

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

STAFF ACCOUNTING SCHEDULES

MISSOURI GAS ENERGY

CASE NO. GR-2006-0422

FILED²

FEB 07 2007

Missouri Public
Service Commission

Jefferson City, Missouri
October 2006

Staff Exhibit No. 129
Case No(s) GR-2006-0422
Date 1-11-07 Rptr MC

Missouri Gas Energy
Case: GR-06-422A
Twelve Months Ending December 31, 2005 Updated 6/30/06

Revenue Requirement

Line	8.01% Return	8.12% Return	8.22% Return
(A)	(B)	(C)	(D)
1 Net Orig Cost Rate Base (Sch 2)	\$ 570,259,911	\$ 570,259,911	\$ 570,259,911
2 Rate of Return	8.01%	8.12%	8.22%

3 Net Operating Income Requirement	\$ 45,677,819	\$ 46,305,105	\$ 46,875,365
4 Net Income Available (Sch 9)	\$ 37,645,476	\$ 37,645,476	\$ 37,645,476

5 Additional NOI/T Needed	\$ 8,032,343	\$ 8,659,629	\$ 9,229,889
6 Income Tax Requirement (Sch 11)			
7 Required Current Income Tax	\$ 12,720,306	\$ 13,111,153	\$ 13,466,469
8 Test Year Current Income Tax	\$ 7,715,538	\$ 7,715,538	\$ 7,715,538

9 Additional Current Tax Required	\$ 5,004,768	\$ 5,395,615	\$ 5,750,931
10 Required Deferred ITC	\$ 0	\$ 0	\$ 0
11 Test Year Deferred ITC	\$ 0	\$ 0	\$ 0

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

13 Total Additional Tax Required	\$ 5,004,768	\$ 5,395,615	\$ 5,750,931

14 Gross Revenue Requirement	\$ 13,037,111	\$ 14,055,244	\$ 14,980,820

Missouri Gas Energy

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Rate Base

Line Description		Amount
(A)		(B)
1	Total Plant in Service (Sch 3)	\$ 857,469,709
	Subtract from Total Plant	
2	Depreciation Reserve (Sch 6)	\$ 296,706,705

3	Net Plant in Service	\$ 560,763,004
	Add to Net Plant in Service	
4	Cash Working Capital (Sch 8)	\$ (3,974,574)
5	Materials and Supplies	1,818,545
6	Prepayments	246,749
7	Alternative Minimum Tax Credit	16,191,275
8	Prepaid Pension Asset	9,523,173
9	Gas Inventory	96,584,503
	Subtract from Net Plant	
10	Federal Tax Offset 5.4207 %	\$ 595,890
11	State Tax Offset 5.4207 %	93,640
12	City Tax Offset 0.0000 %	0
13	Interest Expense Offset 12.9332 %	3,267,251
14	Customer Advances for Construction	14,384,105
15	Customer Deposits	4,072,284
16	Deferred Taxes - TOTAL SLRP	3,530,079
17	Deferred Taxes - Non SLRP Plant	83,316,574
18	Deferred Taxes - Allocated Plant	32,104
19	Deferred Taxes - Other Timing Diffe	1,600,837

20	Total Rate Base	\$ 570,259,911
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Total Plant in Service

Line		Total	Total Co	Alloc	Jurisdictional	Adjusted
No	Acct	Company	Adjustment	Factor	Adjustment	Jurisdictional
	(A)	(B)	(C)	(D)	(E)	(F)
Intangible Plant						
1	301.000 Organization	\$ 15,600	\$ 0	100.0000	\$ 0 P-1	\$ 15,600
2	302.000 Franchises & Consents	32,096	0	100.0000	0 P-2	32,096
3	303.000 Work Force Automation	3,785,364	0	100.0000	0 P-3	3,785,364
4	303.000 Corrosion Control Management System	1,117,800	0	100.0000	0 P-4	1,117,800
5	303.000 Landbase Digitized Mapping	1,701,543	0	100.0000	0 P-5	1,701,543
6	303.000 Premise Data System	985,196	0	100.0000	0 P-6	985,196
7	303.000 AMR Project - Programming	469,443	0	100.0000	0 P-7	469,443
8	303.000 Facility Priority Index	894,795	0	100.0000	0 P-8	894,795
9	303.000 Geographic Information System	1,006,719	0	100.0000	0 P-9	1,006,719
10	303.000 Customer Service System	3,786,000	0	100.0000	0 P-10	3,786,000
11	303.000 CSS Enhancements	7,588,221	0	100.0000	0 P-11	7,588,221
12	303.000 Mainframe Software	1,912,642	0	100.0000	0 P-12	1,912,642
13	303.000 Website	485,944	0	100.0000	0 P-13	485,944
14	303.000 Stoner Low Pressure Model	279,672	0	100.0000	0 P-14	279,672
15	303.000 BASIC	294,516	0	100.0000	0 P-15	294,516
16	303.000 TCS System	189,193	0	100.0000	0 P-16	189,193
17	303.000 GEO Tax Software	79,294	0	100.0000	0 P-17	79,294
18	303.000 Oracle Software	2,415,660	0	100.0000	0 P-18	2,415,660
19	303.000 Power Plant Software	187,288	0	100.0000	0 P-19	187,288
20	303.000 Virtual Hold Call Center	191,000	0	100.0000	0 P-20	191,000
21	303.000 Witness Software	194,706	0	100.0000	0 P-21	194,706
22	303.000 Completed Not Classified	31,945	0	100.0000	0 P-22	31,945
23	Total	\$ 27,644,637	\$ 0		\$ 0	\$ 27,644,637

