THE EMPIRE DISTRICT GAS COMPANY Class Cost of Service Study Test Year Ended Dec. 31, 2008

1	THE EMPIRE DISTRICT GAS COMPANY EXAM									
2					Cla	ss Cost of Service S	Study			Pag
3			_		Test	Year Ended Dec. 31	, 2008			
7					SUPPLY		STORAGE	STORAGE	TRANSMISSION	TRANSMISSION
8	Account		Total	Classification	Demand	Commodity	Classification	Demand	Classification	Demand
9	<u>Description</u>	Account	<u>Dollars</u>	Allocator	Allocator	Allocator	Allocator	<u>Allocator</u>	Allocator	Allocator
10				' <u></u>	<u> </u>	, <u></u>	<u></u>			<u> </u>
11										
	I. GAS PLANT IN SERVICE									
	Organization	301	284,572	_	_	_	_	_	_	_
	Franchises & Consents	302	22,760	_	_	_	_	_		_
	Subtotal - INTANGIBLE ASSETS	301-303	307,332				-		-	-
		301-303	307,332							
16										
	B. PRODUCTION PLANT	004.000	0							
	Production Plant	304-338	0	-	-	-	-	-	-	-
	Subtotal - PRODUCTION PLANT	304-338	0							
20										
21	C. STORAGE PLANT									
22	Storage Plant	360-365	0	-	-	-	-	-	-	-
23	Subtotal - STORAGE PLANT	360-366	0	-	-	-	-	-	-	-
24										
	D. TRANSMISSION PLANT	365-369	7,461,275	_	_	_	_	_	DEMAND	Peak
26	B. TO WOM OCIOITY EATT	000 000	7,101,270						DEIVIN WILD	roun
	E. DISTRIBUTION PLANT									
		274	27 220							
	Land and Land Rights	374	37,329	-	-	-	-	-	-	-
	Structures and Improvements	375	98,669	-	-	-	-	-	-	-
	Mains	376	40,882,215	-	-	-	-	-	-	-
	Meas. & Reg. Stat. Equip General	378	636,217	-	-	-	-	-	-	-
32	Meas. & Reg. Stat. Equip City Gate	379	932,939	-	-	-	-	-	-	-
33	Services	380	23,733,563	-	-	-	-	-	-	-
34	Meters	381	5,233,634	-	-	-	-	-	-	-
35	House Regulators	383	3,111,493	-	-	-	-	-	-	-
	Ind. Meas. & Reg. Station Equip.	385	583,501	-	-	-	-	-	-	-
	Other Equipment	387	5,472	_	_	_	_	-	_	_
	Subtotal - DISTRIBUTION PLANT	374-387	75,255,033							
39		011001	70,200,000							
	F. GENERAL PLANT	000	40.004							
	Land and Land Rights	389	40,234	-	-	-	-	-	-	-
	Structures and Improvements	390	1,269,203	-	-	-	-	-	-	-
	Office Furniture and Equipment	391	374,488	-	-	-	-	-	-	-
44	Office Furniture and Equipment - C	391C	707,056	-	-	-	-	-	-	-
45	Transportation Equipment	392	1,213,917	-	-	-	-	-	-	-
46	Stores Equipment	393	29,019	-	-	-	-	-	-	-
47	Tools & Garage Equipment	394	761,155	-	-	-	-	-	-	-
	Laboratory Equipment	395	98,267	-	-	-	-	-	-	_
	Power Operated Equipment	396	425,081	_	_	_	_	_	_	_
	Common Property	397	410,334	_	_	_	_	-	_	_
	Miscellaneous Equipment	398	116,207	_	_	_	_	_	_	_ [
	Subtotal - GENERAL PLANT	389-399	5,444,960							
53		303-333	5, 444 ,500							
	TOTAL UTILITY PLANT									
55										
	II. DEPRECIATION RESERVE									
	Intangible Plant	108	117,135	-	-	-	-	-	-	-
	Production Plant	108	0	-	-	-	-	-	-	-
59	Local Storage Plant	108	0	-	-	-	-	-	-	-
	Transmission Plant	108	5,179,243	-	-	-	-	-	DEMAND	Peak
	Mains	109	15,056,283	-	-	-	-	-	-	-
	Mains- Direct Assignment	109	0	_	-	-	_	_	-	
	Services	109	12,276,976	_	_	_	_	_	_	_
	Meters	109	3,137,874	_	-	_	_	_	_	
	Distr Other	109		-	-	-	_	-	I -	_
			1,003,123	-	-	-	-	-	_	_ I
	General Plant	109	2,862,349	-	-	-	-	-	-	-
67	TOTAL - DEPRECIATION RESERVE	108	39,515,847							ı

THE EMPIRE DISTRICT GAS COMPANY Class Cost of Service Study Test Year Ended Dec. 31, 2008 DISTRIBUTION

