

Exhibit No.:
Issues: Rate Design

Witness: James Russo
Sponsoring Party: MO PSC Staff
Type of Exhibit: Direct Testimony
Case No.: WR-2007-0216
Date Testimony Prepared: June 12, 2007

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

DIRECT TESTIMONY

OF

JAMES RUSSO

MISSOURI-AMERICAN WATER COMPANY

CASE NO. WR-2007-0216

**Jefferson City, Missouri
June 2007**

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

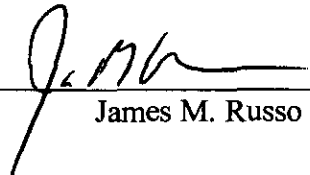
In the Matter of Missouri-American Water)
Company's request for Authority to)
Implement a General Rate Increase for)
Water Service provided in Missouri Service)
Areas)

Case No. WR-2007-0216

AFFIDAVIT OF JAMES M. RUSSO

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

James M. Russo, of lawful age, on his oath states: that he has participated in the preparation of the foregoing testimony in question and answer form, consisting of 8 pages of testimony to be presented in the above case, that the answers in the foregoing testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.



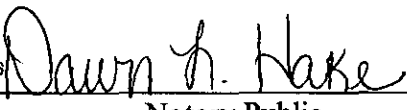
James M. Russo

Subscribed and sworn to before me this 7th day of June, 2007.



My commission expires _____

DAWN L. HAKE
My Commission Expires
March 16, 2009
Cole County
Commission #05407643



Notary Public

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DIRECT TESTIMONY

OF

JAMES RUSSO

MISSOURI AMERICAN WATER COMPANY

CASE NO. WR-2007-0216

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DIRECT TESTIMONY
OF
JAMES RUSSO
MISSOURI AMERICAN WATER COMPANY
CASE NO. WR-2007-0216

Q. Please state your name and business address.

A. James M. Russo, P.O. Box 360, Jefferson City, Missouri 65102.

Q. By whom are you employed and in what capacity?

A. I am the Rate and Tariff Examination Supervisor in the Water & Sewer Department with the Missouri Public Service Commission (Commission).

BACKGROUND OF WITNESS

Q. Please describe your educational background and other qualifications.

A. I graduated from California State University-Fresno, Fresno, California, and received a Bachelor of Science degree in Accounting. Prior to my employment with the Commission, local elected officials in county government employed me in various capacities. I was the assistant treasurer-tax collector for San Joaquin and El Dorado Counties in California. My responsibilities included all financial dealings of the counties and all accounting activities of the agency. In addition, I was the supervising accountant auditor in El Dorado County for two years. My division was responsible for internal audits of all county agencies, special districts, and franchise/lease agreements.

Q. What has been the nature of your duties with the Commission?

A. From April 1997 to December 2001, I worked in the Accounting Department of the Commission, where my duties consisted of directing and assisting with various audits

Direct Testimony of
James M. Russo

1 and examinations of the books and records of public utilities operating within the State of
2 Missouri under the jurisdiction of the Commission. From
3 December 16, 2001 to August 2003, I was a Regulatory Auditor IV in the Energy
4 Tariffs/Rate Design Department, where my duties consisted of analyzing applications,
5 reviewing tariffs, and making recommendations based upon these evaluations. On
6 August 16, 2003, I assumed the position of Rate and Tariff Examination Supervisor in the
7 Water & Sewer Department where my duties consist of reviewing tariffs, preparing and
8 analyzing cost of service and rate design, and performing accounting functions.

9 Q. Have you previously filed testimony before this Commission?

10 A. Yes. A list of cases in which I have filed testimony before this Commission is
11 attached as Schedule 1 to my direct testimony.

12 **EXECUTIVE SUMMARY**

13 Q. With reference to consolidated Case No. WR-2007-0216, have you made an
14 examination and study of the material filed by Missouri-American Water Company (MAWC
15 or Company) relating to its proposed increase in water rates?

16 A. Yes, I have.

17 Q. What is the purpose of your direct testimony?

18 A. The purpose of my direct testimony is to present the Commission Staff's
19 (Staff) position relating to class cost of service (CCOS), Rate Design and Consolidated
20 Customer Billing.

21 **CLASS COST OF SERVICE**

22 Q. Did you complete a CCOS for the Company's water and sewer operations?

Direct Testimony of
James M. Russo

1 A. I completed a CCOS on the Company's water operations. I used the
2 Commission's Water & Sewer Department's small company rate design methodology for the
3 Company's sewer operations. This methodology is discussed in more detail later in my
4 Direct Testimony.

5 Q. What customer classes are used in Staff's CCOS study?

6 A. The customer classes used in this study are: Residential, Commercial,
7 Industrial, Other Public Authority, Other Water Utilities and Private Fire Protection.

8 Q. Are these the same as the Company's current tariff designations?

9 A. Yes.

10 Q. What is the purpose of Staff's CCOS study?

11 A. The purpose of Staff's CCOS study is to determine, and provide the
12 Commission with, a measure of relative class cost responsibility for MAWC's overall revenue
13 requirement on a district specific basis. For individual items of cost, class cost responsibility
14 can be either directly assigned or allocated to customer classes using reasonable methods for
15 determining the class responsibility for that item of cost. The results are then summarized so
16 that they can be compared to revenues being collected on current rates.

17 Q. What type of allocation method did you use?

18 A. I allocated each districts total cost using the "base-extra capacity" method.
19 This method involves allocating the various cost components based on data pertaining to
20 operating costs, operating revenues, system capacity, customer usage and customer numbers.
21 The results of these allocations show the relative cost levels that should be recovered from
22 each customer class. Rates are then designed to recover the costs that are allocated to each
23 class.

1 I must note that the customer class allocation factors I developed are based on the
2 Staff's district cost-of-service allocations as of the Staff's direct filing and do not include the
3 recovery of any true-up allowance.

4 Q. Please describe the base-extra capacity allocation method that you used.

5 A. In the base-extra capacity method, costs are generally separated into four
6 primary cost components: base costs, extra capacity costs, customer costs and direct fire
7 protection costs.

8 Base costs vary with water consumption and are allocated to customer classifications
9 according to the amount of water consumed.

10 Extra capacity costs are the costs associated with meeting the requirements that are in
11 excess of the average load conditions. They are divided into costs to meet maximum-day-
12 extra demand and maximum-hour-extra demand.

13 Customer costs are those costs associated with the number of customers, regardless of
14 consumption. These costs include customer accounting and collection expenses, meter-
15 reading expenses, billing expenses and return on and of plant related to meters and services.

16 Fire protection costs are those costs directly assigned to fire protection functions.

17 Q. How did you develop the CCOS amounts?

18 A. Allocation of each cost is accomplished by applying class allocation factors.
19 These class allocation factors are applied to the annualized and normalized expenses, plant,
20 rate base, and return on investment to determine the total costs to be recovered in each
21 district.

22 Q. What are the results of your CCOS study?

1 Staff's rate design for the Company's water operations is based on the actual CCOS
2 for each district and the increase/decrease for each district is determined by the revenue
3 requirement for that district. Staff's rate design for the Company's sewer operations is based
4 on the Water & Sewer Department's small company rate design methodology.

5 Q. How did you develop the customer rates for each of the Company's
6 certificated service areas?

7 A. I developed rates to recover the CCOS allocated to each class in each of the
8 Company's districts. The rates generally consist of a fixed monthly customer charge and a
9 usage (commodity) charge, which are generally based upon the number of customers in the
10 class and the usage characteristics of those customers.

11 Q. How did you calculate the commodity rates from your CCOS study?

12 A. To determine the commodity rates from the CCOS study, I subtracted the
13 dollars collected from the customer charges from each class' revenue requirement and divided
14 the remaining class revenue requirement by the total class-billed water volumes.

15 Q. Are you proposing a treatment for any district that is different from the results
16 of your CCOS and rate design calculations?

17 A. Yes, I am. The CCOS for the Brunswick District continues to be extremely
18 high compared to the other districts. I recommend that the Commission establish rates for the
19 Brunswick District similar to the manner in which the rates were set in Case Nos. WR-2003-
20 0500 and WC-2004-0618. For those cases, the rates were established by using the customer
21 charges and commodity charges from the District that had the second highest rates. This will
22 shift revenue responsibility from the Brunswick District customers to other parties. This is

1 subsidization and will result in other Districts or the Company being responsible for the
2 shortfall of the cost of service for the Brunswick District.

3 Q. You stated earlier that you used the Water & Sewer Department's small
4 company rate design methodology to determine the rates for the Company's sewer operations.
5 Please elaborate further.

6 A. The Company's sewer operations are relatively small and generally consist of
7 residential customers. Only one system has commercial customers and none of these systems
8 have the complexities of allocating costs between varied customer classes. In addition, with
9 the exception of 33 customers in the Cedar Hill District, the rates for the Company's sewer
10 operations are a monthly flat rate, which means that costs are not allocated between a
11 customer charge and a commodity charge.

12 Q. Please briefly describe the customer-class-cost-of-service allocations and rate
13 design schedules that are attached to your direct testimony.

14 A. Schedule 2 includes the CCOS study for each district, which summarizes the
15 cost of service, revenues at present rates, revenues at proposed rates and the amount of
16 increase/decrease for each customer class within each operating district.

17 Schedule 3 shows the allocation of the Auditing Department's cost-of-service
18 by customer class and then to the functions of base use, maximum day use, maximum hour
19 use, meter cost service cost, billing and collection cost and fire service cost for each operating
20 district.

21 Schedule 4 shows the development of the allocation factors used in the
22 allocations shown in Schedule 3.

1 Schedule 5 includes the meter numbers and service numbers for each
2 operating district with cost weighting for each class.

3 Schedule 6 shows the allocations to public and private fire service costs in
4 proportion to the relative potential demands on each system by public fire hydrants and
5 private fire services.

6 Schedules 7, 8 and 9 are the rate design worksheets for the Company's sewer
7 operations and contain the following pages: Rate-Making Income Statement, Revenues-
8 Current Rates, Rate Design, Revenues-Proposed Rates and Residential Customer Billing
9 Comparison.

10 **CONSOLIDATED CUSTOMER BILLING**

11 Q. Have you reviewed and formed an opinion of the Company's Feasibility of
12 Consolidated Customer Billing for the St. Louis District, attached as schedule EJG-3 to the
13 direct testimony of Edward J. Grubb?

14 A. Yes, I have reviewed schedule EJG-3 and generally speaking I am in
15 agreement with the proposal. However, I am concerned that existing customers eligible for
16 this service will be required to wait until the conclusion of the next general rate case before
17 they can start this service.

18 Q. Does this conclude your direct testimony?

19 A. Yes it does.

RATE CASE PROCEEDING PARTICIPATION

JAMES M. RUSSO

<u>COMPANY</u>	<u>CASE NO.</u>
Union Electric Company	GR-97-393
Gascony Water Company	WA-97-510
St. Joseph Light and Power Company	EC-98-573
St. Joseph Light and Power Company	HR-99-245
St. Joseph Light and Power Company	GR-99-246
St. Joseph Light and Power Company	ER-99-247
UtiliCorp United Inc./St. Joseph Light and Power Company	EM-2000-292
UtiliCorp United Inc./Empire District Electric Company	EM-2000-369
Osage Water Company	WR-2000-557
Osage Water Company	SR-2000-556
Missouri Gas Energy	GR-2001-292
Southern Missouri Gas Company, L.P.	GR-2001-0388
Environmental Utilities	WA-2002-65
Laclede Gas Company	GR-2002-356
Laclede Gas Company	GA-2002-429
Missouri Gas Energy	GT-2003-0033
Aquila Networks L & P	GT-2003-0038
Southern Missouri Gas Company, L.P.	GT-2003-0031
Atmos Energy Corporation	GT-2003-0037
Fidelity Natural Gas, Inc.	GT-2003-0036
Laclede Gas Company	GT-2003-0032
Union Electric Company	GT-2003-0034
Union Electric Company	GR-2003-0517
Missouri Gas Energy	GT-2004-0049
Aquila Inc.	GR-2004-0072
Missouri Gas Energy	GC-2004-0216
Missouri Gas Energy	GC-2004-0305
Algonquin Water Resources of Missouri, LLC	WR-2006-0425

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

PSC STAFF STUDY

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Rate A & K	\$ 102,211,064	87.7%	\$ 105,397,133	89.3%	\$ 102,211,063	87.8%	\$ (3,186,070)	-3.0%
Rate B	2,886,338	2.5%	\$ 1,987,575	1.7%	2,886,338	2.5%	898,763	45.2%
Rate D	245,216	0.2%	\$ 184,324	0.2%	245,216	0.2%	60,892	33.0%
Rate F & E	443,551	0.4%	\$ 1,269,381	1.1%	443,550	0.4%	(825,831)	-65.1%
Rate H	764,000	0.7%	\$ 764,000	0.6%	764,000	0.7%	-	
Rate J	9,814,910	8.4%	\$ 8,365,964	7.1%	9,814,910	8.4%	1,448,946	17.3%
Total Sales	116,365,080	<u>99.9%</u>	117,968,377	<u>100.0%</u>	116,365,077	<u>100.0%</u>	(1,603,300)	-1.4%
Other Revenues	<u>1,316,503</u>		<u>1,316,503</u>		<u>1,316,503</u>		-	0.0%
Total	<u>\$ 117,681,583</u>		<u>\$ 119,284,880</u>		<u>\$ 117,681,580</u>		<u>\$ (1,603,300)</u>	-1.3%

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2007-0216

STAFF - ST LOUIS COUNTY

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Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales (CCF)	Total Revenue	Sales (CCF)	Total Revenue		
1							
2							
3							
4	Rate A and K	42,665,727	\$105,397,133	42,665,670	\$102,211,063	(\$3,186,070)	-3.02%
5	Rate B	1,792,385	1,987,575	2,389,846	2,886,338	898,763	45.22%
6	Rate D	180,692	184,324	240,922	245,216	60,892	33.04%
7	Rate F and E	23,401	1,269,381	31,201	443,550	(825,831)	-65.06%
8	Rate H	1,505,072	764,000	1,505,072	764,000	0	0.00%
9	Rate J	8,218,223	8,365,964	8,218,223	9,814,910	1,448,946	17.32%
10						0	0.00%
11							
12	Total	<u>54,385,499</u>	<u>117,968,377</u>	<u>55,050,934</u>	<u>116,365,077</u>	<u>(\$1,603,300)</u>	<u>-1.36%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Other Revenues		1,708,253		1,708,253	0	0.00%
23							
24			<u>\$119,676,630</u>		<u>\$118,073,330</u>	<u>(1,603,300)</u>	<u>-1.34%</u>
25							
26							
27							
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40							

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2007-0216

STAFF - ST LOUIS COUNTY

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue		
1											
2	Rate A:										
3	Minimum Charge:			12,033.652							
4	Monthly										
5	5/8"	30		\$6.15	\$183	30		\$10.56	\$317	\$134	73.22%
6	3/4"	80		\$6.87	548	80		\$10.57	\$845	297	54.20%
7	1"	23		\$8.31	192	23		\$10.57	\$243	51	26.56%
8	1-1/2"	37		\$11.90	438	37		\$10.60	\$392	(46)	-10.50%
9	2"	119		\$16.20	1,923	119		\$10.62	\$1,264	(659)	-34.27%
10	3"	12		\$27.68	343	12		\$10.69	\$128	(215)	-62.68%
11	4"	0		\$40.59	0	0		\$10.72	\$0	0	0.00%
12	6"	0		\$76.48	0	0		\$10.83	\$0	0	0.00%
13	8"	0		\$119.54	0	0		\$11.12	\$0	0	0.00%
14	10"	0		\$176.96	0	0		\$11.40	\$0	0	0.00%
15	12"	0		\$234.36	0	0		\$11.69	\$0	0	0.00%
16	300										
17	Quarterly										
18	5/8"	1,212,706		9.01	10,926,485	1,212,706		10.66	\$12,930,827	2,004,342	18.34%
19	3/4"	67,855		11.17	757,940	67,855		10.67	\$723,675	(34,265)	-4.52%
20	1"	11,042		15.48	170,924	11,042		10.69	\$118,059	(52,865)	-30.93%
21	1-1/2"	1,125		26.24	29,523	1,125		10.76	\$12,108	(17,415)	-58.99%
22	2"	1,989		39.15	77,859	1,989		10.83	\$21,547	(56,312)	-72.33%
23	3"	0		73.61	0	0		11.04	\$0	0	0.00%
24	4"	0		112.36	0	0		11.14	\$0	0	0.00%
25	6"	16		220.01	3,418	16		11.47	\$184	(3,234)	-94.62%
26	8"	8		349.19	2,713	8		12.34	\$99	(2,614)	-96.35%
27	10"	117		521.42	61,163	117		13.16	\$1,540	(59,623)	-97.48%
28	12"	0		693.66	0	0		14.03	\$0	0	0.00%
29											
30											
31	Volumetric Charges:										
32	Monthly All Water		2,658,483	2.033700	5,406,557		2,658,483	2.0709	\$5,505,545	98,988	1.83%
33	Quarterly All Water		39,841,686	2.033700	81,026,037		39,841,686	2.0709	\$82,509,531	1,483,494	1.83%
34											
35											
36											
37											
38	Total		42,500,169		\$98,466,246		42,500,169		\$101,826,304	\$3,360,058	3.41%
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2007-0216

STAFF - ST LOUIS COUNTY

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue		
1											
2	Rate B:										
3	Minimum Charge:										
4	<u>Monthly</u>										
5	5/8"	0		\$0.00	\$0	0		\$0.00	\$0	\$0	0.00%
6	3/4"	0		0.00	0	0		\$0.00	0	0	0.00%
7	1"	0		0.00	0	0		\$0.00	0	0	0.00%
8	1-1/2"	0		0.00	0	0		\$0.00	0	0	0.00%
9	2"	0		0.00	0	0		\$0.00	0	0	0.00%
10	3"	0		0.00	0	0		\$0.00	0	0	0.00%
11	4"	0		0.00	0	0		\$0.00	0	0	0.00%
12	6"	0		0.00	0	0		\$0.00	0	0	0.00%
13	8"	0		0.00	0	0		\$0.00	0	0	0.00%
14	10"	0		0.00	0	0		\$0.00	0	0	0.00%
15	12"	0		0.00	0	0		\$0.00	0	0	0.00%
16											
17	<u>Quarterly</u>										
18	5/8"	0		0.00	0	0		10.66	0	0	0.00%
19	3/4"	0		0.00	0	0		10.67	0	0	0.00%
20	1"	0		0.00	0	0		10.69	0	0	0.00%
21	1-1/2"	0		0.00	0	0		10.76	0	0	0.00%
22	2"	0		0.00	0	0		10.83	0	0	0.00%
23	3"	0		0.00	0	0		11.04	0	0	0.00%
24	4"	0		0.00	0	0		11.14	0	0	0.00%
25	6"	0		0.00	0	0		11.47	0	0	0.00%
26	8"	0		0.00	0	0		12.34	0	0	0.00%
27	10"	0		0.00	0	0		13.16	0	0	0.00%
28	12"	0		0.00	0	0		14.03	0	0	0.00%
29											
30											
31	<u>Volumetric Charges:</u>										
32	Monthly All Water		1,792,385	1.077700	1,931,653		2,389,846	1.2078	2,886,338	954,685	49.42%
33	Quarterly All Water		0	0.000000	0		0	1.2078	0	0	0.00%
34											
35											
36											
37											
38	Total		<u>1,792,385</u>		<u>\$1,931,653</u>		<u>2,389,846</u>		<u>\$2,886,338</u>	<u>\$954,685</u>	<u>49.42%</u>
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2007-0216

STAFF - ST LOUIS COUNTY

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue		
1	Rate D:										
2											
3	Minimum Charge:										
4	Monthly										
5	5/8"	0		\$6.15	\$0	0		\$10.56	\$0	\$0	0.00%
6	3/4"	0		\$6.87	0	0		\$10.57	0	0	0.00%
7	1"	0		\$8.31	0	0		\$10.57	0	0	0.00%
8	1-1/2"	0		\$11.90	0	0		\$10.60	0	0	0.00%
9	2"	0		\$16.20	0	0		\$10.62	0	0	0.00%
10	3"	0		\$27.68	0	0		\$10.69	0	0	0.00%
11	4"	0		\$40.59	0	8		\$10.72	86	86	0.00%
12	6"	0		\$76.48	0	16		\$10.83	173	173	0.00%
13	8"	0		\$119.54	0	0		\$11.12	0	0	0.00%
14	10"	0		\$176.96	0	0		\$11.40	0	0	0.00%
15	12"	0		\$234.36	0	0		\$11.69	0	0	0.00%
16											
17	Quarterly										
18	5/8"	0		0.00	0	0		10.66	0	0	0.00%
19	3/4"	0		0.00	0	0		10.67	0	0	0.00%
20	1"	0		0.00	0	0		10.69	0	0	0.00%
21	1-1/2"	0		0.00	0	0		10.76	0	0	0.00%
22	2"	0		0.00	0	0		10.83	0	0	0.00%
23	3"	0		0.00	0	0		11.04	0	0	0.00%
24	4"	0		0.00	0	0		11.14	0	0	0.00%
25	6"	0		0.00	0	0		11.47	0	0	0.00%
26	8"	0		0.00	0	0		12.34	0	0	0.00%
27	10"	0		0.00	0	0		13.16	0	0	0.00%
28	12"	0		0.00	0	0		14.03	0	0	0.00%
29											
30											
31	Volumetric Charges:										
32	Monthly All Water		180,692	1.004500	181,505		240,922	1.016748	244,957	63,452	34.96%
33	Quarterly All Water		0	0.000000	0		0	1.016748	0	0	0.00%
34											
35											
36											
37											
38	Total		180,692		\$181,505		240,922		\$245,216	\$63,711	35.10%
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2007-0216

STAFF - ST LOUIS COUNTY

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue		
1	Rate F:										
2											
3	Minimum Charge:										
4	Monthly										
5	5/8"	0		\$9.20	\$0	0		\$0.00	\$0	\$0	0.00%
6	3/4"	0		\$9.92	0	0		0.00	0	0	0.00%
7	1"	0		\$11.36	0	0		0.00	0	0	0.00%
8	1-1/2"	0		\$14.95	0	0		0.00	0	0	0.00%
9	2"	0		\$19.25	0	0		0.00	0	0	0.00%
10	3"	0		\$30.73	0	0		0.00	0	0	0.00%
11	4"	0		\$43.64	0	0		0.00	0	0	0.00%
12	6"	0		\$79.53	0	0		0.00	0	0	0.00%
13	8"	0		\$0.00	0	0		0.00	0	0	0.00%
14	10"	0		\$0.00	0	0		0.00	0	0	0.00%
15	12"	0		\$0.00	0	0		0.00	0	0	0.00%
16											
17	Quarterly										
18	5/8"	0		0.00	0	0		0.00	0	0	0.00%
19	3/4"	0		0.00	0	0		0.00	0	0	0.00%
20	1"	0		0.00	0	0		0.00	0	0	0.00%
21	1-1/2"	0		0.00	0	0		0.00	0	0	0.00%
22	2"	0		0.00	0	0		0.00	0	0	0.00%
23	3"	0		0.00	0	0		0.00	0	0	0.00%
24	4"	0		0.00	0	0		0.00	0	0	0.00%
25	6"	0		0.00	0	0		0.00	0	0	0.00%
26	8"	0		0.00	0	0		0.00	0	0	0.00%
27	10"	0		0.00	0	0		0.00	0	0	0.00%
28	12"	0		0.00	0	0		0.00	0	0	0.00%
29											
30											
31	Volumetric Charges:										
32	Monthly All Water		23,401	2.033700	47,590		31,201	2.070935	64,615	17,025	35.77%
33	Quarterly All Water		0	0.000000	0		0	2.070935	0	0	0.00%
34											
35											
36											
37											
38	Sub-total		23,401		\$47,590		31,201		\$64,615	\$17,025	35.77%
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue		
1											
2	Rate F:										
3	Detector Check Meters										
4	5/8"	420		\$9.20	\$3,864	420		\$2.85	\$1,198	(\$2,666)	-69.00%
5	3/4"	29,208		\$9.92	289,743	29,208		\$3.08	89,863	(199,880)	-68.99%
6	1"	372		\$11.36	4,226	372		\$3.52	1,311	(2,915)	-68.98%
7	1 1/2"	24		\$14.95	359	24		\$4.64	111	(248)	-69.08%
8	2"	228		\$19.25	4,389	228		\$5.97	1,361	(3,028)	-68.99%
9	3"	0		\$30.73	0	0		\$9.53	0	0	0.00%
10	4"	0		\$43.64	0	0		\$13.53	0	0	0.00%
11	6"	0		\$79.53	0	0		\$24.67	0	0	0.00%
12	30,252.00										
13											
14	Tap Size										
15	2" or less	128		\$21.92	\$2,806	128		\$6.80	870	(1,936)	-69.00%
16	4"	484		87.52	42,360	484		\$27.14	13,138	(29,222)	-68.98%
17	6"	1,960		196.92	385,963	1,960		\$61.07	119,706	(266,257)	-68.99%
18	8"	1,184		350.12	414,542	1,184		\$108.59	128,569	(285,973)	-68.99%
19	10"	37		547.08	20,242	37		\$169.68	6,278	(13,964)	-68.99%
20	12"	65		787.88	51,212	65		\$244.36	15,883	(35,329)	-68.99%
21	20"	1		2,085.36	2,085	1		\$646.77	647	(1,438)	-68.97%
22	3,859.00				1,221,791				378,935		
23	Rate E										
24	Public Fire										
25	Annual										
26	# of Hydrants	0		0.00	0	0		0.00	0	0	0.00%
27											
28	Semi-Annual										
29	# of Hydrants	0		0.00	0	0		0.00	0	0	0.00%
30											
31											
32	Sub-total		0		\$1,221,791		0		\$378,935	(\$842,856)	-68.99%
33											
34											
35	Total Rate F and E		23,401		\$1,269,381		31,201		\$443,550	(\$825,831)	-65.06%
36											
37											
38											
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue		
1											
2	Rate H:										
3	Minimum Charge:										
4	<u>Monthly</u>										
5	5/8"	0		\$0.00	\$0	0		\$10.56	\$0	\$0	0.00%
6	3/4"	0		0.00	0	0		\$10.57	0	0	0.00%
7	1"	0		0.00	0	0		\$10.57	0	0	0.00%
8	1-1/2"	0		0.00	0	0		\$10.60	0	0	0.00%
9	2"	0		0.00	0	0		\$10.62	0	0	0.00%
10	3"	0		0.00	0	0		\$10.69	0	0	0.00%
11	4"	0		0.00	0	0		\$10.72	0	0	0.00%
12	6"	0		0.00	0	0		\$10.83	0	0	0.00%
13	8"	0		0.00	0	0		\$11.12	0	0	0.00%
14	10"	0		0.00	0	0		\$11.40	0	0	0.00%
15	12"	0		0.00	0	0		\$11.69	0	0	0.00%
16											
17	<u>Quarterly</u>										
18	5/8"	0		0.00	0	0		10.66	0	0	0.00%
19	3/4"	0		0.00	0	0		10.67	0	0	0.00%
20	1"	0		0.00	0	0		10.69	0	0	0.00%
21	1-1/2"	0		0.00	0	0		10.76	0	0	0.00%
22	2"	0		0.00	0	0		10.83	0	0	0.00%
23	3"	0		0.00	0	0		11.04	0	0	0.00%
24	4"	0		0.00	0	0		11.14	0	0	0.00%
25	6"	0		0.00	0	0		11.47	0	0	0.00%
26	8"	0		0.00	0	0		12.34	0	0	0.00%
27	10"	0		0.00	0	0		13.16	0	0	0.00%
28	12"	0		0.00	0	0		14.03	0	0	0.00%
29											
30											
31	<u>Volumetric Charges:</u>										
32	Monthly All Water		1,505,072	0.000000	0		1,505,072	0.000000	0	0	0.00%
33	Quarterly All Water		0	0.000000	0		0	0.000000	0	0	0.00%
34											
35											
36	Annual Fixed Charge				764,000				764,000	0	0.00%
37											
38	Total		<u>1,505,072</u>		<u>\$764,000</u>		<u>1,505,072</u>		<u>\$764,000</u>	<u>\$0</u>	<u>0.00%</u>
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue		
1	Rate J:										
2	Minimum Charge:										
3	Monthly										
4	5/8"	48.0		\$6.15	\$295	48		\$10.56	\$507	\$212	71.86%
5	3/4"	7.0		\$6.87	48	7		\$10.57	74	26	54.17%
6	1"	41.0		\$8.31	341	41		\$10.57	434	93	27.27%
7	1-1/2"	148.8		\$11.90	1,771	149		\$10.60	1,579	(192)	-10.84%
8	2"	601.5		\$16.20	9,744	602		\$10.62	6,394	(3,350)	-34.38%
9	3"	377.8		\$27.68	10,458	378		\$10.69	4,041	(6,417)	-61.36%
10	4"	734.9		\$40.59	29,830	735		\$10.72	7,881	(21,949)	-73.58%
11	6"	425.1		\$76.48	32,512	425		\$10.83	4,604	(27,908)	-85.84%
12	8"	162.5		\$119.54	19,425	163		\$11.12	1,813	(17,612)	-90.67%
13	10"	35.8		\$176.96	6,335	36		\$11.40	410	(5,925)	-93.53%
14	12"	0.0		\$234.36	0	0		\$11.69	0	0	0.00%
15	2,582										
16	Quarterly										
17	5/8"	0		0.00	0	0		10.66	0	0	0.00%
18	3/4"	0		0.00	0	0		10.67	0	0	0.00%
19	1"	0		0.00	0	0		10.69	0	0	0.00%
20	1-1/2"	0		0.00	0	0		10.76	0	0	0.00%
21	2"	0		0.00	0	0		10.83	0	0	0.00%
22	3"	0		0.00	0	0		11.04	0	0	0.00%
23	4"	0		0.00	0	0		11.14	0	0	0.00%
24	6"	0		0.00	0	0		11.47	0	0	0.00%
25	8"	0		0.00	0	0		12.34	0	0	0.00%
26	10"	0		0.00	0	0		13.16	0	0	0.00%
27	12"	0		0.00	0	0		14.03	0	0	0.00%
28											
29											
30											
31	Volumetric Charges:										
32	Monthly All Water		8,218,223	1.004500	8,255,205		8,218,223	1.190911	9,787,173	1,531,968	18.56%
33	Quarterly All Water		0	0.000000	0		0	1.190911	0	0	0.00%
34											
35											
36											
37											
38	Total		8,218,223		\$8,365,964		8,218,223		\$9,814,910	\$1,448,946	17.32%
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Louis

