

Aquila Networks -L&P Electric Division
Case No. ER 2004-0034
Reconciliation of Issues (Corrected)

1	Company Revenue Requirement	\$14,772,413
	<u>Rate of Return</u>	
2	Return on Equity	(\$3,326,121)
3	Capital Structure	(\$2,361,178)
	<u>Rate Base</u>	
4	Prepaid Pension Asset	(\$863,021)
5	CWC - Interest and Income Tax Offsets	(\$618,346)
	<u>Expense Issues</u>	
6	Fuel Expense Annualization	\$111,959
7	Purchased Power Energy Costs	\$619,107
8	Purchased Power Demand Costs	(\$3,375,733)
9	Gas Cost Cap	(\$461,492)
10	Pension Expense	\$1,566,432
11	Amortization of Prepaid Pension Asset	\$2,691,696
12	Bad Debt Expense (Uncollectibles)	(\$91,597)
13	Accounts Receivable Program - CWC Impact	(\$289,965)
14	Property Tax Annualization	(\$82,499)
15	Incentive Compensation	(\$204,147)
16	April 1, 2004 Payroll Increase & Payroll Taxes	(\$13,468)
17	Cost of Removal	\$454,955
18	Depreciation Expense	(\$3,658,781)
19	Merger Savings - Joint Dispatch	(\$1,338,198)
20	State Based Restructuring - Severance Costs	(\$214,866)
21	Corporate Restructuring Costs - Labor and Non-Labor	(\$294,476)

22	Income Tax - Straight-Line Tax Depreciation Deduction	(\$179,038)
23	Eliminate Supplemental Executive Retirement Plan (SERP)	(\$131,872)

24	Staff Revenue Requirement	\$2,711,764
	<u>OPC Issues</u>	
25	Eliminate AM/FM AAO from Rate Base	(\$2,274)
26	Excess Capacity at 20 West 9th Building - Rate Base	(\$132,121)
27	O&M and Depreciation Expense - 20 West 9th	(\$55,759)
28	Eliminate Amortization of AM/FM AAO	(\$45,291)
29	Gas Costs used in Fuel Annualization	(\$1,367,065)
30	Corporate Restructuring Disallowance	(\$177,135)

31	OPC Revenue Requirement	\$932,119