

**Overall Revenue Requirement Summary
For the Test Year Ended December 31, 2007**

**Missouri Public Service Commission
Company: Missouri-American Water Company
District: Mexico**

**Case No. WR-2008-XXXX
Schedule CAS-2-MEX
Page 1 of 1**

Line No.	Description	Schedule	Amount
1	Rate Base	CAS-3-MEX	\$15,310,598
2	Operating Income at Present Rates	CAS-8-MEX	1,076,233
3	Earned Rate of return		7.03%
4	Requested Rate of Return	Rungren Testimony	8.60%
5	Required Operating Income		1,316,711
6	Operating Income Deficiency		240,478
7	Gross Revenue Conversion Factor		1.63841
8	Revenue Deficiency		394,002
9	Adjusted Operating Revenues	CAS-8-MEX	3,545,342
10	Total Revenue Requirement		\$3,939,344
11	Gross Revenue Conversion Factor		\$1,000,000
12	Revenue		9,357
13	Uncollectibles		0.93570%
14	PSC Assessment		0.00000%
15	Before Tax Amount		990,643
16	State Income Taxes		51,645
17	Federal Income Taxes		328,649
18	Total Taxes and Expenses		389,651
19	Net Amount		\$610,349
20	Conversion Factor		1.63841

Rate Base Summary
Test Year Ended December 31, 2007

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

Case No. WR-2008-XXXX
 Schedule CAS-3-MEX
 Page 1 of 1

Line #	Rate Base Component	Supporting Reference	Per Books 12/31/07	Adjustments	Pro Forma Rate Base
1					
2					
3					
4					
5	Utility Plant in Service	CAS-4-MEX	18,651,002	2,113,924	20,764,926
6					
7	Accumulated Provision for Depreciation	CAS-5-MEX	(2,846,001)	(297,331)	(3,143,332)
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>15,805,001</u>	<u>1,816,593</u>	<u>17,621,594</u>
14					
15					
16	Less:				
17	Customer Advances	CAS-6-MEX	108,351	64,395	172,746
18	Contributions in Aid of Construction	CAS-6-MEX	863,037	226,010	1,089,046
19	Accumulated Deferred ITC (3%)	W/P's	0	0	0
20	Deferred Income Taxes	W/P's	1,152,807	(25,869)	1,126,938
21	Pension Liability	W/P's	95,507	(34,817)	60,690
22					
23					
24	Subtotal		<u>2,219,701</u>	<u>229,719</u>	<u>2,449,420</u>
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-MEX	0	0	0
29	Materials and Supplies	W/P's	29,417	0	29,417
30	Prepayments	W/P's	15,807	0	15,807
31	OPEB's Contributed to External Fund	W/P's	51,669	(1,347)	50,322
32	Pension/OPEB Tracker	W/P's	175	5,803	5,978
33	Regulatory Deferrals	W/P's	43,542	(6,642)	36,900
34					
35	Subtotal		<u>140,610</u>	<u>(2,186)</u>	<u>138,424</u>
36					
37	Total Original Cost Rate Base		<u>13,725,910</u>	<u>1,584,668</u>	<u>15,310,598</u>
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Utility Plant in Service
For the Test Year Ended December 31, 2007

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

Line #	Acct No	Account Description	Per Books 12/31/07	Pro Forma Adjustments	Pro Forma UPIS
1		<u>Intangible Plant</u>			
2		Organization	\$0	\$1,964	\$1,964
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	1,127	3,155	4,282
5	303	Subtotal	1,127	5,119	6,246
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	25,516	0	25,516
8	310	Structures & Improvements	68,255	0	68,255
9	311	Collection & Impound Reservoirs	183	0	183
10	312	Lake, River, & Other Intakes	10,775	0	10,775
11	313	Wells & Springs	934,615	0	934,615
12	314	Supply Mains	887,438	0	887,438
13	316	Subtotal	1,926,782	0	1,926,782
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	58,808	0	58,808
16	320	Pumping Structures & Improvements	73,206	0	73,206
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	5,326	0	5,326
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	742,010	267,428	1,009,438
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	33,736	0	33,736
24	328	Subtotal	913,085	267,428	1,180,513
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	13,920	0	13,920
27	330	Water Treatment Structures & Improvements	3,361,555	262,925	3,624,479
28	331	Water Treatment Equipment	2,587,257	764,213	3,351,470
29	332	Water Treatment Equipment - Filter Plant	68,824	0	68,824
30	332.4	Subtotal	6,031,556	1,027,138	7,058,694
31		<u>Transmission & Distribution Plant</u>			
32		Transmission & Distribution Land	13,336	(218)	13,118
33	340	Transmission & Distribution Structures & Improvements	69,287	137	69,424
34	341	Distribution Reservoirs & Standpipes	379,842	59	379,901
35	342	Transmission & Distribution Mains Conv	2,705,099	342,391	3,047,490
36	343	Transmission & Distribution Mains < 4"	226,877	0	226,877
37	343.1	Transmission & Distribution Mains 6" - 8"	1,206,614	16,197	1,222,811
38	343.2	Transmission & Distribution Mains > 10"	1,145,864	2,765	1,148,629
39	343.3	Subtotal	5,746,921	361,331	6,108,252
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Utility Plant in Service
For the Test Year Ended December 31, 2007

