division. (Traxler)		\$ 197	

Communications Equipment	R-11	\$ 3,379	

1. To adjust the reserve to writedown the reserve for corporate general plant allocated to the L&P division. (Traxler)		\$ 3,379	

Miscellaneous Equipment	R-12	\$ (42)	

1. To adjust the reserve to writedown the reserve for corporate general plant allocated to the L&P division. (Traxler)		\$ (42)	

Aquila Inc. DbA Aquila Networks L & P
Case: ER-04-034A
L & P Known & Measurable through Sept. 30, 2003

Cash Working Capital

Line No	Acct Description	Test Year Expenses	Revenue Lag	Expense Lag	Net Lag (C) - (D)	Factor (Col E/365)	CWC Req (B) x (F)
(A)		(B)	(C)	(D)	(E)	(F)	(G)
Operation and Maintenance Expense							
1	Cash Vouchers	\$ 22,073,266	21.5900	44.1400	(22.5500)	(0.061781)	\$ (1,363,708)
2	Federal Income Tax Withheld	1,757,180	21.5900	16.2700	5.3200	0.014575	25,611
3	State Income Taxes Withheld	498,324	21.5900	18.4940	3.0960	0.008482	4,227
4	FICA Taxes Withheld - Employee	864,850	21.5900	16.2600	5.3300	0.014603	12,629
5	Net Payroll	8,226,502	21.5900	13.3844	8.2056	0.022481	184,940
6	Accrued Vacation	320,146	21.5900	365.0000	(343.4100)	(0.940849)	(301,209)
7	Purchased Gas	861,535	21.5900	37.6600	(16.0700)	(0.044027)	(37,931)
8	Purchased Oil	16,472	21.5900	47.3700	(25.7800)	(0.070630)	(1,163)
9	Injuries and Damages	326,921	21.5900	388.0000	(366.4100)	(1.003863)	(328,184)
10	Purchased Power	11,957,604	21.5900	45.2600	(23.6700)	(0.064849)	(775,439)
11	Lake Road - Coal & Freight	8,340,106	21.5900	29.2894	(7.6994)	(0.021094)	(175,926)
12	Iatan Fuel	5,390,930	21.5900	21.5999	(0.0099)	(0.000027)	(146)
13	Iatan Operations	4,662,654	21.5900	49.1131	(27.5231)	(0.075406)	(351,592)
14	Pension Fund Payment	8,858	21.5900	90.0000	(68.4100)	(0.187425)	(1,660)
15	Lease Payments	0	21.5900	67.3200	(45.7300)	(0.125288)	0
16	Total Operation and Maintenance Expense	\$ 65,305,348					\$ (3,109,551)
Taxes							
17	Ad Valorem/Property Taxes	\$ 3,793,992	21.5900	193.0000	(171.4100)	(0.469616)	\$ (1,781,719)
18	FICA Taxes - Employer's	864,850	21.5900	16.2689	5.3211	0.014578	12,608
19	Unemployment Taxes (FUTA & SUTA)	19,436	21.5900	109.3199	(87.7299)	(0.240356)	(4,672)
20	Corporate Franchise Taxes	2,550,995	21.5900	(78.0000)	99.5900	0.272849	696,036
21	City Franchise Taxes	2,611,675	21.5900	46.9038	(25.3138)	(0.069353)	(181,127)
22	Sales Taxes	0	4.3800	4.3800	0.0000	0.000000	0
23	Total Taxes	\$ 9,840,948					\$ (1,258,874)
24	Total Cash Working Capital Req						\$ (4,368,425)

Aquila Inc. DbA Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Income Statement

Line No	Acct Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)		(B)	(C)	(D)	(E)	(F)
Operating Revenues						
1	Sales to Retail Customers	\$ 89,051,568	\$ (849,052)	100.0000	\$ 0 S-1	\$ 88,202,516
2	Off System Sales	4,322,155	(730,562)	95.6300	0 S-2	3,434,640
3	Forfeited Discounts	279,744	0	100.0000	0 S-5	279,744
4	Miscl. Service Revenues	159,951	0	100.0000	0 S-6	159,951
5	Rent from Electric Property	143,836	0	100.0000	0 S-7	143,836
6	Other Electric Revenues	1,169,010	0	100.0000	0 S-8	1,169,010
7	Total	\$ 95,126,264	\$ (1,579,614)		\$ 0	\$ 93,389,697
Operation & Maintenance Expense						
8	500.000 Steam Oper Suprv & Eng	\$ 635,374	\$ 23,240	100.0000	\$ 0 S-9	\$ 658,614
9	501.000 Fuel	20,193,718	1,050,595	100.0000	0 S-10	21,244,313
10	502.000 Steam Expenses	2,005,173	37,762	100.0000	0 S-11	2,042,935
11	504.000 Steam Transfer	(4,766,295)	955,736	100.0000	0 S-12	(3,810,559)
12	505.000 Steam Oper Electric Expense	1,368,654	37,528	100.0000	0 S-13	1,406,182
13	506.000 Misc Other Power Expenses	1,237,082	17,152	100.0000	0 S-14	1,254,234
14	507.000 Steam Oper Exp. - Rents	22,036	0	100.0000	0 S-15	22,036
15	509.000 Allowances	538,166	(256,673)	100.0000	0 S-16	281,493
16	510.000 Steam Maint Suprv & Eng	345,295	(4,325)	100.0000	0 S-17	340,970
17	511.000 Maintenance of Structures	510,978	(22,968)	100.0000	0 S-18	488,010
18	512.000 Maintenance of Boiler Plant	3,688,868	(202,729)	100.0000	0 S-19	3,486,139
19	513.000 Maintenance of Electric Plant	740,530	(49,000)	100.0000	0 S-20	691,530
20	514.000 Maintenance of Misc Steam Plant	337,327	(6,349)	100.0000	0 S-21	330,978
21	546.000 Other Gen Oper Suprv & Eng	14,318	(178)	100.0000	0 S-22	14,140
22	547.000 Other Generation Fuel	145,617	2,872	100.0000	0 S-23	148,489
23	548.000 Other Power Generation Exp	19,212	(2,552)	100.0000	0 S-24	16,660
24	549.000 Misc Other Power Generation Exp	43,884	(2,944)	100.0000	0 S-25	40,940
25	550.000 Other Generation Rents	0	0	100.0000	0	0
26	551.000 Other Gen Maint Suprv & Eng	0	0	100.0000	0	0
27	552.000 Other Gen Maint of Structures	33,000	(1,137)	100.0000	0 S-26	31,863
28	553.000 Other Gen Maint of Gen Plant	5,048	(9,528)	100.0000	0 S-27	(4,480)
29	554.000 Other Gen Maint Misc Other Gen Plt	0	0	100.0000	0	0
30	555.001 Purchased Power-Energy (kWh)	10,666,780	(2,504,195)	100.0000	0 S-28	8,162,585
31	555.002 Purchased Power-Capacity (Demand)	7,052,000	(2,370,020)	100.0000	0 S-29	4,681,980
32	555.030 Purchased Power Resale to Others	107,151	222,202	100.0000	0 S-30	329,353
33	556.000 System Control/Load Dispatch	263,551	5,387	100.0000	0 S-31	268,938
34	557.000 Other Expenses	54,255	(8,404)	100.0000	0 S-32	45,851
35	560.000 Trans Oper Suprv & Engineering	839	4	100.0000	0 S-33	843
36	561.000 Trans Oper Load Dispatch	187,298	2,707	100.0000	0 S-34	190,005

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)			(B)	(C)	(D)	(E)	(F)
37	562.000	Trans Oper Station Expenses	41,229	1,311	100.0000	0 S-35	42,540
38	563.000	Trans Oper OH Line Expense	15,632	(426)	100.0000	0 S-36	15,206
39	564.000	Trans Oper Underground Line Exp	20	1	100.0000	0 S-37	21
40	565.000	Trans of Elect by Others	2,663,273	163,800	100.0000	0 S-38	2,827,073
41	566.000	Misc Transmission Exp	584,589	(6,370)	100.0000	0 S-39	578,219
42	567.000	Trans Oper Rents	209,903	(409)	100.0000	0 S-40	209,494
43	568.000	Trans Maint Suprv & Eng	3,821	(593)	100.0000	0 S-41	3,228
44	569.000	Trans Maint of Structures	(346)	(45)	100.0000	0 S-42	(391)
45	570.000	Trans Maint of Station Equip	278,468	(11,349)	100.0000	0 S-43	267,119
46	571.000	Trans Maint of OH Lines	103,069	(10,680)	100.0000	0 S-44	92,389
47	572.000	Trans Maint of UG Lines	7,672	(260)	100.0000	0 S-45	7,412
48	573.000	Trans Maint of Misc Trans Plant	96,280	(2,037)	100.0000	0 S-46	94,243
49	580.000	Distr Oper Suprv & Eng	287,793	9,972	100.0000	0 S-47	297,765
50	581.000	Distr Oper Load Dispatching	137,067	2,817	100.0000	0 S-48	139,884
51	582.000	Distr Oper Station Equipment	69,910	1,108	100.0000	0 S-49	71,018
52	583.000	Distr Oper OH Line Exp	94,923	2,358	100.0000	0 S-50	97,281
53	584.000	Distr Oper UG Line Exp	223,342	5,806	100.0000	0 S-51	229,148
54	585.000	Distr Oper Str Light & Signal	6,435	212	100.0000	0 S-52	6,647
55	586.000	Distr Oper Meter Expenses	345,376	8,851	100.0000	0 S-53	354,227
56	587.000	Distr Oper Cust Install Exp	759	2	100.0000	0 S-54	761
57	588.000	Distr Oper Misc Distr Exp	1,562,388	(101,623)	100.0000	0 S-55	1,460,765
58	589.000	Distr Operations Rents	6,789	(8)	100.0000	0 S-56	6,781
59	590.000	Distr Maint Suprv & Eng	312	610	100.0000	0 S-57	922
60	591.000	Distr Maint of Structures	111	153	100.0000	0 S-58	264
61	592.000	Distr Maint of Station Equip	287,702	7,950	100.0000	0 S-59	295,652
62	593.000	Distr Maint of OH Lines	1,291,558	46,157	100.0000	0 S-60	1,337,715
63	594.000	Distr Maint of UG Lines	188,086	5,395	100.0000	0 S-61	193,481
64	595.000	Distr Maint of Line Trans	101,180	4,760	100.0000	0 S-62	105,940
65	596.000	Distr Maint of Str Light&Signal	193,794	6,385	100.0000	0 S-63	200,179
66	597.000	Distr Maint of Meters	52,356	1,358	100.0000	0 S-64	53,714
67	598.000	Distr Maint of Misc Distr Plt	222,692	4,319	100.0000	0 S-65	227,011
68	901.000	Customer Accts Suprv	131,881	(1,322)	89.0780	0 S-66	116,299
69	902.000	Cust Accts Meter Reading Exp	498,154	16,210	91.7100	0 S-67	471,723
70	903.000	Cust Accts Records & Coll	927,780	138,495	91.8790	17,763 S-68	997,446
71	904.000	Uncollectible Accounts	634,955	(293,452)	89.8690	0 S-69	306,905
72	905.000	Misc Customer Accts Expense	3	0	93.0380	0 S-70	3
73	907.000	Customer Svc Supervision	88,771	1,871	90.0470	0 S-71	81,620
74	908.000	Customer Assistance Exp	0	0	90.0470	0	0
75	909.000	Information & Instruction Ads	173,181	(31,049)	94.9530	0 S-72	134,959
76	910.000	Misc Cust Accts & Info Exp	12,131	141	90.1590	0 S-73	11,064
77	911.000	Sales Supervision	12,389	1,399	89.5940	0 S-74	12,353