1						RE DISTRICT GAS			
2					Class	Cost of Service S	Study		
3			_		Test Y	ear Ended Dec. 31	, 2008		
7					DISTRIB	UTION		ONSITE	ONSITE
8	Account		Total	Classification	Demand	Commodity	Customer	Classification	Customer
9	<u>Description</u>	Account	Dollars	Allocator	Allocator	Allocator	Allocator	Allocator	Allocator
10	·								
11									
	I. GAS PLANT IN SERVICE								
	Organization	301	284,572	DISTOnlyPT	Peak	_	TOTALPLANT	-	_
	Franchises & Consents	302	22,760	CUST	_	_	Cust_Avg	_	_
	Subtotal - INTANGIBLE ASSETS	301-303	307,332	0001			oust_/wg		
16	Cubicial INTAINCIBLE ACCE TO	301 303	307,332						
	B. PRODUCTION PLANT								
		204 220	0						
	Production Plant	304-338	0	-	-	-	-	-	-
	Subtotal - PRODUCTION PLANT	304-338	0						
20									
	C. STORAGE PLANT								
22	Storage Plant	360-365	0	-	-	-	-	-	-
23	Subtotal - STORAGE PLANT	360-366	0	-	-	-	-	-	-
24									
25	D. TRANSMISSION PLANT	365-369	7,461,275	-	-	-	-	-	-
26									
	E. DISTRIBUTION PLANT								
	Land and Land Rights	374	37,329	DISTOnlyPT	Peak	_	DISTOnlyPT-C	_	_
	Structures and Improvements	375	98,669	DISTOnlyPT	Peak	_	DISTONLYPT-C	_	_
	Mains	376	40,882,215	MAINS	MainsDemand	-	MainsCustomer	-	_
						-	iviairisCustorriei	-	-
	Meas. & Reg. Stat. Equip General	378	636,217	DEMAND	Peak	-	-	-	-
	Meas. & Reg. Stat. Equip City Gate	379	932,939	DEMAND	Peak	-	-	-	-
	Services	380	23,733,563	CUST	-	-	Service_Invest	-	-
	Meters	381	5,233,634	-	-	-	-	CUST	Meter_Invest
	House Regulators	383	3,111,493	-	-	-	-	CUST	Meter_Invest_Res
36	Ind. Meas. & Reg. Station Equip.	385	583,501	DEMAND	Peak	-	-	-	-
37	Other Equipment	387	5,472	DISTOnlyPT	Peak	-	DISTOnlyPT-C	-	-
38	Subtotal - DISTRIBUTION PLANT	374-387	75,255,033						
39									
40	F. GENERAL PLANT								
	Land and Land Rights	389	40,234	DISTLABOR	DISTLABOR-D	_	DISTLABOR-C	CUST	ONSITELABOR-C
	Structures and Improvements	390	1,269,203	DISTLABOR	DISTLABOR-D	_	DISTLABOR-C	CUST	ONSITELABOR-C
	Office Furniture and Equipment	391	374,488	DISTLABOR	DISTLABOR-D	_	DISTLABOR-C	CUST	ONSITELABOR-C
	Office Furniture and Equipment - C	391C	707,056	DISTLABOR	DISTLABOR-D		DISTLABOR-C	CUST	ONSITELABOR-C
	• •				DISTLABOR-D DISTLABOR-D	-		CUST	ONSITELABOR-C
	Transportation Equipment	392	1,213,917	DISTLABOR		-	DISTLABOR-C		
	Stores Equipment	393	29,019	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
47	0 11	394	761,155	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
	Laboratory Equipment	395	98,267	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
	Power Operated Equipment	396	425,081	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
	Common Property	397	410,334	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
51	Miscellaneous Equipment	398	116,207	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
52	Subtotal - GENERAL PLANT	389-399	5,444,960						
53									
54	TOTAL UTILITY PLANT								
55									
	II. DEPRECIATION RESERVE								
	Intangible Plant	108	117,135	DISTPT_INT	DISTPT-D_INT	_	DISTPT-C_INT	_	_
	Production Plant	108	0	-	-	_	-	_	_
	Local Storage Plant	108	0	_	_	_	_	_	
	Transmission Plant		5,179,243	-	-	-	-	-	_
		108		- MAJNO	MainaDarra	-	Maina Constant	-	_
	Mains	109	15,056,283	MAINS	MainsDemand	-	MainsCustomer	-	-
	Mains- Direct Assignment	109	0	-	-	-		-	-
	Services	109	12,276,976	CUST	-	-	Service_Invest	-	-
	Meters	109	3,137,874	-	-	-	-	CUST	Meter_Invest
65	Distr Other	109	1,003,123	DISTPT_xMSM	DISTPT-DxMSM	-	DISTPT-CxMSM	-	-
66	General Plant	109	2,862,349	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
67	TOTAL - DEPRECIATION RESERVE	108	39,515,847				·		
									-