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue		
1											
2	Rate K:										
3	Minimum Charge:										
4	<u>Monthly</u>										
5	5/8"	0.0		\$9.51	\$0	0		\$10.56	\$0	\$0	0.00%
6	3/4"	0.0		\$10.23	0	0		\$10.57	0	0	0.00%
7	1"	0.0		\$11.67	0	0		\$10.57	0	0	0.00%
8	1-1/2"	0.0		\$15.26	0	0		\$10.60	0	0	0.00%
9	2"	0.0		\$19.56	0	0		\$10.62	0	0	0.00%
10	3"	0.0		\$31.04	0	0		\$10.69	0	0	0.00%
11	4"	0.0		\$43.95	0	0		\$10.72	0	0	0.00%
12	6"	0.0		\$79.84	0	0		\$10.83	0	0	0.00%
13	8"	0.0		\$122.90	0	0		\$11.12	0	0	0.00%
14	10"	0.0		\$180.32	0	0		\$11.40	0	0	0.00%
15	12"	0.0		\$237.72	0	0		\$11.69	0	0	0.00%
16											
17	<u>Quarterly</u>										
18	5/8"	1,365.0		19.10	26,072	1,365		10.66	14,555	(11,517)	-44.17%
19	3/4"	1,754.0		21.26	37,290	1,754		10.67	18,706	(18,584)	-49.84%
20	1"	502.0		25.57	12,836	502		10.69	5,367	(7,469)	-58.19%
21	1-1/2"	3.0		36.33	109	3		10.76	32	(77)	-70.64%
22	2"	310.0		49.24	15,264	310		10.83	3,358	(11,906)	-78.00%
23	3"	0.0		83.70	0	0		11.04	0	0	0.00%
24	4"	0.0		122.45	0	0		11.14	0	0	0.00%
25	6"	0.0		230.10	0	0		11.47	0	0	0.00%
26	8"	0.0		359.28	0	0		12.34	0	0	0.00%
27	10"	0.0		531.51	0	0		13.16	0	0	0.00%
28	12"	0.0		703.75	0	0		14.03	0	0	0.00%
29											
30											
31	<u>Volumetric Charges:</u>										
32	Monthly-First 1500 Gallons		165,501	0.000000	0		0	2.0709	0	0	0.00%
33	Monthly > 1500 Gallons		25	0.000000	0		0	2.0709	0	0	0.00%
34	Quarterly-First 4500 Gallons		21	0.000000	0		11,693	2.0709	24,215	24,215	0.00%
35	Quarterly > 4500 Gallons		11	0.000000	0		153,808	2.0709	318,526	318,526	0.00%
36											
37											
38	Total		165,558		\$91,571		165,501		\$384,759	\$293,188	320.18%
39											
40											

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor	Cost of	Fire Protection						
	Ref.	Service	Rate A & K	Rate B	Rate J	Rate D	Other	Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	175,630	148,126	5,690	20,918	492	0	35	386
Labor & Exp Oper SS	2	112,165	94,600	3,634	13,359	314	0	22	247
Purchased Water	1	215,057	172,712	7,290	33,398	731	0	86	817
TOTAL SS EXPENSE - OPERATION		502,852	415,439	16,615	67,675	1,537	0	144	1,450
Misc Exp Oper SS	2	302,571	255,188	9,803	36,036	847	0	61	666
Misc Exp Oper SS	2	131	111	4	16	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	5,232	4,412	170	623	15	0	1	12
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	63,641	53,675	2,062	7,580	178	0	13	140
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infiltr Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	93,152	78,564	3,018	11,094	261	0	19	205
Misc Plant Maint SS	2	116,095	97,915	3,761	13,827	325	0	23	255
TOTAL SS EXPENSE - MAINTENANCE		580,821	489,865	18,819	69,176	1,626	0	116	1,278
TOTAL SS EXPENSE		1,083,673	905,303	35,434	136,851	3,163	0	260	2,728
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	9,977	8,317	320	1,174	28	0	17	121
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	5,935,851	4,767,082	201,225	921,838	20,182	0	2,374	22,556
Labor & Exp Oper Pump	6	829,999	691,887	26,643	97,691	2,324	0	1,411	10,043
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	100,592	83,853	3,229	11,840	282	0	171	1,217
Rents Oper P	6	2	2	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		6,876,421	5,551,141	231,418	1,032,543	22,815	0	3,973	33,937

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Rate A & K	Rate B	Rate J	Rate D	Other	Fire Protection	
								Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Super & Eng Maint P	6	19,663	16,391	631	2,314	55	0	33	238
Struct & Improve Maint P	6	335,865	279,977	10,781	39,531	940	0	571	4,064
Power Prod Equip Maint P	6	200,441	167,088	6,434	23,592	561	0	341	2,425
Pump Equip Maint P	6	38,467	32,066	1,235	4,528	108	0	65	465
Pump Equip Maint P	6	78,064	65,074	2,506	9,188	219	0	133	945
TOTAL PUMPING EXPENSES - MAINTENANCE		672,500	560,596	21,587	79,153	1,883	0	1,143	8,137
TOTAL PUMPING EXPENSES		7,548,920	6,111,737	253,005	1,111,696	24,698	0	5,117	42,074
WATER TREATMENT									
Super & Eng Oper WT	2	66,817	56,353	2,165	7,958	187	0	13	147
Chemicals	1	5,167,103	4,149,701	175,165	802,451	17,568	0	2,067	19,635
Labor & Exp Oper WT	2	129,368	109,109	4,192	15,408	362	0	26	285
Labor & Exp Oper WT	2	1,414,174	1,192,715	45,819	168,428	3,960	0	283	3,111
Misc Exp Oper WT	2	(126,417)	(106,620)	(4,096)	(15,056)	(354)	0	(25)	(278)
Misc Exp Oper WT	1	341,709	274,427	11,584	53,067	1,162	0	137	1,298
Misc Exp Oper WT	2	44,999	37,952	1,458	5,359	126	0	9	99
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		7,037,753	5,713,636	236,286	1,037,615	23,011	0	2,509	24,297
Super & Eng Maint WT	2	40,613	34,253	1,316	4,837	114	0	8	89
Struct & Improve Maint WT	2	44,837	37,816	1,453	5,340	126	0	9	99
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	434,281	366,273	14,071	51,723	1,216	0	87	955
WT Equip Maint WT	2	427,572	360,614	13,853	50,924	1,197	0	86	941
TOTAL WT EXPENSE - MAINTENANCE		947,303	798,955	30,693	112,824	2,652	0	189	2,084
TOTAL WT EXPENSE		7,985,056	6,512,591	266,979	1,150,439	25,663	0	2,699	26,381
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	895,703	781,142	19,705	54,100	1,523	0	5,464	33,678
Storage Facility Exp	5	8,006	6,203	235	644	18	0	122	782
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	572,920	469,966	17,818	48,755	1,375	0	4,755	30,250
TD Lines Exp	7	1,564,836	1,283,635	48,666	133,168	3,756	0	12,988	82,623
Meter Expense	9	461,259	461,259	0	0	0	0	0	0
Meter Expense	9	0	0	0	0	0	0	0	0
Customer Install Exp	10	419,054	418,300	0	84	0	0	712	0
Customer Install Exp	10	335	334	0	0	0	0	1	0
Misc Exp Oper TD	11	329,694	287,526	7,253	19,914	560	0	2,011	12,397
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	462,754	403,568	10,181	27,950	787	0	2,823	17,400
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		4,714,561	4,111,934	103,859	284,615	8,019	0	28,877	177,130

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A & K (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Fire Protection	
								Rate F (9)	Rate E (10)
Super & Eng Maint TD	12	91,819	67,129	1,313	3,599	101	0	386	19,291
Struct & Improve Maint TD	12	5,913	4,323	85	232	7	0	25	1,242
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	16,806	13,021	494	1,351	39	0	257	1,642
TD Main Maint TD	7	0	0	0	0	0	0	0	0
TD Main Maint TD	7	791,904	649,599	24,628	67,391	1,901	0	6,573	41,813
Fire Main Maint TD	8	249	0	0	0	0	0	0	249
Services Maint TD	10	319,244	318,670	0	64	0	0	543	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	301,614	301,614	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	324,993	0	0	0	0	0	0	324,993
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	3,443,551	2,517,580	49,243	134,987	3,788	0	14,463	723,490
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	927,196	677,873	13,259	36,346	1,020	0	3,894	194,804
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
Permits TD	12	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		6,223,289	4,549,809	89,022	243,970	6,855	0	26,140	1,307,524
TOTAL T & D EXPENSE		10,937,850	8,661,742	192,880	528,585	14,873	0	55,017	1,484,654
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	895,945	894,780	0	1,165	0	0	0	0
Meter Reading Exp CA	14	(511)	(511)	0	(1)	0	0	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	413,280	411,710	0	537	0	0	1,033	0
Cust Rec & Collection CA	13	1,266,430	1,261,617	0	1,646	0	0	3,166	0
Uncollectible Accts	13	1,134,544	1,130,233	0	1,475	0	0	2,836	0
Misc Cust Accts Exp CA	13	117,459	117,012	0	153	0	0	294	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	96,740	96,373	0	126	0	0	242	0
Cust Serv & Info Exp CA	13	(75)	(75)	0	(0)	0	0	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		3,923,812	3,911,140	0	5,101	0	0	7,571	0

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Rate A & K	Rate B	Rate J	Rate D	Other	Fire Protection	
								Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	2,555,463	2,157,833	45,487	144,639	3,833	0	8,433	194,982
Other Supplies & Exp AG	15	42,833	36,168	762	2,424	64	0	141	3,268
Other Supplies & Exp AG	15	39,790	33,599	708	2,252	60	0	131	3,036
Other Supplies & Exp AG	15	1,243,089	1,049,665	22,127	70,359	1,865	0	4,102	94,848
Mgmt Fees-Coporate/Shared Service Center	15	6,066,737	5,122,752	107,988	343,377	9,100	0	20,020	462,892
Mgmt Fees-Call Center	13	4,091,678	4,076,130	0	5,319	0	0	10,229	0
Mgmt Fees-Belleville Lab	2	102,899	86,785	3,334	12,255	288	0	21	226
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Outside Services AG	15	6,553,924	5,534,134	116,660	370,952	9,831	0	21,628	500,064
Outside Services AG	15	455,616	384,722	8,110	25,788	683	0	1,504	34,763
Outside Services AG	15	1,235,737	1,043,457	21,996	69,943	1,854	0	4,078	94,287
Property Insurance	15	566,879	478,673	10,090	32,085	850	0	1,871	43,253
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	2,301,484	1,905,859	37,284	118,757	2,992	0	6,904	229,458
Employee Pension & Benefits	16	3,904,644	3,233,435	63,255	201,480	5,076	0	11,714	389,293
Employee Pension & Benefits	16	2,118,515	1,754,342	34,320	109,315	2,754	0	6,356	211,216
Employee Pension & Benefits	16	752,915	623,489	12,197	38,850	979	0	2,259	75,066
Reg Commision Exp	15	107,895	91,107	1,921	6,107	162	0	356	8,232
Rents AG	15	246,768	208,371	4,392	13,967	370	0	814	18,828
Goodwill Advertising Expense	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	(242,443)	(204,719)	(4,315)	(13,722)	(364)	0	(800)	(18,498)
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		32,144,425	27,615,802	486,317	1,554,148	40,397	0	99,761	2,345,215
General Plant Maint AG	15	24	20	0	1	0	0	0	2
General Plant Maint AG	15	247,568	209,047	4,407	14,012	371	0	817	18,889
TOTAL A & G EXPENSE - MAINTENANCE		247,592	209,067	4,407	14,014	371	0	817	18,891
TOTAL A & G EXPENSE		32,392,017	27,824,869	490,724	1,568,162	40,769	0	100,578	2,364,106
Total Operation & Maintenance Expenses		63,871,329	53,927,382	1,239,022	4,500,834	109,167	0	171,241	3,919,944

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Rate A & K	Rate B	Rate J	Rate D	Other	Fire Protection	
								Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	149,201	125,836	4,834	17,770	418	0	30	328
Struct & Imp P	6	5,160	4,302	166	607	14	0	9	62
Struct & Imp Pumps (STL)	6	83,871	69,915	2,692	9,872	235	0	143	1,015
Struct & Imp Pump Boosters	6	47,022	39,197	1,509	5,534	132	0	80	569
Struct & Imp WT	2	32,576	27,474	1,055	3,880	91	0	7	72
Struct & Imp WT Nth Plt (ST	2	96,123	81,070	3,114	11,448	269	0	19	211
Struct & Imp WT Ctrl Plt 1	2	43,680	36,840	1,415	5,202	122	0	9	96
Struct & Imp WT Ctrl Plt 3	2	349,677	294,917	11,330	41,647	979	0	70	769
Struct & Imp WT Sth Plt (ST	2	38,718	32,655	1,254	4,611	108	0	8	85
Struct & Imp WT Meramec (ST	2	149,490	126,080	4,843	17,804	419	0	30	329
Struct & Imp TD	7	126,025	103,378	3,919	10,725	302	0	1,046	6,654
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	16,986	14,343	302	961	25	0	56	1,296
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	33,606	28,377	598	1,902	50	0	111	2,564
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Supply Mains Nth Plt (STL)	2	3,931	3,315	127	468	11	0	1	9
Supply Mains Ctrl Plt (STL)	2	62,872	53,027	2,037	7,488	176	0	13	138
Supply Mains Sth Plt (STL)	2	5,399	4,554	175	643	15	0	1	12
Supply Mains Meramec Plt (S	2	21,022	17,730	681	2,504	59	0	4	46
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	617,887	515,070	19,834	72,725	1,730	0	1,050	7,476
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman)	6	5,074	4,230	163	597	14	0	9	61
Pump Equip Diesel Ctrl Plt	6	41,451	34,553	1,331	4,879	116	0	70	502
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	54,572	46,026	1,768	6,500	153	0	11	120
WT Equip Non-Med North (STL	2	199,583	168,328	6,466	23,770	559	0	40	439
WT Equip Non Media Ctrl 1 &	2	62,723	52,900	2,032	7,470	176	0	13	138
WT Equip Non Media Ctrl 3 (	2	606,192	511,262	19,641	72,197	1,697	0	121	1,334
WT Equip Non Media Sth (STL	2	73,076	61,632	2,368	8,703	205	0	15	161
WT Equip Non Media Mer (STL	2	204,495	172,471	6,626	24,355	573	0	41	450
WT Equip Filter Media	2	18,654	15,733	604	2,222	52	0	4	41
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	54,903	42,539	1,614	4,414	126	0	840	5,364
Ground Level Facilities	5	214,309	166,047	6,301	17,230	493	0	3,279	20,938
TD Mains Not Classified by	7	11,876	9,742	369	1,011	29	0	99	627
TD Mains 4 & Less "	4	0	0	0	0	0	0	0	0
TD Mains 6 to 8" "	4	10,002	8,204	311	851	24	0	83	528
TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Rate A & K	Rate B	Rate J	Rate D	Other	Fire Protection	
								Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TD Mains AC 4 (STL) "	4	42,413	34,791	1,319	3,609	102	0	352	2,239
TD Mains CI <10 1900-28 (S"	4	42,012	34,463	1,307	3,575	101	0	349	2,218
TD Mains CI <10 1929-56 (S"	4	259,096	212,536	8,058	22,049	622	0	2,150	13,680
TD Mains CI <10 1957-93 (S"	4	796,493	653,363	24,771	67,782	1,912	0	6,611	42,055
TD Mains CI 12 (STL) "	3	195,398	158,351	6,077	22,373	528	0	1,075	6,976
TD Mains CI 16 (STL) "	3	286,861	232,472	8,921	32,846	775	0	1,578	10,241
TD Mains DI 6-8 (STL) "	4	3,640,407	2,986,226	113,217	309,799	8,737	0	30,215	192,214
TD Mains DI 12 (STL) "	3	889,997	721,253	27,679	101,905	2,403	0	4,895	31,773
TD Mains DI 16 & >(STL)	3	1,604,116	1,299,975	49,888	183,671	4,331	0	8,823	57,267
T & D Mains - PL 12 (STL)	4	4,114	3,375	128	350	10	0	34	217
TD Mains LJ 20 (STL) "	3	67,494	54,697	2,099	7,728	182	0	371	2,410
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	2,527	2,522	0	1	0	0	4	0
Meters Bronze Case	9	0	0	0	0	0	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	460,472	460,472	0	0	0	0	0	0
Meters Other-Rem Rdr Unts	9	101,875	101,875	0	0	0	0	0	0
Meter Installations	9	67,454	67,454	0	0	0	0	0	0
Meter Installation Other	9	233,825	233,825	0	0	0	0	0	0
Hydrants	8	724,674	0	0	0	0	0	0	724,674
Utility Plant Acquisition Adjustmen	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	72,390	61,126	1,289	4,097	109	0	239	5,523
Comp & Periph Equip	15	620,913	524,299	11,052	35,144	931	0	2,049	47,376
Computer Software	15	993,808	839,171	17,690	56,250	1,491	0	3,280	75,828
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	11,967	10,105	213	677	18	0	39	913
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	346,055	292,209	6,160	19,587	519	0	1,142	26,404
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	3,381	2,855	60	191	5	0	11	258
Tools,Shop,Garage Equip	15	48,113	40,626	856	2,723	72	0	159	3,671
Tools,Shop,Garage Equip Oth	15	196,717	166,108	3,502	11,134	295	0	649	15,009
Laboratory Equipment	2	44,044	37,147	1,427	5,246	123	0	9	97
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	43,464	36,701	774	2,460	65	0	143	3,316
Comm Equip Non-Telephone	15	52,822	44,603	940	2,990	79	0	174	4,030
Comm Equip Telephone	15	5,561	4,696	99	315	8	0	18	424
Misc Equipment	15	28,898	24,401	514	1,636	43	0	95	2,205
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Depreciation Expense		15,327,516	12,213,447	397,521	1,288,129	32,834	0	71,774	1,323,454
Amort-Other UP	18	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A & K (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Fire Protection	
								Rate F (9)	Rate E (10)
Taxes Other Than Income									
Utility Reg Assessment Fee	19	804,096	660,244	18,414	62,639	1,528	0	3,056	58,136
Property Taxes	18	6,708,517	5,304,425	187,838	598,400	15,430	0	36,226	566,870
FUTA	16	16,475	13,643	267	850	21	0	49	1,643
FICA	16	1,170,500	969,291	18,962	60,398	1,522	0	3,511	116,699
SUTA	16	42,208	34,952	684	2,178	55	0	127	4,208
Other Taxes & Licenses	15	168,166	142,000	2,993	9,518	252	0	555	12,831
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>8,909,963</u>	<u>7,124,554</u>	<u>229,158</u>	<u>733,983</u>	<u>18,808</u>	<u>0</u>	<u>43,524</u>	<u>760,386</u>
Income Taxes	18	6,626,847	5,239,848	185,552	591,115	15,242	0	35,785	559,969
Utility Income Available for Return	18	<u>23,083,498</u>	<u>18,252,122</u>	<u>646,338</u>	<u>2,059,048</u>	<u>53,092</u>	<u>0</u>	<u>124,651</u>	<u>1,950,556</u>
Total Cost of Service		117,819,153	96,757,353	2,697,592	9,173,108	229,142	0	446,975	8,514,309
Less: Other Water Revenues	19	(1,316,503)	(1,316,503)				0		
Contract Sales	19	(900,987)	(739,800)	(20,633)	(70,187)	(1,712)	0	(3,424)	(65,141)
Revenue Contribution	19								
Total Other Water Revenues		<u>(2,217,490)</u>	<u>(2,056,303)</u>	<u>(20,633)</u>	<u>(70,187)</u>	<u>(1,712)</u>	<u>0</u>	<u>(3,424)</u>	<u>(65,141)</u>
Total Cost of Service Related to Sales of Water		<u>\$ 115,601,663</u>	<u>\$ 94,701,050</u>	<u>\$ 2,676,959</u>	<u>\$ 9,102,921</u>	<u>\$ 227,431</u>	<u>\$ -</u>	<u>\$ 443,551</u>	<u>\$ 8,449,167</u>
Reallocation of Public Fire	20		7,510,014	209,379	711,989	17785			(8,449,167)
Total		<u>\$ 115,601,663</u>	<u>\$ 102,211,064</u>	<u>\$ 2,886,338</u>	<u>\$ 9,814,910</u>	<u>\$ 245,216</u>	<u>\$ -</u>	<u>\$ 443,551</u>	<u>\$ -</u>
		\$ 1,316,503	\$ 1,316,503						30,845
		<u>\$ 116,918,166</u>	<u>\$ 103,527,567</u>	<u>\$ 2,886,338</u>	<u>\$ 9,814,910</u>	<u>\$ 245,216</u>	<u>\$ -</u>	<u>\$ 443,551</u>	<u>\$ 273.92</u>
	19		0	0	0	0	0	0	0
		<u>\$ 116,918,166</u>	<u>\$ 103,527,567</u>	<u>\$ 2,886,338</u>	<u>\$ 9,814,910</u>	<u>\$ 245,216</u>	<u>\$ -</u>	<u>\$ 443,551</u>	