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Distribution Plant							
24	374.000	Land	\$ 223,517	\$ 0	100.0000	\$ 0	P-23 \$ 223,517
25	374.200	Land Rights	1,665,693	0	100.0000	0	P-24 1,665,693
26	375.100	Structures	5,584,958	0	100.0000	0	P-25 5,584,958
27	375.200	Leasehold Improvements	0	0	100.0000	0	P-26 0
28	376.000	Mains	339,884,706	0	100.0000	0	P-27 339,884,706
29	378.000	Meas. & Reg. Sta. Equip - General	11,634,249	0	100.0000	0	P-28 11,634,249
30	379.000	Meas. & Reg. Sta. Equip - City Gate	3,058,251	0	100.0000	0	P-29 3,058,251
31	380.000	Services	294,362,067	0	100.0000	0	P-30 294,362,067
32	381.000	Meters	31,036,775	0	100.0000	0	P-31 31,036,775
33	382.000	Meters Installations	68,835,673	0	100.0000	0	P-32 68,835,673
34	383.000	House Regulators	11,558,045	0	100.0000	0	P-33 11,558,045
35	385.000	Electronic Gas Measuring	372,505	0	100.0000	0	P-34 372,505
36	387.000	Other Equipment	0	0	100.0000	0	P-35 0
37		Total	\$ 768,216,439	\$ 0		\$ 0	\$ 768,216,439
General Plant							
38	389.000	Land	\$ 773,880	\$ 0	100.0000	\$ 0	P-36 \$ 773,880
39	390.100	Structures	661,193	0	100.0000	0	P-37 661,193
40	390.200	Leasehold Improvements	1,546,597	0	100.0000	0	P-38 1,546,597
41	391.000	Office Furniture & Equipment	6,970,421	0	100.0000	0	P-39 6,970,421
42	392.000	Transportation Equipment	5,043,979	0	100.0000	0	P-40 5,043,979
43	393.000	Stores Equipment	538,350	0	100.0000	0	P-41 538,350
44	394.000	Tools, Shop & Garage Equipment	5,154,470	0	100.0000	0	P-42 5,154,470
45	395.000	Laboratory Equipment	0	0	100.0000	0	P-43 0
46	396.000	Power Operated Equipment	243,807	0	100.0000	0	P-44 243,807
47	397.100	Communication Equipment - AMR	36,324,861	0	100.0000	0	P-45 36,324,861
48	397.200	Communications Equipment	3,289,347	0	100.0000	0	P-46 3,289,347
49	398.000	Miscellaneous Equipment	431,485	0	100.0000	0	P-47 431,485
50		Total	\$ 60,978,390	\$ 0		\$ 0	\$ 60,978,390

Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
		General Plant - Allocated					
51	390.000	Leasehold Improvements	\$ 2,036,684	\$ (1,623,850)	100.0000	\$ 0 P-49	\$ 412,834
52	391.000	Office Equipment	209,405	0	100.0000	0 P-50	209,405
53	392.000	Transportation Equipment	8,004	0	100.0000	0 P-51	8,004
54		Total	\$ 2,254,093	\$ (1,623,850)		\$ 0	\$ 630,243
55		Total Plant In Service	\$ 859,093,559	\$ (1,623,850)		\$ 0	\$ 857,469,709

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Total Plant

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Leasehold Improvements	P-49	\$ (1,623,850)
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1. To remove unused portions of Scranton offices. (Winter)		\$ (1,143,060)
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2. To remove New York office leasehold improvements. (Winter)		\$ (480,790)
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Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
Intangible Plant					
1	301.000	Organization	\$ 15,600	0.0000	\$ 0
2	302.000	Franchises & Consents	32,096	0.0000	0
3	303.000	Work Force Automation	3,785,364	0.0000	0
4	303.000	Corrosion Control Management System	1,117,800	0.0000	0
5	303.000	Landbase Digitized Mapping	1,701,543	0.0000	0
6	303.000	Premise Data System	985,196	0.0000	0
7	303.000	AMR Project - Programming	469,443	0.0000	0
8	303.000	Facility Priority Index	894,795	0.0000	0
9	303.000	Geographic Information System	1,006,719	0.0000	0
10	303.000	Customer Service System	3,786,000	0.0000	0
11	303.000	CSS Enhancements	7,588,221	0.0000	0
12	303.000	Mainframe Software	1,912,642	0.0000	0
13	303.000	Website	485,944	0.0000	0
14	303.000	Stoner Low Pressure Model	279,672	0.0000	0
15	303.000	BASIC	294,516	0.0000	0
16	303.000	TCS System	189,193	0.0000	0
17	303.000	GEO Tax Software	79,294	0.0000	0
18	303.000	Oracle Software	2,415,660	0.0000	0
19	303.000	Power Plant Software	187,288	0.0000	0
20	303.000	Virtual Hold Call Center	191,000	0.0000	0
21	303.000	Witness Software	194,706	0.0000	0
22	303.000	Completed Not Classified	31,945	0.0000	0
23		Total	\$ 27,644,637		\$ 0

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Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
Distribution Plant					
24	374.000	Land	\$ 223,517	0.0000	\$ 0
25	374.200	Land Rights	1,665,693	2.0000	33,314
26	375.100	Structures	5,584,958	2.0000	111,699
27	375.200	Leasehold Improvements	0	0.0000	0
28	376.000	Mains	339,884,706	2.1100	7,171,567
29	378.000	Meas. & Reg. Sta. Equip - General	11,634,249	2.4400	283,876
30	379.000	Meas. & Reg. Sta. Equip - City Gate	3,058,251	2.4400	74,621
31	380.000	Services	294,362,067	3.0500	8,978,043
32	381.000	Meters	31,036,775	2.4600	763,505
33	382.000	Meters Installations	68,835,673	2.4400	1,679,590
34	383.000	House Regulators	11,558,045	2.2200	256,589
35	385.000	Electronic Gas Measuring	372,505	2.3300	8,679
36	387.000	Other Equipment	0	0.0000	0
37		Total	\$ 768,216,439		\$ 19,361,483
General Plant					
38	389.000	Land	\$ 773,880	0.0000	\$ 0
39	390.100	Structures	661,193	2.4400	16,133
40	390.200	Leasehold Improvements	1,546,597	0.0000	0
41	391.000	Office Furniture & Equipment	6,970,421	9.0900	633,611
42	392.000	Transportation Equipment	5,043,979	7.5000	378,298
43	393.000	Stores Equipment	538,350	3.1300	16,850
44	394.000	Tools, Shop & Garage Equipment	5,154,470	3.7000	190,715
45	395.000	Laboratory Equipment	0	0.0000	0
46	396.000	Power Operated Equipment	243,807	4.4100	10,752
47	397.100	Communication Equipment - AMR	36,324,861	5.0000	1,816,243
48	397.200	Communications Equipment	3,289,347	4.7600	156,573
49	398.000	Miscellaneous Equipment	431,485	3.8500	16,612
50		Total	\$ 60,978,390		\$ 3,235,787

