

**Test Year Operating Revenues at Present Rates vs Proposed Rates
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Joseph

Case No. WR-2010-XXXX
Schedule CAS-14-SJO
Page 8 of 9

Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	Private Fire Service:							
3								
4	Private Fire Hydrant	57	\$582.00	\$33,349	751.68	\$43,071	\$9,722	29.15%
5								
6	2"	9	83.40	751	107.76	970	219	29.16%
7								
8	3"	1	143.28	143	185.04	185	42	29.37%
9								
10	4"	84	227.40	19,102	293.64	24,666	5,564	29.13%
11								
12	6"	160	466.44	74,630	602.40	96,384	21,754	29.15%
13								
14	8"	101	802.44	81,046	1,036.32	104,668	23,622	29.15%
15								
16	10"	18	1,233.48	22,203	1,593.00	28,674	6,471	29.14%
17								
18	12"	11	1,758.84	19,347	2,271.48	24,986	5,639	29.15%
19								
20	FAL's and Credits			22		28	6	28.79%
21								
22	Total	<u>441</u>		<u>\$250,593</u>		<u>\$323,632</u>	<u>\$73,039</u>	<u>29.15%</u>
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	<u>3,063</u>	0.00	<u>0</u>	0.00	<u>0</u>	<u>0</u>	<u>0.00%</u>
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

**Overall Revenue Requirement Summary
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Louis

Case No. WR-2010-XXXX
Schedule CAS-2-SLM
Page 1 of 1

Line No.			
1			
2			
3			
4	Description	Schedule	Amount
5			
6	Rate Base	CAS-3-SLM	\$558,201,866
7			
8	Operating Income at Present Rates	CAS-8-SLM	28,773,642
9			
10	Earned Rate of return		5.15%
11			
12	Requested Rate of Return	Chao Testimony	8.91%
13			
14	Required Operating Income		49,735,786
15			
16	Operating Income Deficiency		20,962,144
17			
18	Gross Revenue Conversion Factor		1.63920
19			
20	Revenue Deficiency		34,361,146
21			
22	Adjusted Operating Revenues	CAS-8-SLM	159,575,013
23			
24	Total Revenue Requirement		\$193,936,159
25			
26			
27			
28	Gross Revenue Conversion Factor		
29	Revenue		\$1,000,000
30	Uncollectibles	0.98370%	9,837
31	PSC Assessment	0.00000%	0,000
32	Before Tax Amount		990,163
33	State Income Taxes	5.21327%	51,620
34	Federal Income Taxes	33.17536%	328,490
35	Total Taxes and Expenses		<u>389,947</u>
36	Net Amount		<u>\$610,053</u>
37			
38	Conversion Factor		<u>1.63920</u>
39			
40			

Rate Base Summary
Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2010-XXXX
 Schedule CAS-3-SLM
 Page 1 of 1

Line #	Rate Base Component	Supporting Reference	Per Books 06/30/09	Adjustments	Pro Forma Rate Base
1					
2					
3					
4					
5	Utility Plant in Service	CAS-4-SLM	\$1,038,386,879	\$61,804,509	\$1,100,191,388
6					
7	Accumulated Provision for Depreciation	CAS-5-SLM	(275,269,988)	(17,111,441)	(292,381,429)
8					
9	Accumulated Amortization	W/P's	0	0	0
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	0	0
12					
13	Net Utility Plant		<u>763,116,891</u>	<u>44,693,068</u>	<u>807,809,959</u>
14					
15					
16	Less:				
17	Customer Advances	CAS-6-SLM	59,970,905	(4,166,967)	55,803,938
18	Contributions in Aid of Construction	CAS-8-SLM	123,875,275	5,093,723	128,968,998
19	Accumulated Deferred ITC (3%)	W/P's	0	0	0
20	Deferred Income Taxes	W/P's	74,344,307	5,734,382	80,078,689
21	Pension Liability	W/P's	4,312,939	(4,063)	4,308,876
22					
23					
24	Subtotal		<u>262,503,426</u>	<u>6,657,075</u>	<u>269,160,501</u>
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-SLM	12,825,000	0	12,825,000
29	Materials and Supplies	W/P's	3,013,124	0	3,013,124
30	Prepayments	W/P's	1,081,555	0	1,081,555
31	OPEB's Contributed to External Fund	W/P's	474,977	(79,230)	395,747
32	Pension/OPEB Tracker	W/P's	1,408,056	(127,486)	1,280,570
33	Regulatory Deferrals	W/P's	1,264,932	(308,520)	956,412
34					
35	Subtotal		<u>20,067,644</u>	<u>(515,236)</u>	<u>19,552,408</u>
36					
37	Total Original Cost Rate Base		<u>\$520,681,109</u>	<u>\$37,520,757</u>	<u>\$558,201,866</u>
38					
39					
40					

Utility Plant in Service
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2010-XXXX
 Schedule CAS-4-SLM
 Page 1 of 2

Line #	Acct No	Account Description	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma UPIS
2		<u>Intangible Plant</u>			
3	301	Organization	\$22,997	\$155,471	\$178,468
4	302	Franchise & Consents	12,572	0	12,572
5	303	Miscellaneous Intangible Plant Studies	571,987	1,954,445	2,526,433
6		Subtotal	<u>607,557</u>	<u>2,109,916</u>	<u>2,717,474</u>
7		<u>Source of Supply Plant</u>			
8	310	Land & Land Rights	96,668	0	96,668
9	311	Structures & Improvements	6,167,032	0	6,167,032
10	312	Collection & Impound Reservoirs	0	0	0
11	313	Lake, River, & Other Intakes	0	0	0
12	314	Wells & Springs	0	0	0
13	316	Supply Mains	5,950,265	0	5,950,265
14		Subtotal	<u>12,213,964</u>	<u>0</u>	<u>12,213,964</u>
15		<u>Pumping Plant</u>			
16	320	Pumping Land & Land Rights	285,782	0	285,782
17	321	Pumping Structures & Improvements	10,659,503	0	10,659,503
18	322	Boiler Plant Equipment	0	0	0
19	323	Force Mains	1,291,786	0	1,291,786
20	324	Steam Pumping Equipment	0	0	0
21	325	Electric Pumping Equipment	36,459,567	0	36,459,567
22	326	Diesel Pumping Equipment	1,910,353	0	1,910,353
23	327	Pump Equip Hydraulic	79,415	0	79,415
24	328	Other Pumping Equipment	737,419	0	737,419
25		Subtotal	<u>51,423,825</u>	<u>0</u>	<u>51,423,825</u>
26		<u>Treatment Plant</u>			
27	330	Water Treatment Land & land Rights	1,869,492	0	1,869,492
28	331	Water Treatment Structures & Improvements	54,233,927	6,222,099	60,456,026
29	332	Water Treatment Equipment	59,281,201	1,818,387	61,099,588
30	332.4	Water Treatment Equipment - Filter Plant	1,296,153	0	1,296,153
31		Subtotal	<u>116,680,772</u>	<u>8,040,486</u>	<u>124,721,259</u>
32		<u>Transmission & Distribution Plant</u>			
33	340	Transmission & Distribution Land	4,316,764	(12,651)	4,304,113
34	341	Transmission & Distribution Structures & Improvements	6,125,249	4,096	6,129,345
35	342	Distribution Reservoirs & Standpipes	14,081,597	144,980	14,226,578
36	343	Transmission & Distribution Mains Conv	17,041,274	33,334,413	50,375,687
37	343.1	Transmission & Distribution Mains < 4"	4,416,130	0	4,416,130
38	343.2	Transmission & Distribution Mains 6" - 8"	393,542,186	963,123	394,505,309
39	343.3	Transmission & Distribution Mains > 10"	266,340,003	191,641	266,531,644
40		Subtotal	<u>705,863,203</u>	<u>34,625,603</u>	<u>740,488,806</u>

Utility Plant In Service
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2010-XXXX
 Schedule CAS-4-SLM
 Page 2 of 2

Line #	Acct No	Account Description	Bal Fwd	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma UPIS
2		<u>Transmission & Distribution Plant</u>		705,863,203	34,625,603	740,488,806
3	344	Fire mains		318,709	0	318,709
4	345	Services		6,476,692	233,908	6,710,600
5	346.1	Meters - Bronze Case		6,530,243	6,367,240	12,897,482
6	346.2	Meters - Plastic Case		95	0	95
7	346.3	Meters - Not Class By Type		41,140,259	0	41,140,259
8	347	Meter Installation		16,843,265	0	16,843,265
9	348	Hydrants		47,398,437	915,141	48,313,578
10	349	Other Transmission & Distribution Plant		0	0	0
11		Subtotal		<u>824,570,904</u>	<u>42,141,891</u>	<u>866,712,795</u>
12		<u>General Plant</u>				
13	389	General Land & Land Rights		0	0	0
14	390	Stores Shops Equipment Structures		2,879,656	78,983	2,958,639
15	390.1	Office Structures		3,559,585	0	3,559,585
16	390	General Structures - HVAC		199,918	0	199,918
17	390.3	Miscellaneous Structures		1,487,858	0	1,487,858
18	391	Office Furniture and Equipment		1,358,090	259,016	1,617,106
19	391.2	Computers & Peripheral Equipment		3,890,740	2,122,827	6,013,567
20	391.25	Computer Software		2,497,908	5,088,760	7,586,668
21	391.26	Personal Computer Software		108,590	95,588	204,178
22	391.3	Other Office Equipment		183,584	0	183,584
23	392.11	Transportation Equipment - Light Trucks		115,803	14,246	130,049
24	392.12	Transportation Equipment - Heavy Trucks		3,644,217	0	3,644,217
25	392.2	Transportation Equipment - Cars		787,706	1,321,009	2,108,715
26	392.3	Transportation Equipment - Other		353,480	0	353,480
27	393	Stores Equipment		209,028	0	209,028
28	394	Tools, Shop, & Garage Equipment		5,276,440	255,215	5,531,656
29	395	Laboratory Equipment		1,446,827	0	1,446,827
30	396	Power Operated Equipemnt		913,426	0	913,426
31	397	Communication Equipment (non telephone)		2,148,868	239,393	2,388,262
32	397.2	Telephone Equipment		80,652	28,397	109,049
33	398	Miscellaneous Equipment		867,796	8,780	876,576
34	399	Other Tangable Property		879,685	0	879,685
35		Subtotal		<u>32,669,856</u>	<u>9,512,215</u>	<u>42,402,071</u>
36						
37		Total Plant in Service		<u>#####</u>	<u>\$61,804,509</u>	<u>#####</u>
38						
39						
40						

**Accumulated Depreciation and Amortization
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Louis

Case No. WR-2010-XXXX
Schedule CAS-5-SLM
Page 1 of 2

Line #	Acct No	Account Description	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma Reserve
2		<u>Intangible Plant</u>			
3	301	Organization	(\$25,007)	(\$0)	(\$25,007)
4	302	Franchise & Consents	0	0	0
5	303	Miscellaneous Intangible Plant Studies	306,586	195,875	502,461
6		Subtotal	<u>281,579</u>	<u>195,875</u>	<u>477,454</u>
7		<u>Source of Supply Plant</u>			
8	310	Land & Land Rights	0	0	0
9	311	Structures & Improvements	3,083,288	113,319	3,196,607
10	312	Collection & Impound Reservoirs	0	0	0
11	313	Lake, River, & Other Intakes	0	0	0
12	314	Wells & Springs	0	0	0
13	316	Supply Mains	3,290,858	71,402	3,362,270
14		Subtotal	<u>6,374,156</u>	<u>184,721</u>	<u>6,558,877</u>
15		<u>Pumping Plant</u>			
16	320	Pumping Land & Land Rights	0	0	0
17	321	Pumping Structures & Improvements	3,841,866	138,306	3,980,172
18	322	Boiler Plant Equipment	0	0	0
19	323	Force Mains	92,893	19,377	112,270
20	324	Steam Pumping Equipment	0	0	0
21	325	Electric Pumping Equipment	16,511,108	667,209	17,178,317
22	326	Diesel Pumping Equipment	1,347,136	34,959	1,382,095
23	327	Pump Equip Hydraulic	2,118	1,453	3,571
24	328	Other Pumping Equipment	45,524	13,496	59,020
25		Subtotal	<u>21,840,645</u>	<u>874,800</u>	<u>22,715,445</u>
26		<u>Treatment Plant</u>			
27	330	Water Treatment Land & Land Rights	0	0	0
28	331	Water Treatment Structures & Improvements	21,779,670	404,454	22,184,124
29	332	Water Treatment Equipment	24,370,683	1,167,092	25,537,775
30	332.4	Water Treatment Equipment - Filter Plant	(28,299)	27,025	(1,274)
31		Subtotal	<u>46,122,055</u>	<u>1,598,570</u>	<u>47,720,625</u>
32		<u>Transmission & Distribution Plant</u>			
33	340	Transmission & Distribution Land	(1)	(0)	(1)
34	341	Transmission & Distribution Structures & Improvements	3,359,031	122,977	3,482,008
35	342	Distribution Reservoirs & Standpipes	7,026,035	232,250	7,258,285
36	343	Transmission & Distribution Mains Conv	6,157,075	(1,618,955)	4,538,120
37	343.1	Transmission & Distribution Mains < 4"	988,602	37,518	1,026,120
38	343.2	Transmission & Distribution Mains 6" - 8"	89,441,328	4,166,951	93,608,279
39	343.3	Transmission & Distribution Mains > 10"	48,854,053	2,979,553	51,833,606
40		Subtotal	<u>155,826,122</u>	<u>5,920,295</u>	<u>161,746,417</u>

Accumulated Depreciation and Amortization
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Louis