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

Case No. WR-2008-XXXX
 Schedule CAS-4-MEX
 Page 2 of 2

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/07	Pro Forma Adjustments	Pro Forma UPIS
		<u>Transmission & Distribution Plant</u>				
1		Fire mains		5,746,921	361,331	6,108,252
2	344	Services		30,397	0	30,397
3	345	Meters - Bronze Case		1,906,895	268,780	2,175,675
4	346.1	Meters - Plastic Case		403,146	39,209	442,356
5	346.2	Meters - Not Class By Type		0	0	0
6	346.3	Meter Installation		71,910	0	71,910
7	347	Hydrants		808,386	0	808,386
8	348	Other Transmission & Distribution Plant		402,046	29,594	431,640
9	349	Subtotal		11,767	0	11,767
10				<u>9,381,468</u>	<u>698,914</u>	<u>10,080,382</u>
11		<u>General Plant</u>				
12		General Land & Land Rights		2,057	0	2,057
13	389	Stores Shops Equipment Structures		24,657	0	24,657
14	390	Office Structures		122,116	0	122,116
15	390.1	General Structures - HVAC		0	0	0
16	390	Miscellaneous Structures		0	0	0
17	390.3	Office Furniture and Equipment		965	1,444	2,409
18	391	Computers & Peripheral Equipment		20,682	29,846	50,528
19	391.2	Computer Software		31,048	65,836	96,884
20	391.25	Personal Computer Software		0	1,277	1,277
21	391.26	Other Office Equipment		45,376	81	45,457
22	391.3	Transportation Equipment - Light Trucks		22,859	439	23,298
23	392.11	Transportation Equipment - Heavy Trucks		0	0	0
24	392.12	Transportation Equipment - Cars		16,428	1,622	18,050
25	392.2	Transportation Equipment - Other		0	0	0
26	392.3	Stores Equipment		11,065	0	11,065
27	393	Tools, Shop, & Garage Equipment		45,742	13,871	59,613
28	394	Laboratory Equipment		13,269	0	13,269
29	395	Power Operated Equipment		8,027	0	8,027
30	396	Communication Equipment (non telephone)		20,948	412	21,360
31	397	Telephone Equipment		3,693	379	4,072
32	397.2	Miscellaneous Equipment		8,052	117	8,169
33	398	Other Tangible Property		0	0	0
34	399	Subtotal		<u>396,984</u>	<u>115,324</u>	<u>512,308</u>
35						
36						
37		Total Plant in Service		<u>\$18,651,002</u>	<u>\$2,113,924</u>	<u>\$20,764,926</u>
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**Accumulated Depreciation and Amortization
For the Test Year Ended December 31, 2007**