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Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
		General Plant - Allocated			
51	390.000	Leasehold Improvements	\$ 412,834	2.0000	\$ 8,257
52	391.000	Office Equipment	209,405	5.0000	10,470
53	392.000	Transportation Equipment	8,004	7.5000	600
54		Total	\$ 630,243		\$ 19,327
55		Total Depreciation Expense	\$ 857,469,709		\$ 22,616,597

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Intangible Plant							
1	301.000	Organization	\$ 0	\$ 0	100.0000	\$ 0 R-1	\$ 0
2	302.000	Franchises & Consents	0	0	100.0000	0 R-2	0
3	303.000	Work Force Automation	1,199,426	0	100.0000	0 R-3	1,199,426
4	303.000	Corrosion Control Management System	1,117,800	0	100.0000	0 R-4	1,117,800
5	303.000	Landbase Digitized Mapping	1,701,543	0	100.0000	0 R-5	1,701,543
6	303.000	Premise Data System	985,196	0	100.0000	0 R-6	985,196
7	303.000	AMR Project - Programming	251,100	0	100.0000	0 R-7	251,100
8	303.000	Facility Priority Index	894,795	0	100.0000	0 R-8	894,795
9	303.000	Geographic Information System	914,094	0	100.0000	0 R-9	914,094
10	303.000	Customer Service System	3,681,397	0	100.0000	0 R-10	3,681,397
11	303.000	CSS Enhancements	4,491,848	0	100.0000	0 R-11	4,491,848
12	303.000	Mainframe Software	897,687	0	100.0000	0 R-12	897,687
13	303.000	Website	178,048	0	100.0000	0 R-13	178,048
14	303.000	Stoner Low Pressure Model	250,190	0	100.0000	0 R-14	250,190
15	303.000	BASIC	276,484	0	100.0000	0 R-15	276,484
16	303.000	TCS System	135,059	0	100.0000	0 R-16	135,059
17	303.000	GEO Tax Software	56,827	0	100.0000	0 R-17	56,827
18	303.000	Oracle Software	363,687	0	100.0000	0 R-18	363,687
19	303.000	Power plant Software	28,093	0	100.0000	0 R-19	28,093
20	303.000	Virtual Hold Call Center	41,362	0	100.0000	0 R-20	41,362
21	303.000	Witness Software	76,238	0	100.0000	0 R-21	76,238
22	303.000	Infinium Software	0	0	100.0000	0 R-22	0
23		Total	\$ 17,540,874	\$ 0		\$ 0	\$ 17,540,874

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Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Distribution Plant							
24	374.100	Land	\$ 0	\$ 0	100.0000	\$ 0 R-23	\$ 0
25	374.200	Land Rights	392,428	0	100.0000	0 R-24	392,428
26	375.100	Structures	441,099	0	100.0000	0 R-25	441,099
27	375.200	Leasehold Improvements	0	0	100.0000	0 R-26	0
28	376.000	Mains	107,494,347	0	100.0000	0 R-27	107,494,347
29	378.000	Meas. & Reg. Sta. Equip. - General	3,530,032	0	100.0000	0 R-28	3,530,032
30	379.000	Meas. & Reg. Sta. Equip - City Gate	805,646	0	100.0000	0 R-29	805,646
31	380.000	Services	129,523,389	0	100.0000	0 R-30	129,523,389
32	381.000	Meters	3,213,048	0	100.0000	0 R-31	3,213,048
33	382.000	Meter Installations	14,547,595	0	100.0000	0 R-32	14,547,595
34	383.000	House Regulators	2,203,266	0	100.0000	0 R-33	2,203,266
35	385.000	Electronic Gas Metering	101,870	0	100.0000	0 R-34	101,870
36	387.000	Other Equipment	0	0	100.0000	0 R-35	0
37		Total	\$ 262,252,720	\$ 0		\$ 0	\$ 262,252,720
General Plant							
38	389.000	Land & Land Rights	\$ 0	\$ 0	100.0000	\$ 0 R-36	\$ 0
39	390.000	Structures	140,442	0	100.0000	0 R-37	140,442
40	390.200	Leasehold Improvements	651,879	0	100.0000	0 R-38	651,879
41	391.000	Office Furniture & Equipment	986,119	0	100.0000	0 R-39	986,119
42	392.000	Transportation Equipment	2,269,393	0	100.0000	0 R-40	2,269,393
43	393.000	Stores Equipment	164,670	0	100.0000	0 R-41	164,670
44	394.000	Tools, Shop & Garage Equipment	1,018,259	0	100.0000	0 R-42	1,018,259
45	395.000	Laboratory Equipment	0	0	100.0000	0 R-43	0
46	396.000	Power Operated Equipment	(421,553)	0	100.0000	0 R-44	(421,553)
47	397.100	Communication Equipment-AMR	13,264,576	0	100.0000	0 R-45	13,264,576
48	397.100	Communications Equipment	(1,541,810)	0	100.0000	0 R-46	(1,541,810)
49	398.000	Miscellaneous Equipment	287,051	0	100.0000	0 R-47	287,051
50		Total	\$ 16,819,026	\$ 0		\$ 0	\$ 16,819,026

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Missouri Gas Energy

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Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
General Plant - Allocated							
51	390.000	Leasehold Improvements	\$ 125,089	\$ (109,131)	100.0000	\$ 0 R-48	\$ 15,958
52	391.000	Furniture & Fixtures	73,030	0	100.0000	0 R-49	73,030
53	392.000	Transportation Equipment	5,097	0	100.0000	0 R-50	5,097
54		Total	\$ 203,216	\$ (109,131)		\$ 0	\$ 94,085

55		Total Depreciation Reserve	\$ 296,815,836	\$ (109,131)		\$ 0	\$ 296,706,705

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Missouri Gas Energy

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Adjustments to Depreciation Reserve

Adj		Total Co	Mo Juris
No	Description	Adjustment	Adjustment

	Leasehold Improvements		
	R-48	\$ (109,131)	