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)		(B)	(C)	(D)	(E)	(F)	
78	912.000	Sales Demonstration & Selling	20,355	(1,394)	100.0000	0 S-75	18,961
79	913.000	Sales Advertising Expense	55,375	(33,021)	89.3880	0 S-76	19,982
80	916.000	Misc Sales Expense	183,371	255	97.1640	0 S-77	178,418
81	920.000	Admin & General Salaries	2,612,355	(208,756)	90.4210	0 S-78	2,173,358
82	921.000	Office Supplies & Exp	3,045,111	(1,109,234)	92.0580	0 S-79	1,782,130
83	922.000	Admin Expense Transfer Credit	(421,679)	24,615	92.3980	0 S-80	(366,879)
84	923.000	Outside Services Employed	1,148,960	(188,076)	91.3190	0 S-81	877,470
85	924.000	Property Insurance	318,138	956,953	89.1400	0 S-82	1,136,616
86	925.000	Injuries and Damages	231,975	891,806	92.7300	0 S-83	1,042,082
87	926.000	Employee Pensions & Benefits	(1,228,237)	2,932,897	89.6900	2,812,040 S-84	4,340,950
88	927.000	Franchise Requirements	0	0	89.9780	0	0
89	928.000	Regulatory Commission Expense	334,181	59,203	89.9780	(54,581) S-85	299,378
90	929.000	Duplicate Charges-Credit	(210,109)	0	92.6800	0 S-86	(194,729)
91	930.100	General Advertising Exp	0	0	91.6770	0	0
92	930.200	Misc General Expense	192,337	(92,416)	91.6770	0 S-87	91,605
93	931.000	Admin & General Expense	72,522	(11,159)	90.8570	0 S-88	55,753
94	935.000	Admin & General Maint Exp	169,333	(12,418)	88.0290	0 S-89	138,131
95		Total	\$ 63,529,275	\$ 95,256		\$ 2,775,222	\$ 65,305,348
Depreciation Expense							
96	403.000	Depreciation Expense	\$ 13,336,915	\$ 0	97.8340	\$ (3,674,060) S-90	\$ 9,373,977
97	404.000	Amort. of Limited Term Plant	51,567	0	97.8340	0 S-91	50,450
98	405.000	Amortization of Other Plant	0	0	97.8340	0 S-92	0
99		Cost of Removal/Salvage	0	465,027	97.8340	0 S-93	454,955
100		Total	\$ 13,388,482	\$ 465,027		\$ (3,674,060)	\$ 9,879,382
Other Operating Expenses							
101	408.100	Taxes Other Than Income Taxes	\$ 4,877,231	\$ (113,543)	92.3740	0 S-94	\$ 4,400,409
102		Total	\$ 4,877,231	\$ (113,543)		\$ 0	\$ 4,400,409
103		Total Operating Expenses	\$ 81,794,988	\$ 446,740		\$ (898,838)	\$ 79,585,139
104		Net Income Before Taxes	\$ 13,331,276	\$ (2,026,354)		\$ 898,838	\$ 13,804,558

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
	(A)		(B)	(C)	(D)	(E)	(F)
Current Income Taxes							
105	409.000	Current Income Taxes	\$ 2,415,194	\$ 0	100.0000	\$ (482,347) S-95	\$ 1,932,847
106		Total	\$ 2,415,194	\$ 0		\$ (482,347)	\$ 1,932,847
Deferred Income Taxes							
107	410.100	Deferred Inc Taxes Util Oper	\$ 4,702,697	\$ (4,702,697)	97.8370	\$ 0 S-96	\$ 0
108	411.100	Amort. of Excess Def. Inc. Tax	(6,010,724)	5,812,497	100.0000	\$ 0 S-97	(198,227)
109	411.400	Investment Tax Credit - Amort.	(399,516)	0	97.8370	\$ 0 S-98	(390,874)
110		Total	\$ (1,707,543)	\$ 1,109,800		\$ 0	\$ (584,813)
111		Total Income Taxes	\$ 707,651	\$ 1,109,800		\$ (482,347)	\$ 1,348,034
112		Net Operating Income	\$ 12,623,625	\$ (3,136,154)		\$ 1,381,185	\$ 12,456,524

Aquila Inc. DBA Aquila Networks L & P
 Case: ER-04-034A
 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description		Total Co Adjustment	Mo Juris Adjustment

Sales to Retail Customers	S-1	\$ (849,052)	

1. To adjust test year revenues to reflect Staff's elimination of unbilled revenues. (McMellen)		\$ (220,195)	
2. To adjust test year revenues to reflect Staff's annualized weather normalization. (Pyatte/Campbell)		\$ (1,588,396)	
3. To adjust test year revenues to reflect Staff's annualization of customer growth. (McMellen)		\$ 793,716	
4. To adjust test year revenues to reflect Staff's annualization of large volume customers. (McMellen)		\$ (159,423)	
5. To adjust test year revenues to reflect billing corrections in the annualization. (Pyatte)		\$ (12,928)	
6. To adjust test year to 365 days. (Pyatte/Campbell)		\$ 338,174	

Steam Oper Suprv & Eng	S-9	\$ 23,240	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)		\$ 31,873	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)		\$ (537)	

Adj	No Description	Total Co Adjustment	No Juris Adjustment
	3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Baves)	\$ (7,797)	
	4. To adjust test year expense to reflect Staff's disallowance of advertising expenses. (Miller)	\$ (109)	
	5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (190)	

	Fuel	S-10	\$ 1,050,595

	1. To adjust test year expense to include test year costs of sales to West Plains. (Harris)	\$ 274,287	
	2. To adjust test year expense to update costs associated with off-system sales through Sept. 30, 2003. (Harris)	\$ 1,279,027	
	3. To adjust test year fuel expense to reduce Fuel cost for L&P to reflect loss interchange as a result of Joint Dispatch. (Traxler)	\$ (889,943)	
	4. To adjust test year fuel expense to reflect Staff's annualization of fuel costs. (Vesely)	\$ 387,224	

	Steam Expenses	S-11	\$ 37,762

	1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Baves)	\$ 49,990	

Adjustments to Income Statement

L & P Known & Measurable through Sept. 30, 2003

Case: ER-04-034A

Aquila Inc. Dba Aquila Networks L & P

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Williams

Aquila Inc. Dba Aquila Networks L & P
 Case: ER-04-034A
 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (12,228)	

Steam Transfer S-12	\$ 955,736	

1. To adjust test year expense to reflect the annualization of the Steam Transfer Credit. (Traxler)	\$ 955,736	

Steam Oper Electric Expense S-13	\$ 37,528	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 49,681	
2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (12,153)	

Misc Other Power Expenses S-14	\$ 17,152	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 22,707	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (1)	
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (5,554)	

Aquila Inc. Dba Aquila Networks L & P
 Case: ER-04-034A
 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

Allowances	S-16	\$ (256,673)

1. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$	(1)
2. To adjust test year expense to reflect the annualization of the emissions allowances. (Vesely)	\$	(256,672)

Steam Maint Suprv & Eng	S-17	\$ (4,325)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	14,458
2. To adjust test year expense to reflect the annualization of production maintenance expense. (Preston)	\$	(15,246)
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(3,537)

Maintenance of Structures	S-18	\$ (22,968)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	5,009
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$	(2)

Aquila Inc. Dba Aquila Networks L & P
 Case: ER-04-034A
 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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|---|-------------|--|
| 3. To adjust test year expense to reflect the annualization of production maintenance expense.
(Preston) | \$ (26,749) | |
| 4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring.
(Eaves) | \$ (1,225) | |
| 5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs.
(Hyneman) | \$ (1) | |

 Maintenance of Boiler Plant S-19 \$ (202,729)

- | | | |
|---|--------------|--|
| 1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003.
(Eaves) | \$ 38,127 | |
| 2. To adjust test year expense to reflect the annualization of production maintenance expense.
(Preston) | \$ (231,530) | |
| 3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring.
(Eaves) | \$ (9,326) | |

 Maintenance of Electric Plant S-20 \$ (49,000)

- | | | |
|--|-------------|--|
| 1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003.
(Eaves) | \$ 7,475 | |
| 2. To adjust test year expense to reflect the annualization of production maintenance expense.
(Preston) | \$ (54,646) | |

Aquila Inc. Dba Aquila Networks L & P
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 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
3.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (1,829)	

	Maintenance of Misc Steam Plant S-21	\$ (6,349)	

1.	To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 1,077	
2.	To adjust test year expense to reflect the annualization of production maintenance expense. (Preston)	\$ (7,163)	
3.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (263)	

	Other Gen Oper Suprv & Eng S-22	\$ (178)	

1.	To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 491	
2.	To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (180)	
3.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (120)	
4.	To adjust test year expense to reflect Staff's disallowance of advertising expenses. (Miller)	\$ (305)	

Aquila Inc. Dba Aquila Networks L & P
 Case: ER-04-034A
 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(64)

Other Generation Fuel S-23	\$	2,872

1. To adjust test year expense to reflect Staff's annualization of fuel costs. (Vesely)	\$	2,872

Other Power Generation Exp S-24	\$	(2,552)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	49
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$	(1,912)
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(12)
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(677)

Misc Other Power Generation Exp S-25	\$	(2,944)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	996

Adj	No Description	Total Co	Adjustment	No Juris
	2. To reflect non-labor corporate costs at August factors (CS-16A) (Hyneman)	\$	(2,729)	
	3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Baves)	\$	(244)	
	4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(967)	

	Other Gen Maint of Structures S-26	\$	(1,137)	
	1. To adjust test year expense to reflect the annualization of production maintenance expense. (Preston)	\$	(1,137)	

	Other Gen Maint of Gen Plant S-27	\$	(9,528)	
	1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Baves)	\$	47	
	2. To adjust test year expense to reflect the annualization of production maintenance expense. (Preston)	\$	(9,564)	
	3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Baves)	\$	(11)	

Adjustments to Income Statement

L & P Known & Measurable through Sept. 30, 2003

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Aquila Inc. dba Aquila Networks L & P

Aquila Inc. Dba Aquila Networks L & P
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 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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 Purchased Power-Energy (kWh) S-28 \$ (2,504,195)

1. To adjust test year purchased power expense to reflect Staff's annualization of the purchased power energy charges. (Vesely) \$ (2,504,195)

 Purchased Power-Capacity (Demand) S-29 \$ (2,370,020)

1. To adjust test year expense to annualize the demand charges. (Vesely) \$ (2,370,020)

 Purchased Power Resale to Others S-30 \$ 222,202

1. To remove corporate allocated restructuring costs (CS-10) included in per book expenses. (Hyneman) \$ (21,422)

2. To adjust test year expense to update costs associated with off-system sales through Sept. 30, 2003. (Harris) \$ 243,624

 System Control/Load Dispatch S-31 \$ 5,387

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves) \$ 12,409

2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman) \$ (2,745)

Aquila Inc. Dba Aquila Networks L & P
 Case: ER-04-034A
 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (3,035)	
4. To adjust test year expense to reflect Staff's disallowance of advertising expenses. (Miller)	\$ (270)	
5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (972)	

Other Expenses S-32	\$ (8,404)	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 1,945	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (1,530)	
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (476)	
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (542)	
5. To adjust test year expense to reflect the elimination of interest charge to this account from corporate. (Hyneman)	\$ (7,801)	