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Rate A & K	Rate B	Rate J	Rate D	Other	Fire Protection	
								Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
RATE BASE									
Organization	17	\$ 129,762	\$ 102,564	\$ 3,620	\$ 11,562	\$ 298	\$ -	\$ 701	\$ 10,991
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	91,400	77,087	2,961	10,886	256	0	18	201
Land & Ld Rights P	6	284,588	237,233	9,135	33,496	797	0	484	3,444
Land & Ld Rights WT	2	1,371,407	1,156,645	44,434	163,335	3,840	0	274	3,017
Land & Ld Rights TD	7	3,998,413	3,279,898	124,351	340,265	9,596	0	33,187	211,116
Land & Land Rights AG	15	0	0	0	0	0	0	0	0
Struct & Imp SS	2	6,089,830	5,136,163	197,310	725,299	17,052	0	1,218	13,398
Struct & Imp P	6	298,289	248,654	9,575	35,109	835	0	507	3,609
Struct & Imp Pumps (STL)	6	4,848,057	4,041,340	155,623	570,616	13,575	0	8,242	58,661
Struct & Imp Pump Boosters	6	2,718,024	2,265,745	87,249	319,911	7,610	0	4,621	32,888
Struct & Imp WT	2	1,998,514	1,685,547	64,752	238,023	5,596	0	400	4,397
Struct & Imp WT Nth Plt (ST	2	5,897,100	4,973,614	191,066	702,345	16,512	0	1,179	12,974
Struct & Imp WT Ctrl Plt 1	2	2,679,748	2,260,099	86,824	319,158	7,503	0	536	5,895
Struct & Imp WT Ctrl Plt 3	2	21,452,569	18,093,097	695,063	2,555,001	60,067	0	4,291	47,196
Struct & Imp WT Sth Plt (ST	2	2,375,351	2,003,371	76,961	282,904	6,651	0	475	5,226
Struct & Imp WT Meramec (ST	2	9,171,169	7,734,964	297,146	1,092,286	25,679	0	1,834	20,177
Struct & Imp TD	7	4,720,044	3,871,852	146,793	401,676	11,328	0	39,176	249,218
Struct & Imp TD Spec Cross	7	267,357	219,313	8,315	22,752	642	0	2,219	14,116
Struct & Imp SCADA	15	339,728	286,866	6,047	19,229	510	0	1,121	25,921
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	264,929	223,706	4,716	14,995	397	0	874	20,214
Struct & Imp Misc	15	1,400,265	1,182,384	24,925	79,255	2,100	0	4,621	106,840
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	8,522	7,187	276	1,015	24	0	2	19
Supply Mains Nth Plt (STL'	2	245,687	207,212	7,960	29,261	688	0	49	541
Supply Mains Ctrl Plt (STL)	2	3,929,522	3,314,159	127,317	468,006	11,003	0	786	8,645
Supply Mains Sth Plt (STL)	2	337,448	284,604	10,933	40,190	945	0	67	742
Supply Mains Meramec Plt (S	2	1,313,864	1,108,113	42,569	156,481	3,679	0	263	2,891
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	766,492	638,948	24,604	90,216	2,146	0	1,303	9,275
Pump Equip Elec Pre46 (STL)	6	874,158	728,698	28,060	102,888	2,448	0	1,486	10,577
Pump Equip Elec Post46 (STL	6	25,323,220	21,109,436	812,875	2,980,543	70,905	0	43,049	306,411
Pump Equip Elec Boosters Po	6	1,493,074	1,244,626	47,928	175,735	4,181	0	2,538	18,066
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	207,946	173,344	6,675	24,475	582	0	354	2,516
Pump Equip Diesel Ctrl Plt	6	1,698,803	1,416,122	54,532	199,949	4,757	0	2,888	20,556
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	34,884	29,079	1,120	4,106	98	0	59	422
WT Equip Non-Media	2	1,963,039	1,655,627	63,602	233,798	5,497	0	393	4,319
WT Equip Non-Med North (STL	2	7,179,235	6,054,967	232,607	855,047	20,102	0	1,436	15,794
WT Equip Non Media Ctrl 1 &	2	2,256,219	1,902,895	73,101	268,716	6,317	0	451	4,964
WT Equip Non Media Ctrl 3 (	2	21,805,467	18,390,731	706,497	2,597,031	61,055	0	4,361	47,972
WT Equip Non Media Sth (STL	2	2,628,630	2,216,987	85,168	313,070	7,360	0	526	5,783
WT Equip Non Media Mer (STL	2	7,355,932	6,203,993	238,332	876,092	20,597	0	1,471	16,183
WT Equip Filter Media	2	671,023	565,941	21,741	79,919	1,879	0	134	1,476
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Rate A & K	Rate B	Rate J	Rate D	Other	Fire Protection	
								Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Elevated Tanks & Standpipes	5	2,440,150	1,890,628	71,740	196,188	5,612	0	37,334	238,403
Ground Level Facilities	5	9,524,859	7,379,861	280,031	765,799	21,907	0	145,730	930,579
TD Mains Not Classified by	7	791,705	649,436	24,622	67,374	1,900	0	6,571	41,802
T & D Mains AC 4 (STL)	4	2,827,541	2,319,432	87,937	240,624	6,786	0	23,469	149,294
T & D Mains Galv 1 (STL)	4	50,188	41,169	1,561	4,271	120	0	417	2,650
TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
CI-10" & Smaller-1900-1928	3	2,800,809	2,269,776	87,105	320,693	7,562	0	15,404	99,989
CI-10" & Smaller 1929-1956	4	17,273,037	14,169,072	537,191	1,469,935	41,455	0	143,366	912,016
CI-10" & Smaller-1957-1993	4	53,099,538	43,557,551	1,651,396	4,518,771	127,439	0	440,726	2,803,656
T & D Mains - DI 6-8 (STL)	4	242,693,826	199,081,745	7,547,778	20,653,245	582,465	0	2,014,359	12,814,234
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
T & D Mains - PL 6-8" (STL)	3	666,787	540,364	20,737	76,347	1,800	0	3,667	23,804
CI-12" (STL)	3	13,026,543	10,556,710	405,125	1,491,539	35,172	0	71,646	465,048
CI-16" (STL)	4	19,124,068	15,687,473	594,759	1,627,458	45,898	0	158,730	1,009,751
TD Mains DI 12 (STL) "	3	59,333,118	48,083,559	1,845,260	6,793,642	160,199	0	326,332	2,118,192
TD Mains DI 16 & >(STL)	3	106,941,041	86,665,020	3,325,866	12,244,749	288,741	0	588,176	3,817,795
T & D Mains - PL 12 (STL)	4	274,277	224,989	8,530	23,341	658	0	2,276	14,482
TD Mains LJ 20 (STL) "	3	4,499,594	3,646,471	139,937	515,204	12,149	0	24,748	160,636
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	82,039	81,891	0	16	0	0	139	0
Meters Bronze Case	9	0	0	0	0	0	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	18,949,447	18,949,447	0	0	0	0	0	0
Meters Other-Rem Rdr Unts	9	4,192,376	4,192,376	0	0	0	0	0	0
Meter Installations	9	2,775,882	2,775,882	0	0	0	0	0	0
Meter Installation Other	9	9,622,440	9,622,440	0	0	0	0	0	0
Hydrants	8	37,743,443	0	0	0	0	0	0	37,743,443
Other P/E Intangible	15	208,627	176,164	3,714	11,808	313	0	688	15,918
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	1,809,745	1,528,149	32,213	102,432	2,715	0	5,972	138,084
Comp & Periph Equip	15	4,345,087	3,668,991	77,343	245,932	6,518	0	14,339	331,530
Computer Software	15	6,954,567	5,872,436	123,791	393,628	10,432	0	22,950	530,633
Comp Software Personal	15	86,627	73,148	1,542	4,903	130	0	286	6,610
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	179,421	151,503	3,194	10,155	269	0	592	13,690
Trans Equip Lt Duty Trks	15	29,784	25,149	530	1,686	45	0	98	2,272
Trans Equip Hvy Duty Trks	15	4,154,323	3,507,910	73,947	235,135	6,231	0	13,709	316,975
Trans Equip Autos	15	392,227	331,196	6,982	22,200	588	0	1,294	29,927
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	118,221	99,826	2,104	6,691	177	0	390	9,020
Tools,Shop,Garage Equip	15	962,255	812,528	17,128	54,464	1,443	0	3,175	73,420
Tools,Shop,Garage Equip Oth	15	3,934,335	3,322,152	70,031	222,683	5,902	0	12,983	300,190
Laboratory Equipment	2	1,101,097	928,665	35,676	131,141	3,083	0	220	2,422
Laboratory Equip Other	2	285,859	241,093	9,262	34,046	800	0	57	629
Power Operated Equipment	15	637,295	538,132	11,344	36,071	956	0	2,103	48,626
Comm Equip Non-Telephone	15	1,056,436	892,055	18,805	59,794	1,585	0	3,486	80,606
Comm Equip Telephone	15	83,380	70,406	1,484	4,719	125	0	275	6,362
Misc Equipment	15	577,956	488,026	10,288	32,712	867	0	1,907	44,098
Other Tangible Property	17	40,603	32,093	1,133	3,618	93	0	219	3,439
Total Utility Plant in Service		786,180,262	621,477,727	21,952,850	70,057,653	1,797,243	0	4,255,432	66,626,874

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

	Factor	Cost of						Fire Protection	
Account	Ref.	Service	Rate A & K	Rate B	Rate J	Rate D	Other	Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	3,553,058	3,000,202	63,244	201,103	5,330	0	11,725	271,098
Materials and Supplies	15	2,424,347	2,047,118	43,153	137,218	3,637	0	8,000	184,978
Prepayments	15	503,676	425,304	8,965	28,508	756	0	1,662	38,430
OPEB's Contributed to External Func	16	0	0	0	0	0	0	0	0
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less: Accumulated Amortization	17	0	0	0	0	0	0	0	0
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(43,023,833)	(34,006,038)	(1,200,365)	(3,833,424)	(98,955)	0	(232,329)	(3,644,119)
Pensions	16	(7,557,131)	(6,258,061)	(122,426)	(389,948)	(9,824)	0	(22,671)	(753,446)
Total Other Rate Base Elements		(44,099,884)	(34,791,474)	(1,207,427)	(3,856,542)	(99,057)	0	(233,613)	(3,903,058)
Total Original Cost Measure of Value		\$ 742,080,378	\$ 586,686,253	\$ 20,745,423	\$ 66,201,111	\$ 1,698,185	\$ -	\$ 4,021,820	\$ 62,723,816

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A & K (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Fire Protection	
								Rate F (9)	Rate E (10)
T&D OP BASIS FOR FACTOR 11		3,026,409	2,639,697	66,720	182,651	5,149	0	18,579	113,656
FACTOR 11			0.8721	0.0220	0.0604	0.0017	0.0000	0.0061	0.0376
T&D Mnt BASIS FOR FACTOR 12		1,754,810	1,282,903	25,122	68,806	1,939	0	7,373	368,697
FACTOR 12			0.7311	0.0143	0.0392	0.0011	0.0000	0.0042	0.2101
A&G BASIS FOR FACTOR 15		19,819,592	16,738,592	353,033	1,121,917	28,756	0	65,999	1,511,531
FACTOR 15			0.8444	0.0178	0.0566	0.0015	0.0000	0.0033	0.0763
LABOR BASIS FOR FACTOR 16		13,660,977	11,312,395	221,814	704,536	18,210	0	41,147	1,362,673
FACTOR 16			0.8281	0.0162	0.0516	0.0013	0.0000	0.0030	0.0997
UPIS BASIS FOR FACTOR 17		786,009,897	621,343,071	21,948,097	70,042,474	1,796,851	0	4,254,512	66,612,444
FACTOR 17			0.7904	0.0279	0.0891	0.0023	0.0000	0.0054	0.0847
RATE BASE BASIS FOR FACTOR 18		742,080,378	586,686,253	20,745,423	66,201,111	1,698,185	0	4,021,820	62,723,816
FACTOR 18			0.7907	0.0280	0.0892	0.0023	0.0000	0.0054	0.0845
TOTAL COS BASIS FOR FACTOR 19		116,907,162	96,006,003	2,677,257	9,104,362	227,453	0	443,563	8,447,940
FACTOR 19			0.8211	0.0229	0.0779	0.0019	0.0000	0.0038	0.0723
COS w/o Fire Factor 20		108,857,196	96,757,353	2,697,592 #	9,173,108 #	229,142 #	0		
FACTOR 20			0.8888	0.0248	0.0843	0.0021	0.0000		

Table of Factors - Table Name "FACTORS"

	2 Rate A	4 Rate B	6 Rate J	8 Public	10 Resale	12 Private Fire	14 Public Fire
1	0.8031	0.0339	0.1553	0.0034	-	0.0004	0.0038
2	0.8434	0.0324	0.1191	0.0028	-	0.0002	0.0022
3	0.8104	0.0311	0.1145	0.0027	-	0.0055	0.0357
4	0.8203	0.0311	0.0851	0.0024	-	0.0083	0.0528
5	0.7748	0.0294	0.0804	0.0023	-	0.0153	0.0977
6	0.8336	0.0321	0.1177	0.0028	-	0.0017	0.0121
7	0.8203	0.0311	0.0851	0.0024	-	0.0083	0.0528
8	-	-	-	-	-	-	1.0000
9	1.0000	-	-	-	-	-	-
10	0.9982	-	0.0002	-	-	0.0017	-
11	0.8721	0.0220	0.0604	0.0017	-	0.0061	0.0376
12	0.7311	0.0143	0.0392	0.0011	-	0.0042	0.2101
13	0.9962	-	0.0013	-	-	0.0025	-
14	0.9987	-	0.0013	-	-	-	-
15	0.8444	0.0178	0.0566	0.0015	-	0.0033	0.0763
16	0.8281	0.0162	0.0516	0.0013	-	0.0030	0.0997
17	0.7904	0.0279	0.0891	0.0023	-	0.0054	0.0847
18	0.7907	0.0280	0.0892	0.0023	-	0.0054	0.0845
19	0.8211	0.0229	0.0779	0.0019	-	0.0038	0.0723
20	0.8888	0.0248	0.0843	0.0021	-	-	-

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	175,630	101,093	74,116	0	0	0	0	422
Labor & Exp Oper SS	2	112,165	64,562	47,334	0	0	0	0	269
Purchased Water	1	215,057	214,154	0	0	0	0	0	903
TOTAL SS EXPENSE - OPERATION		502,852	379,809	121,449	0	0	0	0	1,594
Misc Exp Oper SS	2	302,571	174,160	127,685	0	0	0	0	726
Misc Exp Oper SS	2	131	75	55	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	5,232	3,011	2,208	0	0	0	0	13
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	63,641	36,632	26,856	0	0	0	0	153
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infil Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	93,152	53,618	39,310	0	0	0	0	224
Misc Plant Maint SS	2	116,095	66,824	48,992	0	0	0	0	279
TOTAL SS EXPENSE - MAINTENANCE		580,821	334,321	245,107	0	0	0	0	1,394
TOTAL SS EXPENSE		1,083,673	714,129	366,556	0	0	0	0	2,988
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	9,977	5,676	4,161	0	0	0	0	138
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	5,935,851	5,910,920	0	0	0	0	0	24,931
Labor & Exp Oper Pump	6	829,999	472,186	346,193	0	0	0	0	11,454
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	100,592	57,227	41,957	0	0	0	0	1,388
Rents Oper P	6	2	1	1	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		6,876,421	6,446,010	392,312	0	0	0	0	37,910

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Super & Eng Maint P	6	19,663	11,186	8,202	0	0	0	0	271
Struct & Improve Maint P	6	335,865	191,073	140,089	0	0	0	0	4,635
Power Prod Equip Maint P	6	200,441	114,031	83,604	0	0	0	0	2,766
Pump Equip Maint P	6	38,467	21,884	16,045	0	0	0	0	531
Pump Equip Maint P	6	78,064	44,411	32,560	0	0	0	0	1,077
TOTAL PUMPING EXPENSES - MAINTENANCE		672,500	382,585	280,500	0	0	0	0	9,280
TOTAL PUMPING EXPENSES		7,548,920	6,828,595	672,811	0	0	0	0	47,191
WATER TREATMENT									
Super & Eng Oper WT	2	66,817	38,460	28,197	0	0	0	0	160
Chemicals	1	5,167,103	5,145,401	0	0	0	0	0	21,702
Labor & Exp Oper WT	2	129,368	74,464	54,593	0	0	0	0	310
Labor & Exp Oper WT	2	1,414,174	813,999	596,782	0	0	0	0	3,394
Misc Exp Oper WT	2	(126,417)	(72,766)	(53,348)	0	0	0	0	(303)
Misc Exp Oper WT	1	341,709	340,274	0	0	0	0	0	1,435
Misc Exp Oper WT	2	44,999	25,901	18,989	0	0	0	0	108
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		7,037,753	6,365,734	645,213	0	0	0	0	26,806
Super & Eng Maint WT	2	40,613	23,377	17,139	0	0	0	0	97
Struct & Improve Maint WT	2	44,837	25,808	18,921	0	0	0	0	108
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	434,281	249,972	183,267	0	0	0	0	1,042
WT Equip Maint WT	2	427,572	246,110	180,435	0	0	0	0	1,026
TOTAL WT EXPENSE - MAINTENANCE		947,303	545,268	399,762	0	0	0	0	2,274
TOTAL WT EXPENSE		7,985,056	6,911,002	1,044,975	0	0	0	0	29,080
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	895,703	190,605	0	405,574	136,505	123,876	0	39,142
Storage Facility Exp	5	8,006	2,270	0	4,831	0	0	0	905
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	572,920	171,990	0	365,981	0	0	0	35,005
TD Lines Exp	7	1,564,836	469,764	0	999,617	0	0	0	95,611
Meter Expense	9	461,259	0	0	0	461,259	0	0	0
Meter Expense	9	0	0	0	0	0	0	0	0
Customer Install Exp	10	419,054	0	0	0	0	418,342	0	712
Customer Install Exp	10	335	0	0	0	0	334	0	1
Misc Exp Oper TD	11	329,694	70,159	0	149,286	50,245	45,597	0	14,408
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	462,754	98,474	0	209,535	70,524	63,999	0	20,222
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		4,714,561	1,003,263	0	2,134,824	718,533	652,148	0	206,007

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Super & Eng Maint TD	12	91,819	12,689	0	26,995	15,784	16,674	0	19,677
Struct & Improve Maint TD	12	5,913	817	0	1,738	1,016	1,074	0	1,267
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	16,806	4,766	0	10,141	0	0	0	1,899
TD Main Maint TD	7	0	0	0	0	0	0	0	0
TD Main Maint TD	7	791,904	237,730	0	505,868	0	0	0	48,385
Fire Main Maint TD	8	249	0	0	0	0	0	0	249
Services Maint TD	10	319,244	0	0	0	0	318,702	0	543
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	301,614	0	0	0	301,614	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	324,993	0	0	0	0	0	0	324,993
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	3,443,551	475,899	0	1,012,404	591,946	625,349	0	737,953
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	927,196	128,139	0	272,596	159,385	168,379	0	198,698
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
Permits TD	12	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		6,223,289	860,040	0	1,829,742	1,069,745	1,130,177	0	1,333,664
TOTAL T & D EXPENSE		10,937,850	1,863,303	0	3,964,566	1,788,278	1,782,325	0	1,539,671
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	895,945	0	0	0	0	0	895,945	0
Meter Reading Exp CA	14	(511)	0	0	0	0	0	(511)	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	413,280	0	0	0	0	0	412,247	1,033
Cust Rec & Collection CA	13	1,266,430	0	0	0	0	0	1,263,264	3,166
Uncollectible Accts	13	1,134,544	0	0	0	0	0	1,131,708	2,836
Misc Cust Accts Exp CA	13	117,459	0	0	0	0	0	117,165	294
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	96,740	0	0	0	0	0	96,498	242
Cust Serv & Info Exp CA	13	(75)	0	0	0	0	0	(75)	(0)
TOTAL CUSTOMER ACCOUNTING EXPENSE		3,923,812	0	0	0	0	0	3,916,241	7,571

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	2,555,463	606,922	268,835	510,837	230,503	229,736	504,959	203,415
Other Supplies & Exp AG	15	42,833	10,173	4,506	8,562	3,864	3,851	8,464	3,410
Other Supplies & Exp AG	15	39,790	9,450	4,186	7,954	3,589	3,577	7,863	3,167
Other Supplies & Exp AG	15	1,243,089	295,234	130,773	248,494	112,127	111,754	245,634	98,950
Mgmt Fees-Coporate/Shared Service Center	15	6,066,737	1,440,850	638,221	1,212,741	547,220	545,400	1,198,787	482,912
Mgmt Fees-Cali Center	13	4,091,678	0	0	0	0	0	4,081,449	10,229
Mgmt Fees-Belleville Lab	2	102,899	59,229	43,424	0	0	0	0	247
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	6,553,924	1,556,557	689,473	1,310,129	591,164	589,198	1,295,055	521,692
Outside Services AG	15	455,616	108,209	47,931	91,078	41,097	40,960	90,030	36,267
Outside Services AG	15	1,235,737	293,488	130,000	247,024	111,464	111,093	244,182	98,365
Property Insurance	15	566,879	134,634	59,636	113,319	51,132	50,962	112,015	45,124
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	2,301,484	498,502	220,943	419,100	301,264	299,883	325,200	236,593
Employee Pension & Benefits	16	3,904,644	845,746	374,846	711,036	511,118	508,775	551,726	401,397
Employee Pension & Benefits	16	2,118,515	458,870	203,377	385,782	277,314	276,043	299,346	217,783
Employee Pension & Benefits	16	752,915	163,081	72,280	137,106	98,557	98,105	106,387	77,400
Reg Commision Exp	15	107,895	25,625	11,351	21,568	9,732	9,700	21,320	8,588
Rents AG	15	246,768	58,607	25,960	49,329	22,259	22,184	48,761	19,643
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	(242,443)	(57,580)	(25,505)	(48,464)	(21,868)	(21,796)	(47,907)	(19,298)
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		32,144,425	6,507,597	2,900,234	5,425,594	2,890,533	2,879,425	9,093,272	2,445,883
General Plant Maint AG	15	24	6	2	5	2	2	5	2
General Plant Maint AG	15	247,568	58,798	26,044	49,489	22,331	22,256	48,920	19,706
TOTAL A & G EXPENSE - MAINTENANCE		247,592	58,803	26,047	49,494	22,333	22,259	48,924	19,708
TOTAL A & G EXPENSE		32,392,017	6,566,400	2,926,281	5,475,088	2,912,866	2,901,683	9,142,196	2,465,592
Total Operation & Maintenance Expenses		63,871,329	22,883,429	5,010,623	9,439,653	4,701,144	4,684,008	13,058,437	4,092,093

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	149,201	85,880	62,963	0	0	0	0	358
Struct & Imp P	6	5,160	2,936	2,152	0	0	0	0	71
Struct & Imp Pumps (STL)	6	83,871	47,714	34,983	0	0	0	0	1,157
Struct & Imp Pump Boosters	6	47,022	26,751	19,613	0	0	0	0	649
Struct & Imp WT	2	32,576	18,751	13,747	0	0	0	0	78
Struct & Imp WT Nth Plt (ST	2	96,123	55,328	40,564	0	0	0	0	231
Struct & Imp WT Ctrl Plt 1	2	43,680	25,142	18,433	0	0	0	0	105
Struct & Imp WT Ctrl Plt 3	2	349,677	201,274	147,564	0	0	0	0	839
Struct & Imp WT Sth Plt (ST	2	38,718	22,286	16,339	0	0	0	0	93
Struct & Imp WT Meramec (ST	2	149,490	86,046	63,085	0	0	0	0	359
Struct & Imp TD	7	126,025	37,833	0	80,505	0	0	0	7,700
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	16,986	4,034	1,787	3,396	1,532	1,527	3,357	1,352
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	33,606	7,982	3,535	6,718	3,031	3,021	6,641	2,675
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Supply Mains Nth Plt (STL)	2	3,931	2,263	1,659	0	0	0	0	9
Supply Mains Ctrl Plt (STL)	2	62,872	36,189	26,532	0	0	0	0	151
Supply Mains Sth Plt (STL)	2	5,399	3,108	2,278	0	0	0	0	13
Supply Mains Meramec Plt (S	2	21,022	12,100	8,871	0	0	0	0	50
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	617,887	351,516	257,720	0	0	0	0	8,527
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman)	6	5,074	2,887	2,116	0	0	0	0	70
Pump Equip Diesel Ctrl Plt	6	41,451	23,581	17,289	0	0	0	0	572
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	54,572	31,412	23,030	0	0	0	0	131
WT Equip Non-Med North (STL	2	199,583	114,880	84,224	0	0	0	0	479
WT Equip Non Media Ctrl 1 &	2	62,723	36,103	26,469	0	0	0	0	151
WT Equip Non Media Ctrl 3 (	2	606,192	348,924	255,813	0	0	0	0	1,455
WT Equip Non Media Sth (STL	2	73,076	42,062	30,838	0	0	0	0	175
WT Equip Non Media Mer (STL	2	204,495	117,707	86,297	0	0	0	0	491
WT Equip Filter Media	2	18,654	10,737	7,872	0	0	0	0	45
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	54,903	15,571	0	33,129	0	0	0	6,204
Ground Level Facilities	5	214,309	60,778	0	129,314	0	0	0	24,217
TD Mains Not Classified by	7	11,876	3,565	0	7,586	0	0	0	726
TD Mains 4 & Less "	4	0	0	0	0	0	0	0	0
TD Mains 6 to 8" "	4	10,002	3,003	0	6,389	0	0	0	611
TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TD Mains AC 4 (STL) "	4	42,413	12,732	0	27,093	0	0	0	2,591
TD Mains CI <10 1900-28 (S"	4	42,012	12,612	0	26,837	0	0	0	2,567
TD Mains CI <10 1929-56 (S"	4	259,096	77,780	0	165,510	0	0	0	15,831
TD Mains CI <10 1957-93 (S"	4	796,493	239,107	0	508,800	0	0	0	48,666
TD Mains CI 12 (STL) "	3	195,398	108,114	79,253	0	0	0	0	8,050
TD Mains CI 16 (STL) "	3	286,861	158,720	116,351	0	0	0	0	11,819
TD Mains DI 6-8 (STL) "	4	3,640,407	1,092,850	0	2,325,492	0	0	0	222,429
TD Mains DI 12 (STL) "	3	889,997	492,435	360,983	0	0	0	0	36,668
TD Mains DI 16 & >(STL)	3	1,604,116	887,557	650,629	0	0	0	0	66,090
TD Mains Galve 1 (STL) "	4	4,114	1,235	0	2,628	0	0	0	251
TD Mains LJ 20 (STL) "	3	67,494	37,344	27,376	0	0	0	0	2,781
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	2,527	0	0	0	0	2,523	0	4
Meters Bronze Case	9	0	0	0	0	0	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	460,472	0	0	0	460,472	0	0	0
Meters Other-Rem Rdr Unts	9	101,875	0	0	0	101,875	0	0	0
Meter Installations	9	67,454	0	0	0	67,454	0	0	0
Meter Installation Other	9	233,825	0	0	0	233,825	0	0	0
Hydrants	8	724,674	0	0	0	0	0	0	724,674
Utility Plant Acquisition Adjustmen	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	72,390	17,193	7,615	14,471	6,530	6,508	14,304	5,762
Comp & Periph Equip	15	620,913	147,467	65,320	124,120	56,006	55,820	122,692	49,425
Computer Software	15	993,808	236,029	104,549	198,662	89,641	89,343	196,376	79,107
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	11,967	2,842	1,259	2,392	1,079	1,076	2,365	953
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	346,055	82,188	36,405	69,176	31,214	31,110	68,380	27,546
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	3,381	803	356	676	305	304	668	269
Tools,Shop,Garage Equip	15	48,113	11,427	5,061	9,618	4,340	4,325	9,507	3,830
Tools,Shop,Garage Equip Oth	15	196,717	46,720	20,695	39,324	17,744	17,685	38,871	15,659
Laboratory Equipment	2	44,044	25,352	18,587	0	0	0	0	106
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	43,464	10,323	4,572	8,688	3,920	3,907	8,588	3,460
Comm Equip Non-Telephone	15	52,822	12,545	5,557	10,559	4,765	4,749	10,438	4,205
Comm Equip Telephone	15	5,561	1,321	585	1,112	502	500	1,099	443
Misc Equipment	15	28,898	6,863	3,040	5,777	2,607	2,598	5,710	2,300
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Depreciation Expense		15,327,516	5,559,904	2,763,966	3,807,973	1,086,842	224,996	488,997	1,395,228
Amort-Other UP	18	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Taxes Other Than Income									
Utility Reg Assessment Fee	19	804,096	292,530	98,341	167,172	52,990	35,541	96,250	61,192
Property Taxes	18	6,708,517	2,544,541	1,179,357	1,992,430	321,338	18,113	48,301	603,096
FUTA	16	16,475	3,568	1,582	3,000	2,157	2,147	2,328	1,694
FICA	16	1,170,500	253,530	112,368	213,148	153,218	152,516	165,392	120,327
SUTA	16	42,208	9,142	4,052	7,686	5,525	5,500	5,964	4,339
Other Taxes & Licenses	15	168,166	39,940	17,691	33,616	15,169	15,118	33,230	13,386
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		8,909,963	3,143,251	1,413,391	2,417,052	550,397	228,935	351,465	804,033
Income Taxes	18	6,626,847	2,513,563	1,165,000	1,968,174	317,426	17,892	47,713	595,754
Utility Income Available for Return	18	23,083,498	8,755,571	4,058,079	6,855,799	1,105,700	62,325	166,201	2,075,206
Total Cost of Service		117,819,153	42,855,718	14,411,059	24,488,651	7,761,508	5,218,157	14,112,814	8,962,314
Less: Other Water Revenues	19	(1,316,503)	(1,316,503)	0	0	0	0	0	0
Contract Sales	19	(900,987)	(327,779)	(110,191)	(187,315)	(59,375)	(39,824)	(107,848)	(68,565)
Revenue Shift	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		(2,217,490)	(1,644,282)	(110,191)	(187,315)	(59,375)	(39,824)	(107,848)	(68,565)
Total Cost of Service Related to Sales of Water		115,601,663	41,211,436	14,300,868	24,301,336	7,702,133	5,178,334	14,004,965	8,893,749
Reallocation of Public Fire	20	0	0	0	0	0	0	0	0
Total		\$ 115,601,663	\$ 41,211,436	\$ 14,300,868	\$ 24,301,336	\$ 7,702,133	\$ 5,178,334	\$ 14,004,965	\$ 8,893,749
			52,714,869			257,878,199	9,246,777	1,341,852	\$ 443,551
			0.782			0.03	0.56		\$ 8,450,198
		\$	11,610,749			0.01	0.14	10.44	30,845
		\$	0.220					10.58	273.96
						0.00	0.05	10.44	Quarterly
								10.49	Monthly