THE EMPIRE DISTRICT GAS COMPANY Class Cost of Service Study

2						lass Cost of Service St	•			Pag
3			_			st Year Ended Dec. 31,				
7					SUPPLY		STORAGE	STORAGE	TRANSMISSION	TRANSMISSION
8	Account		Total	Classification	Demand	Commodity	Classification	Demand	Classification	Demand
9	<u>Description</u>	Account	<u>Dollars</u>	Allocator	Allocator	<u>Allocator</u>	Allocator	Allocator	<u>Allocator</u>	<u>Allocator</u>
10						Ĭ				
11										
68										
69	III. OTHER RATE BASE ITEMS									
70	Gas Storage Inventory		6,572,717	-	-	-	DEMAND	Winter4	-	-
	Materials & Supplies - 13 Mo Avg		470,373	-	_	-	_	-	DEMAND	Peak
72			(994,045)	_	_	_	_	_		-
	Customer Advances for Construction		(317,323)	_	_	_	_	_	_	_
74			(017,020)	_	_	_	_	_	_	_
75	•		(1,847,299)						DEMAND	Peak
	Other Gas-related		(1,047,299)	-	=	_	-	=	DEIVIAND	-
			2,527,130	-	-	-	-	-	DEMAND	
77			2,527,130	-	-	-	-	-	DEIVIAND	Peak
78			Ŭ	-	-	-	-	-	-	-
79	Total - OTHER RATE BASE ITEMS		6,411,553							
80										
	IV. TOTAL RATE BASE (Excl. Working Ca		55,247,170							
82	• .	131	2,485,148	COMMODITY	-	SUPPO&MXGAS-C	-	-	DEMAND	Peak
83										
84	V. TOTAL RATE BASE									
85										
86	I. OPERATION & MAINTENANCE EXPEN									
87	A. PRODUCTION EXPENSES									
88	Manufactured Gas Production									
89	Operations Labor	701	0	-	-	-	-	-	-	-
	Operation Supv and Engineering	710	0	-	_	-	_	_	_	_
	LNG Expense	717	0	-	_	_	_	_	_	_
92	•	710-716	0							
	Maint. of Structure & Improvements	741	0	_	_	_	_	_	_	_
94	·	742	0			_				_
		717-742	0	-	-	-	-	-	-	-
95			0							
96	Subtotal - Manufactured Gas Production	710-742	U							
97	0.04 0.0 1.5									
	2. Other Gas Supply Expenses		0							
99	•	804	0	-	-	-	-	-	-	-
100		805	0	-	-	-	-	-	-	-
101	Natural Gas W/D from Storage- Gas Repo	808	0	-	-	-	-	-	-	-
102	Gas Used for Other Util Operations	812	0	-	-	-	-	-	-	-
103	LNG Operating Expenses	813	18,343	COMMODITY	-	Gas_Rev	-	-	-	-
104	Subtotal - PRODUCTION EXPENSES	710-813	18,343							
105										
106	B. NATURAL GAS STORAGE, TERMINAL									
107	Energy Trading & Accounting	844	77,687	COMMODITY	-	Gas_Rev	-	-	-	-
108	Subtotal - NATURAL GAS STORAGE	840-850	77,687			_				
109										
110		851-870	169,987							
111			,							
112	D. DISTRIBUTION EXPENSES									
	Mains and Services Expenses	874	168,919	-	_	_	_	_	I -	_ [
	Perf Distrib Main Locates	874	274,398	-	_	_	_	_	_	_ [
	Routine Leak Surv Mains & SVCS	874	72,227	_	_	_	_	_		_
		874 875	110,946	-	-	-	_	-	1 -	
	Meas. & Reg. Station Expense General			-	-	-	-	-	1 -	-
117	Ŭ ,	876	0	-	-	-	-	-	I -	-
118		877	28,156	-	-	-	-	-	-	-
119		878	229,717	-	-	-	-	-	I -	-
120		878	521,299	-	-	-	-	-	-	-
	Customer Install	879	294,993	-	-	-	-	-	-	-
	Other expenses	880	211,476	-	-	-	-	-	-	-
123	Co Used Gas O&M Offset	880	19,827	-	-	-	-	-	-	-

2

THE EMPIRE DISTRICT GAS COMPANY Class Cost of Service Study Test Year Ended Dec. 31, 2008 DISTRIBUTION

