

THE EMPIRE DISTRICT GAS COMPANY

Class Cost of Service Study

Test Year Ended Dec. 31, 2008

Exhibit HEO-5

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8	Account	Total	SUPPLY			STORAGE	STORAGE	TRANSMISSION	TRANSMISSION	
9	Description	Account	Dollars	Classification	Demand	Commodity	Classification	Demand	Classification	Demand
10				Allocator	Allocator	Allocator	Allocator	Allocator	Allocator	Allocator
11										
12	I. GAS PLANT IN SERVICE									
13	Organization	301	284,572	-	-	-	-	-	-	-
14	Franchises & Consents	302	22,760	-	-	-	-	-	-	-
15	Subtotal - INTANGIBLE ASSETS	301-303	307,332							
16										
17	B. PRODUCTION PLANT									
18	Production Plant	304-338	0	-	-	-	-	-	-	-
19	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										
25	D. TRANSMISSION PLANT	365-369	7,461,275	-	-	-	-	-	DEMAND	Peak
26										
27	E. DISTRIBUTION PLANT									
28	Land and Land Rights	374	37,329	-	-	-	-	-	-	-
29	Structures and Improvements	375	98,669	-	-	-	-	-	-	-
30	Mains	376	40,882,215	-	-	-	-	-	-	-
31	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	-	-	-	-	-	-	-
36	Ind. Meas. & Reg. Station Equip.	385	583,501	-	-	-	-	-	-	-
37	Other Equipment	387	5,472	-	-	-	-	-	-	-
38	Subtotal - DISTRIBUTION PLANT	374-387	75,255,033							
39										
40	F. GENERAL PLANT									
41	Land and Land Rights	389	40,234	-	-	-	-	-	-	-
42	Structures and Improvements	390	1,269,203	-	-	-	-	-	-	-
43	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	-	-	-	-	-	-	-
48	Laboratory Equipment	395	98,267	-	-	-	-	-	-	-
49	Power Operated Equipment	396	425,081	-	-	-	-	-	-	-
50	Common Property	397	410,334	-	-	-	-	-	-	-
51	Miscellaneous Equipment	398	116,207	-	-	-	-	-	-	-
52	Subtotal - GENERAL PLANT	389-399	5,444,960							
53										
54	TOTAL UTILITY PLANT									
55										
56	II. DEPRECIATION RESERVE									
57	Intangible Plant	108	117,135	-	-	-	-	-	-	-
58	Production Plant	108	0	-	-	-	-	-	-	-
59	Local Storage Plant	108	0	-	-	-	-	-	-	-
60	Transmission Plant	108	5,179,243	-	-	-	-	-	DEMAND	Peak
61	Mains	109	15,056,283	-	-	-	-	-	-	-
62	Mains- Direct Assignment	109	0	-	-	-	-	-	-	-
63	Services	109	12,276,976	-	-	-	-	-	-	-
64	Meters	109	3,137,874	-	-	-	-	-	-	-
65	Distr Other	109	1,003,123	-	-	-	-	-	-	-
66	General Plant	109	2,862,349	-	-	-	-	-	-	-
67	TOTAL - DEPRECIATION RESERVE	108	39,515,847							