1.	To remove Scranton office reserve.	\$ (12,310)	
	(Winter)		
2.	To remove New York office leasehold reserve.	\$ (96,821)	
	(Winter)		

Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Cash Working Capital

Line No	Acct Description	Test Year Expenses	Revenue Lag	Expense Lag	Net Lag (C) - (D)	Factor (Col E/365)	CWC Req (B) x (F)
(A)		(B)	(C)	(D)	(E)	(F)	(G)
Operation and Maintenance Expense							
1	Cash Vouchers	\$ 38,846,593	40.3395	30.3000	10.0395	0.027505	\$ 1,068,476
2	Payroll and Employee Withholdings	27,525,813	40.3395	12.3800	27.9595	0.076601	2,108,505
3	Vacation Union & Nonunion	2,348,114	40.3395	365.0000	(324.6605)	(0.889481)	(2,088,603)
4	Pension Expense	8,198,546	40.3395	57.5000	(17.1605)	(0.047015)	(385,455)
5	Employee Benefits	6,167,385	40.3395	39.3500	0.9895	0.002711	16,720
6	Purchased Gas Expense	469,859,289	40.3395	39.5100	0.8295	0.002273	1,067,990
7	Purchased Gas Expense (Back Out)	(469,859,289)	40.3395	40.3395	0.0000	0.000000	0
8	Total Operation and Maintenance Expense	\$ 83,086,451					\$ 1,787,633
Taxes							
9	Property Tax	\$ 5,445,369	40.3395	182.0000	(141.6605)	(0.388111)	\$ (2,113,408)
10	State Franchise Taxes	246,719	40.3395	(78.0000)	118.3395	0.324218	79,991
11	Employer Portion of FICA	2,533,772	40.3395	12.3800	27.9595	0.076601	194,089
12	Federal and State Unemployment Tax	36,400	40.3395	60.1300	(19.7905)	(0.054221)	(1,974)
13	Use Tax	166,222	20.8695	61.6300	(40.7605)	(0.111673)	(18,563)
14	Sales Tax	9,825,601	20.8695	33.7900	(12.9205)	(0.035399)	(347,816)
15	Gross Receipts Tax	40,079,903	20.8695	53.2400	(32.3705)	(0.088686)	(3,554,526)
16	Total Taxes	\$ 58,333,986					\$ (5,762,207)
17	Total Cash Working Capital Req						\$ (3,974,574)

Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Income Statement

Line		Total	Total Co	Alloc	Jurisdictional	Adjusted
No	Acct Description	Company	Adjustment	Factor	Adjustment	Jurisdictional
	(A)	(B)	(C)	(D)	(E)	(F)
Operating Revenues						
1	480.000 Residential Revenue	\$ 461,309,543	\$ (349,978,316)	100.0000	\$ 0 S-1	\$ 111,331,227
2	481.100 Commercial	183,202,124	(147,096,591)	100.0000	0 S-2	36,105,533
3	481.200 Industrial	9,633,497	(8,181,995)	100.0000	0 S-3	1,451,502
4	483.000 Sales for Resale	0	0	100.0000	0 S-4	0
5	487.000 Late Payment Charges	487,006	0	100.0000	0 S-5	487,006
6	488.000 Miscellaneous Service Revenue	4,412,846	0	100.0000	0 S-6	4,412,846
7	489.000 Transportation	10,202,282	119,004	100.0000	0 S-7	10,321,286
8	493.000 Rent from Property	0	0	100.0000	0 S-8	0
9	495.000 Other Gas Revenue	498,984	(566,241)	100.0000	0 S-9	(67,257)
10	Total	\$ 669,746,282	\$ (505,704,139)		\$ 0	\$ 164,042,143
Operation & Maintenance Expense						
11	805.000 Other Gas Purchases	\$ 469,859,289	\$ (469,859,289)	100.0000	\$ 0 S-10	\$ 0
12	807.000 Purchased Gas Expense	0	0	100.0000	0 S-11	0
13	870.000 Operation, Supervision & Engineer	590,699	29,238	100.0000	0 S-12	619,937
14	871.000 Distribution Load Dispatching	8,756	(247)	100.0000	0 S-13	8,509
15	874.000 Mains & Services Expense	3,024,786	2,652	100.0000	0 S-14	3,027,438
16	874.100 Mains & Services Expense-Line Locat	0	0	100.0000	0 S-15	0
17	875.000 Meas & Reg Station Exp-General	682,700	24,531	100.0000	0 S-16	707,231
18	876.000 Meas & Reg Station Exp - Industrial	7,566	(405)	100.0000	0 S-17	7,161
19	877.000 Meas & Reg Station Exp-City Gate	4,798	174	100.0000	0 S-18	4,972
20	878.000 Meter and House Regulator Expense	4,291,777	139,555	100.0000	0 S-19	4,431,332
21	879.000 Customer Installation Expense	2,742,603	(50,057)	100.0000	0 S-20	2,692,546
22	880.000 Other Expense	1,702,382	16,308	100.0000	0 S-21	1,718,690
23	881.000 Rents	96,433	0	100.0000	0 S-22	96,433
24	885.000 Maint Supervision and Engineering	1,075,603	(38,612)	100.0000	0 S-23	1,036,991
25	886.000 Maint of Strutures and Improvement	53,255	1,823	100.0000	0 S-24	55,078
26	887.000 Maintenance of Mains	7,569,448	170,693	100.0000	0 S-25	7,740,141
27	888.000 Maint of Compressor Station Equip	0	0	100.0000	0 S-26	0
28	889.000 Maint of Meas and Reg Stat Equip-Ge	292,800	10,043	100.0000	0 S-27	302,843
29	890.000 Maint of Meas and Reg Stat Equip-In	269,103	11,285	100.0000	0 S-28	280,388
30	891.000 Maint of Meas & Reg Stat Equip-Cit	14,725	617	100.0000	0 S-29	15,342
31	892.000 Maintenance of Services	749,099	9,022	100.0000	0 S-30	758,121
32	893.000 Maint of Meter and House Reg	635,602	13,889	100.0000	0 S-31	649,491
33	894.000 Maint of Other Equip	124,283	6,991	100.0000	0 S-32	131,274
34	901.000 Supervision - Customer Accounts	397,109	25,896	100.0000	0 S-33	423,005
35	902.000 Meter Reading Expense	771,014	15,132	100.0000	0 S-34	786,146
36	903.000 Customer Records/Collection Expense	11,293,811	370,019	100.0000	0 S-35	11,663,830