1	1 THE EMPIRE DISTRICT GAS COMPANY										
2					Class	Cost of Service	Study				
3					Test Ye	ear Ended Dec. 3	31, 2008				
7					DISTRIBI			ONSITE	ONSITE		
8	Account		Total	Classification	Demand	Commodity	Customer	Classification	Customer		
9		Account				•					
	<u>Description</u>	<u>Account</u>	<u>Dollars</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>		
10											
11											
68											
69	III. OTHER RATE BASE ITEMS										
	Gas Storage Inventory		6,572,717	_	_	_	_	_	_		
			470,373	DISTPT	DISTPT-D		DISTPT-C	CUST	ONSITEPT-C		
	Materials & Supplies - 13 Mo Avg				DISTPT-D	-		CUST	ONSITEPT-C		
	Customer Deposits		(994,045)	CUST	-	-	Cust_Avg	-	-		
73	Customer Advances for Construction		(317,323)	CUST	-	-	Service_Invest	-	-		
74	Accum Defd Inc Taxes- Gas Inventory		0	-	-	-	-	-	-		
75	Accum Defd Inc Taxes- Plant		(1,847,299)	DISTPT	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C		
76	Other Gas-related		0	-	<u>-</u>	_	_	-	_		
	Other Plant-related		2,527,130	DISTPT	DISTPT-D	_	DISTPT-C	CUST	ONSITEPT-C		
	Other labor-related		2,327,130	DIOTI	DIOTI I D		BIOTI 1 O	0001	ONOTILITO		
78			ŭ	-	-	-	-	-	-		
79	Total - OTHER RATE BASE ITEMS		6,411,553								
80											
81	IV. TOTAL RATE BASE (Excl. Working Ca		55,247,170								
82	Working Capital	131	2,485,148	DISTPT	DISTO&MXGAS-D	-	SUPPO&MXGAS-C	CUST	DNSITEO&MXGAS-0		
83	5 1		, ,								
	V. TOTAL RATE BASE										
85	V. TO THE TOTTE BROE										
	I. OPERATION & MAINTENANCE EXPEN										
	A. PRODUCTION EXPENSES										
88	Manufactured Gas Production										
89	Operations Labor	701	0	=	-	-	-	-	-		
90	Operation Supv and Engineering	710	0	-	-	-	-	-	-		
	LNG Expense	717	0	-	-	_	-	-	_		
92	Subtotal - O&M Accounts 701-716	710-716	0								
	Maint. of Structure & Improvements	741	0								
	·			- -	-	=	-	-	_		
	Maint Production Equipment	742	0	-	-	-	-	-	-		
95	Subtotal - O&M Accounts 717-742	717-742	0								
96	Subtotal - Manufactured Gas Production	710-742	0								
97											
98	2. Other Gas Supply Expenses		0								
99	Natural Gas City Gate Purchases	804	0	-	<u>-</u>	_	_	-	_		
100	Other Natural Gas Purchases	805	0	_	_	_	_	_	_		
101	Natural Gas W/D from Storage- Gas Repo	808	0	_	_		_	_	_		
			-	-	-	-	-	-	_		
102	Gas Used for Other Util Operations	812	0	-	-	-	-	-	-		
103	LNG Operating Expenses	813	18,343	-	-	-	-	-	-		
104	Subtotal - PRODUCTION EXPENSES	710-813	18,343								
105											
106	B. NATURAL GAS STORAGE, TERMINAL										
107	Energy Trading & Accounting	844	77,687	-	_	-	-	-	_		
108	Subtotal - NATURAL GAS STORAGE	840-850	77,687								
109	7	5.0 000	,507								
	C TRANSMICCION EVPENCES	054 070	400 007								
	C. TRANSMISSION EXPENSES	851-870	169,987								
111											
	D. DISTRIBUTION EXPENSES										
113	Mains and Services Expenses	874	168,919	MAIN&SERVICE	MainsDemand	-	ISTMAIN-SERVICE-	-	- 1		
114	Perf Distrib Main Locates	874	274,398	MAINS	MainsDemand	-	ISTMAIN-SERVICE-	-	-		
	Routine Leak Surv Mains & SVCS	874	72,227	MAIN&SERVICE	MainsDemand	-	ISTMAIN-SERVICE-	_			
		875	110,946	DEMAND	Peak	-		_	I		
	Meas. & Reg. Station Expense Industrial	876	0		-	_	_	_			
				DEMAND.		-	-	-	· ·		
118	Meas. & Reg. Station Expense Stat-City G	877	28,156	DEMAND	Peak	-	-	-	Martin		
119	Meter & House Regulator Expenses	878	229,717	-	-	-	-	CUST	Meter_Invest		
120	Perf Connects/Discon/Recon-Gas	878	521,299	-	-	-	=	CUST	Write-offs		
121	Customer Install	879	294,993	-	-	-	-	CUST	Onsi-C_Acct879		
122	Other expenses	880	211,476	DISTOnlyPT	DISTOnlyPT-D	-	DISTOnlyPT-C	CUST	ONSITEDistPT-C		
	Co Used Gas O&M Offset	880	19,827	DISTOnlyPT	DISTOnlyPT-D	-	DISTOnlyPT-C	CUST	ONSITEDistPT-C		
_		-	-,-		,		, - 1	-			

		1
		2
		3
		7
		8
		9
	1	0
	1	1

2						ss Cost of Service S				Pag
3			_			Year Ended Dec. 31,				
7					SUPPLY		STORAGE	STORAGE	TRANSMISSION	TRANSMISSION
8	Account		Total	Classification	Demand	Commodity	Classification	Demand	Classification	Demand
9	<u>Description</u>	Account	Dollars	Allocator	Allocator	Allocator	Allocator	Allocator	Allocator	Allocator
10	·					'				
11										
	Distribution Rents	881	0	-	_	-	_	-	_	_
125		885	58,975	-	_	_	_	_	_	_
126	, ,	887	450,109	_	_	_	_	_	_	_
	PerfMaint3rdPartyDmg-UGDistGas	887	7,160	_	_	_	_	_		_
	Dist Maint Compr Station Equip	888	133							
129		889	66,419	-	-	-	-	-	-	-
	•			-	-	-	-	-	-	- I
130	·	890	70,803	-	-	-	-	-	-	-
131	3	891	4,809	-	-	-	-	-	-	-
	Maint. of Services	892	134,957	-	-	-	-	-	-	-
133		893	45,986	-	-	-	-	-	-	-
134	Maintenance of Other Equipment	894	189	-	-	-	-	-	-	-
135	Blank	XXX	0	-	-	-	-	-	-	-
136	Subtotal - DISTRIBUTION EXPENSES	870-894	2,771,495							
137	Total - OPERATION & MAINTENANCE E)		3,019,169							
138										
139	II. CUSTOMER ACCOUNTS EXPENSES									
140		901	73,353	-	_	-	_	-	_	_
141		902	667,900	_	_	_	_	_		_
	Customer Records & Collection Expense	903	915,988	_	_	_	_	_		_
143	•	904	1,365,508							
143		904P	1,303,308	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	- I
145	•	905	51,806	-	-	-	-	-	-	-
146		905A	0	-	-	-	-	-	-	-
147	Total - CUSTOMER ACCOUNTS EXPENS		3,074,555							
148										
149										
150	Operation Supervision	907	20,484	-	-	-	-	-	-	-
151	Customer Assist- Choice	908C	0	-	-	-	-	-	-	-
152	Customer Assist- Other	908	240,043	-	-	-	-	-	-	-
153	Advertising & Promotion	909	20,444	-	-	-	-	-	-	-
154	Other Customer Service & Informational E:	910	0	-	-	-	-	-	-	-
155		911	13,870	-	-	-	-	-	-	-
156	·	912	16,439	-	_	-	_	-	_	_
157			311,281							
158			011,201							
	Total - CUSTOMER ACCOUNTS, SERVIC		3,385,836							
160	TOTAL - COSTOWER ACCOUNTS, SERVIC		3,303,030							
	IV ADMINISTRATIVE & CENEDAL EVDE									
161 162										
	A. Labor-Related:									
164		920	1,750,379	-	-	-	-	-	-	-
165	•••	921	738,856	-	-	-	-	-	-	-
166		922	0	-	-	-	-	-	-	-
167	Outside Services Employed	923	205,815	-	-	-	-	-	-	-
168	Outside Services Employed	923	0	-	-	-	-	-	-	-
169	Injuries & Damages	925	260,141	-	-	-	-	-	-	-
170	Employee Pensions and Benefits	926	767,116	-	-	-	-	-	-	- 1
171			3,722,307							
172			-, ,							
	B. Plant-Related:									
	Property Insurance	924	255	_	_	_	_	_	DEMAND	Peak
	Subtotal - O&M Accounts 924	U_7	255						DEMAND	i oan
175	Oublotal - Odivi Accounts 324		200							
176							ļ		I	ı I