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

Case No. WR-2008-XXXX
Schedule CAS-5-MEX
Page 1 of 2

Line #	Acct No	Account Description	Per Books 12/31/07	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Intangible Plant</u>			
2	301	Organization	\$0	\$0	\$0
3	302	Franchise & Consents	0	0	0
4	303	Miscellaneous Intangible Plant Studies	0	3,686	3,686
5		Subtotal	0	3,686	3,686
6		<u>Source of Supply Plant</u>			
7	310	Land & Land Rights	0	0	0
8	311	Structures & Improvements	28,530	1,254	29,784
9	312	Collection & Impound Reservoirs	142	2	144
10	313	Lake, River, & Other Intakes	89	143	232
11	314	Wells & Springs	306,169	11,706	317,875
12	316	Supply Mains	173,315	10,680	183,995
13		Subtotal	508,245	23,785	532,030
14		<u>Pumping Plant</u>			
15	320	Pumping Land & Land Rights	0	0	0
16	321	Pumping Structures & Improvements	25,079	950	26,029
17	322	Boiler Plant Equipment	0	0	0
18	323	Force Mains	241	80	321
19	324	Steam Pumping Equipment	0	0	0
20	325	Electric Pumping Equipment	(200,787)	7,128	(193,659)
21	326	Diesel Pumping Equipment	0	0	0
22	327	Pump Equip Hydraulic	0	0	0
23	328	Other Pumping Equipment	1,830	617	2,447
24		Subtotal	(173,637)	8,775	(164,862)
25		<u>Treatment Plant</u>			
26	330	Water Treatment Land & Land Rights	0	0	0
27	331	Water Treatment Structures & Improvements	491,871	33,972	525,843
28	332	Water Treatment Equipment	388,076	36,583	424,659
29	332.4	Water Treatment Equipment - Filter Plant	960	1,435	2,395
30		Subtotal	880,908	71,989	952,897
31		<u>Transmission & Distribution Plant</u>			
32	340	Transmission & Distribution Land	0	0	0
33	341	Transmission & Distribution Structures & Improvements	9,432	1,390	10,822
34	342	Distribution Reservoirs & Standpipes	118,385	6,411	124,796
35	343	Transmission & Distribution Mains Conv	1,004,607	21,199	1,025,806
36	343.1	Transmission & Distribution Mains < 4"	(19,189)	2,552	(16,637)
37	343.2	Transmission & Distribution Mains 6" - 8"	(9,484)	13,781	4,297
38	343.3	Transmission & Distribution Mains > 10"	27,652	12,927	40,579
39		Subtotal	1,131,404	58,259	1,189,663
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**Accumulated Depreciation and Amortization
For the Test Year Ended December 31, 2007**

**Missouri Public Service Commission
Company: Missouri-American Water Company
District: Mexico**

**Case No. WR-2008-XXXX
Schedule CAS-5-MEX
Page 2 of 2**

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/07	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Transmission & Distribution Plant</u>				
2	344	Fire mains		1,131,404	58,259	1,189,663
3	345	Services		7,794	342	8,136
4	346.1	Meters - Bronze Case		114,694	38,211	152,905
5	346.2	Meters - Plastic Case		5,463	6,396	11,859
6	346.3	Meters - Not Class By Type		0	0	0
7	347	Meter Installation		70,300	1,311	71,611
8	348	Hydrants		43,651	14,733	58,384
9	349	Other Transmission & Distribution Plant		126,750	5,020	131,770
10		Subtotal		4,209	176	4,385
11				<u>1,504,264</u>	<u>124,449</u>	<u>1,628,713</u>
12		<u>General Plant</u>				
13	389	General Land & Land Rights		0	0	0
14	390	Stores Shops Equipment Structures		3,098	444	3,542
15	390.1	Office Structures		36,721	456	37,177
16	390	General Structures - HVAC		0	0	0
17	390.3	Miscellaneous Structures		0	0	0
18	391	Office Furniture and Equipment		(8,593)	290	(8,303)
19	391.2	Computers & Peripheral Equipment		(2,134)	6,037	3,903
20	391.25	Computer Software		9,343	47,835	57,178
21	391.26	Personal Computer Software		0	546	546
22	391.3	Other Office Equipment		5,299	2,303	7,602
23	392.11	Transportation Equipment - Light Trucks		22,834	727	23,561
24	392.12	Transportation Equipment - Heavy Trucks		0	0	0
25	392.2	Transportation Equipment - Cars		18,338	1,724	20,062
26	392.3	Transportation Equipment - Other		0	0	0
27	393	Stores Equipment		2,645	237	2,882
28	394	Tools, Shop, & Garage Equipment		23,204	1,587	24,791
29	395	Laboratory Equipment		(7,777)	398	(7,379)
30	396	Power Operated Equipment		11,483	411	11,894
31	397	Communication Equipment (non telephone)		(8,373)	933	(7,440)
32	397.2	Telephone Equipment		17,367	375	17,742
33	398	Miscellaneous Equipment		2,766	344	3,110
34	399	Other Tangible Property		0	0	0
35		Subtotal		<u>126,221</u>	<u>64,647</u>	<u>190,868</u>
36						
37		Total Plant in Service		<u>\$2,846,001</u>	<u>\$297,331</u>	<u>\$3,143,332</u>