1.	To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003.	(Hymes)	\$	5,901
2.	To reflect non-labor corporate costs at August factors	(CS-16A), (Hymeman)	\$	(1,292)
3.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring.	(Hymes)	\$	(1,444)
4.	To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs.	(Hymeman)	\$	(458)

 Trans Oper Load Dispatch S-34 \$ 2,707

1.	To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003.	(Hymes)	\$	32
2.	To reflect non-labor corporate costs at August factors	(CS-16A), (Hymeman)	\$	(15)
3.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring.	(Hymes)	\$	(8)
4.	To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs.	(Hymeman)	\$	(5)

 Trans Oper Suprv & Engineering S-33 \$ 4

Adj	No Description	Adjustment	Total Co	Mo Juris	Adjustment
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Adjustments to Income Statement

L & P Known & Measurable through Sept. 30, 2003

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Aquila Inc. Dba Aquila Networks L & P

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Williams

Aquila Inc. Dba Aquila Networks L & P
Case: ER-04-034A
L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description		Total Co Adjustment	Mo Juris Adjustment

Trans Oper Station Expenses	S-35	\$ 1,311	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)		\$ 1,735	
2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)		\$ (424)	

Trans Oper OH Line Expense	S-36	\$ (426)	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)		\$ 173	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)		\$ (411)	
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)		\$ (42)	
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)		\$ (146)	

Trans Oper Underground Line Exp	S-37	\$ 1	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)		\$ 1	

Aquila Inc. Dba Aquila Networks L & P
Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj	No Description	Total Co	Adjustment	No Juris
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Trans of Elect by Others S-38 \$ 163,800

1. To adjust test year expense to reflect Staff's annualization of the NPPD capacity contract for transmission expense. (Vesely)
\$ 163,800

Misc Transmission Exp S-39 \$ (6,370)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Baves)
\$ 4,343

2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)
\$ (1,752)

3. To remove corporate allocated restructuring costs (CS-10) included in per book expenses. (Hyneman)
\$ (7,278)

4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Baves)
\$ (1,062)

5. To adjust test year expense to reflect the staff's elimination of corporate restructuring costs. (Hyneman)
\$ (621)

Trans Opers Rents S-40 \$ (409)

1. To include Aquila's adjustment (CS-16A) to per book corporate expenses. (Hyneman)
\$ (302)

Aquila Inc. Dba Aquila Networks L & P
Case: ER-04-034A
L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj	No Description	Total Co Adjustment	No Juris Adjustment
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2. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hymeman)
\$ (107)

Trans Maint Suprv & Eng S-41 \$ (593)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)
\$ 193

2. To adjust test year expense to reflect the annualization of the transmission maintenance expense. (Preston)
\$ (739)

3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)
\$ (47)

Trans Maint of Structures S-42 \$ (45)

1. To adjust test year expense to reflect the annualization of the transmission maintenance expense. (Preston)
\$ (45)

Trans Maint of Station Equip S-43 \$ (11,349)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)
\$ 8,225

2. To reflect non-labor corporate costs at August factors (CS-16A). (Hymeman)
\$ (126)

Aquila Inc. DbA Aquila Networks L & P
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L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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3. To adjust test year expense to reflect the annualization of the transmission maintenance expense. (Preston)	\$	(17,391)
4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(2,012)
5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(45)

Trans Maint of OH Lines	S-44	\$	(10,680)
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1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	90
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$	(12)
3. To adjust test year expense to reflect the annualization of the transmission maintenance expense. (Preston)	\$	(10,732)
4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(22)
5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(4)

Aquila Inc. DbA Aquila Networks L & P
 Case: ER-04-034A
 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description		Total Co Adjustment	Mo Juris Adjustment

Trans Maint of UG Lines	S-45	\$	(260)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)		\$	13
2. To adjust test year expense to reflect the annualization of the transmission maintenance expense. (Preston)		\$	(270)
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)		\$	(3)

Trans Maint of Misc Trans Plant	S-46	\$	(2,037)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)		\$	2,628
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)		\$	(973)
3. To adjust test year expense to reflect the annualization of the transmission maintenance expense. (Preston)		\$	(2,704)
4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)		\$	(643)
5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)		\$	(345)

Aquila Inc. Dba Aquila Networks L & P
 Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description
 Total Co Adjustment
 Mo Juris Adjustment

 Distr Oper Suprv & Eng S-47 \$ 9,972

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Haves)
 \$ 13,657

2. To reflect non-labor corporate costs at August factors (CS-16A). (Hymeman)
 \$ (240)

3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Haves)
 \$ (3,341)

4. To adjust test year expense to reflect Staff's disallowance of advertising expenses. (Miller)
 \$ (19)

5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hymeman)
 \$ (85)

 Distr Oper Load Dispatching S-48 \$ 2,817

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Haves)
 \$ 4,280

2. To reflect non-labor corporate costs at August factors (CS-16A). (Hymeman)
 \$ (307)

3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Haves)
 \$ (1,047)

Aquila Inc. DbA Aquila Networks L & P
 Case: ER-04-034A
 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (109)	

Distr Oper Station Equipment S-49	\$ 1,108	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 1,467	
2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (359)	

Distr Oper OH Line Exp S-50	\$ 2,358	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 3,128	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (4)	
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (765)	
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (1)	

Aquila Inc. DbA Aquila Networks L & P
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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

Distr Oper UG Line Exp	S-51	\$ 5,806

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	7,695
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$	(5)
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(1,882)
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(2)

Distr Oper Str Light & Signal	S-52	\$ 212

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	280
2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(68)

Distr Oper Meter Expenses	S-53	\$ 8,851

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	12,350

Aquila Inc. Dba Aquila Networks L & P

Case: ER-04-034A

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Adjustments to Income Statement

Adj	No Description	Total Co	Mo Juris
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2. To reflect non-labor corporate costs at August factors (CS-16A) (Hyneman) \$ (353)

3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Baves) \$ (3,021)

4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman) \$ (125)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Baves) \$ 26

Distr Oper Cust Install Exp S-54 \$ 2

2. To reflect non-labor corporate costs at August factors (CS-16A) (Hyneman) \$ (13)

3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Baves) \$ (6)

4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman) \$ (5)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Baves) \$ 28,221

Distr Oper Misc Distr Exp S-55 \$ (101,623)

Aquila Inc. dba Aquila Networks I & P
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 I & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj	No Description	Total Co Adjustment	No Juris Adjustment
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2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)
 \$ (24,642)

3. To remove corporate allocated restructuring costs (CS-10) included in per book expenses. (Hyneman)
 \$ (89,569)

4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)
 \$ (6,903)

5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)
 \$ (8,730)

Distr Operations Rents S-56 \$ (8)

1. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)
 \$ (6)

2. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)
 \$ (2)

Distr Maint Supr & Eng S-57 \$ 610

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)
 \$ 11

2. To adjust test year expense to reflect the annualization of the distribution maintenance expense. (Preston)
 \$ 602

Aquila Inc. Dba Aquila Networks L & P
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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(3)

Distr Maint of Structures S-58	\$	153

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	1
2. To adjust test year expense to reflect the annualization of the distribution maintenance expense. (Preston)	\$	152

Distr Maint of Station Equip S-59	\$	7,950

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	4,279
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$	(183)
3. To adjust test year expense to reflect the annualization of the distribution maintenance expense. (Preston)	\$	4,966
4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(1,047)
5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(65)

Aquila Inc. Dba Aquila Networks L & P
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Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment

	Distr Maint of OH Lines	S-60	\$ 46,157

1.	To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	18,142
2.	To reflect non-labor corporate costs at August factors. (CS-16A). (Hyneman)	\$	(389)
3.	To adjust test year expense to reflect the annualization of the distribution maintenance expense. (Preston)	\$	32,980
4.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(4,438)
5.	To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(138)

	Distr Maint of UG Lines	S-61	\$ 5,395

1.	To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	2,969
2.	To adjust test year expense to reflect the annualization of the distribution maintenance expense. (Preston)	\$	3,152
3.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(726)

Aquila Inc. DbA Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment

	Distr Maint of Line Trans S-62	\$ 4,760	

1.	To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 3,185	
2.	To adjust test year expense to reflect the annualization of the distribution maintenance expense. (Preston)	\$ 2,354	
3.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (779)	

	Distr Maint of Str Light&Signal S-63	\$ 6,385	

1.	To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 5,207	
2.	To adjust test year expense to reflect the annualization of the distribution maintenance expense. (Preston)	\$ 2,452	
3.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (1,274)	

	Distr Maint of Meters S-64	\$ 1,358	

1.	To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 1,342	

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (525)	
3. To adjust test year expense to reflect the annualization of the distribution maintenance expense. (Preston)	\$ 1,055	
4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (328)	
5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (186)	

Distr Maint of Misc Distr Plt S-65	\$ 4,319	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 3,368	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (1,407)	
3. To adjust test year expense to reflect the annualization of the distribution maintenance expense. (Preston)	\$ 3,680	
4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (824)	
5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (498)	

Aquila Inc. DbA Aquila Networks L & P
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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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 Customer Accts Suprv S-66 \$ (1,322)

- | | | |
|---|----|---------|
| 1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003.
(Eaves) | \$ | 4,655 |
| 2. To reflect non-labor corporate costs at August factors
(CS-16A).
(Hyneman) | \$ | (3,413) |
| 3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring.
(Eaves) | \$ | (1,139) |
| 4. To adjust test year expense to reflect Staff's disallowance of advertising expenses.
(Miller) | \$ | (216) |
| 5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs.
(Hyneman) | \$ | (1,209) |

 Cust Accts Meter Reading Exp S-67 \$ 16,210

- | | | |
|---|----|---------|
| 1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003.
(Eaves) | \$ | 21,551 |
| 2. To reflect non-labor corporate costs at August factors
(CS-16A).
(Hyneman) | \$ | (51) |
| 3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring.
(Eaves) | \$ | (5,272) |

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (18)	

Cust Accts Records & Coll S-68	\$ 138,495	\$ 17,763

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 27,352	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (40,515)	
3. To include in the cost of service interest costs associated with the sale of Accounts Receivables. (Preston)	\$ 164,781	
4. To adjust test year expense to reflect the annualization of postage expense. (Preston)	\$ 7,922	
5. To include in the cost of service the interest on customer deposits. (Preston)		\$ 17,763
6. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (6,691)	
7. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (14,354)	

Adj	No Description	Total Co	Mo Juris	Adjustment
	1. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ 11		
	2. To adjust test year expense to reflect the annualization of Bad Debt expense. (McMellen)	\$ (293,467)		
	3. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ 4		

	Customer Svc Supervision S-71	\$ 1,871		

	1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Baves)	\$ 3,938		
	2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (815)		
	3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Baves)	\$ (963)		
	4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (289)		

Adjustments to Income Statement

L & P Known & Measurable through Sept. 30, 2003

Case: ER-04-034A

Aquila Inc. dba Aquila Networks L & P

17:04 12/09/2003

Williams

Aquila Inc. Dba Aquila Networks L & P
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Adjustments to Income Statement

Adj	Description	Total Co	Mo Juris
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 Information & Instruction Ads S-72 \$ (31,049)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Baves)
 \$ 5,114

2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)
 \$ (4,169)

3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Baves)
 \$ (1,251)

4. To adjust test year expense to reflect Staff's disallowance of advertising expenses. (Miller)
 \$ (29,266)

5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)
 \$ (1,477)

 Misc Cust Accts & Info Exp S-73 \$ 141

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Baves)
 \$ 525

2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)
 \$ (189)

3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Baves)
 \$ (128)

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(67)

Sales Supervision S-74	\$	1,399

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	737
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$	622
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(180)
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$	220