Case No. WR-2010-XXXX
Schedule CAS-6-SLM
Page 2 of 2

Line #	Acct No	Account Description	Bal Fwd	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Transmission & Distribution Plant</u>		155,826,122	5,920,295	161,746,417
2						
3	344	Fire mains		43,194	3,585	46,779
4	345	Services		1,879,871	141,008	2,020,879
5	346.1	Meters - Bronze Case		574,279	(130,976)	443,303
6	346.2	Meters - Plastic Case		3	2	5
7	346.3	Meters - Not Class By Type		7,962,758	749,783	8,712,541
8	347	Meter Installation		6,668,136	306,969	6,975,105
9	348	Hydrants		14,087,211	645,273	14,732,484
10	349	Other Transmission & Distribution Plant		(2,677)	0	(2,677)
11		Subtotal		<u>187,038,896</u>	<u>7,635,940</u>	<u>194,674,836</u>
12		<u>General Plant</u>				
13	389	General Land & Land Rights		0	0	0
14	390	Stores Shops Equipment Structures		59,351	54,325	113,676
15	390.1	Office Structures		818,930	(59,929)	759,001
16	390	General Structures - HVAC		8,715	3,599	12,314
17	390.3	Miscellaneous Structures		320,715	26,781	347,496
18	391	Office Furniture and Equipment		632,638	99,338	731,976
19	391.2	Computers & Peripheral Equipment		947,185	958,265	1,905,450
20	391.25	Computer Software		1,079,071	4,668,037	5,747,108
21	391.26	Personal Computer Software		44,857	73,128	117,985
22	391.3	Other Office Equipment		89,941	5,630	95,571
23	392.11	Transportation Equipment - Light Trucks		102,677	44,837	147,514
24	392.12	Transportation Equipment - Heavy Trucks		3,646,435	241,258	3,887,693
25	392.2	Transportation Equipment - Cars		401,312	30,184	431,496
26	392.3	Transportation Equipment - Other		6,914	0	6,914
27	393	Stores Equipment		(316,273)	6,736	(309,537)
28	394	Tools, Shop, & Garage Equipment		2,956,976	200,654	3,157,630
29	395	Laboratory Equipment		898,657	43,406	942,063
30	396	Power Operated Equipemnt		668,678	46,722	715,400
31	397	Communication Equipment (non telephone)		699,080	87,796	786,876
32	397.2	Telephone Equipment		32,729	21,139	53,868
33	398	Miscellaneous Equipment		184,912	36,642	221,554
34	399	Other Tangable Property		329,156	32,988	362,144
35		Subtotal		<u>13,612,657</u>	<u>6,621,535</u>	<u>20,234,192</u>
36						
37		Total Plant in Service		<u>\$275,269,988</u>	<u>\$17,111,441</u>	<u>\$292,381,429</u>

**Customer Advances and Contributions in Aid of Construction
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Louis

Case No. WR-2010-XXXX
Schedule CAS-6-SLM
Page 1 of 1

Line #	Acct No	Account Description	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma Balance
1					
2					
3		<u>Customer Advances</u>			
4	252.11	Advances for Construction - Mains	7,232,890	1,153,160	8,386,050
5		Advances for Construction - Extensions	45,660,867	(5,161,936)	40,498,931
6		Advances for Construction - Services	0	0	0
7		Advances for Construction - Hydrants	143,607	0	143,607
8		Advances for Construction - WIP	159,091	(159,091)	0
9	252.71	Advances for Construction - Taxable Extensions	6,774,449	900	6,775,349
10		Total Customer Advances	<u>59,970,905</u>	<u>(4,166,967)</u>	<u>55,803,938</u>
11					
12					
13					
14					
15		<u>Contributions in Aid of Construction</u>			
16	271.11	Contributions in Aid - NT Mains	115,309,092	1,427,569	116,736,661
17	271.12	Contributions in Aid - NT Extension Deposit	300	5,355,284	5,355,584
18	271.21	Contributions in Aid - NT Services	23,406	15,770	39,176
19	271.30	Contributions in Aid - NT Meters	4,307,113	19,146	4,326,259
20		Contributions in Aid - NT Hydrants	4,558,012	0	4,558,012
21		Contributions in Aid - NT Other	1,620,745	0	1,620,745
22		Contributions in Aid - WIP	1,082,877	0	1,082,877
23	271.71	Contributions in Aid - Taxable Mains	21,686,346	0	21,686,346
24	271.12	Contributions in Aid - Taxable Extension Deposit	2,840,939	(900)	2,840,039
25	271.27	Contributions in Aid - Taxable Services	1,221,041	0	1,221,041
26	271.37	Contributions in Aid - Taxable Meters	258,172	0	258,172
27	271.47	Contributions in Aid - Taxable Hydrants	0	113,611	113,611
28		Contributions in Aid - Taxable WIP	22,376	(22,376)	0
29		Contributions in Aid - Tax Services SIT	0	0	0
30	Various	Accumulated Amortization - CIAC	(22,264,375)	(1,814,381)	(24,078,756)
31	Various	Accumulated Amortization - CIAC Taxable	<u>(6,790,769)</u>	<u>0</u>	<u>(6,790,769)</u>
32		Total Contributions in Aid of Construction	<u>123,875,275</u>	<u>5,093,723</u>	<u>128,968,998</u>
33					
34					
35					
36					
37					
38					
39					
40					

Working Capital
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Louis Metro

Case No. WR-2010-XXXX
Schedule CAS-7-SLM
Page 1 of 1

Line #	Expense Category	Proforma Expense	Average Daily Expense	Revenue Lag	Expense (Lead)/Lag	Net (Lead)/Lag	Cash Requirement
1							
2							
3							
4	Base Payroll	13,869,445	37,998	70.39	13.64	56.75	2,156,413
5	Tax Withholding	6,589,981	18,055	70.39	15.50	54.89	991,025
6	Fuel and Power	6,649,395	18,218	70.39	28.04	42.35	771,539
7	Chemicals	9,415,122	25,795	70.39	15.58	54.81	1,413,772
8	Purchased Water	199,977	548	70.39	0.00	70.39	38,565
9	Service Company Charges	23,039,220	63,121	70.39	(10.98)	81.37	5,135,877
10	Group Insurance	3,330,889	9,126	70.39	(9.38)	79.77	727,928
11	OPEB's	1,048,875	2,874	70.39	(1.39)	71.78	206,269
12	Pensions	4,386,737	12,018	70.39	(1.39)	71.78	862,685
13	ESOP	0	0	70.39	(1.39)	71.78	0
14	Insurance Other than Group	3,659,106	10,025	70.39	(32.94)	103.33	1,035,850
15	Uncollectables	1,520,872	4,167	70.39	62.08	8.31	34,626
16	Rents	238,787	654	70.39	(4.00)	74.39	48,668
17	401(k)	520,118	1,425	70.39	17.50	52.89	75,367
18	Other O&M	16,398,038	44,926	70.39	21.08	49.31	2,215,435
19	Total O&M Expenses	<u>90,866,561</u>					<u>15,714,019</u>
20							
21	Depreciation Amortization Expense	21,077,496	57,747	70.39	70.39	0.00	0
22	Property Taxes	9,070,481	24,851	70.39	178.77	(108.38)	(2,693,280)
23	Public Service Commission Fee	1,334,526	3,656	70.39	(45.00)	115.39	421,893
24	Franchise and Environment Tax	410,724	1,125	70.39	29.63	40.76	45,872
25	FICA Taxes	21,562	59	70.39	10.73	59.66	3,524
26	FUTA Taxes	1,342,617	3,678	70.39	0.71	69.68	256,328
27	SUTA Taxes	60,688	166	70.39	2.76	67.63	11,244
28	Federal Income Tax - Current	(895,523)	(2,453)	70.39	29.64	40.75	(89,980)
29	State Income Tax - Current	(140,725)	(386)	70.39	29.64	40.75	(15,711)
30	Deferred Income Taxes	7,752,463	21,240	70.39	70.39	0.00	0
31	Interest Expense	14,676,659	40,210	70.39	91.00	(20.61)	(828,729)
32	Preferred Dividends	137,185	376	70.39	45.00	25.39	9,541
33	Total Working Capital Requirement	<u>145,714,695</u>					<u>12,824,721</u>
34							
35	Total Cash and Working Capital Requirement Used						<u>12,825,000</u>
36							
37							
38							
39	All Lead/Lags are based on internal study.						
40							

**Statement of Income Per Books and Pro Forma
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Louis

Case No. WR-2010-XXXX
Schedule CAS-8-SLM
Page 1 of 1

Line #		Schedule Reference	Test year Ended 6/30/09	Adjustments	Pro Forma Present Rates	Adjustments	Pro Forma Proposed Rates
1							
2							
3							
4							
5							
6	Operating Revenues	CAS-9-SLM	\$143,423,674	\$16,151,339	\$159,575,013	\$34,361,146	\$193,936,159
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-SLM	85,421,753	5,444,808	90,866,561	338,011	91,204,572
10	Depreciation Expense	CAS-10-SLM	14,137,499	6,654,249	20,791,748		20,791,748
11	Amortization Expense	CAS-10-SLM	285,748	0	285,748		285,748
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-SLM	8,490,488	579,993	9,070,481		9,070,481
15	Payroll Taxes	CAS-10-SLM	1,500,132	(75,265)	1,424,867		1,424,867
16	PSC Fees	CAS-10-SLM	1,008,777	325,749	1,334,526	0	1,334,526
17	Other	CAS-10-SLM	390,720	20,004	410,724		410,724
18							
19	Utility Operating Income Before Income Taxes		32,188,557	3,201,800	35,390,357	34,023,135	69,413,492
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-SLM	(8,322,799)	7,444,234	(878,565)	11,287,298	10,408,733
23	State Income Tax	CAS-12-SLM	(1,178,245)	1,040,185	(138,060)	1,773,718	1,635,658
24	Deferred Income Taxes		16,164,670	(8,412,207)	7,752,463	0	7,752,463
25	Amortization of Investment Tax Credit		(119,123)		(119,123)		(119,123)
26							
27	Utility Operating Income		\$25,644,054	\$3,129,588	\$28,773,642	\$20,962,119	\$49,735,761
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

Adjustment to Revenues Per Books and Pro Forma

For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2010-XXXX
 Schedule CAS-9-SLM
 Page 1 of 1

Line #	Test year Ending 06/30/09	Eliminate Unbilled Revenue	Bill Analysis And Other Adjustments	Bill Analysis at Rates	Normalizaton & Annual Adjustments	Other Adjustments	Pro Forma Present Rate Revenue
1							
2							
3							
4							
5	Sales of Water						
6	Metered Sales						
7	\$121,738,419	(2,561,539)	(\$1,191,047)	117,985,833	\$3,632,446	\$15,030,992	\$136,649,271
8	2,285,443	(53,743)	(11,707)	2,219,993		\$198,396	2,418,389
9	0			0		0	0
10	2,081,860		5,802	2,087,662		\$46,996	2,134,658
11	5,821,279	(80,350)	(129,088)	5,611,842		\$316,418	5,928,260
12	63,023		(1,164)	61,859		\$84,180	146,039
13	746,951			746,951		19,746	766,698
14	Miscellaneous			0			0
15	<u>Total Metered Sales</u>	<u>(2,695,632)</u>	<u>(1,327,203)</u>	<u>128,714,141</u>	<u>3,632,446</u>	<u>15,696,727</u>	<u>148,043,315</u>
16							
17							
18	<u>Sewer Service</u>	<u>(932)</u>	<u>0</u>	<u>932</u>	<u>0</u>	<u>0</u>	<u>0</u>
19							
20	Fire Service						
21	(Private/Public Fire Service)						
22	9,227,871	0	(80)	9,227,791		844,148	10,071,939
23	<u>Total Fire Service</u>	<u>0</u>	<u>(80)</u>	<u>9,227,791</u>	<u>0</u>	<u>844,148</u>	<u>10,071,939</u>
24							
25	<u>Total Sales of Water</u>	<u>(2,695,632)</u>	<u>(1,326,351)</u>	<u>137,941,932</u>	<u>3,632,446</u>	<u>16,540,876</u>	<u>158,115,254</u>
26							
27	Other Operating Revenues						
28	Reconnect Charges			247,383			247,383
29	Returned Check Charge			34,242			34,242
30	Application Fee			0			0
31	Miscellaneous Other Revenue			621,863			621,863
32	Rents from Water Property			410,948			410,948
33	Miscellaneous Unmetered Sales			145,323			145,323
34	<u>Total Other Operating Revenues</u>	<u>0</u>	<u>0</u>	<u>1,459,759</u>	<u>0</u>	<u>0</u>	<u>1,459,759</u>
35							
36							
37	<u>Total Operating Revenues</u>	<u>(\$2,695,632)</u>	<u>(\$1,326,351)</u>	<u>\$139,401,691</u>	<u>\$3,632,446</u>	<u>\$16,540,876</u>	<u>\$159,575,013</u>
38							
39							
40							

Summary of Operations and Maintenance Expenses and General Taxes

For the Test Year Ended June 30, 2009

Missouri Public Service Commission
Missouri-American Water Company
District: St. Louis

Case No. WR-2010-XXXX
Schedule CAS-10-SLM
Page 1 of 1

Line #

The schedule below provides a summary list of the operating and maintenance expenses for the test year and pro forma at present rates as indicated. Each pro forma adjustment is keyed to a schedule as shown on Schedule CAS-11-SLM which provides additional detail and support.

Line #	Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
7	Labor	CAS-11-SLM	\$18,613,081	\$1,795,227	\$20,408,308
8	Purchased Water	CAS-11-SLM	245,579	(45,602)	199,977
9	Fuel and Power	CAS-11-SLM	6,110,944	422,261	6,533,205
10	Chemicals	CAS-11-SLM	7,232,213	2,182,909	9,415,122
11	Waste Disposal	CAS-11-SLM	445,209	116,190	561,399
12	Support Services	CAS-11-SLM	23,129,985	(90,765)	23,039,220
13	Group Insurance	CAS-11-SLM	4,379,764	2,410,302	6,790,066
14	Pensions	CAS-11-SLM	2,447,956	1,938,781	4,386,737
15	Regulatory Expense	CAS-11-SLM	409,096	53,340	462,436
16	Insurance, Other than Group	CAS-11-SLM	3,343,860	315,246	3,659,106
17	Customer Accounting	CAS-11-SLM	3,352,372	130,612	3,482,984
18	Rents	CAS-11-SLM	199,918	38,869	238,787
19	General Office Expense	CAS-11-SLM	1,029,432	0	1,029,432
20	Miscellaneous	CAS-11-SLM	7,068,645	(186,316)	6,882,329
21	Maintenance - Other	CAS-11-SLM	7,413,699	(3,636,247)	3,777,452
22	Total Operations and Maintenance		<u>85,421,753</u>	<u>5,444,808</u>	<u>90,866,561</u>
24	Depreciation	CAS-11-SLM	14,137,499	6,654,249	20,791,748
25	Amortization	CAS-11-SLM	285,748	0	285,748
26	Total Depreciation and Amortization		<u>14,423,247</u>	<u>6,654,249</u>	<u>21,077,496</u>
28	Property Taxes	CAS-11-SLM	8,490,488	579,993	9,070,481
29	Payroll Taxes	CAS-11-SLM	1,500,132	(75,265)	1,424,867
30	PSC Fees	CAS-11-SLM	1,008,777	325,749	1,334,526
31	Other General Taxes	CAS-11-SLM	390,720	20,004	410,724
32	Total Taxes Other Than Income Taxes		<u>11,390,117</u>	<u>850,481</u>	<u>12,240,598</u>
33					
34					(8,322,799)
35					(1,178,245)
36					16,164,670
37					(119,123)
38					6,544,503
39					
40					

Overall Revenue Requirement Summary
For the Test Year Ended June 30, 2009

Case No. WR-2010-XXXX
Schedule CAS-11-SLM
Page 1 of 4

Missouri Public Service Commission
Company: Missouri-American Water Company
Division: St. Louis

Line
No.