Missouri Gas Energy

Case: GR-06-422A

Twelve Months Ending December 31, 2005 Updated 6/30/06

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
37	904.000	Uncollectible Accounts	7,108,777	1,819,740	100.0000	0 S-36	8,928,517
38	905.000	Misc Customer Accts Expense	57,553	894	100.0000	0 S-37	58,447
39	907.000	Supervision - Customer Service	0	0	100.0000	0 S-38	0
40	908.000	Customer Assistance Expense	644,078	4,394	100.0000	0 S-39	648,472
41	909.000	Informational/Instructional Advert	58,979	0	100.0000	0 S-40	58,979
42	910.000	Misc. Customer Service & Info Exp	3,543	0	100.0000	0 S-41	3,543
43	911.000	Supervision - Sales	0	0	100.0000	0 S-42	0
44	912.000	Demonstrating and Selling Expense	96,757	2,156	100.0000	0 S-43	98,913
45	913.000	Advertising Expense	0	0	100.0000	0 S-44	0
46	916.000	Miscellaneous Sales Expense	3,156	0	100.0000	0 S-45	3,156
47	920.000	Admin & Gen Expense-Salaries	6,049,155	(312,010)	100.0000	0 S-46	5,737,145
48	921.000	Office Supplies and Expense	2,562,258	(36,741)	100.0000	0 S-47	2,525,517
49	922.000	Admin & Gen Expense - Construction	(431,962)	0	100.0000	0 S-48	(431,962)
50	923.000	Outside Services	1,733,396	2,489,331	100.0000	0 S-49	4,222,727
51	924.000	Property Insurance	72,921	(15,808)	100.0000	0 S-50	57,113
52	925.000	Injuries and Damages	3,368,391	(1,266,110)	100.0000	0 S-51	2,102,281
53	926.000	Pension & Benefits	8,838,850	9,161,169	100.0000	0 S-52	18,000,019
54	928.000	Regulatory Commission Expense	2,264,862	(726,585)	100.0000	0 S-53	1,538,277
55	930.200	Misc. General Expense	155,511	(59,517)	100.0000	0 S-54	95,994
56	931.000	Rents	925,286	(12,336)	100.0000	0 S-55	912,950
57	932.000	Maint of General Plant	1,194,197	(51)	100.0000	0 S-56	1,194,146
58	431.000	Interest on Customer Deposits	147,252	28,066	100.0000	0 S-57	175,318
59		Total	\$ 541,110,601	\$ (458,024,150)		\$ 0	\$ 83,086,451
Depreciation Expense							
60		Depreciation Expense	\$ 23,435,869	\$ 0	100.0000	\$ (819,272) S-64	\$ 22,616,597
61		Total	\$ 23,435,869	\$ 0		\$ (819,272)	\$ 22,616,597
Other Operating Expenses							
62		Amortization of Net Cost of Removal	\$ 0	\$ (52,663)	100.0000	\$ 0 S-58	\$ (52,663)
63	404.000	Amortization Expense	2,979,834	2,740,807	100.0000	0 S-59	5,720,641
64	408.000	Property Taxes	(169,925)	5,615,294	100.0000	0 S-60	5,445,369
65	408.000	Payroll Taxes	1,888,435	89,738	100.0000	0 S-61	1,978,173
66	408.000	Gross Receipts Tax	40,079,903	(40,079,903)	100.0000	0 S-62	0
67	408.000	Missouri Franchise Taxes	240,000	6,719	100.0000	0 S-63	246,719
68	403.001	Transportation Depr Clearing	0	(389,050)	100.0000	0 S-66	(389,050)
69	403.900	Kansas City Income Taxes Paid	0	28,892	100.0000	0 S-67	28,892
70		Total	\$ 45,018,247	\$ (32,040,166)		\$ 0	\$ 12,978,081

Missouri Gas Energy

Case: GR-06-422A

Twelve Months Ending December 31, 2005 Updated 6/30/06

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)

71		Total Operating Expenses	\$ 609,564,717	\$ (490,064,316)		\$ (819,272)	\$ 118,681,129

72		Net Income Before Taxes	\$ 60,181,565	\$ (15,639,823)		\$ 819,272	\$ 45,361,014

Current Income Taxes							
73		Current Income Taxes	\$ 31,177,884	\$ 0	100.0000	\$ (23,462,346) S-65	\$ 7,715,538

74		Total	\$ 31,177,884	\$ 0		\$ (23,462,346)	\$ 7,715,538
Deferred Income Taxes							
75		Deferred Income Taxes	\$ 0	\$ 0	100.0000	\$ 0	\$ 0

76		Total	\$ 0	\$ 0		\$ 0	\$ 0

77		Total Income Taxes	\$ 31,177,884	\$ 0		\$ (23,462,346)	\$ 7,715,538

78		Net Operating Income	\$ 29,003,681	\$ (15,639,823)		\$ 24,281,618	\$ 37,645,476

Missouri Gas Energy

Case: GR-06-422A

Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

Residential Revenue S-1	\$ (349,978,316)	

1. To annualize customer growth. (Harrison)	\$ 173,342	
2. To normalize weather. (Harrison)	\$ 3,507,302	
3. To remove gross receipts tax. (Harrison)	\$ (26,001,385)	
4. To remove unbilled revenues. (Harrison)	\$ (18,231,805)	
5. To remove PGA revenue. (Harrison)	\$ (309,899,330)	
6. To remove ACA costs. (Harrison)	\$ 355,355	
7. To remove take or pay (TOP) revenues. (Harrison)	\$ (165)	
8. To remove refund/PEPL deferral. (Harrison)	\$ 141,421	
9. To remove work order unpostable cash. (Harrison)	\$ (23,051)	

Commercial S-2	\$ (147,096,591)	