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
RATE BASE									
Organization	17	129,762	49,180	22,799	38,500	6,280	428	895	11,705
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	91,400	52,610	38,571	0	0	0	0	219
Land & Ld Rights P	6	284,588	161,902	118,702	0	0	0	0	3,927
Land & Ld Rights WT	2	1,371,407	789,382	578,734	0	0	0	0	3,291
Land & Ld Rights TD	7	3,998,413	1,200,324	0	2,554,186	0	0	0	244,303
Land & Land Rights AG	15	0	0	0	0	0	0	0	0
Struct & Imp SS	2	6,089,830	3,505,306	2,569,908	0	0	0	0	14,616
Struct & Imp P	6	298,289	169,697	124,416	0	0	0	0	4,116
Struct & Imp Pumps (STL)	6	4,848,057	2,758,060	2,022,125	0	0	0	0	66,903
Struct & Imp Pump Boosters	6	2,718,024	1,546,284	1,133,688	0	0	0	0	37,509
Struct & Imp WT	2	1,998,514	1,150,345	843,373	0	0	0	0	4,796
Struct & Imp WT Nth Plt (ST	2	5,897,100	3,394,371	2,488,576	0	0	0	0	14,153
Struct & Imp WT Ctrl Plt 1	2	2,679,748	1,542,463	1,130,854	0	0	0	0	6,431
Struct & Imp WT Ctrl Plt 3	2	21,452,569	12,348,099	9,052,984	0	0	0	0	51,486
Struct & Imp WT Sth Plt (ST	2	2,375,351	1,367,252	1,002,398	0	0	0	0	5,701
Struct & Imp WT Meramec (ST	2	9,171,169	5,278,925	3,870,233	0	0	0	0	22,011
Struct & Imp TD	7	4,720,044	1,416,957	0	3,015,164	0	0	0	288,395
Struct & Imp TD Spec Cross	7	267,357	80,261	0	170,788	0	0	0	16,336
Struct & Imp Offices	15	339,728	80,685	35,739	67,912	30,643	30,542	67,130	27,042
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	264,929	62,921	27,871	52,959	23,897	23,817	52,350	21,088
Struct & Imp Misc	15	1,400,265	332,563	147,308	279,913	126,304	125,884	276,692	111,461
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	8,522	4,905	3,596	0	0	0	0	20
Supply Mains Nth Plt (STL)	2	245,687	141,417	103,680	0	0	0	0	590
Supply Mains Ctrl Plt (STL)	2	3,929,522	2,261,833	1,658,258	0	0	0	0	9,431
Supply Mains Sth Plt (STL)	2	337,448	194,235	142,403	0	0	0	0	810
Supply Mains Meramec Plt (S	2	1,313,864	756,260	554,451	0	0	0	0	3,153
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	766,492	436,057	319,704	0	0	0	0	10,578
Pump Equip Elec Pre46 (STL)	6	874,158	497,308	364,611	0	0	0	0	12,063
Pump Equip Elec Post46 (STL)	6	25,323,220	14,406,380	10,562,315	0	0	0	0	349,460
Pump Equip Elec Boosters Po	6	1,493,074	849,410	622,761	0	0	0	0	20,604
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	207,946	118,300	86,734	0	0	0	0	2,870
Pump Equip Diesel Ctrl Plt	6	1,698,803	966,449	708,571	0	0	0	0	23,443
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	34,884	19,846	14,550	0	0	0	0	481
WT Equip Non-Media	2	1,963,039	1,129,925	828,402	0	0	0	0	4,711
WT Equip Non-Med North (STL)	2	7,179,235	4,132,368	3,029,637	0	0	0	0	17,230
WT Equip Non Media Ctrl 1 &	2	2,256,219	1,298,680	952,124	0	0	0	0	5,415
WT Equip Non Media Ctrl 3 (	2	21,805,467	12,551,227	9,201,907	0	0	0	0	52,333
WT Equip Non Media Sth (STL)	2	2,628,630	1,513,039	1,109,282	0	0	0	0	6,309
WT Equip Non Media Mer (STL)	2	7,355,932	4,234,074	3,104,203	0	0	0	0	17,654
WT Equip Filter Media	2	671,023	386,241	283,172	0	0	0	0	1,610
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Elevated Tanks & Standpipes	5	2,440,150	692,027	0	1,472,387	0	0	0	275,737
Ground Level Facilities	5	9,524,859	2,701,250	0	5,747,300	0	0	0	1,076,309
TD Mains Not Classified by	7	791,705	237,670	0	505,741	0	0	0	48,373
TD Mains 4 & Less "	4	2,827,541	848,828	0	1,806,233	0	0	0	172,763
TD Mains 6 to 8" "	4	50,188	15,066	0	32,060	0	0	0	3,066
TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr "	3	2,800,809	1,549,688	1,136,008	0	0	0	0	115,393
TD Mains AC 4 (STL) "	4	17,273,037	5,185,366	0	11,034,016	0	0	0	1,055,383
TD Mains CI <10 1900-28 (S"	4	53,099,538	15,940,481	0	33,919,985	0	0	0	3,244,382
TD Mains CI <10 1929-56 (S"	4	242,693,826	72,856,687	0	155,032,816	0	0	0	14,828,593
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	666,787	368,933	270,449	0	0	0	0	27,472
TD Mains CI 16 (STL) "	3	13,026,543	7,207,586	5,283,566	0	0	0	0	536,694
TD Mains DI 6-8 (STL) "	4	19,124,068	5,741,045	0	12,216,455	0	0	0	1,168,481
TD Mains DI 12 (STL) "	3	59,333,118	32,829,014	24,065,513	0	0	0	0	2,444,524
TD Mains DI 16 & >(STL)	3	106,941,041	59,170,478	43,375,286	0	0	0	0	4,405,971
TD Mains Galve 1 (STL) "	4	274,277	82,338	0	175,208	0	0	0	16,758
TD Mains LJ 20 (STL) "	3	4,499,594	2,489,625	1,825,035	0	0	0	0	185,383
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	82,039	0	0	0	0	81,900	0	139
Meters Bronze Case	9	0	0	0	0	0	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	18,949,447	0	0	0	18,949,447	0	0	0
Meters Other-Rem Rdr Unts	9	4,192,376	0	0	0	4,192,376	0	0	0
Meter Installations	9	2,775,882	0	0	0	2,775,882	0	0	0
Meter Installation Other	9	9,622,440	0	0	0	9,622,440	0	0	0
Hydrants	8	37,743,443	0	0	0	0	0	0	37,743,443
Other P/E Intangible	15	208,627	49,549	21,948	41,704	18,818	18,756	41,225	16,607
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	1,809,745	429,814	190,385	361,768	163,239	162,696	357,606	144,056
Comp & Periph Equip	15	4,345,087	1,031,958	457,103	868,583	391,927	390,623	858,589	345,869
Computer Software	15	6,954,567	1,651,710	731,620	1,390,218	627,302	625,216	1,374,222	553,583
Comp Software Personal	15	86,627	20,574	9,113	17,317	7,814	7,788	17,117	6,896
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	179,421	42,613	18,875	35,866	16,184	16,130	35,454	14,282
Trans Equip Lt Duty Trks	15	29,784	7,074	3,133	5,954	2,686	2,678	5,885	2,371
Trans Equip Hvy Duty Trks	15	4,154,323	986,652	437,035	830,449	374,720	373,474	820,894	330,684
Trans Equip Autos	15	392,227	93,154	41,262	78,406	35,379	35,261	77,504	31,221
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	118,221	28,077	12,437	23,632	10,664	10,628	23,360	9,410
Tools,Shop,Garage Equip	15	962,255	228,536	101,229	192,355	86,795	86,507	190,142	76,596
Tools,Shop,Garage Equip Oth	15	3,934,335	934,405	413,892	786,474	354,877	353,697	777,425	313,173
Laboratory Equipment	2	1,101,097	633,791	464,663	0	0	0	0	2,643
Laboratory Equip Other	2	285,859	164,540	120,632	0	0	0	0	686
Power Operated Equipment	15	637,295	151,358	67,043	127,395	57,484	57,293	125,929	50,729
Comm Equip Non-Telephone	15	1,056,436	250,904	111,137	211,182	95,291	94,974	208,752	84,092
Comm Equip Telephone	15	83,380	19,803	8,772	16,668	7,521	7,496	16,476	6,637
Misc Equipment	15	577,956	137,265	60,801	115,533	52,132	51,958	114,204	46,005
Other Tangible Property	17	40,603	15,389	7,134	12,047	1,965	134	280	3,662
Total Utility Plant in Service		786,180,262	297,978,785	138,092,714	233,237,174	38,032,066	2,557,877	5,442,133	70,882,323

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	3,553,058	843,851	373,782	710,256	320,486	319,420	702,084	282,823
Materials and Supplies	15	2,424,347	575,782	255,041	484,627	218,676	217,949	479,051	192,978
Prepayments	15	503,676	119,623	52,987	100,685	45,432	45,280	99,526	40,093
OPEB's Contributed to External Func	16	0	0	0	0	0	0	0	0
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less: Accumulated Amortization	17	0	0	0	0	0	0	0	0
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(43,023,833)	(16,306,033)	(7,559,288)	(12,765,171)	(2,082,354)	(141,979)	(296,864)	(3,880,750)
Pensions	16	(7,557,131)	(1,636,875)	(725,485)	(1,376,154)	(989,229)	(984,694)	(1,067,823)	(776,873)
Total Other Rate Base Elements		<u>(44,099,884)</u>	<u>(16,403,651)</u>	<u>(7,602,962)</u>	<u>(12,845,757)</u>	<u>(2,486,989)</u>	<u>(544,024)</u>	<u>(84,026)</u>	<u>(4,141,729)</u>
Total Original Cost Measure of Value		<u>\$ 742,080,378</u>	<u>\$ 281,575,134</u>	<u>\$ 130,489,751</u>	<u>\$ 220,391,417</u>	<u>\$ 35,545,078</u>	<u>\$ 2,013,853</u>	<u>\$ 5,358,107</u>	<u>\$ 66,740,595</u>

MISSOURI-AMERICAN WATER COMPANY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO COST FUNCTIONS

	Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
41.1	T&D OP BASIS FOR FACTOR 11		3,026,409	644,025	0	1,370,429	461,259	418,676	0	132,234
0.9999	FACTOR 11			0.2128	0.0000	0.4528	0.1524	0.1383	0.0000	0.0437
30.2	T&D Mnt BASIS FOR FACTOR 12		1,754,810	242,496	0	516,009	301,614	318,702	0	376,069
1.0000	FACTOR 12			0.1382	0.0000	0.2940	0.1719	0.1816	0.0000	0.2143
237.1	A&G BASIS FOR FACTOR 15		19,819,592	4,706,280	2,084,342	3,964,566	1,788,278	1,782,325	3,916,241	1,577,530
0.9999	FACTOR 15			0.2375	0.1052	0.1999	0.0902	0.0899	0.1976	0.0796
(201.4)	LABOR BASIS FOR FACTOR 16		13,660,977	2,958,597	1,311,737	2,487,791	1,788,874	1,779,351	1,930,321	1,403,820
0.9999	FACTOR 16			0.2166	0.0960	0.1821	0.1309	0.1303	0.1413	0.1028
(12,447.7)	UPIS BASIS FOR FACTOR 17		786,009,897	297,914,216	138,062,780	233,186,627	38,023,821	2,557,315	5,440,957	70,866,956
0.9998	FACTOR 17			0.3790	0.1757	0.2967	0.0484	0.0033	0.0069	0.0902
(3,769.4)	RATE BASE BASIS FOR FACTOR 18		742,080,378	281,575,134	130,489,751	220,391,417	35,545,078	2,013,853	5,358,107	66,740,595
1.0001	FACTOR 18			0.3793	0.1758	0.2970	0.0479	0.0027	0.0072	0.0899
(582.4)	TOTAL COS BASIS FOR FACTOR 19		116,907,162	42,537,563	14,301,367	24,299,911	7,698,786	5,172,916	13,995,243	8,892,534
0.9999	FACTOR 19			0.3638	0.1223	0.2079	0.0659	0.0442	0.1197	0.0761
	TOTAL COS BASIS FOR FACTOR 20		81,755,428	42,855,718	14,411,059	24,488,651	0	0	0	0
1.0000	FACTOR 20			0.5242	0.1763	0.2995	0.0000	0.0000	0.0000	0.0000

20
Total

	2	4	6	8	10	12	14
	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
0.9999	1	0.9958	-	-	-	-	0.0042
1.0001	2	0.5756	0.4220	-	-	-	0.0024
0.9999	3	0.5533	0.4056	-	-	-	0.0412
1.0000	4	0.3002	-	0.6388	-	-	0.0611
0.9999	5	0.2836	-	0.6034	-	-	0.1130
1.0000	6	0.5689	0.4171	-	-	-	0.0138
1.0000	7	0.3002	-	0.6388	-	-	0.0611
1.0000	8	-	-	-	-	-	1.0000
1.0000	9	-	-	-	-	-	-
1.0001	10	-	-	-	0.9983	-	0.0017
0.9999	11	0.2128	-	0.4528	0.1524	-	0.0437
1.0000	12	0.1382	-	0.2940	0.1719	-	0.2143
1.0000	13	-	-	-	-	0.9975	0.0025
1.0000	14	-	-	-	-	1.0000	-
0.9999	15	0.2375	0.1052	0.1999	0.0902	0.1976	0.0796
0.9999	16	0.2166	0.0960	0.1821	0.1309	0.1413	0.1028
0.9998	17	0.3790	0.1757	0.2967	0.0484	0.0033	0.0902
1.0001	18	0.3793	0.1758	0.2970	0.0479	0.0027	0.0899
0.9999	19	0.3638	0.1223	0.2079	0.0659	0.0442	0.1197
1.0000	20	0.5242	0.1763	0.2995	-	-	-

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.

ALLOCATION OF COSTS THAT VARY WITH THE AMT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Rate A	116,439	0.8031
Rate B	4,911	0.0339
Rate J	22,516	0.1553
Rate D	495	0.0034
Rate H	0	0.0000
Rate F	64	0.0004
Rate E	548	0.0038
Total	144,972	0.9999

FACTOR 2.

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.**

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.5780	(4)	(5)=(4)x 0.4220	(6)=(3)+(5)
Rate A	0.8031	0.4642	0.8983	0.3792	0.8434
Rate B	0.0339	0.0196	0.0303	0.0128	0.0324
Rate J	0.1553	0.0898	0.0695	0.0293	0.1191
Rate D	0.0034	0.0020	0.0019	0.0008	0.0028
Rate H	0.0000	0.0000	0.0000	0.0000	0.0000
Rate F	0.0004	0.0002			0.0002
Rate E	0.0038	0.0022			0.0022
Total	0.9999	0.5780	1.0000	0.4221	1.0001

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 2. MAX DAY CLASS ALLOCATION AND MAX DAY TO AVERAGE DAY

MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.

MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Rate A	116,439	1.0	116,439	0.8983
Rate B	4,911	0.8	3,929	0.0303
Rate J	22,516	0.4	9,006	0.0695
Rate D	495	0.5	248	0.0019
Rate H	0	0.5	0	0.0000
Total	144,360		129,621	1.0000

The weighting of the factors is based on the maximum day ratio of 1.73, based on a review of maximum day ratios experienced during the period 1999 through 2006 (see Schedule D and DR #110).

	Maximum Day Ratio	Weight
Average Day	1.00	0.5780
Maximum Day Extra Capacity	0.73	0.4220
Total	1.73	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.5555	(4)	(5)=(4) X 0.4056	(6)	(7)=(6) X 0.0389	(8)=(3)+(5)+(7)
Rate A	0.8031	0.4460	0.8983	0.3643			0.8104
Rate B	0.0339	0.0188	0.0303	0.0123			0.0311
Rate J	0.1553	0.0863	0.0695	0.0282			0.1145
Rate D	0.0034	0.0019	0.0019	0.0008			0.0027
Rate H	0.0000	0.0000	0.0000	0.0000			0.0000
Rate F	0.0004	0.0002			0.1361	0.0053	0.0055
Rate E	0.0038	0.0021			0.8639	0.0336	0.0357
Total	<u>0.9999</u>	<u>0.5553</u>	<u>1.0000</u>	<u>0.4056</u>	<u>1.0000</u>	<u>0.0389</u>	<u>0.9999</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. Continued

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.73 and the average daily system sendout for 2006 of 171.4 MGD. The system demand for fire protection is 20,000 Gallons per minute for 10 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	171,410,000	0.5555
Maximum Day Extra Capacity	<u>0.73</u>	<u>125,129,300</u>	<u>0.4056</u>
Subtotal	<u>1.73</u>	296,539,300	0.9611
Fire Protection		<u>12,000,000</u>	<u>0.0389</u>
Total		<u>308,539,300</u>	<u>1.0000</u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3014	(5)	(6)=(5) X 0.6388	(7)	(8)=(7) X 0.0599	(9)=(4)+(6)+(8)
Rate A	4,851.6	0.8031	0.2421	0.9052	0.5782			0.8203
Rate B	204.6	0.0339	0.0102	0.0327	0.0209			0.0311
Rate J	938.2	0.1553	0.0468	0.0600	0.0383			0.0851
Rate D	20.6	0.0034	0.0010	0.0022	0.0014			0.0024
Rate H	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Rate F	2.7	0.0004	0.0001			0.1361	0.0082	0.0083
Rate E	22.8	0.0038	0.0011			0.8639	0.0517	0.0528
Total	6,040.5	0.9999	0.3013	1.0001	0.6388	1.0000	0.0599	1.0000

The maximum hour extra capacity factors in column 5 are determined as follows:

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. Continued

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 3.12 and the average daily system sendout for 2006 of 171.4 MGD. The system demand for fire protection is 20,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	100,675	0.3014
Maximum Hour			
Extra Capacity	2.12	213,343	0.6388
Subtotal	3.12	314,018	0.9402
Fire Protection		20,000	0.0599
Total		334,018	1.0001

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Rate A	4,851.6	3.5	16,980.7	0.9052
Rate B	204.6	3.0	613.8	0.0327
Rate J	938.2	1.2	1,125.8	0.0600
Rate D	20.6	2.0	41.3	0.0022
Rate H	0.0	1.5	0.0	0.0000
Total	6,015.0		18,761.5	1.0001

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2848	(5)	(6)=(5) X 0.6034	(7)	(8)=(7) X 0.1118	(9)=(4)+(6)+(8)
Rate A	4,851.6	0.8031	0.2286	0.9052	0.5462			0.7748
Rate B	204.6	0.0339	0.0097	0.0327	0.0197			0.0294
Rate J	938.2	0.1553	0.0442	0.0600	0.0362			0.0804
Rate D	20.6	0.0034	0.0010	0.0022	0.0013			0.0023
Rate H	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Rate F	2.7	0.0004	0.0001			0.1361	0.0152	0.0153
Rate E	22.8	0.0038	0.0011			0.8639	0.0966	0.0977
Total	6,040.5	0.9999	0.2847	1.0001	0.6034	1.0000	0.1118	0.9999

The weighting of the factors is based on the ratio of the capacity required for a 10 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. Continued

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 10 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{20,000 \text{ GPM} \times 60 \text{ Min.} \times 10 \text{ Hrs}}{107,320,000 \text{ Gallons}} = 0.1118$$

$$\text{General Service Weight} = 1.0000 - 0.1118 = 0.8882$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	32.06	0.2848
Extra Capacity Maximum Hour	2.12	67.94	0.6034
Total	3.12	100.00	0.8882

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity 1,000 Gallons Factor*	Per Hour (4)=(2)x(3)	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Rate A	4,851.6	3.5	16,980.7	0.9052
Rate B	204.6	3.0	613.8	0.0327
Rate J	938.2	1.2	1,125.8	0.0600
Rate D	20.6	2.0	41.3	0.0022
Rate H	-	1.5	0.0	0.0000
Total	6,015.0		18,761.5	1.0001

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.7055	(4)	(5)=(4)X 0.2945	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Rate A	0.8434	0.5949	0.8104	0.2387	0.8203	0.0000	0.8336
Rate B	0.0324	0.0229	0.0311	0.0092	0.0311	0.0000	0.0321
Rate J	0.1191	0.0840	0.1145	0.0337	0.0851	0.0000	0.1177
Rate D	0.0028	0.0020	0.0027	0.0008	0.0024	0.0000	0.0028
Rate H	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Rate F	0.0002	0.0001	0.0055	0.0016	0.0083	0.0000	0.0017
Rate E	0.0022	0.0016	0.0357	0.0105	0.0528	0.0000	0.0121
Total	1.0001	0.7055	0.9999	0.2945	1.0000	0.0000	1.0000

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	Horsepower of Pumps	Weight
Associated with Maximum Day	43,023	0.7055
Associated with Maximum Day and Fire	17,955	0.2945
Associated with Maximum Hour	0	0.0000
Total	60,978	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.

ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)=(3)+(5)
Rate A	0.8104	0.0000	0.8203	0.8203	0.8203
Rate B	0.0311	0.0000	0.0311	0.0311	0.0311
Rate J	0.1145	0.0000	0.0851	0.0851	0.0851
Rate D	0.0027	0.0000	0.0024	0.0024	0.0024
Rate H	0.0000	0.0000	0.0000	0.0000	0.0000
Rate F	0.0055	0.0000	0.0083	0.0083	0.0083
Rate E	0.0357	0.0000	0.0528	0.0528	0.0528
Total	0.9999	0.0000	1.0000	1.0000	1.0000

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains	4,219,634	0.0000
Distribution Mains	17,501,698	1.0000
Total	21,721,332	1.0000

**ALL ASSIGNED TO MAX HOUR
NO FUNCTIONALIZATION OF MAINS**

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.

ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire.

Customer Classification (1)	Allocation Factor (3)
Public Fire	1.0000
Total	1.0000

FACTOR 9.

ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Rate A	257,875,086	1.0000
Rate B	0	0.0000
Rate J	3,113	0.0000
Rate D	0	0.0000
Rate H	0	0.0000
Rate F	4,474	0.0000
Total	257,882,673	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.

ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Rate A	9,244,837	0.9982
Rate B	0	0.0000
Rate J	1,940	0.0002
Rate D	0	0.0000
Other	0	0.0000
Rate F	15,847	0.0017
Total	9,262,624	1.0001

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.

**ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION
SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.**

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Rate A	\$ 2,639,697	0.8722
Rate B	66,720	0.0220
Rate J	182,651	0.0604
Rate D	5,149	0.0017
Rate H	-	0.0000
Rate F	18,579	0.0061
Rate E	113,656	0.0376
Total	3,026,451	1.0000

FACTOR 12.

**ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.**

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Rate A	\$ 1,282,903	0.7311
Rate B	25,122	0.0143
Rate J	68,806	0.0392
Rate D	1,939	0.0011
Rate H	-	0.0000
Rate F	7,373	0.0042
Rate E	368,697	0.2101
Total	\$1,754,840	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.

ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Rate A	1,292,072	0.9962
Rate B	0	0.0000
Rate J	1,736	0.0013
Rate D	0	0.0000
Rate H	0	0.0000
Rate F	3,203	0.0025
Rate E	0	0.0000
Total	<u>1,297,012</u>	<u>1.0000</u>

FACTOR 14.

ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Rate A	1,292,072	0.9987
Rate B	0	0.0000
Rate J	1,736	0.0013
Rate D	0	0.0000
Rate H	0	0.0000
Total	<u>1,293,809</u>	<u>1.0000</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.

**ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Rate A	\$16,738,592	0.8445
Rate B	353,033	0.0178
Rate J	1,121,917	0.0566
Rate D	28,756	0.0015
Rate H	0	0.0000
Rate F	65,999	0.0033
Rate E	1,511,531	0.0763
Total	\$19,819,829	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.

ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Rate A	\$11,312,395	0.8281
Rate B	221,814	0.0162
Rate J	704,536	0.0516
Rate D	18,210	0.0013
Rate H	0	0.0000
Rate F	41,147	0.0030
Rate E	1,362,673	0.0998
Total	<u>\$13,660,775</u>	<u>1.0000</u>

FACTOR 17.

**ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Rate A	\$621,343,071	0.7905
Rate B	21,948,097	0.0279
Rate J	70,042,474	0.0891
Rate D	1,796,851	0.0023
Rate H	0	0.0000
Rate F	4,254,512	0.0054
Rate E	66,612,444	0.0847
Total	<u>\$785,997,449</u>	<u>1.0000</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.

ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Rate A	\$586,686,253	0.7906
Rate B	20,745,423	0.0280
Rate J	66,201,111	0.0892
Rate D	1,698,185	0.0023
Rate H	0	0.0000
Rate F	4,021,820	0.0054
Rate E	62,723,816	0.0845
Total	<u>\$742,076,608</u>	<u>1.0000</u>

FACTOR 19.

**ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND
OTHER WATER REVENUES.**

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Rate A	\$96,006,003	0.8212
Rate B	2,677,257	0.0229
Rate J	9,104,362	0.0779
Rate D	227,453	0.0019
Rate H	0	0.0000
Rate F	443,563	0.0038
Rate E	8,447,940	0.0723
Total	<u>\$116,906,579</u>	<u>1.0000</u>

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BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	12 Rate A & K		0 Rate B		Rate J		Rate D		Rate H		Rate F		Total	
		Number of Meters	Weighting (4)=(2)X(3)	Number of Meters	Weighting (6)=(2)X(5)	Number of Meters	Weighting (8)=(2)X(7)	Number of Meters	Weighting (10)=(2)X(9)	Number of Meters	Weighting (12)=(2)X(11)	Number of Services	Weighting (14)=(2)X(11)	Number of Meters	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
5/8	1.0	12	12	0	0	378	378	0	0	0	0	38	38	428	428
3/4	1.2	0	0	0	0	735	882	0	0	0	0	2,095	2,514	2,830	3,396
1	1.9	16	30	0	0	425	808	0	0	0	0	30	57	471	894
1-1/2	5.0	8	39	0	0	163	813	0	0	0	0	5	25	175	876
2	6.5	117	762	0	0	36	233	0	0	0	0	23	150	176	1,145
3	36.6	0	0	0	0	0	0	0	0	0	0	5	183	5	183
4	78.8	300	23,678	0	0	0	0	0	0	0	0	6	473	306	24,151
6	147.8	0	0	0	0	0	0	0	0	0	0	7	1,035	7	1,035
8	193.1	1,212,722	234,176,701	0	0	0	0	0	0	0	0	0	0	1,212,722	234,176,701
10	283.8	67,855	19,257,233	0	0	0	0	0	0	0	0	0	0	67,855	19,257,233
12	400.0	11,042	4,416,631	0	0	0	0	0	0	0	0	0	0	11,042	4,416,631
Total		<u>1,292,072</u>	<u>257,875,086</u>	<u>0</u>	<u>0</u>	<u>1,736</u>	<u>3,113</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,209</u>	<u>4,474</u>	<u>1,296,018</u>	<u>257,882,673</u>

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BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Rate A		Rate B		Rate J		Rate D		Rate H		Rate F		Total	
		Number of Services	Weighting (4)=(2)X(3)	Number of Services	Weighting (6)=(2)X(5)	Number of Services	Weighting (8)=(2)X(7)	Number of Services	Weighting (10)=(2)X(9)	Number of Services	Weighting (12)=(2)X(11)	Number of Services	Weighting (14)=(2)X(11)	Number of Services	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	12	12	0	0	1,113	1,113	0	0	0	0	0	0	1,125	1,125
1	1.17	16	18	0	0	425	497	0	0	0	0	0	0	441	515
1-1/2	1.58	8	12	0	0	163	257	0	0	0	0	0	0	170	269
2	2.04	117	239	0	0	36	73	0	0	0	0	123	251	276	563
3	2.73	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	2.88	300	865	0	0	0	0	0	0	0	0	395	1,138	695	2,003
6	4.24	0	0	0	0	0	0	0	0	0	0	1,606	6,809	1,606	6,809
8	6.98	1,212,722	8,464,803	0	0	0	0	0	0	0	0	952	6,645	1,213,674	8,471,448
10	9.50	67,855	644,622	0	0	0	0	0	0	0	0	34	323	67,889	644,945
12	12.16	<u>11,042</u>	<u>134,266</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>56</u>	<u>681</u>	<u>11,098</u>	<u>134,947</u>
Total		<u>1,292,072</u>	<u>9,244,837</u>	<u>0</u>	<u>0</u>	<u>1,736</u>	<u>1,940</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,166</u>	<u>15,847</u>	<u>1,296,975</u>	<u>9,262,624</u>

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	123	492	
3 -inch	9.00	-	0	
4 -inch	16.00	395	6,320	
6 -inch	36.00	1,606	57,816	
8 -inch	64.00	952	60,928	
10 -inch	100.00	34	3,400	
12 -inch	144.00	55	7,920	
20 -inch	400.00	1	400	
Private Hydrants	32.75	37	1,212	
Total Rate F		3,203	138,488	0.1361
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	0	0
6" Valve	2- 2-1/2" & 1- 4"	28.50	30,845	879,083
Total Rate E		30,845	879,083	0.8639
Total Fire Protection		34,048	1,017,570	1.0000