168 Line Number	Description	Test Year Ended 30-Jun-09	Schedule CAS-15 p1 Labor Expense	Schedule CAS-15 p2 Group Ins Expense	Schedule CAS-15 p3 Pension Expense	Schedule CAS-15 p4 401K Expense	Schedule CAS-15 p5 Payroll Taxes Expense	Schedule CAS-15 p6 Fuel & Power Expense	Schedule CAS-15 p7 Chemical Expense	Schedule CAS-15 p8 Purch Water Expense
8	Labor	18,613,081	\$1,795,227							
9	Purchased Water	245,579								(45,602)
10	Fuel and Power	6,110,944						422,261		
11	Chemicals	7,232,213							2,182,909	
12	Waste Disposal	445,209								
13	Support Services	23,129,985								
14	Group Insurance	4,379,764		2,410,302						
15	Pensions	2,447,956			1,938,781					
16	Regulatory Expense	409,096								
17	Insurance Other Than Group	3,343,860								
18	Customer Accounting	3,352,372								
19	Rents	199,918								
20	General Office Expense	1,029,432								
21	Miscellaneous	7,068,645				91,903				
22	Maintenance - Other	7,413,699								
	Total Operations and Maintenance	85,421,753	1,795,227	2,410,302	1,938,781	91,903	0	422,261	2,182,909	(45,602)
24	27 Depreciation	14,137,499								
25	28 Amortization	285,748								
	Total Depreciation and Amortization	14,423,247	0	0	0	0	0	0	0	0
29	29a Property Taxes	8,490,488								
30	29b Payroll taxes	1,500,132					(75,265)			
31	29c Gross Receipts Taxes	1,008,777								
32	29d Other General Taxes	390,720								
	Total Taxes other than income	11,390,117	0	0	0	0	(75,265)	0	0	0

**Proforma State and Federal Income Taxes at Present and Proposed Rates
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Louis

Case No. WR-2010-XXXX
Schedule CAS-12-SLM
Page 1 of 1

Line #

The Company's federal and state income taxes will be affected by all of the pro forma adjustments made at present and proposed rates.

	At Present Rates		At Proposed Rates	
	Federal	State	Federal	State
10 Utility Operating Income Before Income Taxes	\$35,390,357	\$35,390,357	\$69,413,492	\$69,413,492
12 Interest Expense Deduction	17,750,819	17,750,819	17,750,819	17,750,819
14 Taxable Income	17,639,538	17,639,538	51,662,673	51,662,673
16 Addback (Deducts):				
17 Tax over Book Depreciation	(20,338,150)	(20,338,150)	(20,338,150)	(20,338,150)
18 Non-deductible Meals	49,215	49,215	49,215	49,215
19 Amortization Preferred Stock Expense	1,153	1,153	1,153	1,153
20 Non-deductible Reserve Deficiency	0	0	0	0
22 Total Addbacks (Deducts)	<u>(20,287,783)</u>	<u>(20,287,783)</u>	<u>(20,287,783)</u>	<u>(20,287,783)</u>
24 Taxable Income	(2,648,244)	(2,648,244)	31,374,891	31,374,891
26 Effective Tax Rate (1)	<u>33.1754%</u>	<u>5.2133%</u>	<u>33.1754%</u>	<u>5.2133%</u>
28 Proforma Income Tax at Present / Proposed Rates	(878,565)	(138,060)	10,408,733	1,635,658
30 Per Books Amount / Present Rates	<u>(8,322,799)</u>	<u>(1,178,245)</u>	<u>(878,565)</u>	<u>(138,060)</u>
32 Proforma adjustment	<u>\$7,444,234</u>	<u>\$1,040,185</u>	<u>\$11,287,298</u>	<u>\$1,773,718</u>

(1) Based on a 6.25% statutory rate for SIT and 35% for FIT

**Test Year Operating Revenues at Present Rates vs Proposed Rates
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Louis

Case No. WR-2010-XXXX
Schedule CAS-13-SLM
Page 1 of 1

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales (CCF)	Total Revenue	Sales (CCF)	Total Revenue		
1							
2							
3							
4	Rate A	55,233,423	136,649,271	55,233,423	\$165,849,997	\$29,200,726	21.37%
5	Rate B	2,131,490	2,418,389	2,131,490	2,545,425	127,036	5.25%
6	Rate G-1	1,625,737	766,698	1,625,737	766,698	0	0.00%
7	Rate F and E	80,645	10,071,939	80,645	15,360,931	5,288,992	52.51%
8	Rate H	1,320,862	2,134,658	1,320,862	2,134,658	0	0.00%
9	Rate J	5,986,297	5,928,260	5,986,297	6,877,224	948,964	16.01%
10	Rate K	53,963	146,039	53,963	180,747	34,708	23.77%
11							
12	Total	<u>66,432,417</u>	<u>158,115,254</u>	<u>66,432,417</u>	<u>193,715,680</u>	<u>\$35,600,426</u>	<u>22.52%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Reconnect Charges		247,383		599,166	351,783	142.20%
18	Returned Check Charge		34,242		34,242	0	0.00%
19	Application Fee		0		12,545	12,545	0.00%
20	Miscellaneous Other Revenue		621,863		1,205,628	583,765	93.87%
21	Rents from Water Property		410,948		410,948	0	0.00%
22	Misc Sales		145,323		145,323	0	0.00%
23							
24			<u>\$159,575,013</u>		<u>\$196,123,532</u>	<u>36,548,519</u>	<u>22.90%</u>
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

**Overall Revenue Requirement Summary
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg

Case No. WR-2010-XXXX
Schedule CAS-2-WAR
Page 1 of 1

Line No.			
1			
2			
3			
4	<i>Description</i>	<i>Schedule</i>	<i>Amount</i>
5			
6	Rate Base	CAS-3-WAR	\$13,847,136
7			
8	Operating Income at Present Rates	CAS-8-WAR	959,542
9			
10	Earned Rate of return		6.93%
11			
12	Requested Rate of Return	Chao Testimony	8.91%
13			
14	Required Operating Income		1,233,780
15			
16	Operating Income Deficiency		274,238
17			
18	Gross Revenue Conversion Factor		1.63810
19			
20	Revenue Deficiency		449,229
21			
22	Adjusted Operating Revenues	CAS-8-WAR	3,778,313
23			
24	Total Revenue Requirement		\$4,227,542
25			
26			
27			
28	Gross Revenue Conversion Factor		
29	Revenue		\$1,000,000
30	Uncollectibles	0.91690%	9,169
31	PSC Assessment	0.00000%	0,000
32	Before Tax Amount		990,831
33	State Income Taxes	5.21327%	51,655
34	Federal Income Taxes	33.17536%	328,712
35	Total Taxes and Expenses		389,536
36	Net Amount		\$610,464
37			
38	Conversion Factor		1.63810
39			
40			

Rate Base Summary
Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warrensburg

Case No. WR-2010-XXXX
 Schedule CAS-3-WAR
 Page 1 of 1

Line #

Line #	Rate Base Component	Supporting Reference	Per Books 06/30/09	Adjustments	Pro Forma Rate Base
1					
2					
3					
4					
5	Utility Plant in Service	CAS-4-WAR	24,050,874	924,921	24,975,795
6					
7	Accumulated Provision for Depreciation	CAS-5-WAR	(4,345,143)	(441,686)	(4,786,829)
8					
9	Accumulated Amortization	W/P's	0	0	0
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	0	0
12					
13	Net Utility Plant		<u>19,705,731</u>	<u>483,235</u>	<u>20,188,966</u>
14					
15					
16	Less:				
17	Customer Advances	CAS-6-WAR	1,295,633	233,595	1,529,228
18	Contributions in Aid of Construction	CAS-6-WAR	3,100,504	(20,912)	3,079,592
19	Accumulated Deferred ITC (3%)	W/P's	0	0	0
20	Deferred Income Taxes	W/P's	1,721,945	133,685	1,855,630
21	Pension Liability	W/P's	82,685	(78)	82,607
22					
23					
24	Subtotal		<u>6,200,767</u>	<u>346,289</u>	<u>6,547,056</u>
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-WAR	12,000	0	12,000
29	Materials and Supplies	W/P's	13,306	0	13,306
30	Prepayments	W/P's	20,737	0	20,737
31	OPEB's Contributed to External Fund	W/P's	135,837	(22,659)	113,178
32	Pension/OPEB Tracker	W/P's	26,997	(2,444)	24,553
33	Regulatory Deferrals	W/P's	28,372	(6,920)	21,452
34					
35	Subtotal		<u>237,249</u>	<u>(32,023)</u>	<u>205,226</u>
36					
37	Total Original Cost Rate Base		<u>13,742,213</u>	<u>104,923</u>	<u>13,847,136</u>

38
39
40

Utility Plant in Service
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warrensburg

Case No. WR-2010-XXXX
 Schedule CAS-4-WAR
 Page 1 of 2

Line #	Acct No	Account Description	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma UPIS
1		<u>Intangible Plant</u>			
2		Organization	\$0	\$2,961	\$2,961
3	301	Franchise & Consents	5,083	0	5,083
4	302	Miscellaneous Intangible Plant Studies	3,059	37,353	40,411
5	303	Subtotal	<u>8,141</u>	<u>40,314</u>	<u>48,455</u>
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	9,981	0	9,981
8	310	Structures & Improvements	121,443	0	121,443
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	0	0	0
11	313	Wells & Springs	830,475	0	830,475
12	314	Supply Mains	182,694	0	182,694
13	316	Subtotal	<u>1,144,593</u>	<u>0</u>	<u>1,144,593</u>
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	247,226	0	247,226
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	5,325	0	5,325
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	639,588	0	639,588
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	84,742	0	84,742
23	327	Other Pumping Equipment	12,673	0	12,673
24	328	Subtotal	<u>989,554</u>	<u>0</u>	<u>989,554</u>
25		<u>Treatment Plant</u>			
26		Water Treatment Land & land Rights	511	0	511
27	330	Water Treatment Structures & Improvements	863,310	53,439	916,749
28	331	Water Treatment Equipment	3,438,744	0	3,438,744
29	332	Water Treatment Equipment - Filter Plant	0	0	0
30	332.4	Subtotal	<u>4,302,565</u>	<u>53,439</u>	<u>4,356,003</u>
31		<u>Transmission & Distribution Plant</u>			
32		Transmission & Distribution Land	147,410	(241)	147,169
33	340	Transmission & Distribution Structures & Improvements	344,433	78	344,511
34	341	Distribution Reservoirs & Standpipes	760,800	2,772	763,571
35	342	Transmission & Distribution Mains Conv	3,015,896	461,586	3,477,483
36	343	Transmission & Distribution Mains < 4"	101,964	0	101,964
37	343.1	Transmission & Distribution Mains 6" - 8"	2,871,772	18,345	2,890,117
38	343.2	Transmission & Distribution Mains > 10"	4,250,463	3,650	4,254,113
39	343.3	Subtotal	<u>11,492,737</u>	<u>486,190</u>	<u>11,978,928</u>
40					

Utility Plant in Service
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warrensburg

Case No. WR-2010-XXXX
 Schedule CAS-4-WAR
 Page 2 of 2

Line #	Acct No	Account Description	Bal Fwd	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma UPIS
1		<u>Transmission & Distribution Plant</u>		11,492,737	486,190	11,978,928
3	344	Fire mains		118,676	0	118,676
4	345	Services		2,457,137	110,175	2,567,312
5	346.1	Meters - Bronze Case		577,274	36,342	613,616
6	346.2	Meters - Plastic Case		0	0	0
7	346.3	Meters - Not Class By Type		119,139	0	119,139
8	347	Meter Installation		1,121,425	0	1,121,425
9	348	Hydrants		1,021,240	43,817	1,065,057
10	349	Other Transmission & Distribution Plant		0	0	0
11		Subtotal		<u>16,907,627</u>	<u>676,525</u>	<u>17,584,152</u>
12		<u>General Plant</u>				
13	389	General Land & Land Rights		2,222	0	2,222
14	390	Stores Shops Equipment Structures		55,284	1,504	56,788
15	390.1	Office Structures		186,646	0	186,646
16	390	General Structures - HVAC		0	0	0
17	390.3	Miscellaneous Structures		15,342	0	15,342
18	391	Office Furniture and Equipment		12,213	4,035	16,248
19	391.2	Computers & Peripheral Equipment		46,365	40,464	86,829
20	391.25	Computer Software		0	96,940	96,940
21	391.26	Personal Computer Software		0	1,821	1,821
22	391.3	Other Office Equipment		0	0	0
23	392.11	Transportation Equipment - Light Trucks		89,449	271	89,720
24	392.12	Transportation Equipment - Heavy Trucks		0	0	0
25	392.2	Transportation Equipment - Cars		25,276	2,097	27,373
26	392.3	Transportation Equipment - Other		0	0	0
27	393	Stores Equipment		0	0	0
28	394	Tools, Shop, & Garage Equipment		19,834	4,575	24,409
29	395	Laboratory Equipment		56,121	0	56,121
30	396	Power Operated Equipemnt		61,496	0	61,496
31	397	Communication Equipment (non telephone)		53,937	2,229	56,165
32	397.2	Telephone Equipment		2,038	541	2,579
33	398	Miscellaneous Equipment		65,446	167	65,613
34	399	Other Tangable Property		6,726	0	6,726
35		Subtotal		<u>698,394</u>	<u>154,644</u>	<u>853,038</u>
36						
37		Total Plant in Service		<u>\$24,050,874</u>	<u>\$924,921</u>	<u>\$24,975,795</u>
38						
39						
40						