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

Exhibit HEO-5  
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Account Description	Account	Total Dollars	DISTRIBUTION				ONSITE	
			Classification Allocator	Demand Allocator	Commodity Allocator	Customer Allocator	Classification Allocator	Customer Allocator
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						
B. PRODUCTION PLANT								
Production Plant	304-338	0	-	-	-	-	-	-
Subtotal - PRODUCTION PLANT	304-338	0						
C. STORAGE PLANT								
Storage Plant	360-365	0	-	-	-	-	-	-
Subtotal - STORAGE PLANT	360-366	0						
D. TRANSMISSION PLANT	365-369	7,461,275	-	-	-	-	-	-
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	-	-
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
Ind. Meas. & Reg. Station Equip.	385	583,501	DEMAND	Peak	-	-	-	-
Other Equipment	387	5,472	DISTOnlyPT	Peak	-	DISTOnlyPT-C	-	-
Subtotal - DISTRIBUTION PLANT	374-387	75,255,033						
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
Transportation Equipment	392	1,213,917	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
Stores Equipment	393	29,019	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
Tools & Garage Equipment	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
Miscellaneous Equipment	398	116,207	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
Subtotal - GENERAL PLANT	389-399	5,444,960						
TOTAL UTILITY PLANT								
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	108	5,179,243	-	-	-	-	-	-
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
Distr Other	109	1,003,123	DISTPT_xMSM	DISTPT-DxMSM	-	DISTPT-CxMSM	-	-
General Plant	109	2,862,349	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
TOTAL - DEPRECIATION RESERVE	108	39,515,847						

THE EMPIRE DISTRICT GAS COMPANY

Class Cost of Service Study

Test Year Ended Dec. 31, 2008

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7				SUPPLY			STORAGE	STORAGE	TRANSMISSION	TRANSMISSION
8	Account	Total		Classification	Demand	Commodity	Classification	Demand	Classification	Demand
9	Description	Account	Dollars	Allocator	Allocator	Allocator	Allocator	Allocator	Allocator	Allocator
10										
11										
68										
69	III. OTHER RATE BASE ITEMS									
70	Gas Storage Inventory		6,572,717	-	-	-	DEMAND	Winter4	-	-
71	Materials & Supplies - 13 Mo Avg		470,373	-	-	-	-	-	DEMAND	Peak
72	Customer Deposits		(994,045)	-	-	-	-	-	-	-
73	Customer Advances for Construction		(317,323)	-	-	-	-	-	-	-
74	Accum Defd Inc Taxes- Gas Inventory		0	-	-	-	-	-	-	-
75	Accum Defd Inc Taxes- Plant		(1,847,299)	-	-	-	-	-	DEMAND	Peak
76	Other Gas-related		0	-	-	-	-	-	-	-
77	Other Plant-related		2,527,130	-	-	-	-	-	DEMAND	Peak
78	Other labor-related		0	-	-	-	-	-	-	-
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	COMMODITY	-	SUPPO&MXGAS-C	-	-	DEMAND	Peak
83										
84	V. TOTAL RATE BASE									
85										
86	I. OPERATION & MAINTENANCE EXPEN									
87	A. PRODUCTION EXPENSES									
88	1. Manufactured Gas Production									
89	Operations Labor	701	0	-	-	-	-	-	-	-
90	Operation Supv and Engineering	710	0	-	-	-	-	-	-	-
91	LNG Expense	717	0	-	-	-	-	-	-	-
92	Subtotal - O&M Accounts 701-716	710-716	0							
93	Maint. of Structure & Improvements	741	0	-	-	-	-	-	-	-
94	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	-	-	-	-	-	-	-
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	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	C. TRANSMISSION EXPENSES	851-870	169,987							
111										
112	D. DISTRIBUTION EXPENSES									
113	Mains and Services Expenses	874	168,919	-	-	-	-	-	-	-
114	Perf Distrib Main Locates	874	274,398	-	-	-	-	-	-	-
115	Routine Leak Surv Mains & SVCS	874	72,227	-	-	-	-	-	-	-
116	Meas. & Reg. Station Expense General	875	110,946	-	-	-	-	-	-	-
117	Meas. & Reg. Station Expense Industrial	876	0	-	-	-	-	-	-	-
118	Meas. & Reg. Station Expense Stat-City G	877	28,156	-	-	-	-	-	-	-
119	Meter & House Regulator Expenses	878	229,717	-	-	-	-	-	-	-
120	Perf Connects/Discon/Recon-Gas	878	521,299	-	-	-	-	-	-	-
121	Customer Install	879	294,993	-	-	-	-	-	-	-
122	Other expenses	880	211,476	-	-	-	-	-	-	-
123	Co Used Gas O&M Offset	880	19,827	-	-	-	-	-	-	-