THE EMPIRE DISTRICT GAS COMPANY

Class C	ost of Service Study
Test Yea	r Ended Dec. 31, 2008

2					Class				
3			-			ear Ended Dec. 31	, 2008		
7					DISTRIB		_	ONSITE	ONSITE
8	Account		Total	Classification	Demand	Commodity	Customer	Classification	Customer
9	<u>Description</u>	<u>Account</u>	<u>Dollars</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>
10									
11									
	Distribution Rents	881	0		-	-	-	-	-
	Maint. Supervision & Engineering	885	58,975	DISTOnlyPT	DISTOnlyPT-D	-	DISTOnlyPT-C	CUST	ONSITEDistPT-C
	Maint. of Mains	887	450,109	MAINS	MainsDemand	-	MainsCustomer	-	-
	PerfMaint3rdPartyDmg-UGDistGas	887	7,160	MAINS	Peak	-	MainsCustomer	-	-
	Dist Maint Compr Station Equip	888	133	DEMAND	Peak	-	-	-	-
	Maint Of Meas. & Reg. Station Expense G	889	66,419	DEMAND	Peak	-	-	-	-
	Maint Of Meas. & Reg. Station Expense In	890	70,803	DEMAND	Peak	-	-	-	-
	Maint Of Meas. & Reg. Station Expense St	891	4,809	DEMAND	Peak	-	- · ·	-	-
	Maint. of Services	892	134,957	CUST	-	-	Service_Invest		
	Maint. of Meters & House Regulators	893	45,986	<u>-</u>		-		CUST	ONSITEPT-C
	Maintenance of Other Equipment	894	189	DISTOnlyPT	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C
	Blank	XXX	0	-	-	-	-	-	-
136	Subtotal - DISTRIBUTION EXPENSES	870-894	2,771,495						
	Total - OPERATION & MAINTENANCE E)		3,019,169						
138									
	II. CUSTOMER ACCOUNTS EXPENSES	224	70.050					OLIOT	4 4000
140	Customer Service - Administrative	901	73,353	-	-	-	-	CUST	Account903
141	Meter Reading Expenses	902	667,900	-	-	-	-	CUST	MetersRead
	Customer Records & Collection Expense	903	915,988	-	-	-	-	CUST	Account903
	Uncollectible Accounts	904	1,365,508	-	-	-	-	CUST	Write-offs
	Write-Off- PIP	904P	0	-	-	-	-	-	-
	Miscellaneous Customer Accounts Expens	905	51,806	-	-	-	-	CUST	Account903
146	Miscellaneous Customer Accounts Expens	905A	0	-	-	-	-	-	-
	Total - CUSTOMER ACCOUNTS EXPENS		3,074,555						
148									
	III. CUSTOMER SERVICE & INFORMATIC	007	00.404					OLIOT	D.II. A.II
	Operation Supervision	907	20,484	-	-	-	-	CUST	Bills_All
	Customer Assist- Choice	908C	0	-	-	-	-	-	-
	Customer Assist- Other	908	240,043	-	-	-	-	CUST	Account908
	Advertising & Promotion	909	20,444	-	-	-	-	CUST	RATEBASE
	Other Customer Service & Informational E:	910	0	-	-	-	-	-	-
	Operations sales Expense	911	13,870	-	-	-	-	CUST	RATEBASE
	Demonstration	912	16,439	-	-	-	-	CUST	RATEBASE
	Total - CUSTOMER SERVICE & INFORM		311,281						
158	T . I OUGTONED ACCOUNTS OFFINE		0.005.000						
	Total - CUSTOMER ACCOUNTS, SERVIC		3,385,836						
160	N/ ADMINISTRATIVE A SENERAL EVER								
	IV. ADMINISTRATIVE & GENERAL EXPE								
162	A. Labara Dalata da								
	A. Labor-Related:	000	4 750 070	DISTLABOR	DISTLABOR-D		DISTLABOR-C	CUST	ONSITELABOR-C
	Administrative & General Salaries	920	1,750,379			-			
	Office Supplies & Expenses	921	738,856	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
	Transfer Expenses	922	0	-	-	-	-	- CUST	ONCITEL ABOD C
	Outside Services Employed	923	205,815	-	-	-	-	-	ONSITELABOR-C
168	Outside Services Employed	923	0	- DICTLADOD	- DICTI ADOD D	-	- DICTLADOD C	CUST	ONCITEL ABOD C
169	Injuries & Damages	925 926	260,141	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C		ONSITELABOR-C
170	Employee Pensions and Benefits	926	767,116	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
171 172	Subtotal - O&M Accounts 920-923, 926		3,722,307						
	P. Plant Palatad								
	B. Plant-Related: Property Insurance	924	255	DISTPT	DISTPT-D		DISTPT-C	CUST	ONSITEPT-C
	Subtotal - O&M Accounts 924	924	255 255	ואופוע	ט-ודו פוט	-	טוסודו-ט	0001	ONSHEPT-C
175	Subtotal - Oalvi Accounts 924		200						
170									ı I