**Accumulated Depreciation and Amortization
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg

Case No. WR-2010-XXXX
Schedule CAS-5-WAR
Page 1 of 2

Line #	Acct No	Account Description	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Intangible Plant</u>			
2		Organization	\$0	\$0	\$0
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	0	3,586	3,586
5	303	Subtotal	0	3,586	3,586
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	2,813	2,232	5,045
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	0	0	0
11	313	Wells & Springs	137,662	10,402	148,064
12	314	Supply Mains	56,133	2,192	58,325
13	316	Subtotal	196,607	14,827	211,434
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	43,646	3,208	46,854
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	859	80	939
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	(172,254)	11,704	(160,550)
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	1,723	1,551	3,274
23	327	Other Pumping Equipment	6,123	232	6,355
24	328	Subtotal	(119,903)	16,775	(103,128)
25		<u>Treatment Plant</u>			
26		Water Treatment Land & land Rights	0	0	0
27	330	Water Treatment Structures & Improvements	142,578	8,064	150,642
28	331	Water Treatment Equipment	877,821	71,698	949,519
29	332	Water Treatment Equipment - Filter Plant	2,411	0	2,411
30	332.4	Subtotal	1,022,810	79,762	1,102,572
31		<u>Transmission & Distribution Plant</u>			
32		Transmission & Distribution Land	0	0	0
33	340	Transmission & Distribution Structures & Improvements	22,939	6,904	29,843
34	341	Distribution Reservoirs & Standpipes	243,602	12,719	256,321
35	342	Transmission & Distribution Mains Conv	1,239,027	8,784	1,247,811
36	343	Transmission & Distribution Mains < 4"	(58)	1,147	1,089
37	343.1	Transmission & Distribution Mains 6" - 8"	145,493	33,033	178,526
38	343.2	Transmission & Distribution Mains > 10"	167,089	47,961	215,050
39	343.3	Subtotal	1,818,092	110,548	1,928,640
40					

**Accumulated Depreciation and Amortization
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg

Case No. WR-2010-XXXX
Schedule CAS-5-WAR
Page 2 of 2

Line #	Acct No	Account Description	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma Reserve
		<u>Transmission & Distribution Plant</u>	Bal Fwd		
1			1,818,092	110,548	1,928,640
2					
3	344	Fire mains	18,788	1,335	20,123
4	345	Services	566,878	52,052	618,930
5	346.1	Meters - Bronze Case	54,023	8,873	62,896
6	346.2	Meters - Plastic Case	0	0	0
7	346.3	Meters - Not Class By Type	147,562	2,172	149,734
8	347	Meter Installation	192,852	20,438	213,290
9	348	Hydrants	245,771	12,650	258,421
10	349	Other Transmission & Distribution Plant	0	0	0
11		Subtotal	<u>3,043,966</u>	<u>208,068</u>	<u>3,252,034</u>
12		<u>General Plant</u>			
13	389	General Land & Land Rights	0	0	0
14	390	Stores Shops Equipment Structures	1,995	1,043	3,038
15	390.1	Office Structures	66,254	846	67,100
16	390	General Structures - HVAC	0	0	0
17	390.3	Miscellaneous Structures	611	276	887
18	391	Office Furniture and Equipment	(23,230)	1,514	(21,716)
19	391.2	Computers & Peripheral Equipment	9,169	15,336	24,505
20	391.25	Computer Software	0	84,614	84,614
21	391.26	Personal Computer Software	0	1,183	1,183
22	391.3	Other Office Equipment	0	(68)	(68)
23	392.11	Transportation Equipment - Light Trucks	34,944	863	35,806
24	392.12	Transportation Equipment - Heavy Trucks	0	0	0
25	392.2	Transportation Equipment - Cars	0	1,967	1,967
26	392.3	Transportation Equipment - Other	34,338	(0)	34,338
27	393	Stores Equipment	0	19	19
28	394	Tools, Shop, & Garage Equipment	8,474	810	9,284
29	395	Laboratory Equipment	15,186	1,684	16,870
30	396	Power Operated Equipemnt	23,328	3,146	26,474
31	397	Communication Equipment (non telephone)	6,151	2,222	8,373
32	397.2	Telephone Equipment	5,120	431	5,551
33	398	Miscellaneous Equipment	16,997	2,533	19,530
34	399	Other Tangable Property	2,324	252	2,576
35		Subtotal	<u>201,663</u>	<u>118,668</u>	<u>320,331</u>
36					
37		Total Plant in Service	<u>\$4,345,143</u>	<u>\$441,686</u>	<u>\$4,786,829</u>

Customer Advances and Contributions in Aid of Construction
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warrensburg

Case No. WR-2010-XXXX
 Schedule CAS-6-WAR
 Page 1 of 1

Line #	Acct No	Account Description	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma Balance
1					
2					
3		<u>Customer Advances</u>			
4	252.11	Advances for Construction - Mains	(2,472)	240,525	238,052
5		Advances for Construction - Extensions	1,291,175	0	1,291,175
6		Advances for Construction - Services	0	0	0
7		Advances for Construction - Hydrants	0	0	0
8		Advances for Construction - WIP	6,930	(6,930)	0
9	252.71	Advances for Construction - Taxable Extensions	0	0	0
10		Total Customer Advances	<u>1,295,633</u>	<u>233,595</u>	<u>1,529,228</u>
11					
12					
13					
14					
15		<u>Contributions in Aid of Construction</u>			
16	271.11	Contributions in Aid - NT Mains	661,202	0	661,202
17	271.12	Contributions in Aid - NT Extension Deposit	76,850	0	76,850
18	271.21	Contributions in Aid - NT Services	74,266	42,767	117,032
19	271.30	Contributions in Aid - NT Meters	0	0	0
20		Contributions in Aid - NT Hydrants	171,651	0	171,651
21		Contributions in Aid - NT Other	3,068	0	3,068
22		Contributions in Aid - WIP	0	0	0
23	271.71	Contributions in Aid - Taxable Mains	1,746,073	0	1,746,073
24	271.12	Contributions in Aid - Taxable Extension Deposit	435,137	0	435,137
25	271.27	Contributions in Aid - Taxable Services	557,815	0	557,815
26	271.37	Contributions in Aid - Taxable Meters	24,281	0	24,281
27	271.47	Contributions in Aid - Taxable Hydrants	0	0	0
28		Contributions in Aid - Taxable WIP	12,781	(12,781)	0
29		Contributions in Aid - Tax Services SIT	0	0	0
30	Various	Accumulated Amortization - CIAC	(110,576)	(50,898)	(161,474)
31	Various	Accumulated Amortization - CIAC Taxable	(552,043)	0	(552,043)
32		Total Contributions in Aid of Construction	<u>3,100,504</u>	<u>(20,912)</u>	<u>3,079,592</u>
33					
34					
35					
36					
37					
38					
39					
40					

Working Capital
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg

Case No. WR-2010-XXXX
Schedule CAS-7-WAR
Page 1 of 1

Line #	Expense Category	Proforma Expense	Average Daily Expense	Revenue Lag	Expense (Lead)/Lag	Net (Lead)/Lag	Cash Requirement
1							
2							
3							
4	Base Payroll	224,377	615	39.60	13.47	26.13	16,060
5	Tax Withholding	106,612	292	39.60	15.50	24.10	7,038
6	Fuel and Power	203,316	557	39.60	32.79	6.81	3,791
7	Chemicals	33,323	91	39.60	22.28	17.31	1,581
8	Purchased Water	0	0	39.60	0.00	39.60	0
9	Service Company Charges	441,747	1,210	39.60	(10.98)	50.57	61,204
10	Group Insurance	45,792	125	39.60	(9.38)	48.97	6,144
11	OPEB's	5,855	16	39.60	(1.39)	40.99	657
12	Pensions	74,917	205	39.60	(1.39)	40.99	8,412
13	ESOP	0	0	39.60	0.00	39.60	0
14	Insurance Other than Group	75,586	207	39.60	(32.94)	72.53	15,020
15	Uncollectables	33,201	91	39.60	39.60	(0.01)	(1)
16	Rents	4,664	13	39.60	(16.41)	56.01	716
17	401(k)	6,951	19	39.60	17.50	22.10	421
18	Other O&M	421,092	1,154	39.60	20.25	19.35	22,322
19	Total O&M Expenses	<u>1,677,433</u>					<u>143,365</u>
20							
21	Depreciation Amortization Expense	516,982	1,416	39.60	39.60	0.00	0
22	Property Taxes	237,499	651	39.60	175.50	(135.90)	(88,431)
23	Public Service Commission Fee	31,598	87	39.60	(45.00)	84.60	7,323
24	Franchise and Environment Tax	7,875	22	39.60	29.63	9.97	215
25	FICA Taxes	427	1	39.60	11.13	28.47	33
26	FUTA Taxes	22,613	62	39.60	1.44	38.15	2,364
27	SUTA Taxes	1,272	3	39.60	4.00	35.60	124
28	Federal Income Tax - Current	122,570	336	39.60	29.64	9.96	3,343
29	State Income Tax - Current	19,261	53	39.60	29.64	9.96	525
30	Deferred Income Taxes	181,788	498	39.60	39.60	(0.01)	(4)
31	Interest Expense	401,622	1,100	39.60	91.00	(51.40)	(56,562)
32	Preferred Dividends	3,753	10	39.60	45.00	(5.40)	(56)
33	Total Working Capital Requirement	<u>3,224,693</u>					<u>12,239</u>
34							
35	Total Cash and Working Capital Requirement Used						<u>12,000</u>
36							
37							
38							
39	All Lead/Lags are based on internal study.						
40							

**Statement of Income Per Books and Pro Forma
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg

Case No. WR-2010-XXXX
Schedule CAS-8-WAR
Page 1 of 1

Line #		Schedule Reference	Test year Ended 6/30/09	Adjustments	Pro Forma Present Rates	Adjustments	Pro Forma Proposed Rates
1							
2							
3							
4							
5							
6	Operating Revenues	CAS-9-WAR	\$3,342,454	\$435,859	\$3,778,313	\$449,229	\$4,227,542
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-WAR	1,486,339	191,094	1,677,433	4,119	1,681,552
10	Depreciation Expense	CAS-10-WAR	355,861	159,169	515,030		515,030
11	Amortization Expense	CAS-10-WAR	1,952	0	1,952		1,952
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-WAR	230,280	7,219	237,499		237,499
15	Payroll Taxes	CAS-10-WAR	23,248	1,064	24,312		24,312
16	PSC Fees	CAS-10-WAR	23,533	8,065	31,598	0	31,598
17	Other	CAS-10-WAR	7,492	383	7,875		7,875
18							
19	Utility Operating Income Before Income Taxes		1,213,749	68,865	1,282,614	445,110	1,727,724
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-WAR	(215,797)	338,367	122,570	147,667	270,237
23	State Income Tax	CAS-12-WAR	(30,550)	49,811	19,261	23,205	42,466
24	Deferred Income Taxes		422,861	(241,073)	181,788	0	181,788
25	Amortization of Investment Tax Credit		(547)		(547)		(547)
26							
27	Utility Operating Income		\$1,037,782	(\$78,240)	\$959,542	\$274,238	\$1,233,780
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

Summary of Operations and Maintenance Expenses and General Taxes

For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warrensburg

Case No. WR-2010-XXXX
 Schedule CAS-10-WAR
 Page 1 of 1

Line #

1 The schedule below provides a summary list of the operating and maintenance expenses for the test year and pro forma at present rates as indicated.
 2 Each pro forma adjustment is keyed to a schedule as shown on Schedule CAS-11-WAR which provides additional detail and support.

Line #	Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
7	Labor	CAS-11-WAR	\$293,850	\$37,139	\$330,989
8	Purchased Water	CAS-11-WAR	0	0	0
9	Fuel and Power	CAS-11-WAR	171,499	31,817	203,316
10	Chemicals	CAS-11-WAR	30,976	2,347	33,323
11	Waste Disposal	CAS-11-WAR	0	0	0
12	Management Fees	CAS-11-WAR	443,382	(1,635)	441,747
13	Group Insurance	CAS-11-WAR	51,647	60,901	112,548
14	Pensions	CAS-11-WAR	13,870	61,047	74,917
15	Regulatory Expense	CAS-11-WAR	7,844	1,023	8,867
16	Insurance, Other than Group	CAS-11-WAR	60,162	15,424	75,586
17	Customer Accounting	CAS-11-WAR	90,572	(15,005)	75,567
18	Rents	CAS-11-WAR	4,663	1	4,664
19	General Office Expense	CAS-11-WAR	26,042	0	26,042
20	Miscellaneous	CAS-11-WAR	92,457	(1,716)	90,741
21	Maintenance - Other	CAS-11-WAR	199,375	(248)	199,127
22	Total Operations and Maintenance		<u>1,486,339</u>	<u>191,094</u>	<u>1,677,433</u>
24	Depreciation	CAS-11-WAR	355,861	159,169	515,030
25	Amortization	CAS-11-WAR	1,952	0	1,952
26	Total Depreciation and Amortization		<u>357,813</u>	<u>159,169</u>	<u>516,982</u>
28	Property Taxes	CAS-11-WAR	230,280	7,219	237,499
29	Payroll Taxes	CAS-11-WAR	23,248	1,064	24,312
30	PSC Fees	CAS-11-WAR	23,533	8,065	31,598
31	Other General Taxes	CAS-11-WAR	7,492	383	7,875
32	Total Taxes Other Than Income Taxes		<u>284,553</u>	<u>16,731</u>	<u>301,284</u>
33					(215,797)
35					(30,550)
36					422,861
37					(547)
38					175,967

Overall Revenue Requirement Summary
For the Test Year Ended June 30, 2009

Company: Missouri-American Water Company
Operation: Warrensburg
Case No. WR-2010-XXXX

Case No. WR-2010-XXXX
Schedule CAS-11-WAR
Page 1 of 4

Line
No.

Line No.	168 Line Number	Description	Test Year Ended 30-Jun-09	Schedule CAS-15 p1 Labor Expense	Schedule CAS-15 p2 Group Ins Expense	Schedule CAS-15 p3 Pension Expense	Schedule CAS-15 p4 401K Expense	Schedule CAS-15 p5 Payroll Taxes Expense	Schedule CAS-15 p6 Fuel & Power Expense	Schedule CAS-15 p7 Chemical Expense	Schedule CAS-15 p8 Purch Water Expense
6	8	Labor	293,850	\$37,139							
7	9	Purchased Water									0
8	10	Fuel and Power	171,499						31,817		
9	11	Chemicals	30,976							2,347	
10	12	Waste Disposal									
11	13	Support Services	443,382								
12	14	Group Insurance	51,647		60,901						
13	15	Pensions	13,870			61,047					
14	16	Regulatory Expense	7,844								
15	17	Insurance Other Than Group	60,162								
16	18	Customer Accounting	90,572								
17	19	Rents	4,663								
18	20	General Office Expense	26,042								
19	21	Miscellaneous	92,457				861				
20	25	Maintenance - Other	199,375								
22		Total Operations and Maintenance	1,486,339	37,139	60,901	61,047	861	0	31,817	2,347	0
24	27	Depreciation	355,861								
25	28	Amortization	1,952								
27		Total Depreciation and Amortization	357,813	0	0	0	0	0	0	0	0
29	29a	Property Taxes	230,280								
30	29b	Payroll taxes	23,248					1,064			
31	29c	Gross Receipts Taxes	23,533								
32	29d	Other General Taxes	7,492								
34		Total Taxes other than income	284,553	0	0	0	0	1,064	0	0	0

Overall Revenue Requirement Summary
For the Test Year Ended June 30, 2009

Company: Missouri-American Water Company
Operation: Warrensburg
Case No. WR-2010-XXXX

Case No. WR-2010-XXXX
Schedule CAS-11-WAR
Page 4 of 4

Line
No.