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

PSC STAFF STUDY

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 529,164	76.8%	\$ 99,958	75.1%	\$ 538,947	77.2%	\$ 438,989	439.2%
Commercial	133,921	19.4%	\$ 24,814	18.7%	\$ 133,921	19.2%	109,107	439.7%
Industrial	1,491	0.2%	\$ 561	0.4%	\$ 1,491	0.2%	930	165.8%
Public Authority	14,148	2.1%	\$ 3,086	2.3%	\$ 14,148	2.0%	11,062	358.5%
Sales for Resale	-	0.0%	\$ -	0.0%	\$ -	0.0%	-	0.0%
Private Fire Service	10,062	1.5%	\$ 4,762	3.6%	\$ 10,062	1.4%	5,300	111.3%
Public Fire Service	-	0.0%	\$ -	0.0%	\$ -	0.0%	-	0.0%
Total Sales	688,786	<u>100.0%</u>	133,181	<u>100.1%</u>	698,569	<u>100.0%</u>	565,388	424.5%
Other Revenues	<u>(210)</u>		<u>(210)</u>		<u>(210)</u>		<u>-</u>	0.0%
Total	<u>\$ 688,576</u>		<u>\$ 132,971</u>		<u>\$ 698,359</u>		<u>\$ 565,388</u>	425.2%

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Brunswick

Case No. WR-2007-0216

STAFF - BRUNSWICK

Page 1 of 1

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales (000 Gal)	Total Revenue	Sales (000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	17,483	\$99,958	17,483	\$538,947	\$438,989	439.17%
5	Commercial	5,124	24,814	5,124	133,921	109,107	439.70%
6	Industrial	46	561	46	1,491	930	165.78%
7	Other Public Authority	559	3,086	559	14,148	11,062	358.46%
8	Other Water Utilities	0	0	0	0	0	0.00%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	4,762	0	10,062	5,300	111.30%
11	Public Fire	0	0	0	0	0	0.00%
12	Total	<u>23,212</u>	<u>133,181</u>	<u>23,212</u>	<u>698,569</u>	<u>\$565,388</u>	<u>424.53%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Other Revenue		210		210	0	0.00%
18	Returned Check Charge				0	0	0.00%
19	Application Fee				0	0	0.00%
20	Miscellaneous Other Revenue				0	0	0.00%
21	Rents from Water Property				0	0	0.00%
22							
23							
24			<u>\$133,391</u>		<u>\$698,779</u>	<u>565,388</u>	<u>423.86%</u>
25							
26							
27							
28							
29							
30							
31							
32							
33							
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37							
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39							
40							

Test Year Operating Revenues at Present Rates vs Proposed Rates

12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission

Case No. WR-2007-0216

Company: Missouri-American Water Company

STAFF - BRUNSWICK

District: Brunswick

Page 1 of 7

Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Residential:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	4,374		\$7.08	\$30,970	4,374		\$ 1.38	\$6,048	(\$24,922)	-80.47%
5	3/4" Monthly	0		\$9.06	0	0		\$ 1.44	0	0	0.00%
6	1" Monthly	23		\$12.84	294	23		\$ 1.57	36	(258)	-87.76%
7	1-1/2" Monthly	0		\$22.33	0	0		\$ 2.03	0	0	0.00%
8	2" Monthly	31		\$33.71	1,058	31		\$ 2.31	73	(985)	-93.10%
9	3" Monthly	0		\$60.24	0	0		\$ 5.32	0	0	0.00%
10	4" Monthly	0		\$98.15	0	0		\$ 7.33	0	0	0.00%
11	6" Monthly	0		\$192.93	0	0		\$ 11.37	0	0	0.00%
12	8" Monthly	0		\$306.65	0	0		\$ 24.48	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15		4,429									
16											
17	<u>Volumetric Charges:</u>										
18	First Block		17,424	\$3.8744	67,507		17,424	\$30.4741	530,979	463,472	686.55%
19	Second Block		59	\$2.1704	129		59	\$30.4741	1,811	1,682	1303.88%
20	Third Block		0	\$1.6750	0		0	\$30.4741	0	0	0.00%
21	Fourth Block		0	\$1.1280	0		0	\$30.4741	0	0	0.00%
22											
23											
24	Total		17,483		\$99,958		17,483		\$538,947	\$438,989	439.17%
25											
26											
27											
28											
29											
30											
31											
32											
33											
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Test Year Operating Revenues at Present Rates vs Proposed Rates

12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission

Case No. WR-2007-0216

Company: Missouri-American Water Company

STAFF - BRUNSWICK

District: Brunswick

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (^{'000} Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (^{'000} Gal)	Proposed Rate	Total Revenue		
1											
2	Commercial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	776		\$7.08	\$5,493	776		\$ 1.38	\$1,073	(\$4,420)	-80.47%
5	3/4" Monthly	0		9.06	0	0		\$ 1.44	0	0	0.00%
6	1" Monthly	75		12.84	962	75		\$ 1.57	117	(845)	-87.84%
7	1-1/2" Monthly	0		22.33	0	0		\$ 2.03	0	0	0.00%
8	2" Monthly	26		33.71	866	26		\$ 2.31	59	(807)	-93.19%
9	3" Monthly	0		60.24	0	0		\$ 5.32	0	0	0.00%
10	4" Monthly	0		98.15	0	0		\$ 7.33	0	0	0.00%
11	6" Monthly	0		192.93	0	0		\$ 11.37	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 24.48	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		4,593	\$3.5768	16,427		4,593	\$25.8898	118,901	102,474	623.81%
19	Second Block		532	\$2.0038	1,066		532	\$25.8898	13,771	12,705	1191.84%
20	Third Block		0	\$1.5464	0		0	25.8898	0	0	0.00%
21	Fourth Block		0	\$1.0413	0		0	25.8898	0	0	0.00%
22											
23											
24	Total		<u>5,124</u>		<u>\$24,814</u>		<u>5,124</u>		<u>\$133,921</u>	<u>\$109,107</u>	<u>439.70%</u>
25											
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Test Year Operating Revenues at Present Rates vs Proposed Rates

12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission

Case No. WR-2007-0216

Company: Missouri-American Water Company

STAFF - BRUNSWICK

District: Brunswick

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (^{'000} Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (^{'000} Gal)	Proposed Rate	Total Revenue		
1											
2	Industrial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 1.38	\$0	\$0	0.00%
5	3/4" Monthly	0		9.06	0	0		\$ 1.44	0	0	0.00%
6	1" Monthly	24		12.84	308	24		\$ 1.57	38	(270)	-87.66%
7	1-1/2" Monthly	0		22.33	0	0		\$ 2.03	0	0	0.00%
8	2" Monthly	0		33.71	0	0		\$ 2.31	0	0	0.00%
9	3" Monthly	0		60.24	0	0		\$ 5.32	0	0	0.00%
10	4" Monthly	0		98.15	0	0		\$ 7.33	0	0	0.00%
11	6" Monthly	0		192.93	0	0		\$ 11.37	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 24.48	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		46	\$5.5215	253		45.9	\$31.6588	1,453	1,200	474.31%
19	Second Block		0	\$3.0931	0		0	31.6588	0	0	0.00%
20	Third Block		0	\$2.3870	0		0	31.6588	0	0	0.00%
21	Fourth Block		0	\$1.6075	0		0	31.6588	0	0	0.00%
22											
23											
24	Total		46		\$561		46		\$1,491	\$930	165.78%
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											
37											
38											
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates

12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission

Case No. WR-2007-0216

Company: Missouri-American Water Company

STAFF - BRUNSWICK

District: Brunswick

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Public Authority:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	60		\$7.08	\$424	60		\$ 1.38	\$83	(\$341)	-80.42%
5	3/4" Monthly	0		9.06	0	0		\$ 1.44	0	0	0.00%
6	1" Monthly	0		12.84	0	0		\$ 1.57	0	0	0.00%
7	1-1/2" Monthly	0		22.33	0	0		\$ 2.03	0	0	0.00%
8	2" Monthly	12		33.71	405	12		\$ 2.31	28	(377)	-93.09%
9	3" Monthly	0		60.24	0	0		\$ 5.32	0	0	0.00%
10	4" Monthly	0		98.15	0	0		\$ 7.33	0	0	0.00%
11	6" Monthly	0		192.93	0	0		\$ 11.37	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 24.48	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		558.6	\$4.0402	2,257		558.6	\$25.1295	14,037	11,780	521.93%
19	Second Block		0	\$2.2633	0		0	25.1295	0	0	0.00%
20	Third Block		0	\$1.7467	0		0	25.1295	0	0	0.00%
21	Fourth Block		0	\$1.1762	0		0	25.1295	0	0	0.00%
22											
23											
24	Total		559		\$3,086		559		\$14,148	\$11,062	358.46%
25											
26											
27											
28											
29											
30											
31											
32											
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34											
35											
36											
37											
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39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates

12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission

Case No. WR-2007-0216

Company: Missouri-American Water Company

STAFF - BRUNSWICK

District: Brunswick

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Water Utilities:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 1.38	\$0	\$0	0.00%
5	3/4" Monthly	0		\$9.06	0	0		\$ 1.44	0	0	0.00%
6	1" Monthly	0		\$12.84	0	0		\$ 1.57	0	0	0.00%
7	1-1/2" Monthly	0		\$22.33	0	0		\$ 2.03	0	0	0.00%
8	2" Monthly	0		\$33.71	0	0		\$ 2.31	0	0	0.00%
9	3" Monthly	0		\$60.24	0	0		\$ 5.32	0	0	0.00%
10	4" Monthly	0		\$98.15	0	0		\$ 7.33	0	0	0.00%
11	6" Monthly	0		\$192.93	0	0		\$ 11.37	0	0	0.00%
12	8" Monthly	0		\$306.65	0	0		\$ 24.48	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		0.0	\$6.4180	0		0		0	0	0.00%
19	Second Block		0.0	\$3.5954	0		0		0	0	0.00%
20	Third Block		0	\$2.7747	0		0		0	0	0.00%
21	Fourth Block		0	\$1.8685	0		0		0	0	0.00%
22											
23											
24	Total		0		\$0		0		\$0	\$0	0.00%
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											
37											
38											
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates

12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission

Case No. WR-2007-0216

Company: Missouri-American Water Company

STAFF - BRUNSWICK

District: Brunswick

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (⁰⁰⁰ Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (⁰⁰⁰ Gal)	Proposed Rate	Total Revenue		
1											
2	Miscellaneous:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$0.00	\$0	0		\$ 1.38	\$0	\$0	0.00%
5	3/4" Monthly	0		0.00	0	0		\$ 1.44	0	0	0.00%
6	1" Monthly	0		0.00	0	0		\$ 1.57	0	0	0.00%
7	1-1/2" Monthly	0		0.00	0	0		\$ 2.03	0	0	0.00%
8	2" Monthly	0		0.00	0	0		\$ 2.31	0	0	0.00%
9	3" Monthly	0		0.00	0	0		\$ 5.32	0	0	0.00%
10	4" Monthly	0		0.00	0	0		\$ 7.33	0	0	0.00%
11	6" Monthly	0		0.00	0	0		\$ 11.37	0	0	0.00%
12	8" Monthly	0		0.00	0	0		\$ 24.48	0	0	0.00%
13	10" Monthly	0		0.00	0	0		0.00	0	0	0.00%
14	12" Monthly	0		0.00	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		0	\$0.0000	0		0	\$0.0000	0	0	0.00%
19	Second Block		0	0.0000	0		0	0.0000	0	0	0.00%
20	Third Block		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fourth Block		0	0.0000	0		0	0.0000	0	0	0.00%
22											
23											
24	Total		0		\$0		0		\$0	\$0	0.00%
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											
37											
38											
39											
40											

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Brunswick

Case No. WR-2007-0216

STAFF - BRUNSWICK

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Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	Private Fire Service:							
3								
4	Private Fire Hydrant	3.00	\$1,252.68	\$3,758	2,646.87	\$7,941	\$4,183	111.31%
5								
6	2"	0.00	179.52	0	379.32	0	0	0.00%
7								
8	3"	0.00	308.52	0	651.89	0	0	0.00%
9								
10	4"	0.00	489.48	0	1,034.25	0	0	0.00%
11								
12	6"	1.00	1,003.80	1,004	2,120.99	2,121	1,117	111.25%
13								
14	8"	0.00	1,727.16	0	3,649.43	0	0	0.00%
15								
16	10"	0.00	2,654.88	0	5,609.67	0	0	0.00%
17								
18	12"	0.00	3,785.40	0	7,998.42	0	0	0.00%
19								
20								
21								
22	Total	4.00		\$4,762		\$10,062	\$5,300	111.30%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	58	0.00	0	58.00		0	0.00%
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
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40								

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ 4,331	\$ 3,308	\$ 878	\$ 8	\$ 95	\$ -	\$ 6	\$ 37
Labor & Exp Oper SS	2	141							
Labor & Exp Oper SS	2	50	39	10	0	1	0	0	0
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		4,523	3,347	888	8	96	0	7	37
Misc Exp Oper SS	2	6,947	5,306	1,408	13	152	0	10	59
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infiltr Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	77	59	16	0	2	0	0	1
Misc Plant Maint SS	2	404	309	82	1	9	0	1	3
TOTAL SS EXPENSE - MAINTENANCE		7,428	5,673	1,506	13	163	0	11	63
TOTAL SS EXPENSE		11,951	9,020	2,394	21	259	0	18	100
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	(833)	(540)	(143)	(1)	(15)	0	(20)	(113)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	(219)	(162)	(48)	(0)	(5)	0	(1)	(3)
Labor & Exp Oper Pump	6	2,226	1,442	383	3	41	0	53	303
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	0	0	0	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		1,173	740	192	2	21	0	33	187

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
								(9)	(10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	1,778	1,152	306	3	33	0	42	242
Pump Equip Maint P	6	1,082	701	186	2	20	0	26	147
TOTAL PUMPING EXPENSES - MAINTENANCE		<u>2,860</u>	<u>1,853</u>	<u>492</u>	<u>4</u>	<u>53</u>	<u>0</u>	<u>68</u>	<u>389</u>
TOTAL PUMPING EXPENSES		4,033	2,592	684	6	74	0	101	576
WATER TREATMENT									
Super & Eng Oper WT	2	11,573	8,840	2,346	21	253	0	17	98
Chemicals	1	4,422	3,279	961	8	105	0	10	58
Labor & Exp Oper WT	2	8,903	6,800	1,805	16	195	0	13	76
Labor & Exp Oper WT	2	5,849	4,468	1,186	11	128	0	9	50
Misc Exp Oper WT	2	785	600	159	1	17	0	1	7
Misc Exp Oper WT	1	7,987	5,923	1,736	15	189	0	18	105
Misc Exp Oper WT	2	1,247	952	253	2	27	0	2	11
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		<u>40,766</u>	<u>30,862</u>	<u>8,444</u>	<u>75</u>	<u>915</u>	<u>0</u>	<u>71</u>	<u>405</u>
Super & Eng Maint WT	2	11,606	8,865	2,353	21	254	0	17	99
Struct & Improve Maint WT	2	39,116	29,877	7,929	70	857	0	59	332
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	484	370	98	1	11	0	1	4
WT Equip Maint WT	2	3,551	2,712	720	6	78	0	5	30
TOTAL WT EXPENSE - MAINTENANCE		<u>54,758</u>	<u>41,824</u>	<u>11,099</u>	<u>99</u>	<u>1,199</u>	<u>0</u>	<u>82</u>	<u>465</u>
TOTAL WT EXPENSE		95,524	72,686	19,544	173	2,114	0	153	870
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	1,444	572	133	1	14	0	108	616
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	6,055	2,365	552	3	60	0	459	2,616
TD Lines Exp	7	472	184	43	0	5	0	36	204
Meter Expense	9	62	50	11	0	1	0	0	0
Meter Expense	9	0	0	0	0	0	0	0	0
Customer Install Exp	10	25	20	4	0	0	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	1,537	609	142	1	15	0	115	655

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
Misc Exp Oper TD	11	171	68	16	0	2	0	13	73
Misc Exp Oper TD	11	1,268	502	117	1	13	0	95	541
Rents Oper TD	11	15	6	1	0	0	0	1	6
TOTAL T & D EXPENSE OPERATION		11,050	4,376	1,020	6	111	0	827	4,711
Super & Eng Maint TD	12	1,444	564	132	1	14	0	109	624
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	58	23	5	0	1	0	4	25
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	3,618	1,413	330	2	36	0	274	1,563
Misc Plant Maint TD	12	0	0	0	0	0	0	0	0
0		0							
0		0							
TOTAL T & D EXPENSE - MAINTENANCE		5,121	2,000	467	3	51	0	388	2,212
TOTAL T & D EXPENSE		16,170	6,376	1,487	9	161	0	1,215	6,923
CUSTOMER ACCOUNTS									
Supervision CA	13	1,444	1,183	234	6	19	0	1	0
Meter Reading Exp CA	14	799	655	130	4	11	0	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(1)	(1)	(0)	(0)	(0)	0	0	0
Cust Rec & Collection CA	13	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	2,343	1,920	380	10	31	0	2	0
Uncollectible Accts	13	2,234	1,830	362	10	30	0	2	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	2,124	1,740	344	9	28	0	1	0
Cust Serv & Info Exp CA	13	(0)	(0)	(0)	(0)	(0)	0	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		8,944	7,329	1,450	39	119	0	6	0

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	21,626	15,464	3,981	39	424	0	255	1,445
Other Supplies & Exp AG	15	11,775	8,421	2,168	21	231	0	139	787
Other Supplies & Exp AG	15	4	3	1	0	0	0	0	0
Other Supplies & Exp AG	15	(1)	(1)	(0)	(0)	(0)	0	(0)	(0)
Mgmt Fees-Coporate/Shared Service Center	15	45,579	32,594	8,391	82	893	0	538	3,045
Mgmt Fees-Call Center	13	30,741	25,189	4,983	135	409	0	22	0
Mgmt Fees-Belleville Lab	2	20,174	15,409	4,089	36	442	0	30	171
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Outside Services AG	15	49,239	35,211	9,065	89	965	0	581	3,289
Outside Services AG	15	3,423	2,448	630	6	67	0	40	229
Outside Services AG	15	31,182	22,298	5,741	56	611	0	368	2,083
Property Insurance	15	(3,367)	(2,408)	(620)	(6)	(66)	0	(40)	(225)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	24,601	17,400	4,527	42	485	0	317	1,803
Employee Pension & Benefits	16	36,339	25,703	6,686	62	716	0	469	2,664
Employee Pension & Benefits	16	5,657	0	0 #	0	0	0	0	0
Employee Pension & Benefits	16	16,999	12,024	3,128	29	335	0	219	1,246
Reg Commision Exp	15	811	580	149	1	16	0	10	54
Rents AG	15	2,353	1,682	433	4	46	0	28	157
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	12,849	9,188	2,366	23	252	0	152	858
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		309,984	221,205	55,718	620	5,825	0	3,128	17,606
General Plant Maint AG	15	1,556	1,113	287	3	31	0	18	104
General Plant Maint AG	15	255	182	47	0	5	0	3	17
TOTAL A & G EXPENSE - MAINTENANCE		1,811	1,295	333	3	35	0	21	121
TOTAL A & G EXPENSE		311,795	222,500	56,051	623	5,861	0	3,149	17,727
Total Operation & Maintenance Expenses		448,416	320,503	81,610	872	8,588	0	4,642	26,197

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
DEPRECIATION EXPENSE									
Struct & Imp SS	2	588	449	119	1	13	0	1	5
Struct & Imp P	6	992	643	171	1	18	0	24	135
Struct & Imp WT	2	4,464	3,410	905	8	98	0	7	38
Struct & Imp TD	7	702	274	64	0	7	0	53	303
Struct & Imp Offices	15	102	73	19	0	2	0	1	7
Struct & Imp Store,Shop,Gar	15	12	9	2	0	0	0	0	1
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	3,255	2,486	660	6	71	0	5	28
Supply Mains	2	1,291	986	262	2	28	0	2	11
Power Generation Equip Othe	6	30	19	5	0	1	0	1	4
Pump Equip Electric	6	2,444	1,583	421	4	45	0	58	333
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	7,442	5,684	1,508	13	163	0	11	63
Dist Reservoirs & Standpipe	5	1,190	602	140	1	15	0	65	368
Elevated Tanks & Standpipes	5	535	270	63	0	7	0	29	165
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	4	4,081	1,594	372	2	40	0	309	1,763
TD Mains 4 & Less "	4	858	335	78	0	8	0	65	370
TD Mains 6 to 8" "	4	3,741	1,461	341	2	37	0	284	1,616
TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Services	10	5,815	4,720	968	30	89	0	8	0
Meters Bronze Case	9	653	520	116	5	13	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	344	274	61	2	7	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	2,330	1,855	413	17	45	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	1,557	0	0	0	0	0	0	1,557
Utility Plant Acquisition Adjustmen	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	249	178	46	0	5	0	3	17
Comp & Periph Equip	15	1,930	1,380	355	3	38	0	23	129
Computer Software	15	4,796	3,430	883	9	94	0	57	320
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	3,142	2,247	578	6	62	0	37	210

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
								(9)	(10)
Other Office Equipment	15	209	149	38	0	4	0	2	14
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	458	328	84	1	9	0	5	31
Tools,Shop,Garage Equip	15	1,652	1,181	304	3	32	0	19	110
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	1,032	789	209	2	23	0	2	9
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	0	0	0	0	0	0	0	0
Comm Equip Non-Telephone	15	1	0	0	0	0	0	0	0
Comm Equip Telephone	15	13	9	2	0	0	0	0	1
Misc Equipment	15	1,227	878	226	2	24	0	14	82
Other Tangible Property	15	7,068	5,054	1,301	13	139	0	83	472
Total Depreciation Expense		64,203	42,871	10,717	134	1,138	0	1,168	8,162
Amort-Other UP	18	720	454	113	1	12	0	17	121
Taxes Other Than Income									
Utility Reg Assessment Fee	19	887	611	155	2	16	0	13	82
Property Taxes	18	21,408	13,511	3,374	41	360	0	514	3,612
FUTA	16	115	81	21	0	2	0	1	8
FICA	16	8,616	6,094	1,585	15	170	0	111	632
SUTA	16	296	209	54	1	6	0	4	22
Other Taxes & Licenses	15	566	404	104	1	11	0	7	38
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		31,887	20,911	5,294	59	565	0	650	4,393
Income Taxes	18	49,762	31,405	7,843	95	836	0	1,194	8,395
Utility Income Available for Return	18	99,606	62,862	15,698	189	1,673	0	2,391	16,804
Total Cost of Service		694,595	479,006	121,275	1,350	12,812	0	10,062	64,071
Less: Other Water Revenues	19	210	(210)	0	0	0	0	0	0
Revenue Contribution	19	0	0 #	0	0	0	0	0	0
Total Other Water Revenues		210	(210)	0	0	0	0	0	0
Total Cost of Service Related to Sales of Water		\$ 694,385	\$ 479,216	\$ 121,275	\$ 1,350	\$ 12,812	\$ -	\$ 10,062	\$ 64,071
Reallocation of Public Fire	20		49,948	12,646	141	1,336			(64,071)
Total		\$ 694,385	\$ 529,164	\$ 133,921	\$ 1,491	\$ 14,148	\$ -	\$ 10,062	\$ -
			\$ 9,574						61
			\$ 538,738						\$ -
True - up allowance		\$ 4,597							
		\$ 698,982							

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
RATE BASE									
Organization	17	\$ 1,001	\$ 632	\$ 158	\$ 2	\$ 17	\$ -	\$ 24	\$ 168
Franchises	17	1,092	689	172	2	18	0	26	184
Land & Ld Rights SS	2	11,981	9,151	2,429	22	262	0	18	102
Land & Ld Rights P	6	0	0	0	0	0	0	0	0
Land & Ld Rights WT	2	1,468	1,121	298	3	32	0	2	12
Land & Ld Rights TD	7	591	231	54	0	6	0	45	255
Land & Land Rights AG	15	0	0	0	0	0	0	0	0
Struct & Imp SS	2	23,993	18,326	4,863	43	525	0	36	204
Struct & Imp P	6	57,331	37,139	9,867	86	1,066	0	1,370	7,808
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	273,867	209,180	55,513	493	5,998	0	411	2,328
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	26,302	10,274	2,399	13	260	0	1,994	11,362
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	4,270	3,053	786	8	84	0	50	285
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	500	358	92	1	10	0	6	33
Struct & Imp Misc	15	17,568	12,563	3,234	32	344	0	207	1,174
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	194,932	148,889	39,513	351	4,269	0	292	1,657
Infiltration Galleries & Tunnels	2	1,804	1,378	366	3	40	0	3	15
Supply Mains	2	80,682	61,625	16,354	145	1,767	0	121	686
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	1,498	970	258	2	28	0	36	204
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	100,165	64,887	17,238	150	1,863	0	2,394	13,642
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Pc	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman)	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	19,582	12,685	3,370	29	364	0	468	2,667
WT Equip Non-Media	2	193,914	148,112	39,306	349	4,247	0	291	1,648
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	73,777	56,351	14,955	133	1,616	0	111	627
WT Equip Filter Media	5	0	0	0	0	0	0	0	0
Dist Reservoirs & Standpipe	5	52,904	26,743	6,243	37	682	0	2,873	16,337
Elevated Tanks & Standpipes	5	23,775	12,018	2,805	17	307	0	1,291	7,342
Ground Level Facilities	5	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
TD Mains Not Classified by	7	272,057	106,265	24,812	136	2,693	0	20,622	117,529
TD Mains 4 & Less "	4	57,171	22,331	5,214	29	566	0	4,334	24,698
TD Mains 6 to 8" "	4	249,384	97,409	22,744	125	2,469	0	18,903	107,734
TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	188,793	153,262	31,434	963	2,889	0	245	0
Meters Bronze Case	9	26,875	21,393	4,768	191	524	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	14,149	11,263	2,510	100	276	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	95,879	76,320	17,009	681	1,870	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	81,097	0	0	0	0	0	0	81,097
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	7,277	5,204	1,340	13	143	0	86	486
Office Furniture & Equip	15	6,237	4,460	1,148	11	122	0	74	417
Comp & Periph Equip	15	13,509	9,660	2,487	24	265	0	159	902
Computer Software	15	33,563	24,001	6,179	60	658	0	396	2,242
Comp Software Personal	15	651	465	120	1	13	0	8	43
Data Handling Equipment	15	47,111	33,689	8,673	85	923	0	556	3,147
Other Office Equipment	15	3,126	2,236	576	6	61	0	37	209
Trans Equip Lt Duty Trks	15	34,315	24,538	6,317	62	673	0	405	2,292
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	827	591	152	1	16	0	10	55
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	16,014	11,452	2,948	29	314	0	189	1,070
Tools,Shop,Garage Equip	15	33,036	23,624	6,082	59	648	0	390	2,207
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	0	0	0	0	0	0	0	0
Laboratory Equip Other	2	25,810	19,714	5,232	46	565	0	39	219
Power Operated Equipment	15	0	0	0	0	0	0	0	0
Comm Equip Non-Telephone	15	12	9	2	0	0	0	0	1
Comm Equip Telephone	15	193	138	36	0	4	0	2	13
Misc Equipment	15	141,351	101,080	26,023	254	2,770	0	1,668	9,442
Other Tangible Property	17	24,548	15,497	3,871	47	412	0	589	4,129
Total Utility Plant in Service		2,535,983	1,600,976	399,948	4,845	42,679	0	60,780	426,674

Other Rate Base Items

Add:

Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
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MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Cash Working Capital	15	11,831	8,460	2,178	21	232	0	140	790
Materials and Supplies	15	4,586	3,279	844	8	90	0	54	306
Prepayments	15	3,784	2,706	697	7	74	0	45	253
Deferred OPEB Asset	16	22,991	16,261	4,230	39	453	0	297	1,685
Security Deferral AAO	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(133,012)	(83,970)	(20,976)	(253)	(2,235)	0	(3,192)	(22,373)
Pensions	16	(55,053)	(38,939)	(10,130)	(94)	(1,085)	0	(710)	(4,035)
Total Other Rate Base Elements		(144,874)	(92,203)	(23,157)	(271)	(2,470)	0	(3,368)	(23,373)
Total Original Cost Measure of Value		\$ 2,391,109	\$ 1,508,774	\$ 376,791	\$ 4,574	\$ 40,209	\$ -	\$ 57,412	\$ 403,301