**Customer Advances and Contributions in Aid of Construction
For the Test Year Ended December 31, 2007**

Line #	Acct No	Account Description	Per Books 12/31/07	Pro Forma Adjustments	Pro Forma Balance
1		<u>Customer Advances</u>			
2	252.11	Advances for Construction - Mains	0	64,395	64,395
3		Advances for Construction - Extensions	96,970	0	96,970
4		Advances for Construction - Services	0	0	0
5		Advances for Construction - Hydrants	11,380	0	11,380
6		Advances for Construction - WIP	0	0	0
7		Advances for Construction - Taxable Extensions	0	0	0
8	252.71	Total Customer Advances	<u>108,351</u>	<u>64,395</u>	<u>172,746</u>
9					
10					
11					
12					
13					
14					
15		<u>Contributions in Aid of Construction</u>			
16	271.11	Contributions in Aid - NT Mains	148,925	0	148,925
17	271.12	Contributions in Aid - NT Extension Deposit	(333)	1,198	865
18	271.21	Contributions in Aid - NT Services	2,400	238,251	240,651
19	271.30	Contributions in Aid - NT Meters	13,278	2,925	16,203
20		Contributions in Aid - NT Hydrants	45,793	0	45,793
21		Contributions in Aid - NT Other	16,769	0	16,769
22		Contributions in Aid - WIP	0	0	0
23	271.71	Contributions in Aid - Taxable Mains	637,305	0	637,305
24	271.12	Contributions in Aid - Taxable Extension Deposit	209,296	0	209,296
25	271.27	Contributions in Aid - Taxable Services	36,461	0	36,461
26	271.37	Contributions in Aid - Taxable Meters	18,212	0	18,212
27	271.47	Contributions in Aid - Taxable Hydrants	28	0	28
28		Contributions in Aid - Taxable WIP	0	0	0
29		Contributions in Aid - Tax Services SIT	0	0	0
30	Various	Accumulated Amortization - CIAC	(43,015)	(16,364)	(59,379)
31	Various	Accumulated Amortization - CIAC Taxable	(222,084)	0	(222,084)
32		Total Contributions in Aid of Construction	<u>863,037</u>	<u>226,010</u>	<u>1,089,046</u>
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Working Capital
For the Test Year Ended December 31, 2007

Line #	Expense Category	Proforma Expense	Average Daily Expense	Revenue Lag	Expense (Lead)/Lag	Net (Lead)/Lag	Cash Requirement
1							
2							
3							
4	Base Payroll	241,873	663	38.03	13.00	25.03	16,587
5	Tax Withholding	114,925	315	38.03	16.56	21.47	6,760
6	Fuel and Power	192,310	527	38.03	37.20	0.83	437
7	Chemicals	58,377	160	38.03	38.03	0.00	0
8	Purchased Water	0	0	38.03	42.45	(4.42)	0
9	Service Company Charges	271,590	744	38.03	(3.48)	41.51	30,887
10	Group Insurance	56,137	154	38.03	(7.50)	45.53	7,003
11	OPEB's	9,971	27	38.03	3.41	34.62	946
12	Pensions	20,888	57	38.03	17.58	20.45	1,170
13	ESOP	0	0	38.03	17.58	20.45	0
14	Insurance Other than Group	46,470	127	38.03	42.44	(4.41)	(561)
15	Uncollectables	32,684	90	38.03	38.03	0.00	0
16	Rents	4,693	13	38.03	(9.96)	47.99	617
17	401(k)	6,123	17	38.03	38.82	(0.79)	(13)
18	Other O&M	430,882	1,181	38.03	21.41	16.62	19,620
19	Total O&M Expenses	<u>1,486,924</u>					<u>83,453</u>
20							
21	Depreciation Amortization Expense	427,622	1,172	38.03	38.03	0.00	0
22	Property Taxes	137,152	376	38.03	182.50	(144.47)	(54,286)
23	Public Service Commission Fee	24,537	67	38.03	(31.63)	69.66	4,683
24	Franchise and Environment Tax	1,267	3	38.03	(77.50)	115.53	401
25	FICA Taxes	510	1	38.03	16.19	21.84	31
26	FUTA Taxes	25,913	71	38.03	76.38	(38.35)	(2,723)
27	SUTA Taxes	1,056	3	38.03	76.38	(38.35)	(111)
28	Federal Income Tax - Current	294,332	806	38.03	37.00	1.03	831
29	State Income Tax - Current	46,252	127	38.03	58.95	(20.92)	(2,651)
30	Deferred Income Taxes	23,889	65	38.03	38.03	0.00	0
31	Interest Expense	491,470	1,346	38.03	108.85	(70.82)	(95,359)
32	Preferred Dividends	4,593	13	38.03	45.63	(7.60)	(96)
33	Total Working Capital Requirement	<u>2,965,516</u>					<u>(65,827)</u>
34							
35	Total Cash and Working Capital Requirement Used						<u>0</u>
36							
37							
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**Statement of Income Per Books and Pro Forma
For the Test Year Ended December 31, 2007**