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

Exhibit HEO-5  
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Account	Description	Account	Total Dollars	DISTRIBUTION				ONSITE	ONSITE
				Classification Allocator	Demand Allocator	Commodity Allocator	Customer Allocator	Classification Allocator	Customer Allocator
69	III. OTHER RATE BASE ITEMS								
70	Gas Storage Inventory		6,572,717	-	-	-	-	-	-
71	Materials & Supplies - 13 Mo Avg		470,373	DISTPT	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C
72	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	-	-	-	-	-	-
77	Other Plant-related		2,527,130	DISTPT	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C
78	Other labor-related		0	-	-	-	-	-	-
79	Total - OTHER RATE BASE ITEMS		6,411,553						
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	ONSITEO&MXGAS-C
84	V. TOTAL RATE BASE								
86	I. OPERATION & MAINTENANCE EXPEN								
87	A. PRODUCTION EXPENSES								
88	1. Manufactured Gas Production								
89	Operations Labor	701	0	-	-	-	-	-	-
90	Operation Supv and Engineering	710	0	-	-	-	-	-	-
91	LNG Expense	717	0	-	-	-	-	-	-
92	Subtotal - O&M Accounts 701-716	710-716	0						
93	Maint. of Structure & Improvements	741	0	-	-	-	-	-	-
94	Maint Production Equipment	742	0	-	-	-	-	-	-
95	Subtotal - O&M Accounts 717-742	717-742	0						
96	Subtotal - Manufactured Gas Production	710-742	0						
98	2. Other Gas Supply Expenses		0						
99	Natural Gas City Gate Purchases	804	0	-	-	-	-	-	-
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						
106	B. NATURAL GAS STORAGE, TERMINAL								
107	Energy Trading & Accounting	844	77,687	-	-	-	-	-	-
108	Subtotal - NATURAL GAS STORAGE	840-850	77,687						
110	C. TRANSMISSION EXPENSES	851-870	169,987						
112	D. DISTRIBUTION EXPENSES								
113	Mains and Services Expenses	874	168,919	MAIN&SERVICE	MainsDemand	-	ISTMAIN-SERVICE-	-	-
114	Perf Distrib Main Locates	874	274,398	MAINS	MainsDemand	-	ISTMAIN-SERVICE-	-	-
115	Routine Leak Surv Mains & SVCS	874	72,227	MAIN&SERVICE	MainsDemand	-	ISTMAIN-SERVICE-	-	-
116	Meas. & Reg. Station Expense General	875	110,946	DEMAND	Peak	-	-	-	-
117	Meas. & Reg. Station Expense Industrial	876	0	-	-	-	-	-	-
118	Meas. & Reg. Station Expense Stat-City G	877	28,156	DEMAND	Peak	-	-	-	-
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
123	Co Used Gas O&M Offset	880	19,827	DISTOnlyPT	DISTOnlyPT-D	-	DISTOnlyPT-C	CUST	ONSITEDistPT-C

