

Missouri-American Water Company

Total Company

Case No. WR 2010-0131

Revenue Requirement Reconciliation

Line No.			
1	MAWC Revenue Requirement per Reconciliation using 8.91 ROR	(1)	\$48,080,577
2	Unreconciled Difference		\$0
3	MAWC Revenue Requirement per Company		\$48,080,577
4			
5			
6	Rate of Return & Capital Structure		
7	-----		
8	Value of Capital Structure Issue - Staff / Company		(\$4,757,824)
9	Capital Structure impact on Interest Expense Deduction		(\$972,558)
10	Rev. Req. Value of Return on Equity		(\$13,116,163)
11			-----
12	Sub-Total Rate of Return and Capital Structure Differences		(\$18,846,545)
13			
14	Rate Base changes :		
15	-----		
16	Update Plant through October 2009 vs. April 2010	(2)	(\$5,339,976)
17	Cedar Hill Adjustment-Plant		(\$128,192)
18	Update Reserve through October 2009 vs. April 2010	(2)	\$1,263,688
19	Cedar Hill Adjustment-Reserve		\$13,072
20	Cash Working Capital		(\$642,832)
21	Materials & Supplies	(2)	\$6,374
22	Prepayments	(2)	\$10,670
23	OPEB Tracker	(2)	(\$45,580)
24	Regulatory Deferral		(\$170,517)
25	OPEB Contributed to External Fund		(\$229,468)
26	CIAC - Cedar Hill Excess Capacity		\$43,940
27	CIAC - Other	(2)	\$1,132,118
28	Customer Advances	(2)	\$235,116
29	Deferred Income Tax - Security AAO		\$78,129
30	Deferred Income Tax - Other	(2)	\$498,165
31	Accumulated Deferred ITC (3%)	(2)	\$20
32	Pension Tracker Liability	(2)	(\$14,725)
33	Accrued Pension Liability	(2)	(\$4,079)
34	Tank Painting Tracker	(2)	(\$101,713)
35			-----
36	Sub-Total - Rate Base Differences		(\$3,395,791)
37			
38	Income Statement Differences:		
39	-----		
40	Residential		(\$3,167,736)
41	Commercial		\$676,806
42	Industrial		(\$1,096,368)
43	Private Fire		\$836,626
44	Public Fire		\$383,078
45	Public Authorities		(\$345,358)
46	Sale for Resale		(\$178,268)
47	Misc. Sales Billed		\$4,406
48	Misc. Service Revenues		\$1,021
49	Other Water Revenues		(\$97)
50			-----
51	Sub-Total Revenue Differences		(\$2,885,890)
52			
53	To Annualize Purchased Water Expense		\$24,892
54	To Annualize Fuel & Power Expense		\$156,760

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Line No.			
55	To Annualize Chemical Expense		\$1,397,876
56	To Annualize Tank Painting Expense		(\$514,663)
57	To Annualize Bad Debt Expense		(\$317,625)
58	To Adjust Corporate Svc Mgmt Fees	(2)	(\$726,606)
59	To Annualize 401 (k) Employer Costs	(2)	(\$115,667)
60	To Annualize OPEB Expenses	(2)	\$2,988,440
61	To Adjust Rate Case Expense		(\$364,631)
62	To Annualize Pension Expense	(2)	(\$44,703)
63	To Annualize Property Tax Expense	(2)	\$293,993
64	To Annualize Group Insurance	(2)	(\$3,415,941)
65	To Annualize Payroll	(2)	(\$1,489,549)
66	To Adjust Payroll Taxes	(2)	(\$73,442)
67	Annualize Depreciation Expense		(\$1,418,495)
68			-----
69	Sub-Total - Expense Adjustments		(\$3,619,361)
70			
71	Difference in Tax Timing Differences - Current Tax	(2)	(\$1,391,172)
72	Difference in Deferred Taxes	(2)	\$1,335,220
73	Amortization of Excess Deferred Tax	(2)	(\$3,222)
74			-----
75	Sub-Total - Income Tax Differences		(\$59,175)
76			
77	Unreconciled Difference - Tax Rates		\$101
78			-----
79	Total Value of All Issues		(\$28,806,660)
80			
81	Staff Revenue Requirement		\$19,273,917
82			=====
83	OPC Issues:		
84	Rate Base Changes:		
85	-----		
86	Plant-Cedar Hill Excess Capacity		(\$137,877)
87	Reserve-Cedar Hill Excess Capacity		\$13,072
88	Deferred Income Taxes - Security AAO		(\$109,792)
89			-----
90	Sub-Total - Rate Base Differences		(\$234,596)
91			
92	Income Statement Differences:		
93	-----		
94	MSD Rates		(\$195,535)
95	Rate Case Expenses		(\$71,965)
96			-----
97	Sub-Total - Rate Base Differences		(\$267,500)
98			-----
99	OPC Revenue Requirement		\$18,771,820
100			=====

(1) Represents MAWC Revised

(2) True-Up Issues Only