T&D OP BASIS FOR FACTOR 11	6,614	2,619	610	4	66	0	495	2,820
FACTOR 11		0.3960	0.0923	0.0006	0.0100	0.0000	0.0748	0.4263
T&D Mnt BASIS FOR FACTOR 12	58	23	5	0	1	0	4	25
FACTOR 12		0.3906	0.0912	0.0005	0.0099	0.0000	0.0758	0.4320
A&G BASIS FOR FACTOR 15	124,432	88,963	22,910	226	2,438	0	1,464	8,309
FACTOR 15		0.7151	0.1841	0.0018	0.0196	0.0000	0.0118	0.0668
LABOR BASIS FOR FACTOR 16	119,072	84,204	21,910	201	2,352	0	1,535	8,726
FACTOR 16		0.7073	0.1840	0.0017	0.0197	0.0000	0.0129	0.0733
UPIS BASIS FOR FACTOR 17	2,509,342	1,584,158	395,747	4,794	42,232	0	60,141	422,193
FACTOR 17		0.6313	0.1577	0.0019	0.0168	0.0000	0.0240	0.1682
RATE BASE BASIS FOR FACTOR 18	2,391,109	1,508,774	376,791	4,574	40,209	0	57,412	403,301
FACTOR 18		0.6311	0.1576	0.0019	0.0168	0.0000	0.0240	0.1687
TOTAL COS BASIS FOR FACTOR 19	692,898	477,815	120,971	1,347	12,780	0	10,040	63,935
FACTOR 19		0.6896	0.1746	0.0019	0.0184	0.0000	0.0145	0.0923
COS w/o Fire Factor 20	614,443	479,006	121,275	1,350	12,812			
FACTOR 20		0.7796	0.1974	0.0022	0.0209			

Table of Factors - Table Name "FACTORS"

	2 Residential	4 Commercial	6 Industrial	8 Public	10 Resale	12 Private Fire	14 Public Fire
1	0.7416	0.2173	0.0019	0.0237	-	0.0023	0.0132
2	0.7638	0.2027	0.0018	0.0219	-	0.0015	0.0085
3	0.6480	0.1721	0.0015	0.0186	(0.0001)	0.0239	0.1362
4	0.3906	0.0912	0.0005	0.0099	-	0.0758	0.4320
5	0.5055	0.1180	0.0007	0.0129	-	0.0543	0.3088
6	0.6478	0.1721	0.0015	0.0186	-	0.0239	0.1362
7	0.3906	0.0912	0.0005	0.0099	-	0.0758	0.4320
8	-	-	-	-	-	-	1.0000
9	0.7960	0.1774	0.0071	0.0195	-	-	-
10	0.8118	0.1665	0.0051	0.0153	-	0.0013	-
11	0.3960	0.0923	0.0006	0.0100	-	0.0748	0.4263
12	0.3906	0.0912	0.0005	0.0099	-	0.0758	0.4320
13	0.8194	0.1621	0.0044	0.0133	-	0.0007	-

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
			14	0.8201	0.1623	0.0044	0.0133	-	-
			15	0.7151	0.1841	0.0018	0.0196	-	0.0118
			16	0.7073	0.1840	0.0017	0.0197	-	0.0129
			17	0.6313	0.1577	0.0019	0.0168	-	0.0240
			18	0.6311	0.1576	0.0019	0.0168	-	0.0240
			19	0.6896	0.1746	0.0019	0.0184	-	0.0145
			20	0.7796	0.1974	0.0022	0.0209	-	-

PSC STAFF STUDY

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	4,331	2,751	1,537	0	0	0	0	43
Labor & Exp Oper SS	2	141	90	50	0	0	0	0	1
Labor & Exp Oper SS	2	50	32	18	0	0	0	0	1
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		4,523	2,873	1,605	0	0	0	0	45
Misc Exp Oper SS	2	6,947	4,413	2,465	0	0	0	0	69
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infiltr Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	77	49	27	0	0	0	0	1
Misc Plant Maint SS	2	404	257	143	0	0	0	0	4
TOTAL SS EXPENSE - MAINTENANCE		7,428	4,718	2,635	0	0	0	0	74
TOTAL SS EXPENSE		11,951	7,591	4,240	0	0	0	0	120
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	(833)	(449)	(251)	0	0	0	0	(133)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	(219)	(216)	0	0	0	0	0	(3)
Labor & Exp Oper Pump	6	2,226	1,199	670	0	0	0	0	356
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	0	0	0	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		1,173	535	419	0	0	0	0	220

PSC STAFF STUDY

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	1,778	958	535	0	0	0	0	285
Pump Equip Maint P	6	1,082	583	326	0	0	0	0	173
TOTAL PUMPING EXPENSES - MAINTENANCE		2,860	1,541	861	0	0	0	0	458
TOTAL PUMPING EXPENSES		4,033	2,076	1,280	0	0	0	0	677
WATER TREATMENT									
Super & Eng Oper WT	2	11,573	7,351	4,106	0	0	0	0	116
Chemicals	1	4,422	4,353	0	0	0	0	0	69
Labor & Exp Oper WT	2	8,903	5,655	3,159	0	0	0	0	89
Labor & Exp Oper WT	2	5,849	3,715	2,075	0	0	0	0	58
Misc Exp Oper WT	2	785	499	279	0	0	0	0	8
Misc Exp Oper WT	1	7,987	7,863	0	0	0	0	0	124
Misc Exp Oper WT	2	1,247	792	442	0	0	0	0	12
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		40,766	30,229	10,061	0	0	0	0	476
Super & Eng Maint WT	2	11,606	7,372	4,118	0	0	0	0	116
Struct & Improve Maint WT	2	39,116	24,847	13,878	0	0	0	0	391
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	484	307	172	0	0	0	0	5
WT Equip Maint WT	2	3,551	2,256	1,260	0	0	0	0	36
TOTAL WT EXPENSE - MAINTENANCE		54,758	34,782	19,428	0	0	0	0	548
TOTAL WT EXPENSE		95,524	65,011	29,489	0	0	0	0	1,023
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	1,444	213	0	488	14	5	0	724
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	6,055	907	0	2,073	0	0	0	3,075
TD Lines Exp	7	472	71	0	162	0	0	0	240
Meter Expense	9	62	0	0	0	62	0	0	0
Meter Expense	9	0	0	0	0	0	0	0	0
Customer Install Exp	10	25	0	0	0	0	25	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	1,537	227	0	519	14	6	0	770

PSC STAFF STUDY

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Misc Exp Oper TD	11	171	25	0	58	2	1	0	86
Misc Exp Oper TD	11	1,268	187	0	428	12	5	0	635
Rents Oper TD	11	15	2	0	5	0	0	0	8
TOTAL T & D EXPENSE OPERATION		11,050	1,633	0	3,734	104	41	0	5,537
Super & Eng Maint TD	12	1,444	216	0	494	0	0	0	733
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	58	9	0	20	0	0	0	30
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	3,618	542	0	1,239	0	0	0	1,837
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	0	0	0	0	0	0	0	0	0
Amort Def Maint TD	0	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		5,121	767	0	1,753	0	0	0	2,600
TOTAL T & D EXPENSE		16,170	2,400	0	5,487	104	41	0	8,137
CUSTOMER ACCOUNTS									
Supervision CA	13	1,444	0	0	0	0	0	1,443	1
Meter Reading Exp CA	14	799	0	0	0	0	0	799	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(1)	0	0	0	0	0	(1)	0
Cust Rec & Collection CA	13	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	2,343	0	0	0	0	0	2,342	2
Uncollectible Accts	13	2,234	0	0	0	0	0	2,232	2
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	2,124	0	0	0	0	0	2,123	1
Cust Serv & Info Exp CA	13	(0)	0	0	0	0	0	(0)	(0)
TOTAL CUSTOMER ACCOUNTING EXPENSE		8,944	0	0	0	0	0	8,938	6

PSC STAFF STUDY

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	21,626	11,310	6,085	954	17	6	1,553	1,700
Other Supplies & Exp AG	15	11,775	6,159	3,314	519	9	4	845	926
Other Supplies & Exp AG	15	4	2	1	0	0	0	0	0
Other Supplies & Exp AG	15	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Mgmt Fees-Coporate/Shared Service Center	15	45,579	23,838	12,826	2,010	36	14	3,273	3,583
Mgmt Fees-Call Center	13	30,741	0	0	0	0	0	30,719	22
Mgmt Fees-Belleville Lab	2	20,174	12,815	7,158	0	0	0	0	202
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	49,239	25,752	13,856	2,171	39	15	3,535	3,870
Outside Services AG	15	3,423	1,790	963	151	3	1	246	269
Outside Services AG	15	31,182	16,308	8,775	1,375	25	9	2,239	2,451
Property Insurance	15	(3,367)	(1,761)	(947)	(148)	(3)	(1)	(242)	(265)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	24,601	13,299	7,134	1,210	22	10	807	2,121
Employee Pension & Benefits	16	36,339	19,645	10,538	1,788	33	15	1,192	3,132
Employee Pension & Benefits	16	5,657	0	0	0	0	0	0	0
Employee Pension & Benefits	16	16,999	9,190	4,930	836	15	7	558	1,465
Reg Commision Exp	15	811	424	228	36	1	0	58	64
Rents AG	15	2,353	1,230	662	104	2	1	169	185
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	12,849	6,720	3,616	567	10	4	923	1,010
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		309,984	146,721	79,138	11,573	211	84	45,874	20,734
General Plant Maint AG	15	1,556	814	438	69	1	0	112	122
General Plant Maint AG	15	255	133	72	11	0	0	18	20
TOTAL A & G EXPENSE - MAINTENANCE		1,811	947	510	80	1	1	130	142
TOTAL A & G EXPENSE		311,795	147,668	79,648	11,653	212	84	46,004	20,876
Total Operation & Maintenance Expenses		448,416	224,747	114,658	17,140	316	126	54,942	30,840

PSC STAFF STUDY

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
DEPRECIATION EXPENSE									
Struct & Imp SS	2	588	373	209	0	0	0	0	6
Struct & Imp P	6	992	534	299	0	0	0	0	159
Struct & Imp WT	2	4,464	2,836	1,584	0	0	0	0	45
Struct & Imp TD	7	702	105	0	240	0	0	0	357
Struct & Imp Offices	15	102	54	29	5	0	0	7	8
Struct & Imp Store,Shop,Gar	15	12	6	3	1	0	0	1	1
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	3,255	2,068	1,155	0	0	0	0	33
Supply Mains	2	1,291	820	458	0	0	0	0	13
Power Generation Equip Othe	6	30	16	9	0	0	0	0	5
Pump Equip Electric	6	2,444	1,317	736	0	0	0	0	391
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	7,442	4,727	2,640	0	0	0	0	74
Dist Reservoirs & Standpipe	5	1,190	231	0	527	0	0	0	432
Elevated Tanks & Standpipes	5	535	104	0	237	0	0	0	194
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	4	4,081	611	0	1,397	0	0	0	2,072
TD Mains 4 & Less	4	858	128	0	294	0	0	0	435
TD Mains 6 to 8"	4	3,741	560	0	1,281	0	0	0	1,900
TD Mains 10 to 16"	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr	3	0	0	0	0	0	0	0	0
Services	10	5,815	0	0	0	0	5,807	0	8
Meters Bronze Case	9	653	0	0	0	653	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	344	0	0	0	344	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	2,330	0	0	0	2,330	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	1,557	0	0	0	0	0	0	1,557
Utility Plant Acquisition Adjustmen	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	249	130	70	11	0	0	18	20
Comp & Periph Equip	15	1,930	1,010	543	85	2	1	139	152
Computer Software	15	4,796	2,508	1,350	212	4	1	344	377
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	3,142	1,643	884	139	3	1	226	247

PSC STAFF STUDY

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Other Office Equipment	15	209	109	59	9	0	0	15	16
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	458	240	129	20	0	0	33	36
Tools,Shop,Garage Equip	15	1,652	864	465	73	1	0	119	130
Tools,Shop,Garage Equip Otr	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	1,032	656	366	0	0	0	0	10
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	0	0	0	0	0	0	0	0
Comm Equip Non-Telephone	15	1	0	0	0	0	0	0	0
Comm Equip Telephone	15	13	7	4	1	0	0	1	1
Misc Equipment	15	1,227	642	345	54	1	0	88	96
Other Tangible Property	15	7,068	3,696	1,989	312	6	2	507	556
Total Depreciation Expense		<u>64,203</u>	<u>25,997</u>	<u>13,326</u>	<u>4,897</u>	<u>3,343</u>	<u>5,814</u>	<u>1,498</u>	<u>9,330</u>
Amort-Other UP	18	720	272	134	74	40	54	8	139
Taxes Other Than Income									
Utility Reg Assessment Fee	19	887	410	208	51	17	24	75	95
Property Taxes	18	21,408	8,086	3,980	2,199	1,175	1,618	225	4,125
FUTA	16	115	62	33	6	0	0	4	10
FICA	16	8,616	4,658	2,499	424	8	3	283	743
SUTA	16	296	160	86	15	0	0	10	25
Other Taxes & Licenses	15	566	296	159	25	0	0	41	44
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>31,887</u>	<u>13,671</u>	<u>6,964</u>	<u>2,719</u>	<u>1,201</u>	<u>1,646</u>	<u>636</u>	<u>5,043</u>
Income Taxes	18	49,762	18,795	9,251	5,111	2,732	3,762	523	9,589
Utility Income Available for Return	18	99,606	37,621	18,517	10,230	5,468	7,530	1,046	19,194
Total Cost of Service		694,595	321,103	162,849	40,169	13,100	18,932	58,652	74,134
Less: Other Water Revenues	19	210	210	0	0	0	0	0	0
Revenue Shift	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		<u>210</u>	<u>210</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Cost of Service Related to Sales of Water		<u>694,805</u>	<u>321,313</u>	<u>162,849</u>	<u>40,169</u>	<u>13,100</u>	<u>18,932</u>	<u>58,652</u>	<u>74,134</u>
Reallocation of Public Fire	20	0	39,250	19,907	4,908	0	0	0	(64,065)
Total		<u>\$ 694,805</u>	<u>\$ 360,563</u>	<u>\$ 182,756</u>	<u>\$ 45,077</u>	<u>\$ 13,100</u>	<u>\$ 18,932</u>	<u>\$ 58,652</u>	<u>\$ 10,070</u>
			23,212			5,714	5,494	64,859	
			15.533			2.29	3.45		
						0.19	0.29	0.90	
								1.38	

PSC STAFF STUDY

				Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
0.0	RATE BASE									
(0.1)	Organization	17	1,001	379	187	103	55	75	10	192
(0.1)	Franchises	17	1,092	414	204	112	60	82	11	210
2.4	Land & Ld Rights SS	2	11,981	7,610	4,251	0	0	0	0	120
0.0	Land & Ld Rights P	6	0	0	0	0	0	0	0	0
0.3	Land & Ld Rights WT	2	1,468	932	521	0	0	0	0	15
0.0	Land & Ld Rights TD	7	591	89	0	202	0	0	0	300
0.0	Land & Land Rights AG	15	0	0	0	0	0	0	0	0
4.8	Struct & Imp SS	2	23,993	15,240	8,513	0	0	0	0	240
5.7	Struct & Imp P	6	57,331	30,896	17,262	0	0	0	0	9,179
0.0	Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
0.0	Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
54.8	Struct & Imp WT	2	273,867	173,960	97,168	0	0	0	0	2,739
0.0	Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
0.0	Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
0.0	Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
0.0	Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
0.0	Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
0.0	Struct & Imp TD	7	26,302	3,940	0	9,006	0	0	0	13,356
0.0	Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
(3.4)	Struct & Imp Offices	15	4,270	2,233	1,202	188	3	1	307	336
0.0	Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
0.0	Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
(0.4)	Struct & Imp Store,Shop,Gar	15	500	262	141	22	0	0	36	39
(14.1)	Struct & Imp Misc	15	17,568	9,188	4,944	775	14	5	1,261	1,381
0.0	Collect & Impounding	1	0	0	0	0	0	0	0	0
0.0	Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
39.0	Wells & Springs	2	194,932	123,821	69,162	0	0	0	0	1,949
0.4	Supply Mains	2	1,804	1,146	640	0	0	0	0	18
16.1	Supply Mains Nth Plt (STL)	2	80,682	51,249	28,626	0	0	0	0	807
0.0	Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
0.0	Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
0.0	Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
0.1	Power Generation Equip Othe	6	1,498	807	451	0	0	0	0	240
0.0	Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
0.0	Pump Equip Steam	6	0	0	0	0	0	0	0	0
10.0	Pump Equip Electric	6	100,165	53,979	30,160	0	0	0	0	16,036
0.0	Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
0.0	Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
0.0	Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
0.0	Pump Equip Diesel	6	0	0	0	0	0	0	0	0
0.0	Pump Equip Diesel Stratman)	6	0	0	0	0	0	0	0	0
0.0	Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
0.0	Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
2.0	Pump Equip Other	6	19,582	10,553	5,896	0	0	0	0	3,135
38.8	WT Equip Non-Media	2	193,914	123,174	68,801	0	0	0	0	1,939
0.0	WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
0.0	WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
0.0	WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
0.0	WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
14.8	WT Equip Non Media Mer (STL	2	73,777	46,863	26,176	0	0	0	0	738
0.0	WT Equip Filter Media	5	0	0	0	0	0	0	0	0
10.6	Dist Reservoirs & Standpipe	5	52,904	10,253	0	23,442	0	0	0	19,209
4.8	Elevated Tanks & Standpipes	5	23,775	4,608	0	10,535	0	0	0	8,633
0.0	Ground Level Facilities	5	0	0	0	0	0	0	0	0

PSC STAFF STUDY

				Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
0.0	TD Mains Not Classified by	7	272,057	40,754	0	93,152	0	0	0	138,151
0.0	TD Mains 4 & Less "	4	57,171	8,564	0	19,575	0	0	0	29,031
0.0	TD Mains 6 to 8" "	4	249,384	37,358	0	85,389	0	0	0	126,637
0.0	TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
0.0	TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
0.0	TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
0.0	TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
0.0	TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
0.0	TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
0.0	TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
0.0	TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
0.0	TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
0.0	TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
0.0	TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
0.0	TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
0.0	TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
0.0	Fire Mains	8	0	0	0	0	0	0	0	0
0.0	Services	10	188,793	0	0	0	0	188,548	0	245
0.0	Meters Bronze Case	9	26,875	0	0	0	26,875	0	0	0
0.0	Meters Plastic Case	9	0	0	0	0	0	0	0	0
0.0	Meters Other	9	14,149	0	0	0	14,149	0	0	0
0.0	Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
0.0	Meter Installations	9	95,879	0	0	0	95,879	0	0	0
0.0	Meter Installation Other	9	0	0	0	0	0	0	0	0
0.0	Hydrants	8	81,097	0	0	0	0	0	0	81,097
0.0	Other P/E Intangible	15	0	0	0	0	0	0	0	0
0.0	Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
0.0	Other P/E TD	7	0	0	0	0	0	0	0	0
(5.8)	Other P/E CPS	15	7,277	3,806	2,048	321	6	2	523	572
(5.0)	Office Furniture & Equip	15	6,237	3,262	1,755	275	5	2	448	490
(10.8)	Comp & Periph Equip	15	13,509	7,065	3,801	596	11	4	970	1,062
(26.9)	Computer Software	15	33,563	17,553	9,445	1,480	27	10	2,410	2,638
(0.5)	Comp Software Personal	15	651	340	183	29	1	0	47	51
(37.7)	Data Handling Equipment	15	47,111	24,639	13,257	2,078	38	14	3,383	3,703
(2.5)	Other Office Equipment	15	3,126	1,635	880	138	3	1	224	246
(27.5)	Trans Equip Lt Duty Trks	15	34,315	17,947	9,656	1,513	27	10	2,464	2,697
0.0	Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
(0.7)	Trans Equip Autos	15	827	432	233	36	1	0	59	65
0.0	Trans Equip Other	15	0	0	0	0	0	0	0	0
(12.8)	Stores Equipment	15	16,014	8,375	4,506	706	13	5	1,150	1,259
(26.4)	Tools,Shop,Garage Equip	15	33,036	17,278	9,296	1,457	26	10	2,372	2,597
0.0	Tools,Shop,Garage Equip Otr	15	0	0	0	0	0	0	0	0
0.0	Laboratory Equipment	2	0	0	0	0	0	0	0	0
5.2	Laboratory Equip Other	2	25,810	16,395	9,157	0	0	0	0	258
0.0	Power Operated Equipment	15	0	0	0	0	0	0	0	0
(0.0)	Comm Equip Non-Telephone	15	12	6	3	1	0	0	1	1
(0.2)	Comm Equip Telephone	15	193	101	54	9	0	0	14	15
(113.1)	Misc Equipment	15	141,351	73,926	39,776	6,234	113	42	10,149	11,110
(2.5)	Other Tangible Property	17	24,548	9,296	4,578	2,516	1,343	1,846	253	4,718
(80.7)	Total Utility Plant in Service		2,535,983	960,330	472,933	259,889	138,648	190,659	26,091	487,454
0.0	Other Rate Base Items									
0.0	Add:									
0.0	Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0

PSC STAFF STUDY

				Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(9.5)	Cash Working Capital	15	11,831	6,188	3,329	522	9	4	849	930
(3.7)	Materials and Supplies	15	4,586	2,398	1,290	202	4	1	329	360
(3.0)	Prepayments	15	3,784	1,979	1,065	167	3	1	272	297
(25.3)	OPEB's Contributed to External Func	16	22,991	12,429	6,667	1,131	21	9	754	1,982
0.0	Premature Retirement	17	0	0	0	0	0	0	0	0
0.0	Regulatory Deferrals	17	0	0	0	0	0	0	0	0
0.0	Less:									
0.0	Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
13.3	Deferred Income Taxes	17	(133,012)	(50,372)	(24,807)	(13,634)	(7,276)	(10,002)	(1,370)	(25,565)
60.6	Pensions	16	(55,053)	(29,762)	(15,965)	(2,709)	(50)	(22)	(1,806)	(4,746)
0.0										
32.4	Total Other Rate Base Elements		<u>(144,874)</u>	<u>(57,140)</u>	<u>(28,420)</u>	<u>(14,320)</u>	<u>(7,288)</u>	<u>(10,009)</u>	<u>(971)</u>	<u>(26,741)</u>
0.0										
(48.3)	Total Original Cost Measure of Value		<u>\$ 2,391,109</u>	<u>\$ 903,191</u>	<u>\$ 444,512</u>	<u>\$ 245,568</u>	<u>\$ 131,359</u>	<u>\$ 180,650</u>	<u>\$ 25,120</u>	<u>\$ 460,713</u>

0.0	T&D OP BASIS FOR FACTOR 11	6,614	978	0	2,235	62	25	0	3,315
1.0000	FACTOR 11		0.1478	0.0000	0.3379	0.0094	0.0037	0.0000	0.5011
0.0	T&D Mnt BASIS FOR FACTOR 12	58	9	0	20	0	0	0	30
1.0000	FACTOR 12		0.1498	0.0000	0.3424	0.0000	0.0000	0.0000	0.5078
(122.3)	A&G BASIS FOR FACTOR 15	124,432	65,078	35,010	5,487	104	41	8,938	9,774
0.9992	FACTOR 15		0.5230	0.2814	0.0441	0.0008	0.0003	0.0718	0.0786
(144.1)	LABOR BASIS FOR FACTOR 16	119,072	64,370	34,525	5,856	109	43	3,907	10,262
0.9989	FACTOR 16		0.5406	0.2900	0.0492	0.0009	0.0004	0.0328	0.0862
(78.0)	UPIS BASIS FOR FACTOR 17	2,509,342	950,241	467,964	257,158	137,191	188,655	25,816	482,334
0.9999	FACTOR 17		0.3787	0.1865	0.1025	0.0547	0.0752	0.0103	0.1922
(48.3)	RATE BASE BASIS FOR FACTOR 18	2,391,109	903,191	444,512	245,568	131,359	180,650	25,120	460,713
1.0001	FACTOR 18		0.3778	0.1859	0.1027	0.0549	0.0756	0.0105	0.1927
(6,010.5)	TOTAL COS BASIS FOR FACTOR 19	692,898	320,269	162,413	40,082	13,083	18,908	58,519	73,976
0.9913	FACTOR 19		0.4622	0.2344	0.0578	0.0189	0.0273	0.0845	0.1068
0	TOTAL COS BASIS FOR FACTOR 20	524,121	321,103	162,849	40,169				
1.0000	FACTOR 20		0.6126	0.3107	0.0766				

20	2	4	6	8	10	12	14
Total	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
1.0000	1	0.9845	-	-	-	-	0.0155
1.0002	2	0.6352	0.3548	-	-	-	0.0100
1.0002	3	0.5389	0.3011	-	-	-	0.1601
1.0000	4	0.1498	-	0.3424	-	-	0.5078
1.0002	5	0.1938	-	0.4431	-	-	0.3631
1.0001	6	0.5389	0.3011	-	-	-	0.1601
1.0000	7	0.1498	-	0.3424	-	-	0.5078
1.0000	8	-	-	-	-	-	1.0000
1.0000	9	-	-	-	-	-	-
1.0000	10	-	-	-	0.9987	-	0.0013
1.0000	11	0.1478	-	0.3379	0.0094	-	0.5011
1.0000	12	0.1498	-	0.3424	-	-	0.5078
0.9999	13	-	-	-	-	0.9993	0.0007

PSC STAFF STUDY

		Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
1.0001	14	-	-	-	-	-	1.0000	-
0.9992	15	0.5230	0.2814	0.0441	0.0008	0.0003	0.0718	0.0786
0.9989	16	0.5406	0.2900	0.0492	0.0009	0.0004	0.0328	0.0862
0.9999	17	0.3787	0.1865	0.1025	0.0547	0.0752	0.0103	0.1922
1.0001	18	0.3777	0.1859	0.1027	0.0549	0.0756	0.0105	0.1927
0.9913	19	0.4622	0.2344	0.0578	0.0189	0.0273	0.0845	0.1068
1.0000	20	0.6126	0.3107	0.0766	-	-	-	-

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.

ALLOCATION OF COSTS THAT VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	47.9	0.7416
Commercial	14.0	0.2173
Industrial	0.1	0.0019
Other Public Authority	1.5	0.0237
Sales for Resale	0.0	0.0000
Private Fire Protection	0.1	0.0023
Public Fire Protection	0.9	0.0132
Total	64.6	1.0000

FACTOR 2.

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.**

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.6452	(4)	(5)=(4)x 0.3548	(6)=(3)+(5)
Residential	0.7416	0.4785	0.8037	0.2853	0.7638
Commercial	0.2173	0.1402	0.1762	0.0625	0.2027
Industrial	0.0019	0.0012	0.0017	0.0006	0.0018
Other Public Authority	0.0237	0.0153	0.0185	0.0066	0.0219
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0023	0.0015			0.0015
Public Fire Protection	0.0132	0.0085			0.0085
Total	1.0000	0.6452	1.0001	0.3550	1.0002

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

**FACTOR 2. MAX DAY CLASS ALLOCATION AND MAX DAY TO AVERAGE DAY
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.**

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	47.9	1.00	47.9	0.8037
Commercial	14.0	0.75	10.5	0.1762
Industrial	0.1	0.50	0.1	0.0017
Other Public Authority	1.5	0.75	1.1	0.0185
Sales for Resale	0.0	0.90	0.0	0.0000
Total	63.6		59.6	1.0001

The weighting of the factors is based on the maximum day ratio of 1.55, based on a review of maximum day ratios experienced during the period 1990 through 2006 .

