

The Empire District Gas Company
Income Statement
Twelve Months Ending 12/31/08

Line	Total Co			Northwest			North & South		
	Actual	Adjustments	Test Year	Actual	Adjustments	Test Year	Actual	Adjustments	Test Year
1 Revenues from Natural Gas Sales	62,566,155	(46,211,688)	16,354,467	7,056,739	(5,228,550)	1,828,189	55,509,416	(40,983,138)	14,526,278
2 Miscellaneous Revenues	2,871,813	8,246	2,880,059	470,765	(1,579)	469,186	2,401,048	9,825	2,410,873
3 <i>Total Revenue</i>	<u>65,437,968</u>	<u>(46,203,442)</u>	<u>19,234,526</u>	<u>7,527,505</u>	<u>(5,230,129)</u>	<u>2,297,376</u>	<u>57,910,463</u>	<u>(40,973,313)</u>	<u>16,937,150</u>
4 Cost of Natural Gas Sold & Trans	42,630,142	(42,630,142)	-	4,700,643	(4,700,643)	-	37,929,499	(37,929,499)	-
5 Gas Used in Other Utility Operations	18,343	-	18,343	(4,167)	-	(4,167)	22,511	-	22,511
6 System Control and Load Dispatching	77,687	-	77,687	8,936	-	8,936	68,750	-	68,750
7 Field Meas & Reg Station Equip Maint	254	-	254	-	-	-	254	-	254
8 Transmission Operations	107,289	62,444	169,733	-	24,938	24,938	107,289	37,506	144,795
9 Transmission Maintenance	-	-	-	-	-	-	-	-	-
10 Distribution Operations	1,943,769	45,054	1,988,822	465,161	5,157	470,319	1,478,607	39,897	1,518,504
11 Distribution Maintenance	727,302	55,371	782,673	70,024	(2,058)	67,965	657,278	57,429	714,707
12 Customer Accounts Expenses	2,588,992	485,563	3,074,555	262,306	98,920	361,225	2,326,686	386,644	2,713,330
13 Customer Assistance Expenses	175,628	105,344	280,972	22,180	13,184	35,364	153,448	92,159	245,607
14 Sales Expenses	30,332	(22)	30,310	3,827	(3)	3,824	26,505	(20)	26,485
15 Administrative and General Expenses	5,259,616	(672,347)	4,587,268	774,544	(136,730)	637,814	4,485,072	(535,617)	3,949,455
16 Interest on Customer Deposits	-	61,449	61,449	-	6,302	6,302	-	55,147	55,147
17 Total Operating & Maintenance Expense	<u>53,559,353</u>	<u>(42,487,287)</u>	<u>11,072,066</u>	<u>6,303,454</u>	<u>(4,690,933)</u>	<u>1,612,521</u>	<u>47,255,899</u>	<u>(37,796,354)</u>	<u>9,459,544</u>
18 Depreciation and Amortization	1,940,287	420,486	2,360,773	183,635	41,543	225,178	1,756,652	378,943	2,135,595
19 Stock Issuance Cost Amortization	-	740,170	740,170	-	86,052	86,052	-	654,118	654,118
20 Chillicothe AAO Amortization	-	13,428	13,428	-	-	-	-	13,428	13,428
21 Other Taxes	3,661,086	(2,751,434)	909,652	431,774	(324,000)	107,774	3,229,313	(2,427,434)	801,879
22 Total Operating Exp before Taxes	<u>59,160,726</u>	<u>(44,064,638)</u>	<u>15,096,088</u>	<u>6,918,863</u>	<u>(4,887,339)</u>	<u>2,031,525</u>	<u>52,241,863</u>	<u>(39,177,299)</u>	<u>13,064,564</u>
23 Current Federal Taxes	(2,926,615)	3,139,121	212,506	(283,765)	246,467	(37,297)	(2,642,850)	2,892,653	249,803
24 Current State Taxes	(459,879)	493,272	33,394	(44,590)	38,729	(5,861)	(415,289)	454,544	39,255
25 Deferred Taxes	4,243,710	(3,724,476)	519,234	411,470	(361,944)	49,526	3,832,240	(3,362,532)	469,708
26 Total Taxes	<u>857,217</u>	<u>(92,083)</u>	<u>765,133</u>	<u>83,116</u>	<u>(76,748)</u>	<u>6,368</u>	<u>774,101</u>	<u>(15,335)</u>	<u>758,766</u>
27 Operating Income	<u>5,420,025</u>	<u>(2,046,721)</u>	<u>3,373,304</u>	<u>525,526</u>	<u>(266,042)</u>	<u>259,484</u>	<u>4,894,499</u>	<u>(1,780,679)</u>	<u>3,113,820</u>