			SUPPLY	STORAGE	STORAGE	TRANSMISSION	TRANSMISSION
8	Account	Total	Classification	Demand	Commodity	Classification	Demand
9	Description	Account	Dollars	Allocator	Allocator	Allocator	Allocator
10							
11			-	-	-	-	-
124	Distribution Rents	881	0	-	-	-	-
125	Maint. Supervision & Engineering	885	58,975	-	-	-	-
126	Maint. of Mains	887	450,109	-	-	-	-
127	PerfMaint3rdPartyDmg-UGDistGas	887	7,160	-	-	-	-
128	Dist Maint Compr Station Equip	888	133	-	-	-	-
129	Maint Of Meas. & Reg. Station Expense G	889	66,419	-	-	-	-
130	Maint Of Meas. & Reg. Station Expense In	890	70,803	-	-	-	-
131	Maint Of Meas. & Reg. Station Expense Si	891	4,809	-	-	-	-
132	Maint. of Services	892	134,957	-	-	-	-
133	Maint. of Meters & House Regulators	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	Customer Service - Administrative	901	73,353	-	-	-	-
141	Meter Reading Expenses	902	667,900	-	-	-	-
142	Customer Records & Collection Expense	903	915,988	-	-	-	-
143	Uncollectible Accounts	904	1,365,508	-	-	-	-
144	Write-Off- PIP	904P	0	-	-	-	-
145	Miscellaneous Customer Accounts Expens	905	51,806	-	-	-	-
146	Miscellaneous Customer Accounts Expens	905A	0	-	-	-	-
147	Total - CUSTOMER ACCOUNTS EXPENS		3,074,555				
148							
149	III. CUSTOMER SERVICE & INFORMATIO						
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	Operations sales Expense	911	13,870	-	-	-	-
156	Demonstration	912	16,439	-	-	-	-
157	Total - CUSTOMER SERVICE & INFORM.		311,281				
158							
159	Total - CUSTOMER ACCOUNTS, SERVIC		3,385,836				
160							
161	IV. ADMINISTRATIVE & GENERAL EXPE						
162	A. Labor-Related:						
163	Administrative & General Salaries	920	1,750,379	-	-	-	-
165	Office Supplies & Expenses	921	738,856	-	-	-	-
166	Transfer Expenses	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	-	-	-	-
171	Subtotal - O&M Accounts 920-923, 926		3,722,307				
172	B. Plant-Related:						
173	Property Insurance	924	255	-	-	-	-
174	Subtotal - O&M Accounts 924		255				
175							
176							

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

Exhibit HEO-5  
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Account Description	Account	Total Dollars	DISTRIBUTION				ONSITE	
			Classification Allocator	Demand Allocator	Commodity Allocator	Customer Allocator	Classification Allocator	Customer Allocator
124 Distribution Rents	881	0	-	-	-	-	-	-
125 Maint. Supervision & Engineering	885	58,975	DISTOnlyPT	DISTOnlyPT-D	-	DISTOnlyPT-C	CUST	ONSITEDistPT-C
126 Maint. of Mains	887	450,109	MAINS	MainsDemand	-	MainsCustomer	-	-
127 PerfMaint3rdPartyDmg-UGDistGas	887	7,160	MAINS	Peak	-	MainsCustomer	-	-
128 Dist Maint Compr Station Equip	888	133	DEMAND	Peak	-	-	-	-
129 Maint Of Meas. & Reg. Station Expense G	889	66,419	DEMAND	Peak	-	-	-	-
130 Maint Of Meas. & Reg. Station Expense In	890	70,803	DEMAND	Peak	-	-	-	-
131 Maint Of Meas. & Reg. Station Expense St	891	4,809	DEMAND	Peak	-	-	-	-
132 Maint. of Services	892	134,957	CUST	-	-	Service_Invest	-	-
133 Maint. of Meters & House Regulators	893	45,986	-	-	-	-	CUST	ONSITEPT-C
134 Maintenance of Other Equipment	894	189	DISTOnlyPT	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C
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 Customer Service - Administrative	901	73,353	-	-	-	-	CUST	Account903
141 Meter Reading Expenses	902	667,900	-	-	-	-	CUST	MetersRead
142 Customer Records & Collection Expense	903	915,988	-	-	-	-	CUST	Account903
143 Uncollectible Accounts	904	1,365,508	-	-	-	-	CUST	Write-offs
144 Write-Off- PIP	904P	0	-	-	-	-	-	-
145 Miscellaneous Customer Accounts Expense	905	51,806	-	-	-	-	CUST	Account903
146 Miscellaneous Customer Accounts Expense	905A	0	-	-	-	-	-	-
147 Total - CUSTOMER ACCOUNTS EXPENSES		3,074,555						
148								
149 III. CUSTOMER SERVICE & INFORMATIONAL								
150 Operation Supervision	907	20,484	-	-	-	-	CUST	Bills_All
151 Customer Assist- Choice	908C	0	-	-	-	-	-	-
152 Customer Assist- Other	908	240,043	-	-	-	-	CUST	Account908
153 Advertising & Promotion	909	20,444	-	-	-	-	CUST	RATEBASE
154 Other Customer Service & Informational Expense	910	0	-	-	-	-	-	-
155 Operations sales Expense	911	13,870	-	-	-	-	CUST	RATEBASE
156 Demonstration	912	16,439	-	-	-	-	CUST	RATEBASE
157 Total - CUSTOMER SERVICE & INFORMATIONAL		311,281						
158								
159 Total - CUSTOMER ACCOUNTS, SERVICE & INFORMATIONAL		3,385,836						
160								
161 IV. ADMINISTRATIVE & GENERAL EXPENSES								
162								
163 A. Labor-Related:								
164 Administrative & General Salaries	920	1,750,379	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
165 Office Supplies & Expenses	921	738,856	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
166 Transfer Expenses	922	0	-	-	-	-	-	-
167 Outside Services Employed	923	205,815	-	-	-	-	CUST	ONSITELABOR-C
168 Outside Services Employed	923	0	-	-	-	-	-	-
169 Injuries & Damages	925	260,141	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
170 Employee Pensions and Benefits	926	767,116	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	CUST	ONSITELABOR-C
171 Subtotal - O&M Accounts 920-923, 926		3,722,307						
172								
173 B. Plant-Related:								
174 Property Insurance	924	255	DISTPT	DISTPT-D	-	DISTPT-C	CUST	ONSITEPT-C
175 Subtotal - O&M Accounts 924		255						
176								