	Maximum Day Ratio	Weight
Average Day	1.00	0.6452
Maximum Day Extra Capacity	0.55	0.3548
Total	1.55	1.0000

* Ratio of maximum day to average day minus 1.0.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.5474	(4)	(5)=(4) X 0.3011	(6)	(7)=(6) X 0.1516	(8)=(3)+(5)+(7)
Residential	0.7416	0.4060	0.8037	0.2419			0.6480
Commercial	0.2173	0.1190	0.1762	0.0531			0.1721
Industrial	0.0019	0.0010	0.0017	0.0005			0.0015
Other Public Authority	0.0237	0.0130	0.0185	0.0056			0.0186
Sales for Resale	0.0000	0.0000	0.0000	0.0000			-0.0001
Private Fire Protection	0.0023	0.0013			0.1494	0.0226	0.0239
Public Fire Protection	0.0132	0.0072			0.8506	0.1290	0.1362
Total	1.0000	0.5475	1.0001	0.3011	1.0000	0.1516	1.0002

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. Continued

**ALLOCATION OF COSTS ASSOC WITH FACILITIES SERVING BASE, MAXIMUM
DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.55. The system demand for fire protection is 300 Gallons per minute for 2 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	130,000	0.5474
Maximum Day Extra Capacity	<u>0.55</u>	<u>71,500</u>	<u>0.3011</u>
Subtotal	<u><u>1.55</u></u>	201,500	0.8485
Fire Protection		<u>36,000</u>	<u>0.1516</u>
Total		<u><u>237,500</u></u>	<u><u>1.0001</u></u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the deliverability of 300 gallons per minute for 2 hours.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.1521	(5)	(6)=(5) X 0.3424	(7)	(8)=(7) X 0.5055	(9)=(4)+(6)+(8)
Residential	2.00	0.7416	0.1129	0.8110	0.2777			0.3906
Commercial	0.59	0.2174	0.0331	0.1698	0.0581			0.0912
Industrial	0.01	0.0019	0.0003	0.0007	0.0002			0.0005
Other Public Authority	0.06	0.0237	0.0036	0.0185	0.0063			0.0099
Sales for Resale	0.00	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.01	0.0023	0.0003			0.1494	0.0755	0.0758
Public Fire Protection	0.04	0.0132	0.0020			0.8506	0.4300	0.4320
Total	2.69	1.0001	0.1522	1.0000	0.3423	1.0000	0.5055	1.0000

The maximum hour extra capacity factors in column 5 are determined as follows:

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. Continued

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 3.25 and the average daily system sendout for 2006 of 0.130 MGD. The system demand for fire protection is 300 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	90.3	0.1521
Maximum Hour Extra Capacity	<u>2.25</u>	<u>203</u>	<u>0.3424</u>
Subtotal	<u><u>3.25</u></u>	293	0.4945
Fire Protection		<u>300</u>	<u>0.5055</u>
Total		<u><u>593</u></u>	<u><u>1.0000</u></u>

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	2.00	3.5	6.99	0.8110
Commercial	0.59	2.5	1.46	0.1698
Industrial	0.01	1.2	0.01	0.0007
Other Public Authority	0.06	2.5	0.16	0.0185
Sales for Resale	<u>0.00</u>	3.2	<u>0.00</u>	<u>0.0000</u>
Total	<u><u>2.65</u></u>		<u><u>8.61</u></u>	<u><u>1.0000</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.1969	(5)	(6)=(5) X 0.4431	(7)	(8)=(7) X 0.3600	(9)=(4)+(6)+(8)
Residential	1.996	0.7416	0.1460	0.8110	0.3595			0.5055
Commercial	0.585	0.2174	0.0428	0.1698	0.0752			0.1180
Industrial	0.005	0.0019	0.0004	0.0007	0.0003			0.0007
Other Public Authority	0.064	0.0237	0.0047	0.0185	0.0082			0.0129
Sales for Resale	0.000	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.006	0.0023	0.0005			0.1494	0.0538	0.0543
Public Fire Protection	0.035	0.0132	0.0026			0.8506	0.3062	0.3088
Total	2.691	1.0001	0.1970	1.0000	0.4432	1.0000	0.3600	1.0002

The weighting of the factors is based on the ratio of the capacity required for a 2 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. Continued

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 2 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{300 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{100,000 \text{ Gallons}} = 0.3600$$

$$\text{General Service Weight} = 1.0000 - 0.3600 = 0.6400$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	30.76	0.1969
Extra Capacity Maximum Hour	2.25	69.24	0.4431
Total	3.25	100.00	0.6400

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Residential	0.7638	0.0000	0.6480	0.6479	0.3906	0.0000	0.6478
Commercial	0.2027	0.0000	0.1721	0.1721	0.0912	0.0000	0.1721
Industrial	0.0018	0.0000	0.0015	0.0015	0.0005	0.0000	0.0015
Other Public Authority	0.0219	0.0000	0.0186	0.0186	0.0099	0.0000	0.0186
Sales for Resale	0.0000	0.0000	-0.0001	-0.0001	0.0000	0.0000	0.0000
Private Fire Protection	0.0015	0.0000	0.0239	0.0239	0.0758	0.0000	0.0239
Public Fire Protection	0.0085	0.0000	0.1362	0.1362	0.4320	0.0000	0.1362
Total	1.0002	0.0000	1.0002	1.0001	1.0000	0.0000	1.0001

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	<u>Horsepower of Pumps</u>	<u>Weight</u>
Associated with Maximum Day	0	0.0000
Associated with Maximum Day and Fire	100	1.0000
Associated with Maximum Hour	<u>0</u>	<u>0.0000</u>
Total	<u>100</u>	<u>1.0000</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.

ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)=(3)+(5)
Residential	0.6480	0.0000	0.3906	0.3906	0.3906
Commercial	0.1721	0.0000	0.0912	0.0912	0.0912
Industrial	0.0015	0.0000	0.0005	0.0005	0.0005
Other Public Authority	0.0186	0.0000	0.0099	0.0099	0.0099
Sales for Resale	-0.0001	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0239	0.0000	0.0758	0.0758	0.0758
Public Fire Protection	0.1362	0.0000	0.4320	0.4320	0.4320
Total	1.0002	0.0000	1.0000	1.0000	1.0000

Assigned 100% to Maximum Hour Function. No Plant functionalization was performed.

	Total Footage of Mains	Weight
Transmission Mains	9,795	0.1339
Distribution Mains	63,360	0.8661
Total	73,155	1.0000

NO FUNCTIONALIZATION
ASSIGN ALL TO MAX HOUR

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.

ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

Customer Classification (1)	Allocation Factor (3)
Public Fire Protection	1.0000
Total	1.0000

FACTOR 9.

ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential	4,548	0.7960
Commercial	1,014	0.1774
Industrial	41	0.0071
Other Public Authority	112	0.0195
Sales for Resale	0	0.0000
Private Fire	0	0.0000
Total	5,714	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.

ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	4,465	0.8118
Commercial	916	0.1665
Industrial	28	0.0051
Other Public Authority	84	0.0153
Sales for Resale	0	0.0000
Private Fire Protection	<u>7</u>	<u>0.0013</u>
Total	<u><u>5,500</u></u>	<u><u>1.0000</u></u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.

**ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION
SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.**

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 2,619	0.3960
Commercial	610	0.0923
Industrial	4	0.0006
Other Public Authority	66	0.0100
Sales for Resale	-	0.0000
Private Fire Protection	495	0.0748
Public Fire Protection	2,820	0.4263
Total	6,614	1.0000

FACTOR 12.

**ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.**

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 23	0.3906
Commercial	5	0.0912
Industrial	0	0.0005
Other Public Authority	1	0.0099
Sales for Resale	-	0.0000
Private Fire Protection	4	0.0758
Public Fire Protection	25	0.4320
Total	\$58	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.

ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	4,429	0.8194
Commercial	876	0.1621
Industrial	24	0.0044
Other Public Authority	72	0.0133
Sales for Resale	0	0.0000
Private Fire Protection	4	0.0007
Public Fire Protection	0	0.0000
Total	5,405	0.9999

FACTOR 14.

ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	4,429	0.8201
Commercial	876	0.1623
Industrial	24	0.0044
Other Public Authority	72	0.0133
Sales for Resale	0	0.0000
Total	5,401	1.0001

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.

**ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$88,963	0.7158
Commercial	22,910	0.1843
Industrial	226	0.0018
Other Public Authority	2,438	0.0196
Sales for Resale	0	0.0000
Private Fire Protection	1,464	0.0118
Public Fire Protection	8,309	0.0668
Total	\$124,310	1.0001

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.

ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification (1)	Direct Labor Expense (2)	Allocation Factor (3)
Residential	\$84,204	0.7081
Commercial	21,910	0.1842
Industrial	201	0.0017
Other Public Authority	2,352	0.0198
Sales for Resale	0	0.0000
Private Fire Protection	1,535	0.0129
Public Fire Protection	8,726	0.0734
Total	<u>\$118,928</u>	<u>1.0001</u>

FACTOR 17.

**ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification (1)	Original Cost Less Depreciation (2)	Allocation Factor (3)
Residential	\$1,584,158	0.6313
Commercial	395,747	0.1577
Industrial	4,794	0.0019
Other Public Authority	42,232	0.0168
Sales for Resale	0	0.0000
Private Fire Protection	60,141	0.0240
Public Fire Protection	422,193	0.1683
Total	<u>\$2,509,264</u>	<u>1.0000</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.

ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$1,508,774	0.6311
Commercial	376,791	0.1576
Industrial	4,574	0.0019
Other Public Authority	40,209	0.0168
Sales for Resale	0	0.0000
Private Fire Protection	57,412	0.0240
Public Fire Protection	403,301	0.1687
Total	<u>\$2,391,061</u>	<u>1.0001</u>

FACTOR 19.

**ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND
OTHER WATER REVENUES.**

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$477,815	0.6957
Commercial	120,971	0.1761
Industrial	1,347	0.0020
Other Public Authority	12,780	0.0186
Sales for Resale	0	0.0000
Private Fire Protection	10,040	0.0146
Public Fire Protection	63,935	0.0931
Total	<u>\$686,887</u>	<u>1.0001</u>

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BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	4,374.30	4,374.30	775.80	775.80	0.00	0.00	59.93	59.93	0.00	0.00	5,210.03	5,210.03
3/4	1.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1	1.7	22.90	38.93	74.90	127.33	24.00	40.80	0.00	0.00	0.00	0.00	121.80	207.06
1-1/2	3.5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	4.3	31.40	135.02	25.70	110.51	0.00	0.00	12.00	51.60	0.00	0.00	69.10	297.13
3	19.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	29.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	48.4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	112.9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		<u>4,428.60</u>	<u>4,548.25</u>	<u>876.40</u>	<u>1,013.64</u>	<u>24.00</u>	<u>40.80</u>	<u>71.93</u>	<u>111.53</u>	<u>0.00</u>	<u>0.00</u>	<u>5,400.93</u>	<u>5,714.22</u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
PSC STAFF STUDY
BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services	Weighting (4)=(2)X(3)	Number of Services	Weighting (6)=(2)X(5)	Number of Services	Weighting (8)=(2)X(7)	Number of Services	Weighting (10)=(2)X(9)	Number of Services	Weighting (12)=(2)X(11)	Number of Services	Weighting (14)=(2)X(11)	Number of Services	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	4,374.30	4,374.30	775.80	775.80	0.00	0.00	59.93	59.93	0.00	0.00	0.00	0.00	5,210.03	5,210.03
1	1.17	22.90	26.79	74.90	87.63	24.00	28.08	0.00	0.00	0.00	0.00	0.00	0.00	121.80	142.51
1-1/2	1.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	2.04	31.40	64.06	25.70	52.43	0.00	0.00	12.00	24.48	0.00	0.00	0.00	0.00	69.10	140.96
3	2.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	2.73	1.00	2.73
4	2.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	4.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	4.24	1.00	4.24
8	6.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	12.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		<u>4,428.60</u>	<u>4,465.15</u>	<u>876.40</u>	<u>915.86</u>	<u>24.00</u>	<u>28.08</u>	<u>71.93</u>	<u>84.41</u>	<u>0.00</u>	<u>0.00</u>	<u>2.00</u>	<u>6.97</u>	<u>5,402.93</u>	<u>5,500.47</u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
PSC STAFF STUDY

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	0	0	
3 -inch	9.00	0	0	
4 -inch	16.00	0	0	
6 -inch	36.00	1	36	
8 -inch	64.00	0	0	
10 -inch	100.00	0	0	
12 -inch	144.00	0	0	
Private Hydrants	32.75	3	98	
Total Private Fire Protection		4	134	0.1494
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1 - 4.5"	0	0	
6" Valve	2- 2-1/2"	61	763	
Total Public Fire Protection		61	763	0.8506
Total Fire Protection		65	897	1.0000

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

PSC STAFF STUDY

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 2,616,458	53.5%	\$ 2,223,983	54.8%	\$ 2,671,127	54.2%	\$ 447,144	20.1%
Commercial	1,251,331	25.7%	\$ 1,213,983	29.9%	\$ 1,251,331	25.4%	37,348	3.1%
Industrial	201,804	4.1%	\$ 225,813	5.7%	\$ 201,804	4.1%	(24,009)	-10.6%
Public Authority	759,472	15.6%	\$ 270,627	6.7%	\$ 759,472	15.4%	488,845	180.6%
Sales for Resale	-	0.0%	\$ -	0.0%	\$ -	0.0%	-	0.0%
Private Fire Service	48,633	1.0%	\$ 120,353	3.0%	\$ 48,632	1.0%	(71,721)	
Public Fire Service	0	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Sales	4,877,697	99.9%	4,054,759	100.1%	4,932,366	100.1%	877,607	21.6%
Other Revenues	27,334		27,334		27,334		-	0.0%
Total	\$ 4,905,032		\$ 4,082,093		\$ 4,959,700		\$ 877,607	21.5%

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Jefferson City

Case No. WR-2007-0216

STAFF - JEFFERSON CITY

Page 1 of 1

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	718,614	\$2,223,983	718,614	\$2,671,127	\$447,144	20.11%
5	Commercial & Interruptible	590,642	1,213,983	590,642	1,251,331	37,348	3.08%
6	Industrial	118,268	225,813	118,268	201,804	(24,009)	-10.63%
7	Other Public Authority	122,363	270,627	122,363	759,472	488,845	180.63%
8	Other Water Utilities	0	0	0	0	0	0.00%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	120,353	0	48,632	(71,721)	-59.59%
11	Public Fire	0	0	0	0	0	0.00%
12	Total	<u>1,549,886</u>	<u>4,054,759</u>	<u>1,549,886</u>	<u>4,932,366</u>	<u>\$877,607</u>	<u>21.64%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Other Revenues		27,334		27,334	0	0.00%
18	Returned Check Charge		0		0	0	0.00%
19	Application Fee		0		0	0	0.00%
20	Miscellaneous Other Revenue		0		0	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22	Miscellaneous Unmetered Sales		0		0	0	0.00%
23							
24			<u>\$4,082,093</u>		<u>\$4,959,700</u>	<u>877,607</u>	<u>21.50%</u>
25							
26							
27							
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Jefferson City

Case No. WR-2007-0216

STAFF - JEFFERSON CITY

Page 1 of 8

Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Residential:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	97,163		\$7.76	\$753,987	97,163		\$ 10.26	\$996,960	\$242,973	32.23%
5	3/4" Monthly	8,752		\$8.49	74,303	8,752		\$ 10.36	90,692	16,389	22.06%
6	1" Monthly	1,508		\$9.96	15,016	1,508		\$ 11.01	16,595	1,579	10.52%
7	1-1/2" Monthly	28		\$13.63	380	28		\$ 12.84	358	(22)	-5.79%
8	2" Monthly	93		\$18.02	1,682	93		\$ 14.49	1,353	(329)	-19.56%
9	3" Monthly	0		\$28.30	0	0		\$ 21.55	0	0	0.00%
10	4" Monthly	0		\$42.97	0	0		\$ 25.50	0	0	0.00%
11	6" Monthly	0		\$79.63	0	0		\$ 36.06	0	0	0.00%
12	8" Monthly	0		\$0.00	0	0		\$ 66.19	0	0	0.00%
13	10" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
14	12" Monthly	0		0.00	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		718,542	\$1.9185	1,378,523		718,542	\$2.1780	1,565,012	186,489	13.53%
19	Second Block		72	\$1.2839	92		72	2.1780	157	65	70.65%
20	Third Block		0	\$0.0000	0		0	2.1780	0	0	0.00%
21	Fourth Block		0	\$0.0000	0		0	2.1780	0	0	0.00%
22											
23											
24	Total		<u>718,614</u>		<u>\$2,223,983</u>		<u>718,614</u>		<u>\$2,671,127</u>	<u>\$447,144</u>	<u>20.11%</u>
25											
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**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Jefferson City

Case No. WR-2007-0216

STAFF - JEFFERSON CITY

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Commercial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	10,246		\$7.76	\$79,512	10,246		\$ 10.26	\$105,135	\$25,623	32.23%
5	3/4" Monthly	712		\$8.49	6,043	712		\$ 10.36	7,376	1,333	22.06%
6	1" Monthly	3,239		\$9.96	32,263	3,239		\$ 11.01	35,654	3,391	10.51%
7	1-1/2" Monthly	824		\$13.63	11,235	824		\$ 12.84	10,588	(647)	-5.76%
8	2" Monthly	1,799		\$18.02	32,418	1,799		\$ 14.49	26,070	(6,348)	-19.58%
9	3" Monthly	111		\$28.30	3,153	111		\$ 21.55	2,401	(752)	-23.85%
10	4" Monthly	59		\$42.97	2,531	59		\$ 25.50	1,502	(1,029)	-40.66%
11	6" Monthly	12		\$79.63	940	12		\$ 36.06	426	(514)	-54.68%
12	8" Monthly	0		\$0.00	0	0		\$ 66.19	0	0	0.00%
13	10" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		453,140	\$1.9185	869,350		453,140	\$1.7983	814,904	(54,446)	-6.26%
19	Second Block		137,501	\$1.2839	176,538		137,501	1.7983	247,275	70,737	40.07%
20	Third Block		0	\$0.0000	0		0	1.7983	0	0	0.00%
21	Fourth Block		0	\$0.0000	0		0	1.7983	0	0	0.00%
22											
23											
24	Total		590,642		\$1,213,983		590,642		\$1,251,331	\$37,348	3.08%
25											
26											
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Jefferson City

Case No. WR-2007-0216

STAFF - JEFFERSON CITY

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	State Penitentiary (Interruptible Rate):										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$0.00	\$0	0		\$ 10.26	\$0	\$0	0.00%
5	3/4" Monthly	0		0.00	0	0		\$ 10.36	0	0	0.00%
6	1" Monthly	0		0.00	0	0		\$ 11.01	0	0	0.00%
7	1-1/2" Monthly	0		0.00	0	0		\$ 12.84	0	0	0.00%
8	2" Monthly	0		0.00	0	0		\$ 14.49	0	0	0.00%
9	3" Monthly	0		0.00	0	0		\$ 21.55	0	0	0.00%
10	4" Monthly	0		0.00	0	0		\$ 25.50	0	0	0.00%
11	6" Monthly	0		0.00	0	0		\$ 36.06	0	0	0.00%
12	8" Monthly	0		0.00	0	0		\$ 66.19	0	0	0.00%
13						0					
14	<u>Volumetric Charges:</u>										
15	First Block		0	\$2.2600	0		0	\$1.7983	0	0	0.00%
16	Second Block		0	\$1.2900	0		0	1.7983	0	0	0.00%
17											
18											
19	Total		0		\$0		0		\$0	\$0	0.00%
20											
21	Capital Complex (Interruptible Rate):										
22	<u>Minimum Charge:</u>										
23	5/8" Monthly	0		\$0.00	\$0	0		\$ 10.26	\$0	\$0	0.00%
24	3/4" Monthly	0		0.00	0	0		\$ 10.36	0	0	0.00%
25	1" Monthly	0		0.00	0	0		\$ 11.01	0	0	0.00%
26	1-1/2" Monthly	0		0.00	0	0		\$ 12.84	0	0	0.00%
27	2" Monthly	0		0.00	0	0		\$ 14.49	0	0	0.00%
28	3" Monthly	0		0.00	0	0		\$ 21.55	0	0	0.00%
29	4" Monthly	0		0.00	0	0		\$ 25.50	0	0	0.00%
30	6" Monthly	0		0.00	0	0		\$ 36.06	0	0	0.00%
31	8" Monthly	0		0.00	0	0		\$ 66.19	0	0	0.00%
32						0					
33	<u>Volumetric Charges:</u>										
34	First Block		0	\$2.6000	0		0	\$1.7983	0	0	0.00%
35	Second Block		0	\$2.1200	0		0	\$1.7983	0	0	0.00%
36	Third block		0	\$1.2900	0		0	\$1.7983	0	0	0.00%
37						0					
38											
39	Total		0		\$0		0		\$0	\$0	0.00%
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Jefferson City

Case No. WR-2007-0216

STAFF - JEFFERSON CITY

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (^{'000} Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (^{'000} Gal)	Proposed Rate	Total Revenue		
1											
2	Industrial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	36		\$7.76	\$279	36		\$ 10.26	\$369	\$90	32.26%
5	3/4" Monthly	0		\$8.49	\$0	0		\$ 10.36	0	0	0.00%
6	1" Monthly	24		\$9.96	\$239	24		\$ 11.01	264	25	10.46%
7	1-1/2" Monthly	0		\$13.63	\$0	0		\$ 12.84	0	0	0.00%
8	2" Monthly	48		\$18.02	\$865	48		\$ 14.49	696	(169)	-19.54%
9	3" Monthly	12		\$28.30	\$340	12		\$ 21.55	259	(81)	-23.82%
10	4" Monthly	12		\$42.97	\$516	12		\$ 25.50	306	(210)	-40.70%
11	6" Monthly	0		\$79.63	\$0	0		\$ 36.06	0	0	0.00%
12	8" Monthly	0		\$0.00	\$0	0		\$ 66.19	0	0	0.00%
13	10" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
15											
16	<u>Volumetric Charges:</u>										
17	First Block		8,690	\$1.9185	16,672		8,690	13.2150	114,842	98,170	588.83%
18	Second Block		6,388	\$1.2839	8,201		6,388	13.2150	84,414	76,213	929.31%
19	Third Block		0	\$0.0000	0		0	13.2150	0	0	0.00%
20	Fourth Block		0	\$0.0000	0		0	13.2150	0	0	0.00%
21											
22											
23	Total		15,078		\$27,112		15,078		\$201,150	\$174,038	641.92%
24											
25	Large Industrial:										
26	<u>Minimum Charge:</u>										
27	2" Monthly	12		\$18.02	\$216	12		\$16.10	\$193	(\$23)	-10.65%
28	3" Monthly	0		\$28.30	0	0		\$25.29	0	0	0.00%
29	4" Monthly	12		\$42.97	516	12		\$38.40	461	(55)	-10.66%
30	6" Monthly	0		\$79.63	0	0		\$71.16	0	0	0.00%
31											
32	<u>Volumetric Charges:</u>										
33	First Block		103,190	1.92	197,969		103,190	0.0000	0	(197,969)	-100.00%
34	Second Block		0	1.28	0		0	0.0000	0	0	0.00%
35											
36											
37	Total		103,190		198,701		103,190		654	(198,047)	-99.67%
38											
39											
40											

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Jefferson City

Case No. WR-2007-0216

STAFF - JEFFERSON CITY

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Public Authority:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	661		\$7.76	\$5,132	661		\$ 10.26	\$6,786	\$1,654	32.23%
5	3/4" Monthly	59		\$8.49	504	59		\$ 10.36	615	111	22.02%
6	1" Monthly	801		\$9.96	7,977	801		\$ 11.01	8,815	838	10.51%
7	1-1/2" Monthly	461		\$13.63	6,278	461		\$ 12.84	5,916	(362)	-5.77%
8	2" Monthly	1,150		\$18.02	20,728	1,150		\$ 14.49	16,669	(4,059)	-19.58%
9	3" Monthly	134		\$28.30	3,792	134		\$ 21.55	2,888	(904)	-23.84%
10	4" Monthly	36		\$42.97	1,545	36		\$ 25.50	917	(628)	-40.65%
11	6" Monthly	0		\$79.63	0	0		\$ 36.06	0	0	0.00%
12	8" Monthly	0		\$0.00	0	0		\$ 66.19	0	0	0.00%
13	10" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		106,475	\$1.9185	204,273		106,475	\$5.8585	623,790	419,517	205.37%
19	Second Block		15,887	\$1.2839	20,398		15,887	5.8585	93,076	72,678	356.30%
20	Third Block		0	\$0.0000	0		0	5.8585	0	0	0.00%
21	Fourth Block		0	\$0.0000	0		0	5.8585	0	0	0.00%
22											
23											
24	Total		122,363		\$270,627		122,363		\$759,472	\$488,845	180.63%
25											
26											
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Jefferson City

Case No. WR-2007-0216

STAFF - JEFFERSON CITY

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Water Utility:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.76	\$0	0		\$ 10.26	\$0	\$0	0.00%
5	3/4" Monthly	0		\$8.49	0	0		\$ 10.36	0	0	0.00%
6	1" Monthly	0		\$9.96	0	0		\$ 11.01	0	0	0.00%
7	1-1/2" Monthly	0		\$13.63	0	0		\$ 12.84	0	0	0.00%
8	2" Monthly	0		\$18.02	0	0		\$ 14.49	0	0	0.00%
9	3" Monthly	0		\$28.30	0	0		\$ 21.55	0	0	0.00%
10	4" Monthly	0		\$42.97	0	0		\$ 25.50	0	0	0.00%
11	6" Monthly	0		\$79.63	0	0		\$ 36.06	0	0	0.00%
12	8" Monthly	0		\$0.00	0	0		\$ 66.19	0	0	0.00%
13	10" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		0	\$1.9185	0		0	\$0.0000	0	0	0.00%
19	Second Block		0	\$1.2839	0		0	0.0000	0	0	0.00%
20	Third Block		0	\$0.0000	0		0	0.0000	0	0	0.00%
21	Fourth Block		0	\$0.0000	0		0	0.0000	0	0	0.00%
22											
23											
24	Total		0		\$0		0		\$0	\$0	0.00%
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											
37											
38											
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Jefferson City

Case No. WR-2007-0216

STAFF - JEFFERSON CITY

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Miscellaneous:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.76	\$0	0		\$ 10.26	\$0	\$0	0.00%
5	3/4" Monthly	0		\$8.49	0	0		\$ 10.36	0	0	0.00%
6	1" Monthly	0		\$9.96	0	0		\$ 11.01	0	0	0.00%
7	1-1/2" Monthly	0		\$13.63	0	0		\$ 12.84	0	0	0.00%
8	2" Monthly	0		\$18.02	0	0		\$ 14.49	0	0	0.00%
9	3" Monthly	0		\$28.30	0	0		\$ 21.55	0	0	0.00%
10	4" Monthly	0		\$42.97	0	0		\$ 25.50	0	0	0.00%
11	6" Monthly	0		\$79.63	0	0		\$ 36.06	0	0	0.00%
12	8" Monthly	0		\$0.00	0	0		\$ 66.19	0	0	0.00%
13	10" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$0.00	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		0	\$1.9185	0		0	\$1.9185	0	0	0.00%
19	Second Block		0	\$1.2839	0		0	1.2839	0	0	0.00%
20	Third Block		0	\$0.0000	0		0	0.0000	0	0	0.00%
21	Fourth Block		0	\$0.0000	0		0	0.0000	0	0	0.00%
22							0				
23											
24	Total		0		\$0		0		\$0	\$0	0.00%
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											
37											
38											
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Jefferson City

Case No. WR-2007-0216

STAFF - JEFFERSON CITY

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Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	Private Fire Service:							
3								
4	Private Fire Hydrant	39	\$786.49	\$30,673	\$317.81	\$12,394	(\$18,279)	-59.59%
5								
6	2"	10	87.35	874	\$35.30	353	(521)	-59.61%
7								
8	3"	0 1	196.66	197	\$79.47	79	(118)	-59.90%
9								
10	4"	0 27	349.57	9,438	\$141.26	3,814	(5,624)	-59.59%
11								
12	6"	0 53	786.49	41,684	\$317.81	16,844	(24,840)	-59.59%
13								
14	8"	0 19	1,398.11	26,564	\$564.95	10,734	(15,830)	-59.59%
15								
16	10"	0 5	2,184.60	10,923	\$882.76	4,414	(6,509)	-59.59%
17								
18	12"	0 0	0.00	0	\$0.00	0	0	0.00%
19								
20								
21								
22	Total	154		\$120,353		\$48,632	(\$71,721)	-59.59%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	0	0.00	0	0.00	0	0	0.00%
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	1,446	725	519	90	108	0	1	3
Purchased Water	1	1,830	845	694	139	144	0	1	7
TOTAL SS EXPENSE - OPERATION		3,276	1,570	1,213	229	252	0	2	10
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	(17)	(8)	(6)	(1)	(1)	0	(0)	(0)
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infiltr Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	219	110	78	14	16	0	0	0
Misc Plant Maint SS	2	24	12	9	2	2	0	0	0
TOTAL SS EXPENSE - MAINTENANCE		226	114	81	14	17	0	0	0
TOTAL SS EXPENSE		3,502	1,683	1,295	243	269	0	2	10
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	201,865	93,181	76,588	15,342	15,867	0	141	767
Labor & Exp Oper Pump	6	104	52	37	6	8	0	0	1
Labor & Exp Oper Pump	6	(16)	(8)	(6)	(1)	(1)	0	(0)	(0)
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	(29)	(14)	(10)	(2)	(2)	0	(0)	(0)
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		201,924	93,210	76,608	15,345	15,871	0	141	768