Sales Demonstration & Selling S-75	\$	(1,394)

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$	736
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$	(1,440)
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(180)

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (510)	

Sales Advertising Expense S-76	\$ (33,021)	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 155	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (1,310)	
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (38)	
4. To adjust test year expense to reflect Staff's disallowance of advertising expenses. (Miller)	\$ (31,364)	
5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (464)	

Misc Sales Expense S-77	\$ 255	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 5,317	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (2,777)	

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (1,301)	
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (984)	

Admin & General Salaries S-78	\$ (208,756)	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 106,191	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (8,285)	
3. To remove corporate allocated restructuring costs (CS-10) included in per book expenses. (Hyneman)	\$ (277,751)	
4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (25,976)	
5. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (2,935)	

Office Supplies & Exp S-79	\$ (1,109,234)	

1. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (241,167)	

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
2. To remove corporate allocated restructuring costs (CS-10) included in per book expenses. (Hyneman)	\$ (5,413)	
3. To remove corporate allocated TransUCU costs (CS-56) included in per book expenses. (Hyneman)	\$ (237,971)	
4. To remove corporate allocated prior period payroll costs (CS-83) from test year expenses. (Hyneman)	\$ (499,039)	
5. To adjust test year expense to reflect the annualization of postage expense. (Preston)	\$ 1,427	
6. To adjust test year expense to eliminate the costs associated with the disallowance of Dues and Donations. (Miller)	\$ (25,637)	
7. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (85,443)	
8. To adjust test year expense to reflect the elimination of interest charge to this account from corporate. (Hyneman)	\$ (15,991)	

Admin Expense Transfer Credit S-80	\$ 24,615	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 33	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ 18,157	

Aquila Inc. Dba Aquila Networks L & P
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Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
3.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (8)	
4.	To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ 6,433	

	Outside Services Employed S-81	\$ (188,076)	

1.	To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (117,548)	
2.	To remove corporate allocated restructuring costs (CS-10) included in per book expenses. (Hyneman)	\$ (28,882)	
3.	To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (41,646)	

	Property Insurance S-82	\$ 956,953	

1.	To adjust test year expense to reflect Staff's annualization of insurance. (Miller)	\$ 956,953	

	Injuries and Damages S-83	\$ 891,806	

1.	To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (15,096)	

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
2. To adjust test year expense to reflect Staff's annualization of insurance. (Miller)	\$ 703,870	
3. To adjust test year expense to reflect Staff's annualization of Injuries and Damages costs. (Miller)	\$ 208,380	
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (5,348)	

Employee Pensions & Benefits	\$ 2,932,897	\$ 2,812,040

1. To adjust test year expense to reflect the annualization of the Employer's share of health, dental and vision expense. (Eaves)	\$ (409,559)	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (75,920)	
3. To remove corporate allocated restructuring costs (CS-10) included in per book expenses. (Hyneman)	\$ (126,426)	
4. To adjust test year expense to eliminate the costs associated with the disallowance of Dues and Donations. (Miller)	\$ (15)	
5. To adjust test year pension expense to reflect the ERISA contribution for pension cost. (Traxler)	\$ 4,144,725	
6. To adjust pension expense to reflect the amortization of the prepaid pension asset. (Traxler)		\$ 2,812,040

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
7. To adjust test year pension expense to reflect the annualization of the 2003 ESOP expense. (Eaves)	\$ (4,552)	
8. To adjust test year expense to reflect the annualization of the Employers share of health, dental and vision insurance. (Eaves)	\$ (42,091)	
9. To adjust test year expense to remove the over accrual of expense associated with the medical, dental and vision insurance. (Eaves)	\$ (354,115)	
10. To adjust test year expense to annualize the employers share of 401K expense. (Eaves)	\$ (12,755)	
11. To adjust test year pension and benefits expense to remove the corporate allocated charges for Aquila's Supplemental Executive Retirement Program (SERP). (Hyneman)	\$ (147,031)	
12. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (26,898)	
13. To adjust test year expense to reflect the annualization of 2003 OPEB costs. (Tralxer)	\$ (12,466)	

Regulatory Commission Expense S-85	\$ 59,203	\$ (54,581)

1. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ 278	
2. To adjust test year expense to reflect the annualization of the PSC assessment. (Miller)		\$ (54,581)

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
3. To adjust test year expense to reflect the annualization of rate case expense. (Miller)	\$ 58,826	
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ 99	

Misc General Expense S-87	\$ (92,416)	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)	\$ 613	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (11,724)	
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (150)	
4. To adjust test year expense to eliminate the costs associated with the disallowance of Dues and Donations. (Miller)	\$ (76,907)	
5. To adjust test year expense to reflect Staff's disallowance of advertising expenses. (Miller)	\$ (94)	
6. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (4,154)	

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Adj No Description		Total Co Adjustment	Mo Juris Adjustment

Admin & General Expense	S-88	\$ (11,159)	

1. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)		\$ (8,240)	
2. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)		\$ (2,919)	

Admin & General Maint Exp	S-89	\$ (12,418)	

1. To adjust test year expense to reflect the annualization of payroll expense at Sept. 30, 2003. (Eaves)		\$ 1,652	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)		\$ (10,091)	
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)		\$ (404)	
4. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)		\$ (3,575)	

Cost of Removal/Salvage	S-93	\$ 465,027	

1. To reflect cost of removal expenditures and salvage proceeds on an ongoing normalized level. (Featherstone)		\$ 465,027	

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Taxes Other Than Income Taxes

S-94

\$ (113,543)

- | | | |
|--|----|----------|
| 1. To adjust test year expense to reflect the annualization of property taxes.
(Miller) | \$ | (39,591) |
| 2. To adjust test year expense to reflect Staff's annualization of FICA taxes associated with annualized payroll at Sept. 30, 2003.
(Eaves) | \$ | (33,469) |
| 3. To adjust test year expense to reflect Staff's annualization of the medicare portion of FICA taxes associated with the annualized payroll at Sept. 30, 2003.
(Eaves) | \$ | (25,319) |
| 4. To adjust test year expense to reflect Staff's annualization of FUTA taxes associated with the annualized payroll at Sept. 30, 2003.
(Eaves) | \$ | (2,802) |
| 5. To adjust test year expense to reflect Staff's annualization of the MO SUTA taxes associated with annualized payroll at Sept. 30, 2003.
(Eaves) | \$ | 2,592 |
| 6. To reflect non-labor corporate costs at August factors (CS-16A).
(Hyneman) | \$ | 10,964 |
| 7. To remove corporate allocated restructuring costs (CS-10) included in per book expenses.
(Hyneman) | \$ | (29,803) |
| 8. | | |
| 9. | | |

Aquila Inc. Dba Aquila Networks L & P
 Case: ER-04-034A
 L & P Known & Measurable through Sept. 30, 2003

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
10. To adjust test year expense to reflect the Staff's elimination of corporate restructuring costs. (Hyneman)	\$ 3,885	

Deferred Inc Taxes Util Oper S-96	\$ (4,702,697)	

1. To adjust test year expense to eliminate the Deferred Inc. Taxes. (Traxler)	\$ (4,702,697)	

Amort. of Excess Def. Inc. Tax S-97	\$ 5,812,497	

1. To adjust test year expense to reflect the Staff's annualization of the Amort. of the Excess Def. Inc. Tax. (Harris)	\$ 5,690,849	

Aquila Inc. Dba Aquila Networks L & P
Case: ER-04-034A
L & P Known & Measurable through Sept. 30, 2003

Income Tax

Line	Test Year	7.97% Return	8.15% Return	8.32% Return	
(A)	(B)	(C)	(D)	(E)	

1	Net Income Before Taxes (Sch 9)	\$ 13,804,558	\$ 17,154,665	\$ 17,680,165	\$ 18,176,470

Add to Net Income Before Taxes					
2	Book Depreciation Expense	\$ 9,879,382	\$ 9,879,382	\$ 9,879,382	\$ 9,879,382
3	20 % Meals & Entertainment	100,000	100,000	100,000	100,000
4	Contributions in Aid of Construct.	0	0	0	0
5	Advances for Construction	0	0	0	0
6	Total	\$ 9,979,382	\$ 9,979,382	\$ 9,979,382	\$ 9,979,382
Subtr from Net Income Before Taxes					
7	Interest Expense 4.9200 %	\$ 8,982,959	\$ 8,982,959	\$ 8,982,959	\$ 8,982,959
8	Straight Line Tax Depreciation	9,641,289	9,641,289	9,641,289	9,641,289
9	Tax Depreciation over S/L Tax	0	0	0	0
10	Total	\$ 18,624,248	\$ 18,624,248	\$ 18,624,248	\$ 18,624,248

11	Net Taxable Income	\$ 5,159,692	\$ 8,509,799	\$ 9,035,299	\$ 9,531,604

Provision for Federal Income Tax					
12	Net Taxable Income	\$ 5,159,692	\$ 8,509,799	\$ 9,035,299	\$ 9,531,604
13	Deduct Missouri Income Tax 100.0 %	\$ 270,533	\$ 446,187	\$ 473,740	\$ 499,762
14	Deduct City Income Tax	0	0	0	0
15	Federal Taxable Income	4,889,159	8,063,612	8,561,559	9,031,842
16	Total Federal Tax	\$ 1,662,314	\$ 2,741,628	\$ 2,910,930	\$ 3,070,826
Provision for Missouri Income Tax					
17	Net Taxable Income	\$ 5,159,692	\$ 8,509,799	\$ 9,035,299	\$ 9,531,604
18	Deduct Federal Income Tax 50.0 %	\$ 831,157	\$ 1,370,814	\$ 1,455,465	\$ 1,535,413
19	Deduct City Income Tax	0	0	0	0
20	Missouri Taxable Income	4,328,535	7,138,985	7,579,834	7,996,191
21	Total Missouri Tax	\$ 270,533	\$ 446,187	\$ 473,740	\$ 499,762

Aquila Inc. DbA Aquila Networks L & P

Case: ER-04-034A

L & P Known & Measurable through Sept. 30, 2003

Income Tax

Line	Test Year	7.97% Return	8.15% Return	8.32% Return	
(A)	(B)	(C)	(D)	(E)	
Provision for City Income Tax					
22	Net Taxable Income	\$ 5,159,692	\$ 8,509,799	\$ 9,035,299	\$ 9,531,604
23	Deduct Federal Income Tax	\$ 1,662,314	\$ 2,741,628	\$ 2,910,930	\$ 3,070,826
24	Deduct Missouri Income Tax	270,533	446,187	473,740	499,762
25	City Taxable Income	3,226,845	5,321,984	5,650,629	5,961,016
26	Total City Tax	\$ 0	\$ 0	\$ 0	\$ 0
Summary of Provision for Income Tax					
27	Federal Income Tax	\$ 1,662,314	\$ 2,741,628	\$ 2,910,930	\$ 3,070,826
28	Missouri Income Tax	270,533	446,187	473,740	499,762
29	City Income Tax	0	0	0	0
30	Total	\$ 1,932,847	\$ 3,187,815	\$ 3,384,670	\$ 3,570,588
Deferred Income Taxes					
31	Deferred Investment Tax Credit	\$ 0	\$ 0	\$ 0	\$ 0
32	Deferred Repair Allowance	0	0	0	0
33	Deferred Tax Depreciation	0	0	0	0
34	Amort of Deferred Tax Depreciation	0	0	0	0
35	Amort of Repair Allowance	0	0	0	0
36	Amort of Deferred ITC	0	0	0	0
37	Deferred Unbilled	0	0	0	0
38	Total	\$ 0	\$ 0	\$ 0	\$ 0