Exhibit HEO-5  
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				SUPPLY			STORAGE	STORAGE	TRANSMISSION	TRANSMISSION
	Account Description	Account	Total Dollars	Classification Allocator	Demand Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
C. Other-Related:										
Regulatory Commission Expenses	928	269,917	-	-	-	-	-	-	DEMAND	Peak
Duplicate Charges Credit	929	(18,875)	-	-	-	-	-	-	DEMAND	Peak
PUCO Assessments	408	0	-	-	-	-	-	-	-	-
Customer Interest Expense	431	61,449	-	-	-	-	-	-	-	-
Miscellaneous General	930	185,185	-	-	-	-	-	-	DEMAND	Peak
Rents	931	314,468	-	-	-	-	-	-	DEMAND	Peak
Misc. General Plant	935	114,011	-	-	-	-	-	-	-	-
Subtotal - O&M Accounts 928-935										
Total - ADMINISTRATIVE & GENERAL E)		4,648,717								
TOTAL - OPERATING EXPENSES (Excl I		11,053,722								
VI. DEPRECIATION EXPENSE										
Intangible Plant	403	26,866	-	-	-	-	-	-	-	-
Production Plant	403	0	-	-	-	-	-	-	-	-
Local Storage Plant	403	0	-	-	-	-	-	-	-	-
Transmission Plant	403	117,683	-	-	-	-	-	-	DEMAND	Peak
Mains	404	940,291	-	-	-	-	-	-	-	-
Mains- Direct	404	0	-	-	-	-	-	-	-	-
Services	404	683,527	-	-	-	-	-	-	-	-
Meters	404	230,211	-	-	-	-	-	-	-	-
Distr Other	404	47,111	-	-	-	-	-	-	-	-
General Plant	404	315,085	-	-	-	-	-	-	-	-
Rent from Gas Ppty / Other Rev	404	753,598	-	-	-	-	-	-	DEMAND	Peak
Adjustments		0	-	-	-	-	-	-	-	-
Total - DEPRECIATION EXPENSE	403	3,114,371								
VII. TAXES OTHER THAN INCOME TAXE		0	-	-	-	-	-	-	-	-
A. General Taxes		0	-	-	-	-	-	-	-	-
Property Tax- Plant		615,720	-	-	-	-	-	-	DEMAND	Peak
Distribution Tax		0	-	-	-	-	-	-	-	-
Payroll related		12,179	-	-	-	-	-	-	-	-
Other taxes		40,251	-	-	-	-	-	-	DEMAND	Peak
Property Tax- Inventory		241,503	-	-	-	-	DEMAND	Winter4	-	-
Subtotal- Taxes Other Than Income Taxes	408	909,652								
B. Franchise and Revenue Taxes		0	-	-	-	-	-	-	-	-
Gross Receipts Tax		0	-	-	-	-	-	-	-	-
GRT- Uncoll Rider		0	-	-	-	-	-	-	-	-
Subtotal- Franchise and Gross Receipts T:		0	-	-	-	-	-	-	-	-
C. Income Tax Expense		0	-	-	-	-	-	-	-	-
State Income Tax expense		33,394	COMMODITY	-	PreTax-Supp-E	DEMAND	PreTax-Stor-D	DEMAND	Peak	Peak
Federal Income Tax Deferred		519,234	-	-	-	-	-	DEMAND	Peak	Peak
Federal Income Tax expense		212,506	COMMODITY	-	PreTax-Supp-E	DEMAND	PreTax-Stor-D	DEMAND	Peak	Peak
Subtotal- Income tax expense		765,133								
Total- TAX EXPENSE		1,674,786								
TOTAL EXPENSES			-	-	-	-	-	-	-	-