Line No.	168 Line Number	Description	Schedule CAS-15 p24 Elim Lobby fees Expense	Schedule CAS-15 p25 Hydrant Maint Expense	Schedule CAS-15 p26 Franchise Expense	Schedule Expense	Schedule Expense	Schedule Expense	Schedule Expense	Present Rate Adjustments	Total Present Rates Expense
6	8	Labor	\$0							\$37,139	\$330,989
7	9	Purchased Water								0	0
8	10	Fuel and Power								31,817	203,316
9	11	Chemicals								2,347	33,323
10	12	Waste Disposal								0	0
11	13	Support Services								(1,635)	441,747
12	14	Group Insurance								60,901	112,548
13	15	Pensions								61,047	74,917
14	16	Regulatory Expense								1,023	8,867
15	17	Insurance Other Than Group								15,424	75,586
16	18	Customer Accounting								(15,005)	75,567
17	19	Rents								1	4,664
18	20	General Office Expense								0	26,042
19	21	Miscellaneous								(1,716)	90,741
20	25	Maintenance - Other		\$0						(248)	199,127
22		Total Operations and Maintenance	0	0	0	0	0	0	0	191,094	1,677,433
24	27	Depreciation								159,169	515,030
25	28	Amortization								0	1,952
27		Total Depreciation and Amortization	0	0	0	0	0	0	0	159,169	516,982
29	29a	Property Taxes								7,219	237,499
30	29b	Payroll taxes								1,064	24,312
31	29c	Gross Receipts Taxes								8,065	31,598
32	29d	Other General Taxes			\$383					383	7,875
34		Total Taxes other than income	0	0	383	0	0	0	0	16,731	301,284

**Proforma State and Federal Income Taxes at Present and Proposed Rates
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg

Case No. WR-2010-XXXX
Schedule CAS-12-WAR
Page 1 of 1

Line #

1 The Company's federal and state income taxes will be affected by all of the pro forma adjustments made
2 at present and proposed rates.
3
4
5
6

	At Present Rates		At Proposed Rates		
	Federal	State	Federal	State	
7					
8					
9					
10	Utility Operating Income Before Income Taxes	\$1,282,614	\$1,282,614	\$1,727,724	\$1,727,724
11					
12	Interest Expense Deduction	440,339	440,339	440,339	440,339
13					
14	Taxable Income	842,275	842,275	1,287,385	1,287,385
15					
16	Addback (Deducts):				
17	Tax over Book Depreciation	(473,777)	(473,777)	(473,777)	(473,777)
18	Non-deductible Meals	941	941	941	941
19	Amortization Preferred Stock Expense	22	22	22	22
20	Non-deductible Reserve Deficiency	0	0	0	0
21					
22	Total Addbacks (Deducts)	(472,814)	(472,814)	(472,814)	(472,814)
23					
24	Taxable Income	369,461	369,461	814,571	814,571
25					
26	Effective Tax Rate (1)	33.1754%	5.2133%	33.1754%	5.2133%
27					
28	Proforma Income Tax at Present / Proposed Rates	122,570	19,261	270,237	42,466
29					
30	Per Books Amount / Present Rates	(215,797)	(30,550)	122,570	19,261
31					
32	Proforma adjustment	\$338,367	\$49,811	\$147,667	\$23,205
33					
34					
35					
36					
37	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
38					
39					
40					

**Test Year Operating Revenues at Present Rates vs Proposed Rates
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg

Case No. WR-2010-XXXX
Schedule CAS-13-WAR
Page 1 of 1

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	372,514	\$2,044,356	372,514	\$2,419,331	\$374,975	18.34%
5	Commercial	158,636	711,409	158,636	724,470	13,061	1.84%
6	Industrial	33,206	93,822	33,206	108,956	15,134	16.13%
7	Other Public Authority	127,815	462,084	127,815	477,131	15,047	3.26%
8	Other Water Utilities	112,742	292,392	112,742	304,284	11,892	4.07%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	104,721	0	106,651	1,930	1.84%
11	Public Fire	0	0	0	0	0	0.00%
12	Total	<u>804,913</u>	<u>3,708,784</u>	<u>804,913</u>	<u>4,140,823</u>	<u>\$432,039</u>	<u>11.65%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Reconnect Charges		765		5,265	4,500	588.24%
18	Returned Check Charge		1,224		1,224	0	0.00%
19	Application Fee		0		12,500	12,500	0.00%
20	Miscellaneous Other Revenue		67,308		67,308	0	0.00%
21	Rents from Water Property		232		232	0	0.00%
22	Misc Sales		-		0	0	0.00%
23							
24			<u>\$3,778,313</u>		<u>\$4,227,352</u>	<u>449,039</u>	<u>11.88%</u>
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

**Overall Revenue Requirement Summary
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warren County Sewer

Case No. SR-2010-XXXX
Schedule CAS-2-WCS
Page 1 of 1

Line No.	Description	Schedule	Amount
1			
2			
3			
4	Description	Schedule	Amount
5			
6	Rate Base	CAS-3-WCS	\$3,135,777
7			
8	Operating Income at Present Rates	CAS-8-WCS	(273,080)
9			
10	Earned Rate of return		-8.71%
11			
12	Requested Rate of Return	Chao Testimony	8.91%
13			
14	Required Operating Income		279,398
15			
16	Operating Income Deficiency		552,478
17			
18	Gross Revenue Conversion Factor		1.63558
19			
20	Revenue Deficiency		903,622
21			
22	Adjusted Operating Revenues	CAS-8-WCS	190,420
23			
24	Total Revenue Requirement		\$1,094,042
25			
26			
27			
28	Gross Revenue Conversion Factor		
29	Revenue		\$1,000,000
30	Uncollectibles	0.76450%	7,645
31	PSC Assessment	0.00000%	0,000
32	Before Tax Amount		992,355
33	State Income Taxes	5.21327%	51,734
34	Federal Income Taxes	33.17536%	329,217
35	Total Taxes and Expenses		388,596
36	Net Amount		\$611,404
37			
38	Conversion Factor		1.63558
39			
40			

Rate Base Summary
Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warren County Sewer

Case No. SR-2010-XXXX
 Schedule CAS-3-WCS
 Page 1 of 1

Line #	Rate Base Component	Supporting Reference	Per Books 06/30/09	Adjustments	Pro Forma Rate Base
1					
2					
3					
4					
5	Utility Plant in Service	CAS-4-WCS	3,974,546	85,321	4,059,867
6					
7	Accumulated Provision for Depreciation	CAS-5-WCS	(573,859)	(2,386)	(576,245)
8					
9	Accumulated Amortization	WIP's	0	0	0
10					
11	Utility Plant Acquisition Adjustments	WIP's	0	0	0
12					
13	Net Utility Plant		<u>3,400,687</u>	<u>82,935</u>	<u>3,483,622</u>
14					
15					
16	Less:				
17	Customer Advances	CAS-6-WCS	4,033	22,685	26,718
18	Contributions in Aid of Construction	CAS-6-WCS	26,816	(257)	26,359
19	Accumulated Deferred ITC (3%)	WIP's	0	0	0
20	Deferred Income Taxes	WIP's	284,561	8,040	292,601
21	Pension Liability	WIP's	4,801	(4)	4,797
22					
23					
24	Subtotal		<u>320,011</u>	<u>30,464</u>	<u>350,475</u>
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-WCS	0	0	0
29	Materials and Supplies	WIP's	0	0	0
30	Prepayments	WIP's	1,204	0	1,204
31	OPEB's Contributed to External Fund	WIP's	0	0	0
32	Pension/OPEB Tracker	WIP's	1,568	(142)	1,426
33	Regulatory Deferrals	WIP's	0	0	0
34					
35	Subtotal		<u>2,772</u>	<u>(142)</u>	<u>2,630</u>
36					
37	Total Original Cost Rate Base		<u>3,083,448</u>	<u>52,329</u>	<u>3,135,777</u>

38
39
40

Utility Plant in Service
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warren County Sewer

Case No. SR-2010-XXXX
 Schedule CAS-4-WCS
 Page 1 of 1

Line #	Acct No	Account Description	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma UPIS
1		<u>Sewer Plant</u>			
2					
3					
4		Other Including Allocated Plant	\$163,476	\$85,321	\$248,796
5	351	WW Struct & Imp Coll	866,475	0	866,475
6	352.1	WW Collection Sewers Forced	13,401	0	13,401
7	352.2	WW Collecting Mains	550,595	0	550,595
8	353	WW Services Sewer	50,972	0	50,972
9	356	WW Power Gen Equip Collecting	0	0	0
10	357	WW Communication Equipment	0	0	0
11	363	WW Collecting Mains	476,888	0	476,888
12	365	WW Pump Equip Other Power	43,724	0	43,724
13	370.1	WW Land & Ld Rights Gen	0	0	0
14	371	WW Struct & Imp TDP	255,191	0	255,191
15	372	WW Collecting Mains Other	1,553,824	0	1,553,824
16	373	WW Plant Sewers	0	0	0
17	374	WW Outfall Sewer Lines	0	0	0
18	392	WW Trans Equipment	0	0	0
19					
20					
21					
22					
23					
24					
25					
26		Total Plant in Service	<u>\$3,974,546</u>	<u>\$85,321</u>	<u>\$4,059,867</u>
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Accumulated Depreciation and Amortization
Test Year Ended June 30, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warren County Sewer

Case No. SR-2010-XXXX
 Schedule CAS-5-WCS
 Page 1 of 1

Line #

	<u>Acct No</u>	<u>Account Description</u>	<u>Per Books</u> <u>06/30/09</u>	<u>Pro Forma</u> <u>Adjustments</u>	<u>Pro Forma</u> <u>Reserve</u>
1		<u>Sewer Plant</u>			
2					
3					
4		Other Including Allocated Plant	\$376,962	\$2,936	\$379,898
5	351	WW Struct & Imp Coll	0	(1,106)	(1,106)
6	352.1	WW Collection Sewers Forced	0	0	0
7	352.2	WW Collecting Mains	0	0	0
8	353	WW Services Sewer	0	0	0
9	363	WW Pump Equip Elect	0	0	0
10	370.1	WW Land & Ld Rights Gen	8,449	0	8,449
11	371	WW Struct & Imp TDP	135,765	438	136,203
12	372	WW TD Equipment	29,381	119	29,500
13	374	WW Outfall Sewer Lines	0	0	0
14	391 WW	WW Office Furniture & Equip	0	0	0
15	392 WW	WW Trans Equipment	1	0	1
16	394 WW	WW Tool Shop & Garage	0	0	0
17	395 WW	WW Laboratory Equipment	849	(0)	849
18	398 WW	WW Misc Equipment	22,451	(0)	22,451
19					
20					
21		Total Plant in Service	<u>\$573,859</u>	<u>\$2,386</u>	<u>\$576,245</u>
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

**Customer Advances and Contributions in Aid of Construction
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warren County Sewer

Case No. SR-2010-XXXX
Schedule CAS-6-WCS
Page 1 of 1

Line #	Acct No	Account Description	Per Books 06/30/09	Pro Forma Adjustments	Pro Forma Balance
1					
2					
3		<u>Customer Advances</u>			
4	252.11	Advances for Construction - Mains	0	26,718	26,718
5		Advances for Construction - Extensions	0	0	0
6		Advances for Construction - Services	0	0	0
7		Advances for Construction - Hydrants	0	0	0
8		Advances for Construction - WIP	4,033	(4,033)	0
9	252.71	Advances for Construction - Taxable Extensions	0	0	0
10		Total Customer Advances	<u>4,033</u>	<u>22,685</u>	<u>26,718</u>
11					
12					
13					
14					
15		<u>Contributions in Aid of Construction</u>			
16	271.11	Contributions in Aid - NT Mains	0	0	0
17	271.12	Contributions in Aid - NT Extension Deposit	0	0	0
18	271.21	Contributions in Aid - NT Services	0	150	150
19	271.30	Contributions in Aid - NT Meters	0	0	0
20		Contributions in Aid - NT Hydrants	0	0	0
21		Contributions in Aid - NT Other	21,000	0	21,000
22		Contributions in Aid - WIP	0	0	0
23	271.71	Contributions in Aid - Taxable Mains	0	0	0
24	271.12	Contributions in Aid - Taxable Extension Deposit	0	0	0
25	271.27	Contributions in Aid - Taxable Services	6,081	0	6,081
26	271.37	Contributions in Aid - Taxable Meters	0	0	0
27	271.47	Contributions in Aid - Taxable Hydrants	0	0	0
28		Contributions in Aid - Taxable WIP	0	0	0
29		Contributions in Aid - Tax Services SIT	0	0	0
30	Various	Accumulated Amortization - CIAC	(258)	(407)	(665)
31	Various	Accumulated Amortization - CIAC Taxable	(207)	0	(207)
32		Total Contributions in Aid of Construction	<u>26,616</u>	<u>(257)</u>	<u>26,359</u>
33					
34					
35					
36					
37					
38					
39					
40					

Working Capital
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warren County Sewer