39	Total Income Tax	\$ 1,932,847	\$ 3,187,815	\$ 3,384,670	\$ 3,570,588

Exhibit No.:
Issue: Accounting Schedules
Witness: MoPSC Auditors
Sponsoring Party: MoPSC Staff
Case Nos.: ER-2004-0034 and
HR-2004-0024
(Consolidated)
Date Prepared: December 9, 2003

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

STAFF ACCOUNTING SCHEDULES

AQUILA, INC.

d/b/a AQUILA NETWORKS-L&P (Steam)

**CASE NOS. ER-2004-0034 AND HR-2004-0024
(CONSOLIDATED)**

*Jefferson City, Missouri
December 2003*

Aquila, Inc. Dba Aquila Networks L&P - Steam
 Case: HR-04-024
 12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Revenue Requirement

Line	7.97% Return	8.15% Return	8.32% Return
(A)	(B)	(C)	(D)
1 Net Orig Cost Rate Base (Sch 2)	\$ 5,678,448	\$ 5,678,448	\$ 5,678,448
2 Rate of Return	7.97%	8.15%	8.32%

3 Net Operating Income Requirement	\$ 452,572	\$ 462,794	\$ 472,447
4 Net Income Available (Sch 9)	\$ (1,152,553)	\$ (1,152,553)	\$ (1,152,553)

5 Additional NOIBT Needed	\$ 1,605,125	\$ 1,615,347	\$ 1,625,000

6 Income Tax Requirement (Sch 11)			
7 Required Current Income Tax	\$ 97,323	\$ 104,759	\$ 111,779
8 Test Year Current Income Tax	\$ 0	\$ 0	\$ 0

9 Additional Current Tax Required	\$ 97,323	\$ 104,759	\$ 111,779

10 Required Deferred ITC	\$ 0	\$ 0	\$ 0
11 Test Year Deferred ITC	\$ 0	\$ 0	\$ 0

12 Additional Deferred ITC Required	\$ 0	\$ 0	\$ 0

13 Total Additional Tax Required	\$ 97,323	\$ 104,759	\$ 111,779

14 Gross Revenue Requirement	\$ 1,702,448	\$ 1,720,106	\$ 1,736,779

AQUILA, INC.
CASE NOS. ER-2004-0034 AND HR-2004-0024

Weighted Cost of Capital as of June 30, 2001
For Aquila, Inc. d/b/a Aquila Networks MPS And
Aquila Networks L&P

Weighted Cost of Capital Using
Common Equity Return of:

Capital Component	Percentage of Capital	Embedded Cost	8.64%	9.14%	9.64%
Common Stock Equity	35.31%	—	3.05%	3.23%	3.40%
Long-Term Debt	64.31%	7.632%	4.91%	4.91%	4.91%
Short-Term Debt	0.38%	3.37%	0.01%	0.01%	0.01%
	<u>100.00%</u>		<u>7.97%</u>	<u>8.15%</u>	<u>8.32%</u>

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Rate Base

Line Description		Amount
(A)		(B)
1	Total Plant in Service (Sch 3)	\$ 9,266,943
	Subtract from Total Plant	
2	Depreciation Reserve (Sch 6)	\$ 4,923,831

3	Net Plant in Service	\$ 4,343,112
	Add to Net Plant in Service	
4	Cash Working Capital (Sch 8)	\$ 46,731
5	Materials and Supplies-Exempt	133,193
6	Undistributed Stores	18,076
7	Prepayments	8,641
8	Steam share of Aquila prepayments	873
9	Fuel Inventory	435,787
10	Prepaid Pension Asset	1,264,154
	Subtract from Net Plant	
11	Federal Tax Offset ***** %	\$ 83,034
12	State Tax Offset ***** %	14,289
13	City Tax Offset 0.0000 %	0
14	Interest Expense Offset 14.2219 %	39,733
15	Customer Advances for Construction	0
16	Contribution in aid of Construction	0
17	Deferred Income Taxes-Depreciation	435,063

18	Total Rate Base	\$ 5,678,448
		=====

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
	(A)		(B)	(C)	(D)	(E)	(F)
Lake Road Steam Production Plant							
1	310.000	Land & Land Rights	\$ 289,246	\$ 0	8.3100	\$ 0 P-1	\$ 24,036
2	311.000	Structures & Improvements	10,897,384	0	7.2000	0 P-2	784,612
3	312.000	Boiler Plant Equipment	44,508,252	0	10.9300	0 P-3	4,864,752
4	314.000	Turbogenerator Units	12,389,730	0	0.1400	0 P-4	17,346
5	315.000	Accessory Electric Equipment	2,849,361	0	2.2000	0 P-5	62,686
6	316.000	Miscellaneous Power Plant Equipment	214,468	0	8.8700	0 P-6	19,023
7		Total	\$ 71,148,441	\$ 0		\$ 0	\$ 5,772,455
Steam Production Plant							
8	310.000	Land & Land Rights	\$ 11,524	\$ 0	100.0000	\$ 0 P-7	\$ 11,524
9	311.000	Structures & Improvements	64,204	0	100.0000	0 P-8	64,204
10	312.000	Boiler Plant Equipment	267,625	0	100.0000	0 P-9	267,625
11	315.000	Accessory Electric Equipment	270,852	0	100.0000	0 P-10	270,852
12		Total	\$ 614,205	\$ 0		\$ 0	\$ 614,205
Distribution Plant							
13	375.000	Industrial Steam - Distr. Strt&Impr	\$ 75,947	\$ 0	100.0000	\$ 0 P-11	\$ 75,947
14	376.000	Industrial Steam Mains	1,491,076	0	100.0000	0 P-12	1,491,076
15	379.000	Indust Steam-City Gate Mea/Reg	585,299	0	100.0000	0 P-13	585,299
16	380.000	Industrial Steam Services	101,492	0	100.0000	0 P-14	101,492
17	381.000	Industrial Steam Meters	290,942	0	100.0000	0 P-15	290,942
18		Total	\$ 2,544,756	\$ 0		\$ 0	\$ 2,544,756

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)		(B)	(C)	(D)	(E)	(F)	
General Plant							
19	389.000	Land & Land Rights	\$ 544,238	\$ 0	0.0000	\$ 0 P-16	\$ 0
20	390.000	Structures & Improvements	4,922,591	0	0.0000	0 P-17	0
21	391.001	Office Furniture & Equipment	323,482	0	0.0000	0 P-18	0
22	391.001	Office Furn & Equip - Lake Rd	421,426	0	8.4330	0 P-19	35,539
23	391.003	General Plant Computer Hardware	711,199	0	0.0000	0 P-20	0
24	391.003	Gen Plt-Computer Hardware - Lake Rd	379,932	0	8.4330	0 P-21	32,040
25	391.004	General Computer Software	324,776	0	0.0000	0 P-22	0
26	391.004	Gen Plt Comp Software - Lake Rd	106,199	0	8.4330	0 P-23	8,956
27	392.002	Transportation Equip. - Cars	16,766	0	8.4330	0 P-24	1,414
28	392.003	Transportation Equip. - Light Truck	120,913	0	8.4330	0 P-25	10,197
29	392.004	Transportation Equip. Med Truck	188,039	0	0.8158	0 P-26	1,534
30	392.005	Transportation Equip. - Heavy Truck	1,096,060	0	1.0790	0 P-27	11,826
31	393.000	Stores Equipment - General Electric	12,698	0	0.0000	0 P-28	0
32	393.000	Stores Equipment - Lake Road	841	0	8.4330	0 P-29	71
33	394.000	Tools/Shop & Garage Equip - Elec	1,204,869	0	0.0000	0 P-30	0
34	394.000	Tools/Shop/Garage Equip - Lake Rd	436,969	0	8.4330	0 P-31	36,850
35	395.000	Laboratory Equip - L&P Common	274,928	0	0.0000	0 P-32	0
36	395.000	Laboratory Equipment - Lake Rd	359,404	0	8.4330	0 P-33	30,309
37	396.000	Power Operated Equip-Lake Rd	999,703	0	8.4330	0 P-34	84,305
38	397.000	Communication Equipment - Common	1,819,483	0	0.0000	0 P-35	0
39	397.000	Communication Equip - Lake Rd	111,190	0	8.4330	0 P-36	9,377
40	398.000	Miscellaneous Equipment - Gen Elect	73,879	0	0.0000	0 P-37	0
41	398.001	Misc Equipment - Lake Rd	10,234	0	8.4330	0 P-38	863
42		Total	\$ 14,459,819	\$ 0		\$ 0	\$ 263,281

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
	(A)		(B)	(C)	(D)	(E)	(F)
L&P Common General Plant							
43	389.000	Land and Land Rights	\$ 213,180	\$ 0	0.6300	\$ 0 P-39	\$ 1,343
44	390.001	Structures and Improvements	6,021,911	0	0.6300	0 P-40	37,938
45	391.001	Office Furniture and Equipment	38,137	0	0.6300	0 P-41	240
46	391.003	Computer Hardware	176,852	0	0.6300	0 P-42	1,114
47	391.004	Computer Software	2,937	0	0.6300	0 P-43	19
48	391.011	Office Machines	137,041	0	0.6300	0 P-44	863
49	392.003	Transportation Equip - Light Truck	211,612	0	0.6300	0 P-46	1,333
50	392.004	Transportation Equip - Medium Truck	343,361	0	0.6300	0 P-47	2,163
51	392.005	Transportation Equip - Heavy Truck	229,662	0	0.6300	0 P-48	1,447
52	396.006	Transportation Equip - Trailers	180,150	0	0.6300	0 P-49	1,135
53	393.000	Stores Equipment	5,253	0	0.6300	0 P-50	33
54	394.000	Tools, Shop & Garage Equipment	72,513	0	0.6300	0 P-51	457
55	396.002	Power Operated Equip - Long Life	348,908	0	0.6300	0 P-53	2,198
56	397.000	Communications Equipment	667,873	0	0.6300	0 P-54	4,208
57	398.000	Miscellaneous Equipment	20,762	0	0.6300	0 P-55	131
58		Total	\$ 8,670,152	\$ 0		\$ 0	\$ 54,622
L&P Portion of Aquila Common Plant							
59	391.001	Office Furniture & Equipment	\$ 896	\$ 0	100.0000	\$ 0 P-56	\$ 896
60	391.003	Computer Hardware	1,893	0	100.0000	0 P-57	1,893
61	391.004	Computer Software	10,835	0	100.0000	0 P-58	10,835
62	397.000	Communications Equipment	4,000	0	100.0000	0 P-59	4,000
63		Total	\$ 17,624	\$ 0		\$ 0	\$ 17,624
64		Total Plant In Service	\$ 97,454,997	\$ 0		\$ 0	\$ 9,266,943

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Adjustments to Total Plant

Adj	Total Co	Mo Juris
No Description	Adjustment	Adjustment

Aquila, Inc. DbA Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
	(A)		(B)	(C)	(D)
Lake Road Steam Production Plant					
1	310.000	Land & Land Rights	\$ 24,036	0.0000	\$ 0
2	311.000	Structures & Improvements	784,612	2.2200	17,418
3	312.000	Boiler Plant Equipment	4,864,752	4.7600	231,562
4	314.000	Turbogenerator Units	17,346	4.5500	789
5	315.000	Accessory Electric Equipment	62,686	2.6300	1,649
6	316.000	Miscellaneous Power Plant Equipment	19,023	2.8600	544
7		Total	\$ 5,772,455		\$ 251,962
Steam Production Plant					
8	310.000	Land & Land Rights	\$ 11,524	0.0000	\$ 0
9	311.000	Structures & Improvements	64,204	2.2200	1,425
10	312.000	Boiler Plant Equipment	267,625	2.2200	5,941
11	315.000	Accessory Electric Equipment	270,852	2.6300	7,123
12		Total	\$ 614,205		\$ 14,489
Distribution Plant					
13	375.000	Industrial Steam - Distr. Strt&Impr	\$ 75,947	2.2200	\$ 1,686
14	376.000	Industrial Steam Mains	1,491,076	2.2700	33,847
15	379.000	Indust Steam-City Gate Mea/Reg	585,299	2.2700	13,286
16	380.000	Industrial Steam Services	101,492	2.2700	2,304
17	381.000	Industrial Steam Meters	290,942	4.0000	11,638
18		Total	\$ 2,544,756		\$ 62,761