2

THE EMPIRE DISTRICT GAS COMPANY Class Cost of Service Study Test Year Ended Dec. 31, 2008 Exhibit HEO-5 Page 7 of 10

3					Tes	t Year Ended Dec. 31,	, 2008			
7			Г		SUPPLY		STORAGE	STORAGE	TRANSMISSION	TRANSMISSION
8			Total	Classification	Demand	Commodity	Classification	Demand	Classification	Demand
9		<u>Account</u>	<u>Dollars</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>	<u>Allocator</u>
10			J	l		ļ	1	1	1	į į
11			J			J	1	1	1	!
	C. Other-Related:			İ		J	1	1	· · · · · · · · · · · · · · · · · ·	l
	Regulatory Commission Expenses	928	269,917	-	-	-	, - <i>r</i>	1 - '	DEMAND	Peak
	Duplicate Charges Credit	929	(18,875)	-	-	-	, - <i>I</i>	1 - '	DEMAND	Peak
	PUCO Assessments	408	0	-	-	-	, - , , , , , , , , , , , , , , , , , ,	1 - '	- '	-
		431	61,449	-	-	-	, - ,	1 - '	'	l <u>-</u>
	Miscellaneous General	930	185,185	-	-	-	, - ,	1 - '	DEMAND	Peak
	Rents	931	314,468	-	-	-	, - <i>,</i>	1 - '	DEMAND	Peak
	Misc. General Plant	935	114,011	-	-	-	, - <i>r</i>	1 - '	-	-
	Subtotal - O&M Accounts 928-935		J	l		Ţ	1	1	1	ĺ
186				l		ļ	1	1	<u>'</u>	
	Total - ADMINISTRATIVE & GENERAL E)		4,648,717	l		Ţ	1	1	1	1
188				l		Ţ	1	1	1	1
	TOTAL - OPERATING EXPENSES (Excl [11,053,722	l		ļ	1	1	1	
190			ļ	l		ļ	1	1	1	
	VI. DEPRECIATION EXPENSE			İ		J	1	1	1	!
	Intangible Plant	403	26,866	-	-	-	, - <i>r</i>	1 - '	- '	-
	Production Plant	403	0	-	-	-	, - ,	1 - '	- '	· ·
	Local Storage Plant	403	0	-	-	-	· · · · · · · · · · · · · · · · · · ·	1 - '	- '	
	Transmission Plant	403	117,683	-	-	-	, - <i>r</i>	1 - '	DEMAND	Peak
	Mains	404	940,291	-	-	-	· · · · · · · · · · · · · · · · · · ·	1 - '	- '	· .
	Mains- Direct	404	0	-	-	-	· · · · · · · · · · · · · · · · · · ·	1 - '	- '	· .
	Services	404	683,527	-	-	-	· · · · · · · · · · · · · · · · · · ·	1 - '	- '	· .
	Meters	404	230,211	-	-	-	· - /	1 - '	- '	i - i
	Distr Other	404	47,111	<u>-</u>	-	-	, - <i>I</i>	1 - '	- '	- [
	General Plant	404	315,085	-	-	- [· - /	1 - '	- '	- 1
	Rent from Gas Ppty / Other Rev	404	753,598	-	-	-	, - <i>I</i>	1 - '	DEMAND	Peak
	Adjustments		0	<u>-</u>	-	-	, - <i>I</i>	1 - '	- '	- [
	Total - DEPRECIATION EXPENSE	403	3,114,371	l		Ţ	1	1	1	ĺ
205			0	-	-	-	· - /	1 - '	- '	i - i
	VII. TAXES OTHER THAN INCOME TAXE		0	-	-	-	, - <i>I</i>	1 - '	- '	-
	A. General Taxes		0	<u>-</u>	-	-	, - <i>I</i>	1 - '	- '	- [
	Property Tax- Plant		615,720	-	-	-	· - /	1 - '	DEMAND	Peak
	Distribution Tax		0	-	-	- [· - /	1 - '	- '	- 1
	Payroll related		12,179	<u>-</u>	-	-	, - <i>I</i>	1 - '	- '	- [
	Other taxes		40,251	<u>-</u>	-	-	, - <i>I</i>	1 - '	DEMAND	Peak
	Property Tax- Inventory		241,503	-	-	-	DEMAND	Winter4	-	i - i
	Subtotal- Taxes Other Than Income Taxes	408	909,652	İ		J	1	1	1	1
214			0	<u>-</u>	-	-	, - <i>I</i>	1 - '	- '	- [
	B. Franchise and Revenue Taxes		0	-	-	-	· - /	1 - '	- '	i - i
	Gross Receipts Tax		0	-	-	-	, - <i>I</i>	1 - '	- '	-
	GRT- Uncoll Rider		0	<u>-</u>	-	-	, - <i>I</i>	1 - '	- '	- [
	Subtotal- Franchise and Gross Receipts Ta		0	l		ļ	1	1 '	1	ĺ
219			0	-	-	-	-	1 - '	-	-
	C. Income Tax Expense		0	-	-	- [· - /	1 - '	- '	-
	State Income Tax expense		33,394	COMMODITY	-	PreTax-Supp-E	DEMAND	PreTax-Stor-D	DEMAND	Peak
	Federal Income Tax Deferred		519,234	-	-	-	, - <i>I</i>	1 - '	DEMAND	Peak
	Federal Income Tax expense		212,506	COMMODITY	-	PreTax-Supp-E	DEMAND	PreTax-Stor-D	DEMAND	Peak
	Subtotal- Income tax expense		765,133	l		Ţ	1	1	1	
	Total- TAX EXPENSE		1,674,786	l		ļ	1	1	1	
226			ļ	-	-	-	, - <i>I</i>	1 - '	- '	-
	TOTAL EXPENSES		J	l		ļ	1	1 '	1	
228			ļ	1			1	1	1	1