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

Case No. WR-2008-XXXX
Schedule CAS-8-MEX
Page 1 of 1

Line #	Schedule Reference	Test year Ended 12/31/07	Adjustments	Pro Forma Present Rates
5	Operating Revenues	\$2,707,634	\$837,708	\$3,545,342
8	Operating Expenses			
9	Operating and Maintenance	1,452,138	34,786	1,486,924
10	Depreciation Expense	459,664	(35,125)	424,539
11	Amortization Expense	3,083	0	3,083
13	Taxes other Than Income Taxes			
14	Property Taxes	127,609	9,543	137,152
15	Payroll Taxes	23,444	4,035	27,479
16	PSC Fees	16,056	8,481	24,537
17	Other	874	393	1,267
19	Utility Operating Income Before Income Taxes	624,766	815,596	1,440,362
21	Income Taxes			
22	Federal Income Tax	52,763	241,569	294,332
23	State Income Tax	6,496	39,756	46,252
24	Deferred Income Taxes	68,255	(44,366)	23,889
25	Amortization of Investment Tax Credit	(344)		(344)
27	Utility Operating Income	\$497,596	\$578,637	\$1,076,233

**Adjustment to Revenues Per Books and Pro Forma
For the Test Year Ended December 31, 2007**

**Missouri Public Service Commission
Company: Missouri-American Water Company
District: Mexico**

**Case No. WR-2008-XXXX
Schedule CAS-9-MEX
Page 1 of 1**

Line #	Test year Ending 12/31/07	Eliminate Unbilled Revenue	Bill Analysis And Other Adjustments	Bill Analysis at Rates	Normalizaton & Annual Adjustments	Other Adjustments	Pro Forma Present Rate Revenue
5	\$1,246,205	(\$2,952)	(\$291)	\$1,242,962	\$47,196	\$352,117	\$1,642,275
6	361,849	2,493	1	364,343	(4,708)	\$99,892	459,527
7	469,944	20,073	(1)	490,016		\$127,609	617,625
8	183,616	3,301	0	186,917		\$50,906	237,823
9	297,404	29,163	0	326,567		\$85,429	411,996
10	0	0	0	0		\$0	0
11							
12							
13							
14	2,559,018	52,078	(291)	2,610,805	42,488	715,953	3,369,246
15							
16							
17	0	0	0	0	0	0	0
18							
19							
20	96,263	0	43	96,306	0	27,437	123,743
21							
22	96,263	0	43	96,306	0	27,437	123,743
23							
24	2,655,281	52,078	(248)	2,707,111	42,488	743,390	3,492,989
25							
26							
27	440			440			440
28	696			696			696
29	0			0			0
30	51,111			51,111			51,111
31	106			106			106
32							
33	52,353	0	0	52,353	0	0	52,353
34							
35							
36	\$2,707,634	\$52,078	(\$248)	\$2,759,464	\$42,488	\$743,390	\$3,545,342
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**Summary of Operations and Maintenance Expenses and General Taxes
 For the Test Year Ended December 31, 2007**