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
(A)			(B)	(C)	(D)
General Plant					
19	389.000	Land & Land Rights	\$ 0	0.0000	\$ 0
20	390.000	Structures & Improvements	0	2.2200	0
21	391.001	Office Furniture & Equipment	0	4.5500	0
22	391.001	Office Furn & Equip - Lake Rd	35,539	4.5500	1,617
23	391.003	General Plant Computer Hardware	0	14.2900	0
24	391.003	Gen Plt-Computer Hardware - Lake Rd	32,040	14.2900	4,579
25	391.004	General Computer Software	0	14.2900	0
26	391.004	Gen Plt Comp Software - Lake Rd	8,956	14.2900	1,280
27	392.002	Transportation Equip. - Cars	1,414	0.0000	0
28	392.003	Transportation Equip. - Light Truck	10,197	0.0000	0
29	392.004	Transportation Equip. Med Truck	1,534	0.0000	0
30	392.005	Transportation Equip. - Heavy Truck	11,826	0.0000	0
31	393.000	Stores Equipment - General Electric	0	3.7000	0
32	393.000	Stores Equipment - Lake Road	71	3.7000	3
33	394.000	Tools/Shop & Garage Equip - Elec	0	3.7000	0
34	394.000	Tools/Shop/Garage Equip - Lake Rd	36,850	3.7000	1,363
35	395.000	Laboratory Equip - L&P Common	0	3.4500	0
36	395.000	Laboratory Equipment - Lake Rd	30,309	3.4500	1,046
37	396.000	Power Operated Equip-Lake Rd	84,305	0.0000	0
38	397.000	Communication Equipment - Common	0	3.4500	0
39	397.000	Communication Equip - Lake Rd	9,377	3.4500	324
40	398.000	Miscellaneous Equipment - Gen Elect	0	4.3500	0
41	398.001	Miscl Equipment - Lake Rd	863	4.3500	38
42		Total	\$ 263,281		\$ 10,250

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
	(A)		(B)	(C)	(D)
L&P Common General Plant					
43	389.000	Land and Land Rights	\$ 1,343	0.0000	\$ 0
44	390.001	Structures and Improvements	37,938	2.2200	842
45	391.001	Office Furniture and Equipment	240	4.5500	11
46	391.003	Computer Hardware	1,114	14.2900	159
47	391.004	Computer Software	19	14.2900	3
48	391.011	Office Machines	863	14.2900	123
49	392.003	Transportation Equip - Light Truck	1,333	0.0000	0
50	392.004	Transportation Equip - Medium Truck	2,163	0.0000	0
51	392.005	Tranportation Equip - Heavy Truck	1,447	0.0000	0
52	396.006	Transportation Equip - Trailers	1,135	0.0000	0
53	393.000	Stores Equipment	33	3.7000	1
54	394.000	Tools, Shop & Garage Equipment	457	3.7000	17
55	396.002	Power Operated Equip - Long Life	2,198	0.0000	0
56	397.000	Communications Equipment	4,208	3.4500	145
57	398.000	Miscellaneous Equipment	131	4.3500	6
58		Total	\$ 54,622		\$ 1,307
L&P Portion of Aquila Common Plant					
59	391.001	Office Furniture & Equipment	\$ 896	4.5500	\$ 41
60	391.003	Computer Hardware	1,893	14.2900	271
61	391.004	Computer Software	10,835	14.2900	1,548
62	397.000	Communications Equipment	4,000	3.4500	138
63		Total	\$ 17,624		\$ 1,998
64		Total Depreciation Expense	\$ 9,266,943		\$ 342,767

Aquila, Inc. DbA Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)			(B)	(C)	(D)	(E)	(F)
Lake Road Steam Production							
1	311.000	Structures & Improvements Lake Rd	\$ 4,508,558	\$ 0	7.2000	\$ 0 R-1	\$ 324,616
2	312.000	Boiler Plant Equipment - Lake Rd	26,898,333	0	10.9300	0 R-2	2,939,988
3	314.000	Turbogenerator Units	8,005,311	0	0.1400	0 R-3	11,207
4	315.000	Accessory Electric Equip - Lake Rd	2,482,636	0	2.2000	0 R-4	54,618
5	316.000	Miscel Power Plant Equip - Lake Rd	172,291	0	8.8700	0 R-5	15,282
6		Total	\$ 42,067,129	\$ 0		\$ 0	\$ 3,345,711
Steam Production Plant							
7	311.000	Structures & Improvements	\$ (15,651)	\$ 0	100.0000	\$ 0 R-6	\$ (15,651)
8	312.000	Boiler Plant Equipment	59,864	0	100.0000	0 R-7	59,864
9	315.000	Accessory Electric Equipment	140,005	0	100.0000	0 R-8	140,005
10		Total	\$ 184,218	\$ 0		\$ 0	\$ 184,218
Distribution Plant							
11	375.000	Industrial Steam - Distr. Str&Impr	\$ 27,924	\$ 0	100.0000	\$ 0 R-9	\$ 27,924
12	376.000	Industrial Steam Mains	750,804	0	100.0000	0 R-10	750,804
13	379.000	Industrial Steam-City Gate Mea/Reg	284,290	0	100.0000	0 R-11	284,290
14	380.000	Industrial Steam Services	76,467	0	100.0000	0 R-12	76,467
15	381.000	Industrial Steam Meters	127,076	0	100.0000	0 R-13	127,076
16		Total	\$ 1,266,561	\$ 0		\$ 0	\$ 1,266,561

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
	(A)		(B)	(C)	(D)	(E)	(F)
General Plant							
17	390.000	Structures & Improvements	\$ 2,175,043	\$ 0	0.0000	\$ 0 R-14	\$ 0
18	391.001	Office Furniture & Equipment	116,147	0	0.0000	0 R-15	0
19	391.001	Office Furniture & Equip - Lake Rd	116,147	0	8.4330	0 R-16	9,795
20	391.003	General Plant Computer Hardware	(34,494)	0	0.0000	0 R-17	0
21	391.003	Gen Plt Computer Hardware - Lake Rd	31,668	0	8.4330	0 R-18	2,671
22	391.004	General Computer Software	324,776	0	0.0000	0 R-19	0
23	391.004	Gen Plt Computer Software - Lake Rd	50,037	0	8.4330	0 R-20	4,220
24	392.000	Transportation Equipment - Cars	16,766	0	8.4330	0 R-21	1,414
25	392.003	Transportation Equip - Light Truck	95,446	0	8.4330	0 R-22	8,049
26	392.004	Transprotation Equip - Med Truck	160,740	0	0.8158	0 R-23	1,311
27	392.005	Transportation Equip. - Heavy Truck	821,250	0	1.0790	0 R-24	8,861
28	393.000	Stores Equipment - General Electric	126,900	0	0.0000	0 R-25	0
29	393.000	Stores Equipment - Lake Rd	188	0	8.4330	0 R-26	16
30	394.000	Tools/Shop & Garage Equip-Elect	549,986	0	0.0000	0 R-27	0
31	394.000	Tools/Shop & Garage Equip-Lake Rd	254,890	0	8.4330	0 R-28	21,495
32	395.000	Laboratory Equipment-L&P Common	165,008	0	0.0000	0 R-29	0
33	395.000	Laboratory Equip - Lake Rd	186,241	0	8.4330	0 R-30	15,706
34	396.000	Power Operated Equip-Lake Rd	267,797	0	8.4330	0 R-31	22,583
35	397.000	Communication Equipment - Common	1,188,995	0	0.0000	0 R-32	0
36	398.001	Miscl Equipment - Lake Rd	3,439	0	8.4330	0 R-33	290
37	398.000	Miscellaneous Equipment - Gen Elect	36,656	0	0.0000	0 R-34	0
38		Total	\$ 6,653,626	\$ 0		\$ 0	\$ 96,411

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)		(B)	(C)	(D)	(E)	(F)	
L&P Common General Plant							
39	390.001	Structures & Improvements	\$ 3,121,101	\$ 0	0.6300	\$ 0 R-35	\$ 19,663
40	391.001	Office Furniture & Equipment	(275,186)	0	0.6300	0 R-36	(1,734)
41	391.003	Computer Hardware	63,363	0	0.6300	0 R-37	399
42	391.004	Computer Software	2,975	0	0.6300	0 R-38	19
43	391.011	Office Machines	61,806	0	0.6300	0 R-39	389
44	392.001	Transportation Equip - Light Trucks	73,659	0	0.6300	0 R-40	464
45	392.004	Transportation Equip - Med Trucks	319,466	0	0.6300	0 R-41	2,013
46	392.005	Transportation Equip - Heavy Trucks	106,773	0	0.6300	0 R-42	673
47	392.006	Transportation Equip - Trailers	181,879	0	0.6300	0 R-43	1,146
48	393.000	Stores Equipment	3,154	0	0.6300	0 R-44	20
49	394.000	tools, Shop & Garage Equipment	36,186	0	0.6300	0 R-45	228
50	396.002	Power Operated Equip - Long Life	160,131	0	0.6300	0 R-46	1,009
51	397.000	Communications Equipment	275,927	0	0.6300	0 R-47	1,738
52	398.000	Miscellaneous Equipment	(2,185)	0	0.6300	0 R-48	(14)
53		Total	\$ 4,129,049	\$ 0		\$ 0	\$ 26,013
L&P Portion Of Aquila Common Plant							
54	391.001	Office Furniture & Equipment	\$ 125	\$ 0	100.0000	\$ 0 R-49	\$ 125
55	391.003	Computer Hardware	841	0	100.0000	0 R-50	841
56	391.004	Computer Software	2,275	1,359	100.0000	0 R-51	3,634
57	397.000	Communications Equipment	317	0	100.0000	0 R-52	317
58		Total	\$ 3,558	\$ 1,359		\$ 0	\$ 4,917
59		Total Depreciation Reserve	\$ 54,304,141	\$ 1,359		\$ 0	\$ 4,923,831

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Computer Software	R-51	\$ 1,359
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1. To adjust depreciation reserve to reflect the write-off of general plant. (Traxler)		\$ 1,359
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Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Cash Working Capital

