

Aquila Networks - MPS
12 Months Ended March 31, 2008
Per Books \$(000)

| <u>Total Company Rate Base</u> | <u>Measurement Basis</u> | | <u>12 Months Ended March 31, 2008</u> |
|---------------------------------------|---|----------------|--|
| Plant in Service | | | |
| Intangible | End of Period | 251 | |
| Production - Steam | End of Period | 373,170 | |
| Production - Other | End of Period | 193,418 | |
| Transmission | End of Period | 236,660 | |
| Distribution | End of Period | 717,500 | |
| General | End of Period | <u>124,944</u> | |
| Total Plant in Service | | | \$ 1,645,943 |
| Reserve for Depreciation | | | |
| Intangible | End of Period | 236 | |
| Production - Steam | End of Period | 220,428 | |
| Production - Other | End of Period | 35,751 | |
| Transmission | End of Period | 76,626 | |
| Distribution | End of Period | 265,301 | |
| General | End of Period | 48,862 | |
| Total Reserve for Depreciation | | | <u>647,203</u> |
| Net Plant | | | 998,741 |
| Add | | | |
| Materials & Supplies | 13 Mo Avg | | 27,043 |
| Cash | From prior rate case including offsets | CWC | (18,558) |
| Fuel Inventory | 13 Mo Avg | | 24,351 |
| Prepayments | 13 Mo Avg | | 2,060 |
| Other Regulatory Assets | End of Period | | 4,623 |
| Less | | | |
| Customer Deposits | 13 Mo Avg | | (5,473) |
| Customer Advances | 13 Mo Avg | | (9,049) |
| Accumulated Deferred Income Taxes | End of Period | | (102,812) |
| Other Regulatory Liabilities | End of Period | | (3,546) |
| Other Items from Prior Rate Case | Per Rate Case method | | <u>-</u> |
| Total Rate Base | | | <u>\$ 917,380</u> |
| Net Operating Income | | | \$ 75,530 |
| Return on Rate Base | | | 8.23% |

Aquila Networks - MPS
12 Months Ended March 31, 2008
Per Books \$(000)
FINANCIAL SURVEILLANCE MONITORING REPORT
CAPITAL STRUCTURE AND RATE OF RETURN

Overall Cost of Capital

| | Amount | Percent | Cost | Weighted Cost |
|---|----------------|----------------|-------------|--------------------------|
| Long-Term Debt | \$ 492,114 | 52.16% | 6.47% | 3.37% |
| Short-Term Debt | - | 0.00% | | 0.00% |
| Preferred Stock | - | 0.00% | | 0.00% |
| Other | - | 0.00% | | 0.00% |
| Common Equity | <u>451,430</u> | 47.84% | 10.25% | <u>4.90%</u> |
| Total Overall Cost of Capital | \$ 943,544 | 100.00% | | 8.28% |
| Based on Rate Case Rate of Return on Equity | | | | |

Actual Earned Return on Equity

| | Amount | Percent | Cost | Weighted Cost |
|---------------------------------|----------------|----------------|-------------|--------------------------|
| Long-Term Debt | \$ 492,114 | 52.16% | 6.47% | 3.37% |
| Short-Term Debt | - | 0.00% | | 0.00% |
| Preferred Stock | - | 0.00% | | 0.00% |
| Other | - | 0.00% | | 0.00% |
| Common Equity | <u>451,430</u> | 47.84% | 10.16% | <u>4.86%</u> |
| Total Overall Cost of Capital | \$ 943,544 | 100.00% | | 8.23% |
| Actual Rate of Return on Equity | | | | |

Missouri Public Service
Quarter Ended and 12 Months Ended March 31, 2008
Per Books In Thousands
FINANCIAL SURVEILLANCE MONITORING REPORT
OPERATING INCOME STATEMENT