1. To annualize customer growth SGS. (Harrison)	\$ 271,702	
2. To normalize weather SGS. (Harrison)	\$ 1,421,822	

Missouri Gas Energy
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Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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3. To remove gross receipts tax. (Harrison)	\$ (13,785,270)	
4. To add rate code 48 for succession gas costs. (Harrison)	\$ 565,078	
5. To remove PGA revenues. (Harrison)	\$ (135,560,739)	
6. To remove ACA costs. (Harrison)	\$ 76,509	
7. To remove contract demand. (Harrison)	\$ (66,842)	
8. To remove company use gas. (Harrison)	\$ (68,089)	
9. To remove refund/PEPL deferral. (Harrison)	\$ 60,862	
10. To adjust revenue for small general service customer rate switching. (Ross)	\$ (11,624)	

Industrial S-3 \$ (8,181,995)

1. To annualize customer growth - LGS. (Harrison)	\$ (232,003)	
2. To normalize weather - LGS. (Harrison)	\$ 144,565	
3. To remove gross receipts tax. (Harrison)	\$ (76,353)	
4. To remove daily balancing not in CSS. (Harrison)	\$ (3,933,882)	

Missouri Gas Energy

Case: GR-06-422A

Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
5. To remove PGA revenue. (Harrison)	\$ (4,057,090)	
6. To remove ACA costs. (Harrison)	\$ (2,961)	
7. To remove contract demand. (Harrison)	\$ (13,793)	
8. To remove refund/PEPL deferral. (Harrison)	\$ 1,146	
9. To adjust revenue for large general service customer rate switching. (Ross)	\$ (11,624)	

Transportation S-7	\$ 119,004	

1. To remove gross receipts tax. (Harrison)	\$ (108,623)	
2. To adjust for customer growth. (Ross)	\$ 11,243	
3. To adjust revenues for customers switching rate classes. (Ross)	\$ 63,444	
4. To normalize customer usage to reflect normal weather. (Ross)	\$ 152,940	

Other Gas Revenue S-9	\$ (566,241)	

1. To remove gross receipts tax. (Harrison)	\$ (81,999)	
2. To remove credit adjustments not in CSS. (Harrison)	\$ 195,305	

Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
3. To remove ISRS revenue not base rates. (Harrison)	\$ (653,273)	
4. To remove gross receipts tax. (Harrison)	\$ (26,274)	

Other Gas Purchases S-10	\$ (469,859,289)	

1. To remove purchased gas expense. (Harrison)	\$ (469,859,289)	

Operation, Supervision & Engineer S-12	\$ 29,238	

1. To annualize payroll at June 30, 2006. (Bolin)	\$ 36,518	
2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (7,280)	

Distribution Load Dispatching S-13	\$ (247)	

1. To annualize payroll at June 30, 2006. (Bolin)	\$ (141)	
2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (106)	

Mains & Services Expense S-14	\$ 2,652	

1. To annualize payroll at June 30, 2006. (Bolin)	\$ 8,180	

Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (5,528)	

Meas & Reg Station Exp-General S-16	\$ 24,531	

1. To annualize payroll at June 30, 2006. (Bolin)	\$ 30,356	
2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (5,825)	

Meas & Reg Station Exp - Industrial S-17	\$ (405)	

1. To annualize payroll at June 30, 2006. (Bolin)	\$ (347)	
2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (58)	

Meas & Reg Station Exp-City Gate S-18	\$ 174	

1. To annualize payroll at June 30, 2006. (Bolin)	\$ 215	
2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (41)	

Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Meter and House Regulator Expense	S-19	\$ 139,555
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1. To annualize payroll at June 30, 2006. (Bolin)	\$	178,984
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$	(39,429)
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Customer Installation Expense	S-20	\$ (50,057)
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1. To annualize payroll at June 30, 2006. (Bolin)	\$	(24,595)
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$	(25,462)
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Other Expense	S-21	\$ 16,308
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1. To annualize payroll at June 30, 2006. (Bolin)	\$	33,597
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$	(13,786)
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3. To remove miscellaneous expense. (Mapeka)	\$	(3,398)
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4. To remove miscellaneous dues and donations. (Mapeka)	\$	(105)
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Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Maint Supervision and Engineering	S-23	\$ (38,612)
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ (25,823)	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (12,789)	
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Maint of Strutures and Improvement	S-24	\$ 1,823
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 2,226	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (403)	
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Maintenance of Mains	S-25	\$ 170,693
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 228,711	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (58,018)	
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Maint of Meas and Reg Stat Equip-Ge	S-27	\$ 10,043
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 12,540	
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Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (2,497)	
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Maint of Meas and Reg Stat Equip-In	S-28	\$ 11,285
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 13,523	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (2,238)	
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Maint of Meas & Reg Stat Equip-Cit	S-29	\$ 617
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 732	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (115)	
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Maintenance of Services	S-30	\$ 9,022
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 14,628	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (5,606)	
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Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Maint of Meter and House Reg	S-31	\$ 13,889
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 19,679	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (5,790)	
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Maint of Other Equip	S-32	\$ 6,991
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 7,289	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (298)	
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Supervision - Customer Accounts	S-33	\$ 25,896
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 31,167	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (5,271)	
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Meter Reading Expense	S-34	\$ 15,132
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 22,379	
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Missouri Gas Energy

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (7,247)	
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***** Customer Records/Collection Expense S-35	\$ 370,019	

1. To annualize payroll at June 30, 2006. (Bolin)	\$ 337,029	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (72,508)	
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3. To adjust postage expense to reflect postage increase. (Mapeka)	\$ 81,495	
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4. To remove miscellaneous expenses. (Mapeka)	\$ (531)	
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5. To remove miscellaneous dues and donations. (Mapeka)	\$ (145)	
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6. To adjust PMI collections expense to reflect new contract rate. (Bolin)	\$ 24,679	
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***** Uncollectible Accounts S-36	\$ 1,819,740	

1. To include EWCR AAO. (Harrison)	\$ 300,444	
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2. To normalize bad debt expense. (Harrison)	\$ 1,519,296	
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Missouri Gas Energy