Line No	Acct Description	Test Year Expenses	Revenue Lag	Expense Lag	Net Lag (C) - (D)	Factor (Col E/365)	CWC Req (B) x (F)
(A)		(B)	(C)	(D)	(E)	(F)	(G)
Operation and Maintenance Expense							
1	Cash Vouchers	\$ 2,667,387	41.0054	44.1400	(3.1346)	(0.008588)	\$ (22,908)
2	Federal Income Taxes Withheld	71,334	41.0054	16.2733	24.7321	0.067759	4,834
3	State Income Taxes Withheld	20,230	41.0054	18.4940	22.5114	0.061675	1,248
4	FICA Taxes Withheld - Employee	35,109	41.0054	16.2689	24.7365	0.067771	2,379
5	Net Payroll	333,962	41.0054	13.3844	27.6210	0.075674	25,272
6	Accrued Vacation	12,997	41.0054	365.0000	(323.9946)	(0.887656)	(11,537)
7	Purchased Gas	2,523,726	41.0054	37.6600	3.3454	0.009165	23,130
8	Purchased Oil	0	41.0054	47.3700	(6.3646)	(0.017437)	0
9	Injuries & Damages	3,843	41.0054	388.0000	(346.9946)	(0.950670)	(3,653)
10	Purchased Power	0	41.0054	45.2600	(4.2546)	(0.011656)	0
11	Lake Road - Coal & Freight	1,908,162	41.0054	25.0000	16.0054	0.043850	83,673
12		0	41.0054	0.0000	41.0054	0.112344	0
13		0	41.0054	0.0000	41.0054	0.112344	0
14	Pension Fund Payment	1,018	41.0054	90.0000	(48.9946)	(0.134232)	(137)
15	Lease Payments	0	41.0054	67.3200	(26.3146)	(0.072095)	0
16	Total Operation and Maintenance Expense	\$ 7,577,768					\$ 102,301
Taxes							
17	Ad Valorem/Property Taxes	\$ 154,027	41.0054	193.0000	(151.9946)	(0.416424)	\$ (64,141)
18	FICA Taxes - Employer's	35,109	41.0054	16.2689	24.7365	0.067771	2,379
19	Unemployment Taxes (FUTA & SUTA)	789	41.0054	87.7299	(46.7245)	(0.128012)	(101)
20	Corporate Franchise Taxes	0	41.0054	(78.0000)	119.0054	0.326042	0
21	City Franchise Taxes	76,874	41.0054	46.9038	(5.8984)	(0.016160)	(1,242)
22	Sales Taxes and Use Taxes	75,088	41.0054	4.3800	36.6254	0.100344	7,535
23	Total Taxes	\$ 341,887					\$ (55,570)
24	Total Cash Working Capital Req						\$ 46,731

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
	(A)		(B)	(C)	(D)	(E)	(F)
Operating Revenues							
1	456.000	Industrial Sales	\$ 6,641,575	\$ 282,899	100.0000	\$ 0 S-1	\$ 6,924,474
2	450.000	Forfeited Discounts	7,438	0	100.0000	0 S-2	7,438
3		Rent From Steam Property	0	0	100.0000	0 S-3	0
4	495.000	Other Steam Revenues	0	0	100.0000	0 S-4	0
5		Total	\$ 6,649,013	\$ 282,899		\$ 0	\$ 6,931,912

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)		(B)	(C)	(D)	(E)	(F)	
Operation & Maintenance Expense							
6	730.100	Steam Expense Transfer - Fuel	\$ 3,827,696	\$ 1,403,337	100.0000	\$ 0 S-5	\$ 5,231,033
7	730.200	Steam Expense Transfer - Operations	752,947	955,736	100.0000	0 S-6	1,708,683
8	730.300	Steam Expense Transfer - Maint	59,674	0	100.0000	0 S-7	59,674
9	760.100	Operation Supervision & Engineering	125,979	0	100.0000	0 S-8	125,979
10	761.000	Mains/Services	0	0	100.0000	0 S-9	0
11	765.000	Maint Supervision & Engineering	0	0	100.0000	0 S-10	0
12	767.000	Maintenance of Lines	0	0	100.0000	0 S-11	0
13	768.000	Maintenance of Meters	0	0	100.0000	0 S-12	0
14	901.000	Supervision - Customer Accounts	131,881	(1,322)	0.0000	0 S-13	0
15	902.000	Meter Reading Expense	498,154	16,210	0.0000	0 S-14	0
16	903.000	Customer Records & Collections	927,780	(8,315)	0.0000	0 S-15	0
17	904.000	Uncollectible Accounts	634,955	15	0.0000	0 S-16	0
18	905.000	Misc Customer Accts Expense	3	0	0.0000	0 S-17	0
19	907.000	Supervision - Customer Services	88,771	1,871	0.0000	0 S-18	0
20	909.000	Information & Instructional Adver	173,181	(31,049)	0.0000	0 S-19	0
21	910.000	Misc Customer Serv & Info Expense	12,131	141	0.0000	0 S-20	0
22	911.000	Supervision - Sales	12,389	1,399	0.0000	0 S-21	0
23	912.000	Demonstration/Selling Expenses	20,355	(1,394)	0.0000	0 S-22	0
24	913.000	Advertising Expenses	55,375	(33,021)	0.0000	0 S-23	0
25	916.000	Miscellaneous Sales Expense	183,371	255	0.0000	0 S-24	0
26	920.000	Administrative/General Salaries	2,612,355	(208,756)	2.6300	0 S-25	63,215
27	921.000	Office Supplies & Expenses	3,045,111	(1,109,234)	2.3500	0 S-26	45,493
28	922.000	Admin Expense Transferred-Credit	(421,679)	24,615	3.3400	0 S-27	(13,262)
29	923.000	Outside Services	1,148,960	(188,076)	2.9300	0 S-28	28,154
30	924.000	Property Insurance	318,138	956,953	10.8600	0 S-29	138,475
31	925.000	Injuries & Damages	231,975	891,806	1.0800	0 S-30	12,137
32	926.000	Employee Pension/Benefits	(1,228,237)	3,342,456	2.6400	111,341 S-31	167,156
33	927.000	Franchise Requirements	0	0	3.0200	0 S-32	0
34	928.000	Regulatory Commission Expense	334,181	(58,449)	3.0200	1,023 S-33	9,350
35	929.000	Duplicate Charges - Credit	(210,109)	0	7.3200	0 S-34	(15,380)
36	930.100	General Advertising Expenses	0	0	2.1600	0 S-35	0
37	930.200	Miscellaneous General Expenses	192,337	(92,416)	2.1600	0 S-36	2,158
38	931.000	Rents - General	72,522	(11,159)	2.7300	0 S-37	1,675
39	935.000	Maintenance of General Plant	169,333	(12,418)	8.4300	0 S-38	13,228
40		Total	\$ 13,769,529	\$ 5,839,185		\$ 112,364	\$ 7,577,768

Income Statement

Line	No	Acct	Description	Total	Company	Adjustment	Total Co	Alloc	Factor	Adjustment	Adjusted	Jurisdictional
				(A)	(B)	(C)	(D)	(E)	(F)			
41			Depreciation Expense	\$ 13,336,915	\$ 0	0	0	0.6300	\$ 258,744	S-39	\$ 342,767	
42			404,000 Amortization of Limited Term Plant	51,567	0	0	0.6300	0	\$ 0	S-40	325	
43			404,300 Amortization of Limited Term Plant	3,634	0	0	0.6300	0	\$ 0	S-41	23	
44			405,000 Amortization of Other Plant	2,247	24,382	0	0.6300	0	\$ 0	S-42	168	
45			Cost of Removal/Salvage	0	0	0	0.6300	0	\$ 0	S-43	0	
46			Total	\$ 13,394,363	\$ 24,382				\$ 258,744		\$ 343,283	
47			Other Operating Expenses	\$ 4,877,231	\$ (289,083)				\$ 3,7500	S-44	\$ 172,056	
48			Total	\$ 4,877,231	\$ (289,083)				\$ 0		\$ 172,056	
49			Total Operating Expenses	\$ 32,041,123	\$ 5,574,484				\$ 371,108		\$ 8,093,107	
50			Net Income Before Taxes	\$ (25,392,110)	\$ (5,291,585)				\$ (371,108)		\$ (1,161,195)	
51			Current Income Taxes	\$ 2,415,194	\$ 0				\$ 5,0000	S-45	\$ 0	
52			Total	\$ 2,415,194	\$ 0				\$ (120,760)		\$ 0	
53			Deferred Income Taxes	\$ 4,702,697	\$ 0				\$ 2,1630	S-46	\$ 0	
54			411,100 Amort. of Excess Deferred Inc Taxes	(6,010,724)	6,010,724	100,0000	0	0	\$ 0	S-47	0	
55			411,400 Investment Tax Credit	(399,516)	0	2,1630	0	0	\$ 0	S-48	(8,642)	
56			Total	\$ (1,707,543)	\$ 6,010,724				\$ (101,719)		\$ (8,642)	
57			Total Income Taxes	\$ 707,651	\$ 6,010,724				\$ (222,479)		\$ (8,642)	
58			Net Operating Income	\$ (26,099,761)	\$ (11,302,309)				\$ (148,629)		\$ (1,152,553)	

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Industrial Sales	S-1	\$ 282,899
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1. To adjust test year revenue to reflect the annualization of rate switching. (Pyatte)	\$ 438,998
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2. To adjust test year revenue to reflect the large customer annualization. (Pyatte)	\$ (156,099)
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Steam Expense Transfer - Fuel	S-5	\$ 1,403,337
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1. To adjust test year expense to reflect the Staff's annualization of the fuel expense transfer to Steam expenses. (Vesely)	\$ 1,403,337
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Steam Expense Transfer - Operations	S-6	\$ 955,736
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1. To adjust test year expense to reflect the annualization of the steam transfer credit from L&P Elect. (Traxler)	\$ 955,736
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Supervision - Customer Accounts	S-13	\$ (1,322)
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1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves)	\$ 4,655
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2. To adjust test year expense to reflect the disallowance of advertising expenses. (Miller)	\$ (216)
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Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (1,139)	
4. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (1,209)	
5. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (3,413)	

Meter Reading Expense S-14	\$ 16,210	

1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves)	\$ 21,551	
2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (5,272)	
3. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (18)	
4. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (51)	

Customer Records & Collections S-15	\$ (8,315)	

1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves)	\$ 27,352	

Aquila, Inc. Dba Aquila Networks L&P - Steam

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12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
2. To include in the cost of service interest costs associated with the sale of accounts receivables. (Preston)	\$ 17,971	
3. To adjust test year expense to reflect the annualization of postage expense. (Preston)	\$ 7,922	
4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (6,691)	
5. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (14,354)	
6. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (40,515)	

Uncollectible Accounts S-16	\$ 15	

1. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ 4	
2. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ 11	

Supervision - Customer Services S-18	\$ 1,871	

1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves)	\$ 3,938	

Aquila, Inc. Dba Aquila Networks L&P - Steam
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 12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (963)	
3. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (289)	
4. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (815)	

Information & Instructional Adver S-19	\$ (31,049)	

1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves)	\$ 5,114	
2. To adjust test year expense to reflect the disallowance of advertising expenses. (Miller)	\$ (29,266)	
3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (1,251)	
4. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (1,477)	
5. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (4,169)	

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12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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 Misc'l Customer Serv & Info Expense S-20 \$ 141

- 1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves) \$ 525
- 2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves) \$ (128)
- 3. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman) \$ (67)
- 4. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman) \$ (189)

 Supervision - Sales S-21 \$ 1,399

- 1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves) \$ 737
- 2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves) \$ (180)
- 3. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman) \$ 220
- 4. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman) \$ 622

Adj	No Description	Total Co	Adjustment	No Juris
	1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003.	\$ 736		
	2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring.	\$ (180)		
	3. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs.	\$ (510)		
	4. To reflect non-labor corporate costs at August factors (CS-16A).	\$ (1,440)		
***** Demonstration/Selling Expenses S-22 \$ (1,394) *****				
	1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003.	\$ 155		
	2. To adjust test year expense to reflect the disallowance of advertising expenses.	\$ (31,364)		
	3. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring.	\$ (38)		
	4. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs.	\$ (464)		
***** Advertising Expenses S-23 \$ (33,021) *****				