Case No. SR-2010-XXXX
 Schedule CAS-7-WCS
 Page 1 of 1

Line #	Expense Category	Proforma Expense	Average Daily Expense	Revenue Lag	Expense (Lead)/Lag	Net (Lead)/Lag	Cash Requirement
1							
2							
3							
4	Base Payroll	85,610	235	42.88	13.60	29.28	6,868
5	Tax Withholding	40,677	111	42.88	15.50	27.38	3,051
6	Fuel and Power	15,258	42	42.88	30.20	12.68	530
7	Chemicals	0	0	42.88	13.66	29.22	0
8	Purchased Water	0	0	42.88	0.00	42.88	0
9	Service Company Charges	25,650	70	42.88	(10.98)	53.86	3,785
10	Group Insurance	2,008	6	42.88	(9.38)	52.26	287
11	OPEB's	256	1	42.88	(1.39)	44.27	31
12	Pensions	27,482	75	42.88	(1.39)	44.27	3,333
13	ESOP	0	0	42.88	0.00	42.88	0
14	Insurance Other than Group	4,626	13	42.88	(32.94)	75.82	961
15	Uncollectables	1,413	4	42.88	43.04	(0.16)	(1)
16	Rents	40	0	42.88	0.00	42.88	5
17	401(k)	2,007	5	42.88	17.50	25.38	140
18	Other O&M	92,053	252	42.88	43.30	(0.42)	(106)
19	Total O&M Expenses	297,080					18,884
20							
21	Depreciation Expense	182,518	500	42.88	42.88	0.00	0
22	Property Taxes	123,303	338	42.88	159.50	(116.62)	(39,396)
23	Public Service Commission Fee	21,373	59	42.88	(45.00)	87.88	5,146
24	Franchise and Environment Tax	457	1	42.88	29.63	13.25	17
25	FICA Taxes	112	0	42.88	10.76	32.12	10
26	FUTA Taxes	8,943	25	42.88	0.63	42.25	1,035
27	SUTA Taxes	317	1	42.88	2.72	40.16	35
28	Federal Income Tax - Current	(156,747)	(429)	42.88	29.64	13.24	(5,686)
29	State Income Tax - Current	(24,632)	(67)	42.88	29.64	13.24	(894)
30	Deferred Income Taxes	10,720	29	42.88	43.04	(0.16)	(5)
31	Interest Expense	99,003	271	42.88	91.00	(48.12)	(13,052)
32	Preferred Dividends	925	3	42.88	45.00	(2.12)	(5)
33	Total Working Capital Requirement	563,372					(33,911)
34							
35	Total Cash and Working Capital Requirement Used						0
36							
37							
38							
39	All Lead/Lags are based on internal study.						
40							

Statement of Income Per Books and Pro Forma - Warren County Sewer
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warren County Sewer

Case No. SR-2010-XXXX
 Schedule CAS-8-WCS
 Page 1 of 1

Line #		Schedule Reference	Test year Ended 6/30/09	Adjustments	Pro Forma Present Rates	Adjustments	Pro Forma Proposed Rates
1							
2							
3							
4							
5							
6	Operating Revenues	CAS-9-WCS	\$175,125	\$15,295	\$190,420	\$903,622	\$1,094,042
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-WCS	246,342	50,738	297,080	6,908	303,988
10	Depreciation Expense	CAS-10-WCS	178,623	3,782	182,405		182,405
11	Amortization Expense	CAS-10-WCS	113	0	113		113
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-WCS	(15)	123,318	123,303		123,303
15	Payroll Taxes	CAS-10-WCS	8,091	1,281	9,372		9,372
16	PSC Fees	CAS-10-WCS	1,231	20,142	21,373	0	21,373
17	Other	CAS-10-WCS	435	22	457		457
18							
19	Utility Operating Income Before Income Taxes		(259,695)	(183,988)	(443,683)	896,714	453,031
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-WCS	22,479	(179,226)	(156,747)	297,488	140,741
23	State Income Tax	CAS-12-WCS	3,182	(27,814)	(24,632)	46,748	22,116
24	Deferred Income Taxes		(44,047)	54,767	10,720	0	10,720
25	Amortization of Investment Tax Credit		56		56		56
26							
27	Utility Operating Income		(\$241,365)	(\$31,715)	(\$273,080)	\$552,478	\$279,398
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

Adjustment to Revenues Per Books and Pro Forma
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warren County Sewer

Case No. SR-2010-XXXX
 Schedule CAS-8-WCS
 Page 1 of 1

Line #	Test year Ending 06/30/09	Eliminate Unbilled Revenue	Bill Analysis And Other Adjustments	Bill Analysis at Rates	Normalizaton & Annual Adjustments	Other Adjustments	Pro Forma Present Rate Revenue
1							
2							
3							
4							
5	Sales of Water						
6	Metered Sales						
7	Residential	\$0		\$0	\$0		\$0
8	Commercial	12	(12)	0	0		0
9	Industrial	0		0			0
10	Other Public Authority	0		0			0
11	Sales for Resale	0		0			0
12	Miscellaneous	0		0			0
13							
14	Total Metered Sales	12	0	(12)	0	0	0
15							
16							
17	Sewer Service	175,064	(876)	0	174,188	16,183	190,371
18							
19	Fire Service						
20	Private Fire Service	0	0	0	0	0	0
21							
22	Total Fire Service	0	0	0	0	0	0
23							
24	Total Sales of Water	175,076	(876)	(12)	174,188	0	16,183
25							
26	Other Operating Revenues						
27	Reconnect Charges	0		0		0	0
28	Returned Check Charge	0		0		0	0
29	Application Fee	0		0		0	0
30	Miscellaneous Other Revenue	37		37		0	37
31	Rents from Water Property	12		12			12
32							
33	Total Other Operating Revenues	49	0	0	49	0	49
34							
35							
36	Total Operating Revenues	\$175,125	(\$876)	(\$12)	\$174,237	\$0	\$16,183
37							
38							
39							
40							

Summary of Operations and Maintenance Expenses and General Taxes
For the Test Year Ended June 30, 2009

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warren County Sewer

Case No. SR-2010-XXXX
 Schedule CAS-10-WCS
 Page 1 of 1

Line #

1 The schedule below provides a summary list of the operating and maintenance expenses for the test year and pro forma at present rates as indicated.
 2 Each pro forma adjustment is keyed to a schedule as shown on Schedule CAS-11-WCS which provides additional detail and support.
 3

4	5	6	7	8	9
	<u>Expense Description</u>	<u>Schedule Reference</u>	<u>Test Year Expense</u>	<u>Adjustment</u>	<u>Pro forma Present Rates</u>
7	Labor	CAS-11-WCS	\$108,179	\$18,108	\$126,287
8	Purchased Water	CAS-11-WCS	0	0	0
9	Fuel and Power	CAS-11-WCS	14,341	917	15,258
10	Chemicals	CAS-11-WCS	80	(80)	0
11	Waste Disposal	CAS-11-WCS	41,450	(2,450)	39,000
12	Support Services	CAS-11-WCS	25,746	(96)	25,650
13	Group Insurance	CAS-11-WCS	2,264	19,498	21,762
14	Pensions	CAS-11-WCS	13,234	14,248	27,482
15	Regulatory Expense	CAS-11-WCS	455	60	515
16	Insurance, Other than Group	CAS-11-WCS	3,346	1,280	4,626
17	Customer Accounting	CAS-11-WCS	3,481	(299)	3,182
18	Rents	CAS-11-WCS	41	(1)	40
19	General Office Expense	CAS-11-WCS	7,231	0	7,231
20	Miscellaneous	CAS-11-WCS	14,309	574	14,883
21	Maintenance - Other	CAS-11-WCS	12,185	(1,019)	11,166
22	Total Operations and Maintenance		<u>246,342</u>	<u>50,738</u>	<u>297,080</u>
23					
24	Depreciation	CAS-11-WCS	178,623	3,782	182,405
25	Amortization	CAS-11-WCS	113	0	113
26	Total Depreciation and Amortization		<u>178,736</u>	<u>3,782</u>	<u>182,518</u>
27					
28	Property Taxes	CAS-11-WCS	(15)	123,318	123,303
29	Payroll Taxes	CAS-11-WCS	8,091	1,281	9,372
30	PSC Fees	CAS-11-WCS	1,231	20,142	21,373
31	Other General Taxes	CAS-11-WCS	435	22	457
32	Total Taxes Other Than Income Taxes		<u>9,742</u>	<u>144,763</u>	<u>154,505</u>
33					
34					22,479
35					3,182
36					(44,047)
37					56
38					(18,330)
39					
40					

Overall Revenue Requirement Summary
For the Test Year Ended June 30, 2009

Company: Missouri-American Water Company
Operation: Warren County Sewer
Case No. WR-2010-XXXX

Case No. SR-2010-XXXX
Schedule CAS-11-WCS
Page 4 of 4

Line
No.

188 Line Number	Description	Schedule CAS-15 p24 Elim Lobby fees Expense	Schedule CAS-15 p25 Hydrant Maint Expense	Schedule CAS-15 p26 Franchise Expense	Schedule Expense	Schedule Expense	Schedule Expense	Schedule Expense	Present Rate Adjustments	Total Present Rates Expense
8	Labor	\$0							\$18,108	\$126,287
9	Purchased Water								0	0
10	Fuel and Power								917	15,258
11	Chemicals								(80)	0
12	Waste Disposal								(2,450)	39,000
13	Support Services								(96)	25,650
14	Group Insurance								19,498	21,762
15	Pensions								14,248	27,482
16	Regulatory Expense								60	515
17	Insurance Other Than Group								1,280	4,626
18	Customer Accounting								(299)	3,182
19	Rents								(1)	40
20	General Office Expense								0	7,231
21	Miscellaneous								574	14,883
25	Maintenance - Other		\$0						(1,019)	11,166
	Total Operations and Maintenance	0	0	0	0	0	0	0	50,738	297,080
27	Depreciation								3,782	182,405
28	Amortization								0	113
	Total Depreciation and Amortization	0	0	0	0	0	0	0	3,782	182,518
29a	Property Taxes								123,318	123,303
29b	Payroll taxes								1,281	9,372
29c	Gross Receipts Taxes								20,142	21,373
29d	Other General Taxes			\$22					22	457
	Total Taxes other than income	0	0	22	0	0	0	0	144,763	154,505

Adjustment for Labor
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 1 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment for Labor**

2
3 The Company has calculated its pro forma labor expense by using the June 30, 2009 employee levels. Overtime labor was based on the three year average of overtime hours by job
4 classification. Labor rates used for union personnel reflect those rates that will be in effect by April 2009 based on contractual agreements. Labor rates for non union personnel are based
5 on projected rates that will be in effect on April 30, 2009. Gross labor dollars were allocated to O&M expense based on the difference between a historical three year average of capital
6 charged by district and total labor. The pro forma corporate employee labor is allocated to each district (operation) based on the number of customers.
7
8
9
10
11
12
13
14
15

16
17 **Calculation of Pro forma Adjustment for Labor**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
19 Pro forma amount	\$ 130,329	\$ 1,003,541	\$ 1,961,725	\$ 371,172	\$ 291,823	\$ -	\$ 2,118,002	
22 Per books amount	104,757	911,723	1,495,420	327,774	306,132	0	1,726,724	
24 Pro forma adjustment	\$ 25,572	\$ 91,818	\$ 466,305	\$ 43,398	\$ (14,309)	\$ -	\$ 391,278	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
27 Pro forma amount	\$20,408,308	\$330,989	\$43,990	\$5,925	\$211,846	\$126,287	\$ -	\$ 27,003,938
29 Per books amount	18,613,081	293,850	44,275	5,472	123,694	108,179		24,061,081
31 Pro forma adjustment	\$1,795,227	\$37,139	(\$285)	\$453	\$88,152	\$18,108	\$ -	\$ 2,942,857

34
35
36
37
38
39
40 Responsible: Williams

Adjustment for Group Insurance Expenses
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 2 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment for Group Insurance Expenses**

2
3 The Company has calculated its pro forma Group Insurance expense based on applying historical benefit payments as a percentage of payroll to pro forma payroll levels. The pro forma
4 corporate employee cost is allocated to each district (operation) by number of employees. OPEB cost was based on the latest actuarial information provided by the Company actuary and
5 the payment of \$500 into a VEBA fund for union employees not eligible for post-retirement benefits.
6
7
8
9
10
11
12
13
14
15
16

17 **Calculation of pro forma Adjustment for Group Insurance Expenses**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$ 34,031	\$ 268,745	\$ 579,586	\$ 103,641	\$ 81,991	\$ -	\$ 619,799	
23 Per books amount	12,686	117,122	239,675	46,981	43,974	0	270,466	
25 Pro forma adjustment	<u>\$ 21,345</u>	<u>\$ 151,623</u>	<u>\$ 339,911</u>	<u>\$ 56,660</u>	<u>\$ 38,017</u>	<u>\$ -</u>	<u>\$ 349,333</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$6,790,066	\$112,548	\$9,159	\$1,781	\$44,423	\$21,762	\$ -	8,667,532
31 Per books amount	4,379,764	51,647	2,719	906	12,686	2,264		5,180,890
33 Pro forma adjustment	<u>\$2,410,302</u>	<u>\$60,901</u>	<u>\$6,440</u>	<u>\$875</u>	<u>\$31,737</u>	<u>\$19,498</u>	<u>\$ -</u>	<u>3,486,642</u>

Responsible: Williams

Adjustment for Pension Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 3 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment for Pension Expense**

2

3 The Company has calculated its pro forma pension expense based on the current actuarial report. The pro forma level also includes the defined contribution plan of 5.25% of base salary
4 for employees hired on or after 1/1/06. The pro forma cost for corporate employees is allocated to each district (operation) by payroll.
5
6
7
8
9
10
11
12
13
14
15
16

17 **Calculation of pro forma Adjustment for Pension Expense**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$ 28,032	\$ 207,206	\$ 439,248	\$ 77,315	\$ 63,198	\$ -	\$ 451,777	
23 Per books amount	8,970	65,732	93,418	20,319	27,095	0	115,120	
25 Pro forma adjustment	<u>\$ 19,062</u>	<u>\$ 141,474</u>	<u>\$ 345,830</u>	<u>\$ 56,996</u>	<u>\$ 36,103</u>	<u>\$ -</u>	<u>\$ 336,657</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$4,386,737	\$74,917	\$9,554	\$1,289	\$44,226	\$27,482	\$ -	\$ 5,810,981
31 Per books amount	2,447,956	13,870	4,917	26	10,045	13,234		2,820,702
33 Pro forma adjustment	<u>\$1,938,781</u>	<u>\$61,047</u>	<u>\$4,637</u>	<u>\$1,263</u>	<u>\$34,181</u>	<u>\$14,248</u>	\$ -	<u>\$ 2,990,279</u>

34
35
36
37
38
39
40

Responsible: Williams

Adjustment to 401K Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 4 of 26

Line #

Narrative Discussion of Proposed Adjustment to 401K Expense

The Company has calculated its pro forma 401k expense based on the historical relationship between employer contributions and payroll expense applied to pro forma payroll expense. The pro forma cost for corporate employees is allocated to each district (operation) by number of customers.