Exhibit HEO-5 Page 8 of 10

THE EMPIRE DISTRICT GAS COMPANY
Class Cost of Service Study
Test Year Ended Dec. 31, 2008
DISTRIBUTION

1	1 THE EMPIRE DISTRICT GAS COMPANY										
2					Class	s Cost of Service S	Study				
3					Test Y	ear Ended Dec. 31	, 2008				
7			Ī		DISTRIB		,	ONSITE	ONSITE		
8	Account		Total	Classification	Demand	Commodity	Customer	Classification	Customer		
9	Description	Account	Dollars	Allocator	Allocator	<u>Allocator</u>	Allocator	Allocator	Allocator		
10	<u>Becomption</u>	7 tooodiit	<u> Donaro</u>	<u>/ tiloodtoi</u>	7 tiloodto1	7 tilocator	7 tilocator	7 tiloodtoi	<u>ruiocator</u>		
11											
	C. Other-Related:										
178	Regulatory Commission Expenses	928	269,917	DISTPT	DISTPT-D	_	DISTPT-C	CUST	ONSITEPT-C		
179	Duplicate Charges Credit	929	(18,875)	DISTPT	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C		
180	PUCO Assessments	408	(10,073)	-	טוטוו ויטו	-	51011 1-0	-	ONSITE 1-C		
181	Customer Interest Expense	431	61,449	CUST	-	-	Cust_Avg	-	-		
182	Miscellaneous General	930	185,185	DISTPT	DISTLABOR-D	_	DISTLABOR-C	CUST	ONSITEPT-C		
	Rents	931	314,468	CUST	DIGITADOR-D	_	DISTPT-C	CUST	ONSITEPT-C		
	Misc. General Plant	935	114,011	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITEPT-C		
		933	114,011	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	0031	ONSITEF 1-C		
186	Subtotal - Odivi Accounts 920-933										
	Total - ADMINISTRATIVE & GENERAL E)		4,648,717								
188	Total - ADMINISTRATIVE & GENERAL EX		4,040,717								
	TOTAL OPERATING EVENNES (Eval)		11,053,722								
190	TOTAL - OPERATING EXPENSES (Excl [11,055,722								
	VI DEDDECIATION EXPENSE										
	VI. DEPRECIATION EXPENSE	400	20,000	DICTOT INT	DICTOT D. INT		DICTOT C INT				
	Intangible Plant	403 403	26,866 0	DISTPT_INT	DISTPT-D_INT	-	DISTPT-C_INT	-	-		
	Production Plant		-	-	-	-	-	-	-		
	Local Storage Plant	403	0	-	-	-	-	-	-		
	Transmission Plant	403	117,683	-	-	-	-	-	-		
	Mains	404	940,291	MAINS	MainsDemand	-	MainsCustomer	-	-		
	Mains- Direct	404	0	-	-	-	-	-	-		
198	Services	404	683,527	CUST	-	-	Service_Invest	-			
	Meters	404	230,211	-	-	-	-	CUST	Meter_Invest		
	Distr Other	404	47,111	DISTPT_xMSM	DISTPT-DxMSM	-	DISTPT-CxMSM	-	-		
	General Plant	404	315,085	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C		
202	Rent from Gas Ppty / Other Rev	404	753,598	DISTPT	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C		
	Adjustments		0	-	-	-	-	-	-		
	Total - DEPRECIATION EXPENSE	403	3,114,371								
205			0	-	-	-	-	-	-		
	VII. TAXES OTHER THAN INCOME TAXE		0	-	-	-	-	-	-		
	A. General Taxes		0			-					
	Property Tax- Plant		615,720	DISTPT	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C		
			0			-					
	Payroll related		12,179	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C		
211	Other taxes		40,251	DISTPT	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C		
	Property Tax- Inventory		241,503	-	-	-	-	-	-		
213	Subtotal- Taxes Other Than Income Taxes	408	909,652								
214			0	-	-	-	-	-	-		
215	B. Franchise and Revenue Taxes		0	-	-	-	-	-	-		
	Gross Receipts Tax		0	-	-	-	-	-	-		
	GRT- Uncoll Rider		0	-	-	-	-	-	-		
	Subtotal- Franchise and Gross Receipts Ta		0								
219			0	-	-	-	-	-	-		
	C. Income Tax Expense		0	-	-	-	-	-	-		
	State Income Tax expense		33,394	PreTax-DIST	PreTax-Dist-D	-	PreTax-Dist-C	CUST	PreTax-OnSi-C		
	Federal Income Tax Deferred		519,234	RevReq_Dist	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C		
223	Federal Income Tax expense		212,506	PreTax-DIST	PreTax-Dist-D	-	PreTax-Dist-C	CUST	PreTax-OnSi-C		
	•		765,133]		
	Total- TAX EXPENSE		1,674,786						1		
226				-	-	-	-	-	-		
	TOTAL EXPENSES								1		
228									1		