Adjustments to Income Statement

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Case: HR-04-024

Aquila, Inc. Dba Aquila Networks LEP - Steam

17:15 12/09/2003

Williams

Aquila, Inc. Dba Aquila Networks L&P - Steam

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12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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5. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$	(1,310)
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Miscellaneous Sales Expense	S-24	\$	255
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1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves)	\$	5,317
2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(1,301)
3. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(984)
4. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$	(2,777)

Administrative/General Salaries	S-25	\$	(208,756)
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1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves)	\$	106,191
2. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$	(25,976)
3. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$	(2,935)

Aquila, Inc. Dba Aquila Networks L&P - Steam

Case: HR-04-024

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
4. To remove corporate allocated restructuring costs (CS-10) included in per book expense. (Hyneman)	\$ (277,751)	
5. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (8,285)	

Office Supplies & Expenses	S-26	\$ (1,109,234)

1. To adjust test year expense to reflect the annualization of postage expense. (Preston)	\$ 1,427	
2. To adjust test year expense to reselect the disallowance of Dues and Donations expense. (Miller)	\$ (25,637)	
3. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (85,443)	
4. To adjust test year expense to eliminate interest charged to this account by corporate. (Hyneman)	\$ (15,991)	
5. To remove corporate allocated restructuring costs (CS-10) included in per book expense. (Hyneman)	\$ (5,413)	
6. To remove corporate allocated TransUCU costs (CS-56) included in per book expense. (Hyneman)	\$ (237,971)	
7. To remove corporate allocated prior period payroll cost (CS-83) from test year expense. (Hyneman)	\$ (499,039)	

			(Hyneman)
			(CS-16A)
3.	To reflect non-labor corporate costs at August factors	\$	(117,548)
			(Hyneman)
			included in per book expense.
2.	To remove corporate allocated restructuring costs (CS-10)	\$	(28,882)
			(Hyneman)
			of corporate restructuring costs.
1.	To adjust test year expense to reflect Staff's elimination	\$	(41,646)

	Outside Services	\$	(188,076)

			(Hyneman)
			(CS-16A)
4.	To reflect non-labor corporate costs at August factors	\$	18,157
			(Hyneman)
			of corporate restructuring costs.
3.	To adjust test year expense to reflect Staff's elimination	\$	6,433
			(Haves)
			associated with the corporate financial restructuring.
2.	To adjust test year payroll expense to remove cost	\$	(8)
			(Haves)
			payroll at Sept. 30, 2003.
1.	To adjust test year expense to reflect the annualization of	\$	33

	Admin Expense Transferred-Credit	\$	24,615

			(Hyneman)
			(CS-16A)
8.	To reflect non-labor corporate costs at August factors	\$	(241,167)

Adj	No Description	Adjustment	Total Co	Adjustment	No Juris
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Adjustments to Income Statement

12 Mo's Ended 12-31-2002 - Updated For Known & Meas 9-30-03

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Aquila, Inc. Dba Aquila Networks LP - Steam

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Williams

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Adjustments to Income Statement

Adj No Description		Total Co Adjustment	Mo Juris Adjustment

Property Insurance	S-29	\$ 956,953	

1. To adjust test year expense to reflect the annualization of Insurance premiums. (Miller)		\$ 956,953	

Injuries & Damages	S-30	\$ 891,806	

1. To adjust test year expense to annualize the Injuries and Damages costs. (Miller)		\$ 208,380	
2. To adjust test year expense to reflect the annualization of Insurance premiums. (Miller)		\$ 703,870	
3. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)		\$ (5,348)	
4. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)		\$ (15,096)	

Employee Pension/Benefits	S-31	\$ 3,342,456	\$ 111,341

1. To adjust test year expense to reflect the annualization of the employer's share of health, dental and vision expense. (Eaves)		\$ (42,091)	
2. To adjust test year expense to reffect the disallowance of Dues and Donations expense. (Miller)		\$ (15)	

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
3. To adjust test year pesion expense to reflect the ERISA contribution for pension cost. (Traxler)	\$ 4,144,725	
4. To adjust test year expense to reflect the amortization of the prepaid pension assets. (Traxler)		\$ 111,341
5. To adjust test year expense to reflect the annualization of the employer ESOP expense. (Eaves)	\$ (4,552)	
6. To adjust test year expense to reflect the annualization of the employer's share of 401K Expense. (Eaves)	\$ (12,755)	
7. To adjust test year expense to remove the over accrual of medical, dental and vision insurance expense. (Eaves)	\$ (354,115)	
8. To adjust test year pensions and benefits expense to remove the corporate allocated charges for Aquila's Supplemental Executive Retirement Program (SERP). (Hyneman)	\$ (147,031)	
9. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (26,898)	
10. To remove corporate allocated restructuring costs (CS-10) included in per book expense. (Hyneman)	\$ (126,426)	
11. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (75,920)	
12. To adjust test year expense to reflect the annualization of 2003 OPEB costs. (Traxler)	\$ (12,466)	

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

Regulatory Commission Expense S-33	\$ (58,449)	\$ 1,023

1. To adjust test year expense to reflect the annulaization of the PSC assessment. (Miller)		\$ 1,023
2. To adjust test year expense to reflect the annualizationo of the rate case expense. (Miller)	\$ (58,826)	
3. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ 99	
4. To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ 278	

Miscellaneous General Expenses S-36	\$ (92,416)	

1. To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves)	\$ 613	
2. To adjust test year expense to refelect the disallowance of Dues and Donations expense. (Miller)	\$ (76,907)	
3. To adjust test year expense to reflect the disallowance of advertising expenses. (Miller)	\$ (94)	
4. To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (150)	

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Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
5.	To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (4,154)	
6.	To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (11,724)	

	Rents - General S-37	\$ (11,159)	

1.	To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (2,919)	
2.	To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (8,240)	

	Maintenance of General Plant S-38	\$ (12,418)	

1.	To adjust test year expense to reflect the annualization of payroll at Sept. 30, 2003. (Eaves)	\$ 1,652	
2.	To adjust test year payroll expense to remove cost associated with the corporate financial restructuring. (Eaves)	\$ (404)	
3.	To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)	\$ (3,575)	
4.	To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ (10,091)	

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Adjustments to Income Statement

Adj No Description		Total Co Adjustment	Mo Juris Adjustment

Amortization of Other Plant	S-42	\$ 24,382	

1. To reflect cost of removal expenditures and salvage proceeds on an ongoing normalized level. (Featherstone)		\$ 24,382	

Taxes Other Than Income Taxes	S-44	\$ (289,083)	

1. To adjust test year expense to reflect the annualization of FICA taxes associated with the annualized payroll at Sept. 30, 2003. (Eaves)		\$ (53,343)	
2. To adjust test year expense to reflect the annulaization of the Medicare portion of FICA taxes associated with annualized payroll at Sept. 30, 2003. (Eaves)		\$ (26,466)	
3. To adjust test expense to reflect the annualization of FUTA taxes associated with the annualized payroll at Sept. 30, 2003. (Eaves)		\$ (2,802)	
4. To adjust test year expense to reflect the annualization of MO SUTA taxes associated with annualized payroll at Sept. 30, 2003. (Eaves)		\$ 2,592	
5. To adjust test year expense to reflect the annualization of property taxes. (Miller)		\$ (194,110)	
6. To adjust test year expense to reflect Staff's elimination of corporate restructuring costs. (Hyneman)		\$ 3,885	

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Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
7.	To reflect non-labor corporate costs at August factors (CS-16A). (Hyneman)	\$ 10,964	
8.	To adjust test year expense to reflect Company adjustment CS-10. (Hyneman)	\$ (29,803)	

	Amort. of Excess Deferred Inc Taxes S-47	\$ 6,010,724	

1.	To adjust test year expense to reflect Staff's annualization of the Amort. of Excess Deferred Inc. Taxes. (Harris)	\$ 6,010,724	

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Income Tax

Line	Test Year	7.97% Return	8.15% Return	8.32% Return	
(A)	(B)	(C)	(D)	(E)	
1	Net Income Before Taxes (Sch 9)	\$ (1,161,195)	\$ 541,253	\$ 558,911	\$ 575,584

Add to Net Income Before Taxes					
2	Book Depreciation Expense	\$ 343,283	\$ 343,283	\$ 343,283	\$ 343,283
3	Total	\$ 343,283	\$ 343,283	\$ 343,283	\$ 343,283
Subtr from Net Income Before Taxes					
4	Interest Expense 4.9200 %	\$ 279,380	\$ 279,380	\$ 279,380	\$ 279,380
5	Straight Line Tax Depreciation	335,010	335,010	335,010	335,010
6	Tax Depreciation Over St/Line Tax	0	0	0	0
7	Total	\$ 614,390	\$ 614,390	\$ 614,390	\$ 614,390

8	Net Taxable Income	\$ (1,432,302)	\$ 270,146	\$ 287,804	\$ 304,477

Provision for Federal Income Tax					
9	Net Taxable Income	\$ (1,432,302)	\$ 270,146	\$ 287,804	\$ 304,477
10	Deduct Missouri Income Tax 100.0 %	\$ 0	\$ 14,289	\$ 15,189	\$ 16,038
11	Deduct City Income Tax	0	0	0	0
12	Federal Taxable Income	(1,432,302)	255,857	272,615	288,439
13	Total Federal Tax	\$ 0	\$ 83,034	\$ 89,570	\$ 95,741
Provision for Missouri Income Tax					
14	Net Taxable Income	\$ (1,432,302)	\$ 270,146	\$ 287,804	\$ 304,477
15	Deduct Federal Income Tax 50.0 %	\$ 0	\$ 41,517	\$ 44,785	\$ 47,871
16	Deduct City Income Tax	0	0	0	0
17	Missouri Taxable Income	(1,432,302)	228,629	243,019	256,607
18	Total Missouri Tax	\$ 0	\$ 14,289	\$ 15,189	\$ 16,038

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Case: HR-04-024

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Income Tax

Line	Test Year	7.97% Return	8.15% Return	8.32% Return	
(A)	(B)	(C)	(D)	(E)	
Provision for City Income Tax					
19	Net Taxable Income	\$ (1,432,302)	\$ 270,146	\$ 287,804	\$ 304,477
20	Deduct Federal Income Tax	\$ 0	\$ 83,034	\$ 89,570	\$ 95,741
21	Deduct Missouri Income Tax	0	14,289	15,189	16,038
22	City Taxable Income	(1,432,302)	172,823	183,045	192,698
23	Total City Tax	\$ 0	\$ 0	\$ 0	\$ 0
Summary of Provision for Income Tax					
24	Federal Income Tax	\$ 0	\$ 83,034	\$ 89,570	\$ 95,741
25	Missouri Income Tax	0	14,289	15,189	16,038
26	City Income Tax	0	0	0	0
27	Total	\$ 0	\$ 97,323	\$ 104,759	\$ 111,779
Deferred Income Taxes					
28	Deferred Investment Tax Credit	\$ 0	\$ 0	\$ 0	\$ 0
29	Deferred Repair Allowance	0	0	0	0
30	Deferred Tax Depreciation	0	0	0	0
31	Amort of Deferred Tax Depreciation	0	0	0	0
32	Amort of Repair Allowance	0	0	0	0
33	Amort of Deferred ITC	0	0	0	0
34	Deferred Unbilled	0	0	0	0
35	Total	\$ 0	\$ 0	\$ 0	\$ 0
36	Total Income Tax	\$ 0	\$ 97,323	\$ 104,759	\$ 111,779