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

Line #	Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
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-MEX which provides additional detail and support.				
7	Labor	CAS-11-MEX	298,795	58,003	356,798
8	Purchased Water	CAS-11-MEX	0	0	0
9	Fuel and Power	CAS-11-MEX	195,536	(3,226)	192,310
10	Chemicals	CAS-11-MEX	60,976	(2,599)	58,377
11	Waste Disposal	CAS-11-MEX	54,001	(3,501)	50,500
12	Management Fees	CAS-11-MEX	314,068	(42,478)	271,590
13	Group Insurance	CAS-11-MEX	66,108	39,251	105,359
14	Pensions	CAS-11-MEX	28,644	(7,756)	20,888
15	Regulatory Expense	CAS-11-MEX	1,168	4,068	5,236
16	Insurance, Other than Group	CAS-11-MEX	59,499	(13,029)	46,470
17	Customer Accounting	CAS-11-MEX	44,306	14,078	58,384
18	Rents	CAS-11-MEX	18,321	(13,628)	4,693
19	General Office Expense	CAS-11-MEX	16,488	5,540	22,028
20	Miscellaneous	CAS-11-MEX	122,796	1,862	124,658
21	Maintenance - Other	CAS-11-MEX	171,432	(1,800)	169,632
22	Total Operations and Maintenance		<u>1,452,138</u>	<u>34,786</u>	<u>1,486,924</u>
24	Depreciation	CAS-11-MEX	459,664	(35,125)	424,539
25	Amortization	CAS-11-MEX	3,083	0	3,083
26	Total Depreciation and Amortization		<u>462,747</u>	<u>(35,125)</u>	<u>427,622</u>
28	Property Taxes	CAS-11-MEX	127,609	9,543	137,152
29	Payroll Taxes	CAS-11-MEX	23,444	4,035	27,479
30	PSC Fees	CAS-11-MEX	16,056	8,481	24,537
31	Other General Taxes	CAS-11-MEX	874	393	1,267
32	Total Taxes Other Than Income Taxes		<u>167,983</u>	<u>22,452</u>	<u>190,435</u>
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**Proforma State and Federal Income Taxes at Present and Proposed Rates
For the Test Year Ended December 31, 2007**

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
Utility Operating Income Before Income Taxes	\$1,440,362	\$1,440,362	\$1,830,677	\$1,830,677
Interest Expense Deduction	491,470	491,470	491,470	491,470
Taxable Income	948,892	948,892	1,339,207	1,339,207
Addback (Deducts):				
Tax over Book Depreciation	(62,260)	(62,260)	(62,260)	(62,260)
Non-deductible Meals	539	539	539	539
Amortization Preferred Stock Expense	29	29	29	29
Non-deductible Reserve Deficiency	0	0	0	0
Total Addbacks (Deducts)	(61,692)	(61,692)	(61,692)	(61,692)
Taxable Income	887,200	887,200	1,277,515	1,277,515
Effective Tax Rate (1)	33.1754%	5.2133%	33.1754%	5.2133%
Proforma Income Tax at Present / Proposed Rates	294,332	46,252	423,820	66,600
Per Books Amount / Present Rates	52,763	6,496	294,332	46,252
Proforma adjustment	\$241,569	\$39,756	\$129,488	\$20,348

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

**Test Year Operating Revenues at Present Rates vs Proposed Rates
For the Test Year Ended December 31, 2007**

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

Case No. WR-2008-XXXX
Schedule CAS-13-MEX
Page 1 of 1

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue	
1	Monthly Billing:					
2	Residential	237,482	\$1,642,275	237,482	\$1,940,833	18.18%
3	Commercial	100,643	459,527	100,643	522,247	13.65%
4	Industrial	170,591	617,625	170,591	617,644	0.00%
5	Other Public Authority	56,226	237,823	56,226	262,838	10.52%
6	Other Water Utilities	120,176	411,996	120,176	419,693	1.87%
7	Miscellaneous	0	0	0	0	0.00%
8	Private Fire	0	123,743	0	123,743	0.00%
9	Public Fire	0	0	0	0	0.00%
10	Total	<u>685,119</u>	<u>3,492,989</u>	<u>685,119</u>	<u>3,886,998</u>	<u>11.28%</u>
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14						
15	Miscellaneous Revenues:					
16	Reconnect Charges		440		440	0.00%
17	Returned Check Charge		696		696	0.00%
18	Application Fee		0		0	0.00%
19	Miscellaneous Other Revenue		51,111		51,111	0.00%
20	Rents from Water Property		106		106	0.00%
21	Misc Sales		-		0	0.00%
22						
23						
24						
25			<u>\$3,545,342</u>		<u>\$3,939,351</u>	<u>11.11%</u>
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