Calculation of pro forma Adjustment to 401K Expense

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
Pro forma amount	\$ 4,530	\$ 19,074	\$ 45,491	\$ 7,015	\$ 3,877	\$ -	\$ 32,232	
Per books amount	3,262	15,293	30,869	5,352	4,274	0	22,167	
Pro forma adjustment	\$ 1,268	\$ 3,781	\$ 14,622	\$ 1,663	\$ (397)	\$ -	\$ 10,065	

	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>	Total
Pro forma amount	\$520,118	\$6,951	\$709	\$68	\$1,552	\$2,007	\$ 643,625
Per books amount	428,215	6,090	779	53	435	1,444	518,233
Pro forma adjustment	\$91,903	\$861	(\$70)	\$15	\$1,117	\$563	\$ 125,392

Responsible: Williams

Adjustment for Payroll Tax Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 5 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment for Payroll Tax Expense**

2

3 The Company has calculated its pro forma payroll tax expense based on the pro forma payroll and applying current payroll tax rates. The pro forma cost of corporate employees is
4 allocated to each district (operation) by number of customers.
5
6
7
8
9
10
11
12
13
14
15
16

17 **Calculation of pro forma Adjustment for Payroll Tax Expense**

18

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$ 9,643	\$ 74,479	\$ 144,456	\$ 27,370	\$ 21,021	\$ -	\$ 155,883	
22 Per books amount	7,825	71,776	117,518	25,205	23,463	0	136,027	
23 Pro forma adjustment	<u>\$ 1,818</u>	<u>\$ 2,703</u>	<u>\$ 26,938</u>	<u>\$ 2,165</u>	<u>\$ (2,442)</u>	<u>\$ -</u>	<u>\$ 19,856</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$1,424,867	\$24,312	\$3,162	\$439	\$15,422	\$9,372	\$ -	\$ 1,910,429
30 Per books amount	1,500,132	23,248	3,337	419	9,848	8,091		1,926,889
31 Pro forma adjustment	<u>(\$75,265)</u>	<u>\$1,064</u>	<u>(\$175)</u>	<u>\$20</u>	<u>\$5,574</u>	<u>\$1,281</u>	\$ -	<u>(16,460)</u>

34

35

36

37

38

39

40

Responsible: Williams

Adjustment of Fuel & Power Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 6 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Fuel & Power Expense**

2
3 The Company purchases fuel & electricity for operations from several utility suppliers. The pro forma adjustment was calculated by applying power company increase to test year charges.
4 The following rate increases occurred or are expected to occur: AmerenUE 1.9% effective October, 2009, Empire District Electric 1% effective June, 2009, KCP & L 16.1% effective
5 Spetember, 2009, and Missouri Gas and Electric 1.5% to increase March, 2010. Fuel and Power was also adjsuted to reflect the proforma sales adjustment.
6
7
8
9
10
11
12
13
14
15

16
17 **Calculation of pro forma Adjustment of Fuel & Power Expense**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$ 17,612	\$ 244,838	\$ 959,596	\$ 211,700	\$ 228,365	\$ -	\$ 813,071	
22 Per books amount	14,242	199,160	837,485	183,716	175,858	0	731,019	
24 Pro forma adjustment	<u>\$ 3,370</u>	<u>\$ 45,678</u>	<u>\$ 122,111</u>	<u>\$ 27,984</u>	<u>\$ 52,507</u>	<u>\$ -</u>	<u>\$ 82,052</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$ 6,533,205	\$ 203,316	\$ 6,199	\$ 1	\$ 25,437	\$ 15,258	\$ -	\$ 9,258,598
30 Per books amount	6,110,944	171,499	5,966	1	22,493	14,341		8,466,724
32 Pro forma adjustment	<u>\$422,261</u>	<u>\$31,817</u>	<u>\$233</u>	<u>\$0</u>	<u>\$2,944</u>	<u>\$917</u>	<u>\$ -</u>	<u>\$ 791,874</u>

34
35
36
37
38
39
40 Responsible: Petry

Adjustment of Chemical Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 7 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Chemical Expense**

2
3 The Company purchases the majority of its chemicals through contracts that are negotiated once a year. The pro forma adjustment uses the latest contracted prices. In certain
4 circumstances, chemicals may be purchased without a contract. For these circumstances, the pro forma expense reflects an estimated price based upon recent purchases or bids. The pro
5 forma adjustment also reflects an average pounds per thousand gallons to adjust the usage to reflect a normal level. Chemicals were also adjusted to incorporate the pro forma sales
6 adjustment.
7
8
9
10
11
12
13
14
15
16

17 **Calculation of pro forma Adjustment of Chemical Expense**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$8,033	\$305,617	\$562,259	\$65,225	\$119,366	\$0	\$729,631	
23 Per books amount	5,385	245,631	328,539	61,899	114,171	0	714,340	
25 Pro forma adjustment	\$ 2,648	\$ 59,986	\$ 233,720	\$ 3,326	\$ 5,195	\$ -	\$ 15,291	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$9,415,122	\$33,323	\$2,180	\$0	\$0	\$0	\$ -	11,240,756
31 Per books amount	7,232,213	30,976	2,605	21	83	80		8,735,943
33 Pro forma adjustment	\$2,182,909	\$2,347	(\$425)	(\$21)	(\$83)	(\$80)	\$ -	\$ 2,504,813

Responsible: Petry

Adjustment of Purchased Water Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 8 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Purchased Water Expense**

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40

The Company purchases water primarily from the City of St Louis, City of Kansas City and Callaway Co. Water District. The water purchased from the City of St Louis is delivered to St Louis and St Charles customers, the City of Kansas City water is delivered to Parkville customers, and Callaway Co Water District is delivered to North Jefferson City customers. A pro forma adjustment for St Louis and Parkville was made to account for the change in test year system delivery and pro forma system delivery. The Jefferson City adjustment is to annualize the purchased water since we began purchasing the water in January, 2009.

Calculation of pro forma Adjustment of Purchased Water Expense

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
Pro forma amount	\$0	\$8,413	\$0	\$0	\$116,163	\$0	\$0	
Per books amount	0	4,125	0	0	76,875	0	0	
Pro forma adjustment	\$0	\$4,288	\$0	\$0	\$39,288	\$0	\$0	

	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>	Total
Pro forma amount	\$199,977	\$0	\$0	\$0	\$0	\$0	\$ 324,553
Per books amount	245,579	0	0	0	0	0	326,579
Pro forma adjustment	(\$45,602)	\$0	\$0	\$0	\$0	\$0	\$ (2,026)

Responsible: Petry

Adjustment of Waste Disposal Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 9 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Waste Disposal Expense**

2

3 The Pro Forma adjustment for Waste Disposal Expense was calculated by applying anticipated costs on the bids for the removal of residue from the settling lagoons for the operations
4 except for Parkville Sewer. That Pro Forma Adjustment was calculated by applying the latest known amounts from the waste disposal invoice annualizing for 12-months, to the 2009 Test
5 Year per book amount.
6
7
8
9
10
11
12
13
14
15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

Calculation of pro forma Adjustment of Waste Disposal Expense

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
Pro forma amount	\$6,000	\$0	\$33,510	\$50,500	\$0	\$0	\$296,974	
Per books amount	3,000	0	30,934	150,712	0	0	296,976	
Pro forma adjustment	<u>\$3,000</u>	<u>\$0</u>	<u>\$2,576</u>	<u>(\$100,212)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$2)</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
Pro forma amount	\$561,399	\$0	\$0	\$44,699	\$18,140	\$39,000	\$	1,050,222
Per books amount	445,209	0	0	45,621	33,261	41,450		1,047,163
Pro forma adjustment	<u>\$116,190</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$922)</u>	<u>(\$15,121)</u>	<u>(\$2,450)</u>	<u>\$</u>	<u>3,059</u>

Responsible: Petry

Adjustment of Regulatory Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 10 of 26

Line #

Narrative Discussion of Proposed Adjustment of Regulatory Expense

The Pro forma adjustment to Regulatory expense reflects a two year amortization of the estimated cost of the current rate case. The cost of the current rate case includes costs related to preparation of accounting exhibits, testimony, responding to both PSC, OPC and intervener data requests, review and reconciliation of PSC Staff, OPC and intervener exhibits and testimony, preparation of rebuttal and surebuttal testimony and attending hearings, legal fees, cost of capital consultant, publication cost, cost of service study consultant, weather normalization consultant and associated travel expenses. The cost also includes the unamortized balance of the 2 previous rate cases.

Calculation of pro forma Adjustment of Regulatory Expense

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
Pro forma amount	\$ 572	\$ 13,672	\$ 30,604	\$ 6,178	\$ 7,093	\$ -	\$ 40,672	
Per books amount	506	12,095	27,074	5,765	6,575	0	36,481	
Pro forma adjustment	\$ 66	\$ 1,577	\$ 3,530	\$ 413	\$ 518	\$ -	\$ 4,191	

	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>	Total
Pro forma amount	\$462,436	\$8,867	\$572	\$114	\$744	\$515	\$ 572,039
Per books amount	409,096	7,844	506	101	658	455	507,156
Pro forma adjustment	53,340	1,023	66	13	86	60	\$ 64,883

Responsible: Tierney

Adjustment of Insurance Other Than Group Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 11 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Insurance Other Than Group Expense**

2
3 The Company has calculated its pro forma Insurance Other Than Group Expense from its latest annual insurance premiums. The Company's insurance coverage includes: Property &
4 Casualty Insurance, which consists of General & Excess Liability, Property Claims Damage, and Workmen's Compensation; and Financial Liability Insurance, which consists of Directors &
5 Officers Liability, Fiduciary Liability, Crime, and Employment Practice Insurance. A portion of the cost was then capitalized to arrive at the proforma expense.
6
7
8
9
10
11
12
13
14
15
16

17 **Calculation of pro forma Adjustment of Insurance Other Than Group Expense**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$ 5,042	\$ 120,616	\$ 265,671	\$ 53,795	\$ 57,937	\$ -	\$ 350,773	
22 Per books amount	5,755	100,147	221,044	45,057	48,747	0	282,692	
23 Pro forma adjustment	\$ (713)	\$ 20,469	\$ 44,627	\$ 8,738	\$ 9,190	\$ -	\$ 68,081	

	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
27 Pro forma amount	\$3,659,106	\$75,586	\$4,844	\$1,027	\$6,416	\$4,626	\$ -	\$ 4,605,438
28 Per books amount	3,343,860	60,162	3,759	825	6,719	3,346		4,122,113
29 Pro forma adjustment	\$315,246	\$15,424	\$1,085	\$202	(\$303)	\$1,280	\$ -	\$ 483,325

Responsible: Petry

Adjustment of Support Services Fees
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 12 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Support Services Fees**

2

3 Test year Support Services from American Water Works Service Company were adjusted for the following items: 1) Eliminate one time costs; 2) Eliminate costs associated with the shift of

4 Service Company employee labor to Missouri American; 3) Increase labor and overhead expenses to reflect employee labor and benefit costs expected to be in effect at April 30, 2009.

5

6

7

8

9

10

11

12

13

14

15

16

17 **Calculation of pro forma Adjustment of Support Services Fees**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$ 28,500	\$ 681,145	\$ 1,524,738	\$ 307,798	\$ 353,397	\$ -	\$ 2,026,334	
23 Per books amount	28,609	683,667	1,530,387	308,935	354,706	0	2,033,841	
25 Pro forma adjustment	<u>\$ (109)</u>	<u>\$ (2,522)</u>	<u>\$ (5,649)</u>	<u>\$ (1,137)</u>	<u>\$ (1,309)</u>	<u>\$ -</u>	<u>\$ (7,507)</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$23,039,220	\$441,747	\$28,500	\$5,700	\$37,050	\$25,650	\$ -	\$ 28,499,778
31 Per books amount	23,129,985	443,382	28,609	5,722	37,189	25,746		28,610,778
33 Pro forma adjustment	<u>(\$90,765)</u>	<u>(\$1,635)</u>	<u>(\$109)</u>	<u>(\$22)</u>	<u>(\$139)</u>	<u>(\$96)</u>	<u>\$ -</u>	<u>\$ (111,000)</u>

Responsible: Williams

Adjustment of Lease Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 13 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Lease Expense**

2

3 The Company pays rent on railroad crossings, rights of way, and various office and plant equipment. The pro forma adjustment is to annualize expenses expected to be in effect as of April

4 2010. Also included in the adjustment is the allocation of the Craig Road office location rent. Missouri-American will receive a larger allocation of the Craig Road office rent due to an

5 increase in Missouri-American employees at this location.

6

7

8

9

10

11

12

13

14

15

16

17 **Calculation of pro forma Adjustment of Lease Expense**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$ 695	\$ 20,812	\$ 70,285	\$ 11,047	\$ 12,803	\$ -	\$ 93,237	
23 Per books amount	711	20,813	69,873	11,046	12,804	0	93,240	
25 Pro forma adjustment	\$ (16)	\$ (1)	\$ 412	\$ 1	\$ (1)	\$ -	\$ (3)	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$764,794	\$14,750	\$695	\$139	\$858	\$626	\$ -	\$ 990,742
31 Per books amount	683,696	14,749	697	139	858	627		909,253
33 Pro forma adjustment	\$81,098	\$1	(\$2)	\$0	\$0	(\$1)	\$ -	\$ 81,489

Responsible: Tierney

Adjustment for Mainbreak Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 14 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment for Mainbreak Expense**

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40

The main break adjustment was calculated based on a 2 year average of actual main breaks ending June 2009. The number of main breaks is based on the 5 year average as of 6/30/09 is 1,208. The proforma average cost per break is \$1,717. This is a decrease over the test year level cost of \$2,257. The decrease in the average cost to repair a main break is being driven by decreases in the cost for paving.

Calculation of pro forma Adjustment for Mainbreak Expense

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
Pro forma amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Per books amount	0	0	0	0	0	0	0	
Pro forma adjustment	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	

	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
Pro forma amount	\$2,073,849	\$0	\$0	\$0	\$0	\$0	\$ -	\$ 2,073,849
Per books amount	1,848,288	0	0	0	0	0		1,848,288
Pro forma adjustment	<u>\$225,561</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$ -	<u>\$ 225,561</u>

Responsible: Tierney

Transportation Expense

For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 15 of 26

Line #

1 **Narrative Discussion of Proposed Transportation Expense**

2

3 The Company has calculated its pro forma Transportation expense based on changes in leased vehicle levels expected to occur by April 2010. For vehicles not yet ordered, costs were
4 based on recently ordered vehicles of the same type. Corporate vehicles were allocated to each district.
5
6
7
8
9
10
11
12
13
14
15
16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

Calculation of pro forma Transportation Expense

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
Pro forma amount	\$ 3,473	\$ 15,222	\$ 72,773	\$ 9,741	\$ 9,560	\$ -	\$ 59,590	
Per books amount	6,308	30,013	94,296	13,685	10,772	0	80,697	
Pro forma adjustment	<u>\$ (2,835)</u>	<u>\$ (14,791)</u>	<u>\$ (21,523)</u>	<u>\$ (3,944)</u>	<u>\$ (1,212)</u>	<u>\$ -</u>	<u>\$ (21,108)</u>	

	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>	Total
Pro forma amount	\$995,906	\$2,631	\$5	\$0	\$13	\$11	\$ 1,168,923
Per books amount	1,316,353	5,207	0	0	0	0	1,557,331
Pro forma adjustment	<u>(\$320,447)</u>	<u>(\$2,577)</u>	<u>\$5</u>	<u>\$0</u>	<u>\$13</u>	<u>\$11</u>	<u>\$ (388,408)</u>

Responsible: Tierney

Adjustment to Net Negative Salvage
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 16 of 26

Line #

1 **Adjustment to Net Negative Salvage**

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40

Reclassification entry to eliminate net negative salvage from recorded test year maintenance expense because net negative salvage is included in the composite depreciation rates.