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

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Account Description	Account	Total Dollars	SUPPLY			STORAGE		STORAGE	TRANSMISSION	TRANSMISSION
			Classification Allocator	Demand Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator	Demand Allocator
V. REVENUES at Present Rates										
Residential	480-483	11,695,138	COMMODITY	-	Res_Rev	DEMAND	Res_Rev	DEMAND	Res_Rev	Res_Rev
Comm - Indust Sales	480-483	4,661,454	COMMODITY	-	CI_Bundled	DEMAND	CI_Bundled	DEMAND	CI_Bundled	CI_Bundled
Comm - Indust Transport	480-483	2,673,260	COMMODITY	-	CI_Transport	DEMAND	CI_Transport	DEMAND	CI_Transport	CI_Transport
Forfeited Discounts Gas	480-483	94,128	COMMODITY	-	orfeited Discounts Ga	DEMAND	orfeited Discounts Ga	DEMAND	orfeited Discounts Ga	orfeited Discounts Ga
Returned Check Chgs Gas	480-483	13,340	COMMODITY	-	turned Check Chgs C	DEMAND	turned Check Chgs C	DEMAND	turned Check Chgs C	turned Check Chgs C
Reconnect Charges Gas	480-484	67,279	COMMODITY	-	econnect Charges Ga	DEMAND	econnect Charges Ga	DEMAND	econnect Charges Ga	econnect Charges Ga
Tax Remuneration Gas	480-485	29,924	COMMODITY	-	'ax Remuneration Ga	DEMAND	'ax Remuneration Ga	DEMAND	'ax Remuneration Ga	'ax Remuneration Ga
Misc Revenue	480-485	0	-	-	-	-	-	-	-	-
Gas Revenue	480-483	0	-	-	-	-	-	-	-	-
Rent from Gas Ppty / Other Rev	495	0	-	-	-	-	-	-	-	-
Subtotal Gas Revenues, net		19,234,523								
Non-Operating Income	418-421	0	-	-	-	-	-	-	-	-
Non-Operating Income	426	0	-	-	-	-	-	-	-	-
Total Non-Oper Income		0								
Total Revenue		19,234,523								
Total Expenses		15,861,222								
NET INCOME at Present Rates		3,373,301								