Case: GR-06-422A

Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Misc Customer Accts Expense	S-37	\$ 894
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- | | |
|--|---------|
| 1. To annualize payroll at June 30, 2006.
(Bolin) | \$ 945 |
| 2. To remove miscellaneous expenses.
(Mapeka) | \$ (39) |
| 3. To remove miscellaneous dues and donations.
(Mapeka) | \$ (12) |

Customer Assistance Expense	S-39	\$ 4,394
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- | | |
|---|------------|
| 1. To annualize payroll at June 30, 2006.
(Bolin) | \$ 6,244 |
| 2. To remove a portion of test year incentive compensation and
bonus expense.
(Bolin) | \$ (1,850) |

Demonstrating and Selling Expense	S-43	\$ 2,156
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- | | |
|---|------------|
| 1. To annualize payroll at June 30, 2006.
(Bolin) | \$ 3,331 |
| 2. To remove a portion of test year incentive compensation and
bonus expense.
(Bolin) | \$ (1,175) |

Admin & Gen Expense-Salaries	S-46	\$ (312,010)
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- | | |
|--|------------|
| 1. To annualize payroll at June 30, 2006.
(Bolin) | \$ 144,083 |
|--|------------|

Missouri Gas Energy

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Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (65,422)	
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3. To remove severance payment. (Bolin)	\$ (300,000)	
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4. To remove lobbying costs. (Bolin)	\$ (17,318)	
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5. To remove certain expenses of the Customer and Government Relations department. (Bolin)	\$ (73,353)	
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Office Supplies and Expense S-47	\$ (36,741)	
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1. To annualize payroll at June 30, 2006. (Bolin)	\$ 5,552	
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$ (31)	
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3. To remove miscellaneous expenses. (Mapeka)	\$ (23,290)	
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4. To remove miscellaneous dues and donations. (Mapeka)	\$ (2,170)	
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5. To remove costs for MEDA activities. (Bolin)	\$ (1,243)	
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6. To remove certain expenses of the Customer and Government Relations department. (Bolin)	\$ (15,559)	
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Missouri Gas Energy

Case: GR-06-422A

Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Outside Services	S-49	\$ 2,489,331
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1. To annualize payroll at June 30, 2006. (Bolin)	\$	(41)
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2. To include SUG non-employee allocation. (Winter)	\$	1,348,041
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3. To adjust Staff's SUG non-employee allocation. (Winter)	\$	(245,533)
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4. To include SUG employee allocation. (Winter)	\$	1,953,719
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5. To adjust Staff's SUG employee allocation. (Winter)	\$	(484,217)
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6. To remove miscellaneous dues and donations. (Mapeka)	\$	(150)
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7. To remove payments to lobbyists. (Bolin)	\$	(82,386)
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8. To remove certain expenses of the Customer and Government Relations department. (Bolin)	\$	(102)
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Property Insurance	S-50	\$ (15,808)
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1. To annualize insurance premiums. (Mapeka)	\$	(15,808)
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Missouri Gas Energy

Case: GR-06-422A

Twelve Months Ending December 31, 2005 Updated 6/30/06

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Injuries and Damages	S-51	\$ (1,266,110)
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1. To annualize payroll at June 30, 2006. (Bolin)	\$	456
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2. To remove a portion of test year incentive compensation and bonus expense. (Bolin)	\$	(10)
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3. To remove December 2005 accrued amount. (Mapeka)	\$	(1,500,000)
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4. To reflect the normalized level of actual injuries and damages claims paid. (Mapeka)	\$	233,484
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5. To remove miscellaneous dues and donations. (Mapeka)	\$	(40)
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Pension & Benefits	S-52	\$ 9,161,169
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1. To remove per book account 926. (Bolin)	\$	(8,838,850)
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2. To normalize cost of dental benefits. (Winter)	\$	321,930
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3. To normalize test year medical costs. (Winter)	\$	4,714,994
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4. To annualize retirement power benefits through 6/30/06. (Bolin)	\$	366,645
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5. To annualize Life, AD&D insurance through 6/30/06. (Bolin)	\$	106,477
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Missouri Gas Energy

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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6. To annualize LTD insurance through 6/30/06. (Bolin)	\$ 138,897	
7. To annaulize 401(K) costs through 6/30/06. (Bolin)	\$ 789,522	
8. To annualize other miscellaneous employee benefits. (Bolin)	\$ 50,850	
9. To annualize pension expense using a Minimum ERISA contribution. (Harrison)	\$ 7,059,236	
10. To annualize FAS 106 expense. (Harrison)	\$ 1,262,765	
11. To include the amortization of the FAS 106 transition obligation. (Harrison)	\$ 2,049,393	
12. To reflect the amortization of MGE's prepaid pension asset amount (\$7,975,171 at 6/30/06) over 7 years. (Harrison)	\$ 1,139,310	

 Regulatory Commission Expense S-53 \$ (726,585)

1. To remove per book charges from Account 928. (Mapeka)	\$ (2,264,862)	
2. To include an annualized level of PSC assessment. (Mapeka)	\$ 1,386,977	
3. To include annualized level of NARUC assessment. (Mapeka)	\$ 6,198	
4. To include a normalized level of rate case expense. (Mapeka)	\$ 120,707	

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Adj No Description	Total Co Adjustment	Mo Juris Adjustment
5. To include a normalized level of expense for a Commission ordered depreciation study. (Mapeka)	\$ 1,718	
6. To include an annualized level of expense for ISRS application. (Mapeka)	\$ 5,928	
7. To include an annualized level of ACA case expense. (Mapeka)	\$ 16,749	

Misc. General Expense S-54	\$ (59,517)	

1. To adjust test year expense to reflect Staff's disallowance of advertising expense. (Mapeka)	\$ (7,656)	
2. To remove promotional giveaways. (Mapeka)	\$ (5,254)	
3. To remove miscellaneous dues and donations. (Mapeka)	\$ (15,006)	
4. To remove costs for MEDA activities. (Bolin)	\$ (1,800)	
5. To remove certain expenses of the Customer and Government Relations department. (Bolin)	\$ (29,801)	

Rents S-55	\$ (12,336)	