1	THE EMPIRE DISTRICT GAS COMPANY	Exhibit HEO-5
2	Class Cost of Service Study	Page 9 of 10
2	Took Voor Ended Dog 24, 2000	

_					J	1400 0001 01 001 1100 01	auy			ı ag
3			_			st Year Ended Dec. 31,				
7					SUPPLY		STORAGE	STORAGE	TRANSMISSION	TRANSMISSION
8	Account		Total	Classification	Demand	Commodity	Classification	Demand	Classification	Demand
9	<u>Description</u>	Account	<u>Dollars</u>	<u>Allocator</u>	Allocator	<u>Allocator</u>	Allocator	<u>Allocator</u>	Allocator	<u>Allocator</u>
10										
11										
229	V. REVENUES at Present Rates									
230	Residential	480-483	11,695,138	COMMODITY	-	Res_Rev	DEMAND	Res_Rev	DEMAND	Res_Rev
231	Comm - Indust Sales	480-483	4,661,454	COMMODITY	-	CI_Bundled	DEMAND	CI_Bundled	DEMAND	CI_Bundled
232	Comm - Indust Transport	480-483	2,673,260	COMMODITY	-	CI_Transport	DEMAND	CI_Transport	DEMAND	CI_Transport
233	Forfeited Discounts Gas	480-483	94,128	COMMODITY	-	orfeited Discounts Ga	DEMAND	orfeited Discounts Ga		orfeited Discounts Ga
234	Returned Check Chgs Gas	480-483	13,340	COMMODITY	-	turned Check Chgs G	DEMAND	turned Check Chgs (DEMAND	turned Check Chgs (
235	Reconnect Charges Gas	480-484	67,279	COMMODITY	-	econnect Charges Ga	DEMAND	econnect Charges Ga		econnect Charges Ga
236	Tax Remuneration Gas	480-485	29,924	COMMODITY	-	ax Remuneration Ga	DEMAND	ax Remuneration Ga	DEMAND	ax Remuneration Ga
237	Misc Revenue	480-485	0	-	-	-	-	-	-	-
238		480-483	0	-	-	-	-	-	-	-
239	Rent from Gas Ppty / Other Rev	495	0	-	-	-	-	-	-	-
240	Subtotal Gas Revenues, net		19,234,523							
241										
242	Non-Operating Income	418-421	0	-	-	-	-	-	-	-
243	Non-Operating Income	426	0	-	-	-	-	-	-	-
244			0							
245										
246			19,234,523							
247										
248	•		15,861,222							
249										
250	NET INCOME at Present Rates		3,373,301							
251										

THE EMPIRE DISTRICT GAS COMPANY Exhibit HEO-5 Class Cost of Service Study Page 10 of 10

2		Class Cost of Service Study									
3	\	Test Year Ended Dec. 31, 2008									
7	•		DISTRIBL	ONSITE	ONSITE						
8	Account Account		Total	Classification	Demand	Commodity	Customer	Classification	Customer		
9	<u>Description</u>	<u>Account</u>	<u>Dollars</u>	Allocator	Allocator	Allocator	Allocator	Allocator	<u>Allocator</u>		
10											
11											
229											
230		480-483	11,695,138	RevReq_Dist	Res_Rev	-	Res_Rev	CUST	Res_Rev		
231	Comm - Indust Sales	480-483	4,661,454	RevReq_Dist	CI_Bundled	-	CI_Bundled	CUST	CI_Bundled		
232		480-483	2,673,260	RevReq_Dist	CI_Transport	-	CI_Transport	CUST	CI_Transport		
233		480-483	94,128	RevReq_Dist	orfeited Discounts Ga	-	orfeited Discounts Ga	CUST	orfeited Discounts Ga		
234	3	480-483	13,340	RevReq_Dist	turned Check Chgs G	-	turned Check Chgs G	CUST	turned Check Chgs C		
235	3	480-484	67,279	RevReq_Dist	econnect Charges Ga	-	econnect Charges Ga	CUST	econnect Charges Ga		
236		480-485	29,924	RevReq_Dist	ax Remuneration Ga	-	ax Remuneration Ga	CUST	ax Remuneration Ga		
237		480-485	0	-	-	-	-	-	-		
238		480-483	0	-	-	-	-	-	-		
239		495	0	-	-	-	-	-	-		
240			19,234,523								
241											
242	3	418-421	0	-	-	-	-	-	-		
243	The second second	426	0	-	-	-	-	-	-		
244			0								
245											
246			19,234,523								
247											
248			15,861,222								
249											
250	NET INCOME at Present Rates		3,373,301								
251											