| | Quarter Ended As of Qtr1 | 12 Months Ended As of March 2008 |
|---|-----------------------------|-------------------------------------|
| Operating Revenues: | | |
| Sales to Residential, Commercial, & Industrial Customers | | |
| Residential | \$ 60,045 | \$ 261,914 |
| Commercial | 29,529 | 141,605 |
| Industrial | 8,374 | 40,699 |
| Total of Sales to Residential, Commercial, & Industrial Customers | \$ 97,948 | \$ 444,217 |
| Other Sales to Ultimate Customers | 6,734 | 31,433 |
| Sales for Resale | | |
| Off-System Sales | 7,377 | 51,050 |
| Other Sales for Resale | 397 | 1,565 |
| Provision for Refunds | - | - |
| Other Operating Revenues | 2,437 | 9,715 |
| Total Operating Revenues | \$ 114,893 | \$ 537,980 |
| Operating & Maintenance Expenses: | | |
| Production Expenses | | |
| Fuel Expense | | |
| Native Load | 23,770 | 103,705 |
| Off-System Sales | 328 | 2,712 |
| Other Production-Operations | 2,920 | 12,478 |
| Other Production-Maintenance | 4,020 | 16,057 |
| Purchased Power-Energy | | |
| Native Load | 24,007 | 80,878 |
| Off-System Sales | 6,058 | 40,824 |
| Purchased Power-Capacity | 1,866 | 12,627 |
| Total Production Expenses | 62,969 | 269,281 |
| Transmission Expenses | 5,285 | 22,125 |
| Distribution Expenses | 5,312 | 21,722 |
| Customer Accounts Expense | 2,243 | 10,166 |
| Customer Service & Informational Expenses | 65 | 257 |
| Sales Expenses | 69 | 369 |
| Administrative & General Expenses | 17,883 | 51,873 |
| Total Operating & Maintenance Expenses | \$ 93,826 | \$ 375,792 |
| Depreciation & Amortization Expense: | | |
| Depreciation Expense | 12,218 | 47,952 |
| Amortization Expense | 117 | 360 |
| Decommissioning Expense | - | - |
| Other | - | - |
| Total Depreciation & Amortization Expense | 12,335 | 48,312 |
| Taxes Other than Income Taxes | 4,177 | 12,925 |
| Operating Income Before Income Tax | 4,555 | 100,950 |
| Income Taxes | (1,357) | 25,420 |
| Net Operating Income | \$ 5,912 | \$ 75,530 |
| Actual Cooling Degree Days | 0 | 1,638 |
| Normal Cooling Degree Days | 0 | 1,325 |
| Actual Heating Degree Days | 2,949 | 5,336 |
| Normal Heating Degree Days | 2,737 | 5,249 |

MISSOURI PUBLIC SERVICE
12 Months Ended
March 31, 2008
FINANCIAL SURVEILLANCE MONITORING REPORT
Missouri Jurisdictional Allocation Factors

| <u>Description</u> | <u>Allocation Factor</u> |
|-----------------------------------|--------------------------|
| Plant in Service | |
| Intangible | 99.433% |
| Production - Steam | 99.463% |
| Production - Other | 99.463% |
| Transmission | 99.463% |
| Distribution | 99.433% |
| General | 99.448% |
| Total Plant in Service | 99.449% |
| Reserve for Depreciation | |
| Intangible | 99.433% |
| Production - Steam | 99.463% |
| Production - Other | 99.463% |
| Transmission | 99.463% |
| Distribution | 99.433% |
| General | 99.448% |
| Total Reserve for Depreciation | 99.450% |
| Net Plant | |
| Materials & Supplies | 99.453% |
| Cash | |
| Fuel Inventory | 99.485% |
| Prepayments | 99.448% |
| Other Regulatory Assets | 99.385% |
| Customer Deposits | 100.000% |
| Customer Advances | 100.000% |
| Accumulated Deferred Income Taxes | 99.448% |
| Other Regulatory Liabilities | 99.454% |
| Other Items from Prior Rate Case | n/a |
| Operating Revenues | 100.000% |
| Intercompany Revenues | 100.000% |
| Production Expenses | |
| Fuel Expense | |
| Native Load | 99.485% |
| Off System Sales | 99.463% |
| Other Production Operations | 99.484% |
| Other Production Maintenance | 99.463% |
| Purchased Power-Energy | 99.485% |
| Native Load | 99.485% |
| Off System Sales | 99.485% |
| Purchased Power-Capacity | 99.463% |
| Total Production Expenses | 99.482% |
| Transmission Expenses | 99.463% |
| Distribution Expenses | 99.433% |
| Customer Accounts Expense | 100.000% |
| Customer Serv & Info Expense | 100.000% |
| Sales Expense | 100.000% |
| Administrative & General Expense | 99.467% |
| Depreciation Expense | |
| Depreciation Expense | 99.448% |
| Amortization Expense | 99.448% |
| Taxes Other than Income Taxes | 99.449% |
| Income Taxes | 100.000% |
| Other Items | 99.448% |

MISSOURI PUBLIC SERVICE
Quarter Ended and 12 Months Ended 3/31/2008
Per Books
FINANCIAL SURVEILLANCE MONITORING REPORT

NOTES TO FINANCIAL SURVEILLANCE REPORT