1. To include an annaulized level of rent received from Broadway Ford for parking lot space. (Harrison)	\$ (12,336)	

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Maint of General Plant	S-56	\$ (51)
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1. To annualize payroll at June 30, 2006. (Bolin)		\$ (51)
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Interest on Customer Deposits	S-57	\$ 28,066
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1. To adjust test year to reflect an annualized level of customer deposit interest. (Mapeka)		\$ 28,066
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Amortization of Net Cost of Removal	S-58	\$ (52,663)
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1. To amortize net cost of removal over 5 years. (Winter)		\$ (52,663)
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Amortization Expense	S-59	\$ 2,740,807
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1. To annualize amortization expense on intangibles in plant account 303 through 6/30/06. (Mapeka)		\$ (463,998)
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2. To amortize SLRP defferals. (Wandel)		\$ 3,204,805
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Property Taxes	S-60	\$ 5,615,294
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1. To remove property tax refunds. (Winter)		\$ 4,759,679
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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
2. To amortize property tax refunds over 5 years. (Winter)	\$ (1,108,014)	
3. To adjust to reflect an annualized level of property taxes. (Mapeka)	\$ 1,963,629	

Payroll Taxes S-61	\$ 89,738	

1. To annualize payroll taxes through June 30, 2006. (Bolin)	\$ 89,738	

Gross Receipts Tax S-62	\$ (40,079,903)	

1. To remove gross receipts tax. (Harrison)	\$ (40,079,903)	

Missouri Franchise Taxes S-63	\$ 6,719	

1. To annualize state franchise taxes. (Harrison)	\$ 6,719	

Current Income Taxes S-65		\$ (23,462,346)

1. To annualize current income taxes. (Harrison)		\$ (23,462,346)

Transportation Depr Clearing S-66	\$ (389,050)	

1. To remove depreciation expense booked to clearing account related to Account 392, Transportation Expense. (Mapeka)	\$ (378,298)	

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Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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2. To remove depreciation expense booked to clearing accounts related to Account 396, Power Operated Equipment. (Mapeka)	\$ (10,752)	
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Kansas City Income Taxes Paid	S-67	\$ 28,892
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1. To include a 5 year average of KC income taxes paid. (Harrison)	\$ 28,892	
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Income Tax

Line		Test Year	8.01% Return	8.12% Return	8.22% Return
		(B)	(C)	(D)	(E)

1	Net Income Before Taxes (Sch 9)	\$ 45,361,014	\$ 58,398,125	\$ 59,416,258	\$ 60,341,834

	Add to Net Income Before Taxes				
2	Book Depreciation Expense	\$ 22,616,597	\$ 22,616,597	\$ 22,616,597	\$ 22,616,597
		-----	-----	-----	-----
3	Total	\$ 22,616,597	\$ 22,616,597	\$ 22,616,597	\$ 22,616,597
Subtr from Net Income Before Taxes					
4	Interest Expense 4.4300 %	\$ 25,262,514	\$ 25,262,514	\$ 25,262,514	\$ 25,262,514
5	Depreciation Expense	22,616,597	22,616,597	22,616,597	22,616,597
		-----	-----	-----	-----
6	Total	\$ 47,879,111	\$ 47,879,111	\$ 47,879,111	\$ 47,879,111

7	Net Taxable Income	\$ 20,098,500	\$ 33,135,611	\$ 34,153,744	\$ 35,079,320

	Provision for Federal Income Tax				
8	Net Taxable Income	\$ 20,098,500	\$ 33,135,611	\$ 34,153,744	\$ 35,079,320
9	Deduct Missouri Income Tax 100.0 %	\$ 1,047,789	\$ 1,727,449	\$ 1,780,527	\$ 1,828,780
10	Deduct City Income Tax	0	0	0	0
11	Federal Taxable Income	19,050,711	31,408,162	32,373,217	33,250,540
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12	Total Federal Tax	\$ 6,667,749	\$ 10,992,857	\$ 11,330,626	\$ 11,637,689
Provision for Missouri Income Tax					
13	Net Taxable Income	\$ 20,098,500	\$ 33,135,611	\$ 34,153,744	\$ 35,079,320
14	Deduct Federal Income Tax 50.0 %	\$ 3,333,875	\$ 5,496,429	\$ 5,665,313	\$ 5,818,845
15	Deduct City Income Tax	0	0	0	0
16	Missouri Taxable Income	16,764,626	27,639,183	28,488,431	29,260,476
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17	Total Missouri Tax	\$ 1,047,789	\$ 1,727,449	\$ 1,780,527	\$ 1,828,780

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Income Tax

Line	Test Year	8.01% Return	8.12% Return	8.22% Return
(A)	(B)	(C)	(D)	(E)
Provision for City Income Tax				
18 Net Taxable Income	\$ 20,098,500	\$ 33,135,611	\$ 34,153,744	\$ 35,079,320
19 Deduct Federal Income Tax	\$ 6,667,749	\$ 10,992,857	\$ 11,330,626	\$ 11,637,689
20 Deduct Missouri Income Tax	1,047,789	1,727,449	1,780,527	1,828,780
21 City Taxable Income	12,382,962	20,415,305	21,042,591	21,612,851
22 Total City Tax	\$ 0	\$ 0	\$ 0	\$ 0
Summary of Provision for Income Tax				
23 Federal Income Tax	\$ 6,667,749	\$ 10,992,857	\$ 11,330,626	\$ 11,637,689
24 Missouri Income Tax	1,047,789	1,727,449	1,780,527	1,828,780
25 City Income Tax	0	0	0	0
26 Total	\$ 7,715,538	\$ 12,720,306	\$ 13,111,153	\$ 13,466,469
Deferred Income Taxes				
27 Deferred Investment Tax Credit	\$ 0	\$ 0	\$ 0	\$ 0
28 Deferred Repair Allowance	0	0	0	0
29 Deferred Tax Depreciation	0	0	0	0
30 Amort of Deferred Tax Depreciation	0	0	0	0
31 Amort of Repair Allowance	0	0	0	0
32 Amort of Deferred ITC	0	0	0	0
33 Deferred Unbilled	0	0	0	0
34 Total	\$ 0	\$ 0	\$ 0	\$ 0

35 Total Income Tax	\$ 7,715,538	\$ 12,720,306	\$ 13,111,153	\$ 13,466,469