Calculation of pro forma Adjustment to Net Negative Salvage

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
Pro forma amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Per books amount	12,073	92,024	522,250	100,874	154,849	0	482,252	
Pro forma adjustment	<u>(\$12,073)</u>	<u>(\$92,024)</u>	<u>(\$522,250)</u>	<u>(\$100,874)</u>	<u>(\$154,849)</u>	\$0	<u>(\$482,252)</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
Pro forma amount	\$0	\$0	\$0	\$0	\$0	\$0	\$	\$ -
Per books amount	3,537,441	110,307	2,728	6	23	119		5,014,946
Pro forma adjustment	<u>(\$3,537,441)</u>	<u>(\$110,307)</u>	<u>(\$2,728)</u>	<u>(\$6)</u>	<u>(\$23)</u>	<u>(\$119)</u>	\$	<u>-\$ (5,014,946)</u>

Responsible: Williams

Adjustment of Property Tax Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 17 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Property Tax Expense**

2
3 The Company has developed its pro forma property tax expense based on its latest actual property tax bills. The pro forma property tax was calculated by dividing the 2008 property tax
4 bills by June 30, 2008 utility plant in service and materials & supplies producing a property tax rate per \$1 of taxable property base. This rate was multiplied by the true-up utility plant in
5 service and materials & supplies as of June 30, 2009 to determine the pro forma property tax expense.
6
7
8
9
10
11
12
13
14
15

16
17 **Calculation of pro forma Adjustment of Property Tax Expense**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$26,040	\$341,939	\$1,214,034	\$137,570	\$640,447	\$0	\$1,032,884	
23 Per books amount	23,638	341,011	1,235,731	137,130	562,591	0	1,108,489	
25 Pro forma adjustment	<u>\$2,402</u>	<u>\$928</u>	<u>(\$21,697)</u>	<u>\$440</u>	<u>\$77,856</u>	<u>\$0</u>	<u>(\$75,605)</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$9,070,481	\$237,499	\$45,910	\$1,469	\$36,661	\$123,303	\$ -	\$ 12,908,237
31 Per books amount	8,490,488	230,280	66,400	(5)	(24)	(15)		12,195,714
33 Pro forma adjustment	<u>\$579,993</u>	<u>\$7,219</u>	<u>(\$20,490)</u>	<u>\$1,474</u>	<u>\$36,685</u>	<u>\$123,318</u>	<u>\$ -</u>	<u>712,523</u>

34
35
36
37
38
39
40 Responsible: Tierney

**Adjustment of PSC Assessment Expense
For the Test Year Ended June 30, 2009**

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 18 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of PSC Assessment Expense**

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16

The pro forma adjustment to the Public Service Commission Fee was calculated by applying the last known assessment rate to pro forma present rate revenues.

17 **Calculation of pro forma Adjustment of PSC Assessment Expense**

18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
Pro forma amount	\$ 2,514	\$ 51,795	\$ 146,118	\$ 29,057	\$ 40,085	\$ -	\$ 170,006	
Per books amount	2,052	37,352	99,332	22,849	27,090	0	142,080	
Pro forma adjustment	<u>\$ 462</u>	<u>\$ 14,443</u>	<u>\$ 46,786</u>	<u>\$ 6,208</u>	<u>\$ 12,995</u>	<u>\$ -</u>	<u>\$ 27,926</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
Pro forma amount	\$ 1,334,526	\$ 31,598	\$ 1,970	\$ 7,196	\$ 33,521	\$ 21,373	\$ -	\$ 1,869,759
Per books amount	1,008,777	23,533	1,505	410	2,052	1,231		1,368,263
Pro forma adjustment	<u>\$ 325,749</u>	<u>\$ 8,065</u>	<u>\$ 465</u>	<u>\$ 6,786</u>	<u>\$ 31,469</u>	<u>\$ 20,142</u>	<u>\$ -</u>	<u>\$ 501,496</u>

Responsible: Tierney

Adjustment of Tank Painting Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 19 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Tank Painting Expense**

2

3 The pro forma adjustment for Tank Painting Expense is based upon performing a specific level of tank inspections and tank painting projects. The Company's current revenue requirement

4 includes an annual level of \$1,000,000 for tank painting and inspections. This was a result of a stipulation. The Company is currently recording a tracker for tank painting and inspection

5 costs. It is anticipated that that the Company will record \$1,000,000 of expense in compliance with the tracker but expend \$600,000 in excess of this accrual for 2009. The Company is

6 proposing in the current case to increase the amount of the tank painting tracker to \$1,600,000.

7

8

9

10

11

12

13

14

15

16

17 **Calculation of pro forma Adjustment of Tank Painting Expense**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$ -	\$ 560	\$ 9,190	\$ 2,650	\$ 263,650	\$ -	\$ 913,786	
22 Per books amount	1,000	23,902	53,505	10,801	12,401	0	71,107	
23 Pro forma adjustment	<u>\$ (1,000)</u>	<u>\$ (23,342)</u>	<u>\$ (44,315)</u>	<u>\$ (8,151)</u>	<u>\$ 251,249</u>	<u>\$ -</u>	<u>\$ 842,679</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$ 284,110	\$ 125,560	\$ 0	\$ 0	\$ 0	\$ 0	\$ -	1,599,506
30 Per books amount	808,477	15,501	1,000	200	1,300	900		1,000,094
31 Pro forma adjustment	<u>\$ (524,367)</u>	<u>\$ 110,059</u>	<u>(\$1,000)</u>	<u>(\$200)</u>	<u>(\$1,300)</u>	<u>(\$900)</u>	<u>\$ -</u>	<u>599,412</u>

Responsible: Williams

Adjustment of Annualize Amortization of Regulatory Assets

For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 20 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Annualize Amortization of Regulatory Assets**

2

3 MoAW has received authorization from the Missouri PSC in case No. WR-2007-0216 to record to a regulatory asset account the costs associated with the transition to the Customer Call
4 Center and the Shared Services Center. These costs are to be amortized over a period of 50 years. This adjustment annualizes those costs.

5

6

7

8

9

10

11

12

13

14

15

16

17 **Calculation of pro forma Adjustment of Annualize Amortization of Regulatory Assets**

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
Pro forma amount	\$171	\$4,093	\$9,163	\$1,850	\$2,124	\$0	\$12,177	
Per books amount	171	4,093	9,163	1,850	2,124	0	12,177	
Pro forma adjustment	\$0	\$0	(\$0)	(\$0)	(\$0)	\$0	(\$0)	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
Pro forma amount	\$138,450	\$2,655	\$171	\$34	\$223	\$154	\$ -	\$ 171,264
Per books amount	138,450	2,655	171	34	223	154		171,265
Pro forma adjustment	(\$0)	(\$0)	\$0	\$0	(\$0)	\$0	\$ -	(1)

Responsible: Tierney

Adjustment of Uncollectible Expense at present water rates
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 21 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Uncollectible Expense at present water rates**
2

3 Pro Forma uncollectible accounts expense at present and at proposed rates was calculated by applying the three-year average ratio of net-charge offs to water revenues to the pro forma
4 present rate water revenues and to the pro forma proposed rate water revenues. The adjustment at proposed rates is calculated by multiplying the proposed revenue increase by the
5 average rate of net-charge offs.
6
7
8
9
10
11
12
13
14
15
16

17 **Calculation of pro forma Adjustment of Uncollectible Expense at present water rates**
18

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$2,287	\$55,902	\$201,054	\$21,980	\$22,244	\$0	\$193,812	
22 Per books amount	4,321	74,429	225,139	46,973	47,670	0	324,400	
25 Pro forma adjustment	<u>\$ (2,034)</u>	<u>\$ (18,527)</u>	<u>\$ (24,085)</u>	<u>\$ (24,993)</u>	<u>\$ (25,426)</u>	<u>\$ -</u>	<u>\$ (130,588)</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$1,555,380	\$34,006	\$1,417	\$219	\$3,069	\$1,455	\$ -	2,092,826
31 Per books amount	1,437,631	48,862	2,755	576	2,878	1,786		2,217,420
33 Pro forma adjustment	<u>\$ 117,749</u>	<u>\$ (14,856)</u>	<u>(\$1,338)</u>	<u>(\$357)</u>	<u>\$191</u>	<u>(\$331)</u>	<u>\$ -</u>	<u>· (\$124,594)</u>

Responsible: Petry

Adjustment of Depreciation Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 22 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Depreciation Expense**

2
3 The calculation is based on the true-up utility plant in service (UPIS) balance through April 30, 2010. Depreciation rates used were per a study performed by Mr. John Spanos.
4
5
6
7
8
9
10
11
12
13
14
15
16

17 **Calculation of pro forma Adjustment of Depreciation Expense**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$ 100,287	\$ 637,278	\$ 2,818,027	\$ 555,859	\$ 750,005	\$ -	\$ 3,296,664	
22 Per books amount	59,515	432,480	1,748,328	344,877	529,433	0	2,017,416	
24 Pro forma adjustment	<u>\$ 40,772</u>	<u>\$ 204,798</u>	<u>\$ 1,069,699</u>	<u>\$ 210,982</u>	<u>\$ 220,572</u>	<u>\$ -</u>	<u>\$ 1,279,248</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$ 20,791,748	\$ 515,030	\$ 47,941	\$ 1,571	\$ 105,150	\$ 182,405	\$ -	\$ 29,801,965
30 Per books amount	14,137,499	355,861	30,594	1,316	97,935	178,623		19,933,877
33 Pro forma adjustment	<u>\$ 6,654,249</u>	<u>\$ 159,169</u>	<u>\$ 17,347</u>	<u>\$ 255</u>	<u>\$ 7,215</u>	<u>\$ 3,782</u>	\$ -	<u>\$ 9,868,088</u>

Responsible: Tierney

Adjustment of Postage Expense
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 23 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment of Postage Expense**

2
3 The Pro Forma adjustment for Postage Expense was calculated by applying 2009 anticipated rates from the United States Postal Service to the number of test year mailings.
4
5
6
7
8
9
10
11
12
13
14
15

16
17 **Calculation of pro forma Adjustment of Postage Expense**

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$1,238	\$29,590	\$66,236	\$13,371	\$15,352	\$0	\$88,026	
23 Per books amount	1,204	29,070	64,393	12,999	14,925	0	85,740	
25 Pro forma adjustment	\$34	\$520	\$1,843	\$372	\$427	\$0	\$2,286	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$1,000,845	\$19,190	\$1,238	\$248	\$1,609	\$1,114	\$	1,238,057
31 Per books amount	987,982	19,339	1,204	241	1,565	1,083		1,219,745
33 Pro forma adjustment	\$12,863	(\$149)	\$34	\$7	\$44	\$31	\$	18,312

Responsible: Tierney

Line #

1 Narrative Discussion of Proposed

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16

[Empty box for narrative discussion]

17 Calculation of pro forma

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
23 Per books amount	0	0	0	0	0	0	0	
25 Pro forma adjustment	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	

	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>	Total
29 Pro forma amount	\$0	\$0	\$0	\$0	\$0	\$0 \$	- \$0
31 Per books amount	0	0	0	0	0	0	0
33 Pro forma adjustment	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0 \$</u>	- 0

34
35
36
37
38
39
40

Adjustment to Hydrant Maintenance
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 25 of 26

Line #

1 **Narrative Discussion of Proposed Adjustment to Hydrant Maintenance**

2

3 The Company is proposing to sand blast and paint hydrants in the St. Louis County District that have been identified as having been previously painted with lead paint. The Company
4 estimates a cost of \$250 per hydrant. Per discussions with Company management, costs can only be recovered in rates after spending has occurred.

5

6

7

8

9

10

11

12

13

14

15

16

17 **Calculation of pro forma Adjustment to Hydrant Maintenance**

18

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
19 Pro forma amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
20 Per books amount	0	0	0	0	0	0	0	
21 Pro forma adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
27 Pro forma amount	\$200,000	\$0	\$0	\$0	\$0	\$0	\$ -	200,000
28 Per books amount	0	0	0	0	0	0		0
29 Pro forma adjustment	\$200,000	\$0	\$0	\$0	\$0	\$0	\$ -	200,000

Responsible: Tierney

Adjustment to Franchise Fees
For the Test Year Ended June 30, 2009

Missouri-American Water Company
Case No. WR-2010-XXXX

Schedule CAS-15
Page 26 of 26

Line #

1 Narrative Discussion of Proposed Adjustment to Franchise Fees

2
3 The proforma adjustment for franchise fees was calculated by applying the rate from the 2008 return to total assets at 06/30/09.
4
5
6
7
8
9
10
11
12
13
14
15
16

17 Calculation of pro forma Adjustment to Franchise Fees

	Brunswick <u>BRU</u>	Jefferson City <u>JFC</u>	Joplin <u>JOP</u>	Mexico <u>MEX</u>	Parkville Water <u>PKW</u>	St Charles <u>SCH</u>	St Joseph <u>SJO</u>	
21 Pro forma amount	\$407	\$9,727	\$21,774	\$4,396	\$5,047	\$0	\$28,937	
22 Per books amount	382	9,136	20,450	4,128	4,740	0	27,178	
24 Pro forma adjustment	<u>\$25</u>	<u>\$591</u>	<u>\$1,324</u>	<u>\$268</u>	<u>\$307</u>	<u>\$0</u>	<u>\$1,759</u>	
	St Louis Metro <u>SLM</u>	Warrensburg <u>WAR</u>	Warren Cty Water <u>WCW</u>	Parkville Sewer <u>PKS</u>	Cedar Hill Sewer <u>CDH</u>	Warren Cty Sewer <u>WCS</u>		Total
29 Pro forma amount	\$329,013	\$6,308	\$407	\$81	\$529	\$366	\$-	\$406,992
30 Per books amount	309,009	5,925	382	76	497	344	\$-	382,247
32 Pro forma adjustment	<u>\$20,004</u>	<u>\$383</u>	<u>\$25</u>	<u>\$5</u>	<u>\$32</u>	<u>\$22</u>	<u>\$-</u>	<u>\$24,745</u>

Responsible: Petry