MISSOURI-AMERICAN WATER COMPANY

JEFFERSON CITY DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES		201,924	93,210	76,608	15,345	15,871	0	141	768
WATER TREATMENT									
Super & Eng Oper WT	2	14,306	7,172	5,134	891	1,072	0	6	30
Chemicals	1	300,953	138,920	114,182	22,872	23,655	0	211	1,144
Labor & Exp Oper WT	2	216,855	108,709	77,829	13,510	16,242	0	87	455
Labor & Exp Oper WT	2	5,442	2,728	1,953	339	408	0	2	11
Misc Exp Oper WT	2	(67)	(33)	(24)	(4)	(5)	0	(0)	(0)
Misc Exp Oper WT	1	0	0	0	0	0	0	0	0
Misc Exp Oper WT	2	7,716	3,868	2,769	481	578	0	3	16
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		545,206	261,364	201,844	38,089	41,949	0	308	1,657
Super & Eng Maint WT	2	52,513	26,325	18,847	3,272	3,933	0	21	110
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	22,718	11,389	8,153	1,415	1,702	0	9	48
TOTAL WT EXPENSE - MAINTENANCE		75,231	37,713	27,000	4,687	5,635	0	30	158
TOTAL WT EXPENSE		620,437	299,077	228,844	42,776	47,584	0	338	1,815
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	7	3	2	0	1	0	0	1
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	5,539	2,351	1,483	188	311	0	161	1,044
TD Lines Exp	7	4,505	1,912	1,206	153	253	0	131	849
Meter Expense	9	1,081	401	114	37	529	0	0	0
Meter Expense	9	(8)	(3)	(1)	(0)	(4)	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	2,112	885	532	72	207	0	55	360

MISSOURI-AMERICAN WATER COMPANY

JEFFERSON CITY DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Misc Exp Oper TD	11	5,821	2,440	1,467	198	570	0	153	991
Rents Oper TD	11	18,248	7,650	4,600	620	1,786	0	478	3,108
TOTAL T & D EXPENSE OPERATION		37,304	15,639	9,405	1,269	3,652	0	977	6,353
Super & Eng Maint TD	12	28,476	15,087	3,480	464	8,070	0	726	652
Struct & Improve Maint TD	12	342	181	42	6	97	0	9	8
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	8,827	3,746	2,364	300	495	0	256	1,664
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	62,896	34,241	6,422	874	19,800	0	1,572	0
Services Maint TD	10	1,070	583	109	15	337	0	27	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	29,971	15,879	3,663	489	8,494	0	764	686
Mat and Sup Maint TD	12	116,779	61,870	14,270	1,904	33,095	0	2,978	2,674
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		248,362	131,586	30,349	4,051	70,388	0	6,332	5,684
TOTAL T & D EXPENSE		285,666	147,224	39,754	5,320	74,040	0	7,310	12,037
CUSTOMER ACCOUNTS									
Supervision CA	13	13,181	8,472	1,339	125	3,121	0	125	0
Meter Reading Exp CA	14	53,602	34,772	5,500	515	12,816	0	0	0
Meter Reading Exp CA	14	(106)	(69)	(11)	(1)	(25)	0	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	57,834	37,176	5,876	549	13,695	0	549	0
Cust Rec & Collection CA	13	51,205	32,914	5,202	486	12,125	0	486	0
Uncollectible Accts	13	90,620	58,251	9,207	861	21,459	0	861	0
Misc Cust Accts Exp CA	13	298	191	30	3	71	0	3	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	9,669	6,215	982	92	2,290	0	92	0
Cust Serv & Info Exp CA	13	(2)	(1)	(0)	(0)	(1)	0	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		276,301	177,922	28,126	2,630	65,551	0	2,117	0

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	120,651	66,430	25,023	3,825	22,357	0	1,303	1,737
Other Supplies & Exp AG	15	4,151	2,285	861	132	769	0	45	60
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Other Supplies & Exp AG	15	99,239	54,641	20,582	3,146	18,389	0	1,072	1,429
Mgmt Fees-Coporate/Shared Service Center	15	270,373	148,867	56,075	8,571	50,100	0	2,920	3,893
Mgmt Fees-Call Center	13	182,351	117,215	18,527	1,732	43,181	0	1,732	0
Mgmt Fees-Belleville Lab	2	23,755	11,908	8,526	1,480	1,779	0	10	50
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	292,085	187,752	29,676	2,775	69,166	0	2,775	0
Outside Services AG	15	0	0	0	0	0	0	0	0
Outside Services AG	15	20,305	11,180	4,211	644	3,763	0	219	292
Outside Services AG	15	55,111	30,344	11,430	1,747	10,212	0	595	794
Property Insurance	15	(14,553)	(8,013)	(3,018)	(461)	(2,697)	0	(157)	(210)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	140,465	76,104	33,122	5,281	23,415	0	1,180	1,348
Employee Pension & Benefits	16	187,065	101,352	44,110	7,034	31,184	0	1,571	1,796
Employee Pension & Benefits	16	33,553	18,179	7,912	1,262	5,593	0	282	322
Employee Pension & Benefits	16	94,413	51,153	22,263	3,550	15,739	0	793	906
Reg Commision Exp	15	4,808	2,648	997	152	891	0	52	69
Rents AG	15	6,674	3,675	1,384	212	1,237	0	72	96
Miscellaneous	15	99,010	54,515	20,535	3,139	18,347	0	1,069	1,426
Misc Exp AG	15	0	0	0	0	0	0	0	0
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		1,619,456	930,236	302,215	44,219	313,424	0	15,533	14,010
General Plant Maint AG	15	1,233	679	256	39	229	0	13	18
General Plant Maint AG	15	9,846	5,421	2,042	312	1,824	0	106	142
TOTAL A & G EXPENSE - MAINTENANCE		11,079	6,100	2,298	351	2,053	0	120	160
TOTAL A & G EXPENSE		1,630,535	936,336	304,513	44,570	315,477	0	15,653	14,169
Total Operation & Maintenance Expenses		3,018,366	1,655,453	679,140	110,885	518,792	0	25,561	28,800

MISSOURI-AMERICAN WATER COMPANY

JEFFERSON CITY DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	582	292	209	36	44	0	0	1
Struct & Imp P	6	10,595	5,241	3,752	652	782	0	23	146
Struct & Imp WT	2	36,125	18,109	12,965	2,251	2,706	0	14	76
Struct & Imp TD	7	1,280	543	343	44	72	0	37	241
Struct & Imp Offices	15	5,575	3,070	1,156	177	1,033	0	60	80
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	6,875	3,446	2,467	428	515	0	3	14
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	36,591	18,102	12,957	2,250	2,700	0	81	505
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	82,363	41,289	29,560	5,131	6,169	0	33	173
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	0	0	0	0	0	0	0	0
Ground Level Facilities	5	22,273	9,896	6,245	793	1,310	0	537	3,492
TD Mains Not Classified by	7	90,924	38,588	24,349	3,091	5,101	0	2,637	17,139
TD Mains 4 & Less "	4	598	254	160	20	34	0	17	113
TD Mains 6 to 8" "	4	13,505	5,732	3,617	459	758	0	392	2,546
TD Mains 10 to 16" "	3	16,870	7,873	5,640	978	1,176	0	162	1,039
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Services	10	11,039	6,009	1,127	153	3,475	0	276	0
Meters Bronze Case	9	0	0	0	0	0	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	19,138	7,102	2,017	658	9,361	0	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	7,564	2,807	797	260	3,700	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	19,286	0	0	0	0	0	0	19,286
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	2,266	1,248	470	72	420	0	24	33
Comp & Periph Equip	15	45,362	24,976	9,408	1,438	8,406	0	490	653
Computer Software	15	28,450	15,665	5,901	902	5,272	0	307	410
Comp Software Personal	15	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY

JEFFERSON CITY DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	31	17	6	1	6	0	0	0
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	44	24	9	1	8	0	0	1
Tools,Shop,Garage Equip	15	8,469	4,663	1,757	268	1,569	0	91	122
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	1,906	955	684	119	143	0	1	4
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	7,425	4,088	1,540	235	1,376	0	80	107
Comm Equip Non-Telephone	15	3,093	1,703	641	98	573	0	33	45
Comm Equip Telephone	15	76	42	16	2	14	0	1	1
Misc Equipment	15	12,928	7,118	2,681	410	2,396	0	140	186
Total Depreciation Expense		491,234	228,853	130,475	20,930	59,115	0	5,441	46,414
Amort-Other UP & CIAC Depr, CORemoval	18	0	0	0	0	0	0	0	0
Taxes Other Than Income									
Utility Reg Assessment Fee	19	27,492	14,095	6,672	1,075	4,050	0	272	1,328
Property Taxes	18	237,113	105,776	65,325	10,314	23,569	0	3,059	29,046
FUTA	16	896	486	211	34	149	0	8	9
FICA	16	58,048	31,450	13,688	2,183	9,677	0	488	557
SUTA	16	2,286	1,239	539	86	381	0	19	22
Other Taxes & Licenses	15	4,940	2,720	1,025	157	915	0	53	71
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		330,776	155,766	87,460	13,848	38,741	0	3,899	31,033
Income Taxes	18	275,610	122,949	75,930	11,989	27,396	0	3,555	33,762
Utility Income Available for Return	18	788,924	351,939	217,348	34,318	78,419	0	10,177	96,643
Total Cost of Service		4,904,909	2,514,961	1,190,354	191,970	722,463	0	48,633	236,652
Less: Other Water Revenues		27,334	27,334				0		
Revenue Contribution	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		27,334	27,334	0	0	0	0	0	0
Total Cost of Service Related to Sales of Water		\$ 4,877,575	\$ 2,487,627	\$ 1,190,354	\$ 191,970	\$ 722,463	\$ -	\$ 48,633	\$ 236,652
Reallocation of Public Fire	20		128,832	60,977	9,834	37,009	0	0	(236,652)
Total		\$ 4,877,575	\$ 2,616,458	\$ 1,251,331	\$ 201,804	\$ 759,472	\$ -	\$ 48,633	\$ 0
		\$ 27,334	\$ 27,334						
		\$ 4,904,909	\$ 2,643,792						

MISSOURI-AMERICAN WATER COMPANY

JEFFERSON CITY DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public	(10)
RATE BASE										0.0
Organization	17	\$ 6,711	\$ 2,976	\$ 1,858	\$ 293	\$ 655	\$ -	\$ 87	\$ 840	(1.3)
Franchises	17	0	0	0	0	0	0	0	0	0.0
Land & Ld Rights SS	2	0	0	0	0	0	0	0	0	0.0
Land & Ld Rights P	6	944	467	334	58	70	0	2	13	0.1
Land & Ld Rights WT	2	50,762	25,447	18,218	3,162	3,802	0	20	107	(5.1)
Land & Ld Rights TD	7	45,514	19,316	12,189	1,547	2,553	0	1,320	8,579	(9.1)
Land & Land Rights AG	15	0	0	0	0	0	0	0	0	0.0
Struct & Imp SS	2	23,746	11,904	8,522	1,479	1,779	0	9	50	(2.4)
Struct & Imp P	6	612,421	302,965	216,858	37,664	45,197	0	1,347	8,451	61.2
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0	0.0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT	2	2,216,231	1,110,997	795,405	138,071	165,996	0	886	4,654	(221.6)
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp TD	7	47,953	20,351	12,842	1,630	2,690	0	1,391	9,039	(9.6)
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0	0.0
Struct & Imp Offices	15	232,303	127,906	48,180	7,364	43,046	0	2,509	3,345	46.5
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0	0.0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0	0.0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0	0.0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0	0.0
Collect & Impounding	1	0	0	0	0	0	0	0	0	0.0
Lake, River & Other Intakes	2	388,419	194,714	139,404	24,199	29,093	0	155	816	(38.8)
Wells & Springs	2	0	0	0	0	0	0	0	0	0.0
Supply Mains	2	0	0	0	0	0	0	0	0	0.0
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0	0.0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0	0.0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0	0.0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0	0.0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0	0.0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Steam	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Electric	6	1,499,638	741,871	531,022	92,228	110,673	0	3,299	20,695	150.0
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Other	6	4,890	2,419	1,732	301	361	0	11	67	0.5
WT Equip Non-Media	2	2,962,710	1,485,207	1,063,317	184,577	221,907	0	1,185	6,222	(296.3)
WT Equip Non-Med North (STL)	2	0	0	0	0	0	0	0	0	0.0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0	0.0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0	0.0
WT Equip Non Media Sth (STL)	2	0	0	0	0	0	0	0	0	0.0
WT Equip Non Media Mer (STL)	2	0	0	0	0	0	0	0	0	0.0
WT Equip Filter Media	2	0	0	0	0	0	0	0	0	0.0

MISSOURI-AMERICAN WATER COMPANY

JEFFERSON CITY DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public	(10)
Dist Reservoirs & Standpipe	5	43,968	19,535	12,329	1,565	2,585	0	1,060	6,894	0.0
Elevated Tanks & Standpipes	5	355	158	100	13	21	0	9	56	0.0
Ground Level Facilities	5	989,901	439,813	277,568	35,240	58,206	0	23,857	155,216	0.0
TD Mains Not Classified by	7	6,061,578	2,572,534	1,623,291	206,094	340,055	0	175,786	1,142,607	(1,212.3)
TD Mains 4 & Less "	4	39,863	16,918	10,675	1,355	2,236	0	1,156	7,514	(8.0)
TD Mains 6 to 8" "	4	900,363	382,114	241,117	30,612	50,510	0	26,111	169,718	(180.1)
TD Mains 10 to 16" "	3	1,124,661	524,879	375,974	65,230	78,389	0	10,797	69,279	(112.5)
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0	0.0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0	0.0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0	0.0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0	0.0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0	0.0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0	0.0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0	0.0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0	0.0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0	0.0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0	0.0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0	0.0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0	0.0
Fire Mains	8	0	0	0	0	0	0	0	0	0.0
Services	10	358,398	195,112	36,592	4,982	112,824	0	8,960	0	71.7
Meters Bronze Case	9	2,792	1,036	294	96	1,366	0	0	0	0.0
Meters Plastic Case	9	0	0	0	0	0	0	0	0	0.0
Meters Other	9	787,582	292,272	83,011	27,093	385,206	0	0	0	0.0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0	0.0
Meter Installations	9	311,286	115,518	32,810	10,708	152,250	0	0	0	0.0
Meter Installation Other	9	0	0	0	0	0	0	0	0	0.0
Hydrants	8	1,004,470	0	0	0	0	0	0	1,004,470	0.0
Other P/E Intangible	15	0	0	0	0	0	0	0	0	0.0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0	0.0
Other P/E TD	7	0	0	0	0	0	0	0	0	0.0
Other P/E CPS	15	9,298	5,119	1,928	295	1,723	0	100	134	1.9
Office Furniture & Equip	15	56,653	31,193	11,750	1,796	10,498	0	612	816	11.3
Comp & Periph Equip	15	317,438	174,781	65,837	10,063	58,821	0	3,428	4,571	63.5
Computer Software	15	199,093	109,621	41,292	6,311	36,892	0	2,150	2,867	39.8
Comp Software Personal	15	3,861	2,126	801	122	715	0	42	56	0.8
Data Handling Equipment	15	0	0	0	0	0	0	0	0	0.0
Other Office Equipment	15	465	256	97	15	86	0	5	7	0.1
Trans Equip Lt Duty Trks	15	78,098	43,001	16,198	2,476	14,472	0	843	1,125	15.6
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0	0.0
Trans Equip Autos	15	25,387	13,978	5,265	805	4,704	0	274	366	5.1
Trans Equip Other	15	0	0	0	0	0	0	0	0	0.0
Stores Equipment	15	1,524	839	316	48	282	0	16	22	0.3
Tools,Shop,Garage Equip	15	169,387	93,264	35,131	5,370	31,387	0	1,829	2,439	33.9
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0	0.0
Laboratory Equipment	2	47,644	23,884	17,099	2,968	3,569	0	19	100	(4.8)
Laboratory Equip Other	2	0	0	0	0	0	0	0	0	0.0
Power Operated Equipment	15	108,875	59,947	22,581	3,451	20,175	0	1,176	1,568	21.8
Comm Equip Non-Telephone	15	61,857	34,058	12,829	1,961	11,462	0	668	891	12.4
Comm Equip Telephone	15	1,146	631	238	36	212	0	12	17	0.2
Misc Equipment	15	258,566	142,366	53,627	8,197	47,912	0	2,793	3,723	51.7
Other Tangible Property	17	0	0	0	0	0	0	0	0	0.0

MISSOURI-AMERICAN WATER COMPANY

JEFFERSON CITY DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)	
Total Utility Plant in Service		21,056,750	9,341,493	5,828,628	919,476	2,054,379	0	273,925	2,637,334	(1,513.6)
Other Rate Base Items										0.0
Add:										0.0
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0	0.0
Cash Working Capital	15	22,258	12,255	4,616	706	4,124	0	240	321	4.5
Materials and Supplies	15	177,874	97,937	36,891	5,639	32,960	0	1,921	2,561	35.6
Prepayments	15	22,447	12,359	4,656	712	4,159	0	242	323	4.5
OPEB's Contributed to External Fund	16	0	0	0	0	0	0	0	0	0.0
Premature Retirement	17	0	0	0	0	0	0	0	0	0.0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0	0.0
Less:										
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0	0.0
Deferred Income Taxes	17	1,221,171	541,589	338,020	53,365	119,186	0	15,875	152,891	(244.2)
Pensions	16	326,574	176,938	77,006	12,279	54,440	0	2,743	3,135	(32.7)
Total Other Rate Base Elements		1,770,324	841,079	461,189	72,700	214,870	0	21,022	159,231	(232.4)
Total Original Cost Measure of Value		\$ 22,827,074	\$ 10,182,572	\$ 6,289,817	\$ 992,176	\$ 2,269,249	\$ -	\$ 294,948	\$ 2,796,565	(1,745.9)

T&D OP BASIS FOR FACTOR 11	11,116	4,661	2,803	378	1,088	0	291	1,893	(2.0)
FACTOR 11		0.4192	0.2521	0.0340	0.0979	0.0000	0.0262	0.1703	0.9997
T&D Mnt BASIS FOR FACTOR 12	72,793	38,569	8,895	1,189	20,632	0	1,855	1,664	11.0
FACTOR 12		0.5298	0.1222	0.0163	0.2834	0.0000	0.0255	0.0229	1.0001
A&G BASIS FOR FACTOR 15	883,182	486,171	183,164	27,962	163,650	0	9,555	12,713	31.2
FACTOR 15		0.5506	0.2074	0.0317	0.1853	0.0000	0.0108	0.0144	1.0002
LABOR BASIS FOR FACTOR 16	667,935	361,976	157,518	25,107	111,355	0	5,596	6,408	25.8
FACTOR 16		0.5418	0.2358	0.0376	0.1667	0.0000	0.0084	0.0096	0.9999
UPIS BASIS FOR FACTOR 17	21,050,039	9,338,517	5,826,771	919,183	2,053,724	0	273,838	2,636,494	(1,512.2)
FACTOR 17		0.4435	0.2768	0.0437	0.0976	0.0000	0.0130	0.1252	0.9998
RATE BASE BASIS FOR FACTOR 18	22,827,074	10,182,572	6,289,817	992,176	2,269,249	0	294,948	2,796,565	(1,745.9)
FACTOR 18		0.4461	0.2755	0.0435	0.0994	0.0000	0.0129	0.1225	0.9999
TOTAL COS BASIS FOR FACTOR 19	4,872,609	2,498,218	1,182,684	190,743	717,523	0	48,309	235,255	121.6
FACTOR 19		0.5127	0.2427	0.0391	0.1473	0.0000	0.0099	0.0483	1.0000
COS w/o Fire Factor 20	4,619,747	2,514,961	1,190,354	191,970	722,463	0			4,619,747
FACTOR 20		0.5444	0.2577	0.0416	0.1564	0.0000			1.0000

Table of Factors - Table Name "FACTORS"

	2 Residential	4 Commercial	6 Industrial	8 Public	10 Resale	12 Private Fire	14 Public Fire	20 Total
1	0.4616	0.3794	0.0760	0.0786	-	0.0007	0.0038	1.0001
2	0.5013	0.3589	0.0623	0.0749	-	0.0004	0.0021	0.9999
3	0.4667	0.3343	0.0580	0.0697	-	0.0096	0.0616	0.9999
4	0.4244	0.2678	0.0340	0.0561	-	0.0290	0.1885	0.9998
5	0.4443	0.2804	0.0356	0.0588	-	0.0241	0.1568	1.0000
6	0.4947	0.3541	0.0615	0.0738	-	0.0022	0.0138	1.0001
7	0.4244	0.2678	0.0340	0.0561	-	0.0290	0.1885	0.9998

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection		
								Private (9)	Public (10)	
			8	-	-	-	-	-	1.0000	1.0000
			9	0.3711	0.1054	0.0344	0.4891	-	-	1.0000
			10	0.5444	0.1021	0.0139	0.3148	-	0.0250	1.0002
			11	0.4192	0.2521	0.0340	0.0979	-	0.0262	0.9997
			12	0.5298	0.1222	0.0163	0.2834	-	0.0255	1.0001
			13	0.6428	0.1016	0.0095	0.2368	-	0.0095	1.0002
			14	0.6487	0.1026	0.0096	0.2391	-	-	1.0000
			15	0.5506	0.2074	0.0317	0.1853	-	0.0108	1.0002
			16	0.5418	0.2358	0.0376	0.1667	-	0.0084	0.9999
			17	0.4435	0.2768	0.0437	0.0976	-	0.0130	0.9998
			18	0.4461	0.2755	0.0435	0.0994	-	0.0129	0.9999
			19	0.5127	0.2427	0.0391	0.1473	-	0.0099	1.0000
			20	0.5444	0.2577	0.0416	0.1564	-	-	1.0000

		Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
OPERATION AND MAINTENANCE EXPENSES								
SOURCE OF SUPPLY EXPENSES								
Super & Eng Oper SS	2	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	1,446	795	647	0	0	0	4
Purchased Water	1	1,830	1,822	0	0	0	0	8
TOTAL SS EXPENSE - OPERATION		3,276	2,617	647	0	0	0	12
Misc Exp Oper SS	2	0	0	0	0	0	0	0
Misc Exp Oper SS	2	(17)	(9)	(7)	0	0	0	(0)
Rents Oper SS	2	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0
Infiltr Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0
Misc Plant Maint SS	2	219	120	98	0	0	0	1
Misc Plant Maint SS	2	24	13	11	0	0	0	0
TOTAL SS EXPENSE - MAINTENANCE		226	125	101	0	0	0	1
TOTAL SS EXPENSE		3,502	2,742	748	0	0	0	12
POWER AND PUMPING EXPENSES								
Super & Eng Oper P	6	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	201,865	200,956	0	0	0	0	908
Labor & Exp Oper Pump	6	104	57	46	0	0	0	2
Labor & Exp Oper Pump	6	(16)	(9)	(7)	0	0	0	(0)
Expenses Transferred	6	0	0	0	0	0	0	0
Misc Exp Oper P	6	(29)	(16)	(13)	0	0	0	(0)
Rents Oper P	6	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		201,924	200,989	26	0	0	0	909

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES		201,924	200,989	26	0	0	0	0	909
WATER TREATMENT									
Super & Eng Oper WT	2	14,306	7,868	6,402	0	0	0	0	36
Chemicals	1	300,953	299,599	0	0	0	0	0	1,354
Labor & Exp Oper WT	2	216,855	119,270	97,043	0	0	0	0	542
Labor & Exp Oper WT	2	5,442	2,993	2,435	0	0	0	0	14
Misc Exp Oper WT	2	(67)	(37)	(30)	0	0	0	0	(0)
Misc Exp Oper WT	1	0	0	0	0	0	0	0	0
Misc Exp Oper WT	2	7,716	4,244	3,453	0	0	0	0	19
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		545,206	433,938	109,303	0	0	0	0	1,965
Super & Eng Maint WT	2	52,513	28,882	23,500	0	0	0	0	131
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	22,718	12,495	10,166	0	0	0	0	57
TOTAL WT EXPENSE - MAINTENANCE		75,231	41,377	33,666	0	0	0	0	188
TOTAL WT EXPENSE		620,437	475,315	142,969	0	0	0	0	2,153
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	7	1	0	4	1	0	0	1
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	5,539	1,118	0	3,216	0	0	0	1,205
TD Lines Exp	7	4,505	909	0	2,616	0	0	0	980
Meter Expense	9	1,081	0	0	0	1,081	0	0	0
Meter Expense	9	(8)	0	0	0	(8)	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	2,112	385	0	1,108	204	0	0	415

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Misc Exp Oper TD	11	5,821	1,061	0	3,054	562	0	0	1,144
Rents Oper TD	11	18,248	3,325	0	9,575	1,763	0	0	3,586
TOTAL T & D EXPENSE OPERATION		37,304	6,798	0	19,573	3,602	0	0	7,330
Super & Eng Maint TD	12	28,476	698	0	2,005	0	24,399	0	1,375
Struct & Improve Maint TD	12	342	8	0	24	0	293	0	17
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	8,827	1,781	0	5,126	0	0	0	1,920
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	62,896	0	0	0	0	61,324	0	1,572
Services Maint TD	10	1,070	0	0	0	0	1,043	0	27
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	29,971	734	0	2,110	0	25,679	0	1,448
Mat and Sup Maint TD	12	116,779	2,861	0	8,221	0	100,056	0	5,640
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		248,362	6,083	0	17,486	0	212,795	0	11,999
TOTAL T & D EXPENSE		285,666	12,881	0	37,059	3,602	212,795	0	19,329
CUSTOMER ACCOUNTS									
Supervision CA	13	13,181	0	0	0	0	0	13,055	125
Meter Reading Exp CA	14	53,602	0	0	0	0	0	53,602	0
Meter Reading Exp CA	14	(106)	0	0	0	0	0	(106)	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	57,834	0	0	0	0	0	57,285	549
Cust Rec & Collection CA	13	51,205	0	0	0	0	0	50,718	486
Uncollectible Accts	13	90,620	0	0	0	0	0	89,759	861
Misc Cust Accts Exp CA	13	298	0	0	0	0	0	295	3
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	9,669	0	0	0	0	0	9,577	92
Cust Serv & Info Exp CA	13	(2)	0	0	0	0	0	(2)	(0)
TOTAL CUSTOMER ACCOUNTING EXPENSE		276,301	0	0	0	0	0	274,184	2,117

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	120,651	25,904	19,630	5,067	495	29,065	37,462	3,040
Other Supplies & Exp AG	15	4,151	891	675	174	17	1,000	1,289	105
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Other Supplies & Exp AG	15	99,239	21,307	16,146	4,168	407	23,907	30,814	2,501
Mgmt Fees-Coporate/Shared Service Center	15	270,373	58,049	43,990	11,356	1,109	65,133	83,951	6,813
Mgmt Fees-Call Center	13	182,351	0	0	0	0	0	180,619	1,732
Mgmt Fees-Belleville Lab	2	23,755	13,065	10,630	0	0	0	0	59
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	292,085	0	0	0	0	0	289,310	2,775
Mgmt Fees-Other ITS	15	0	0	0	0	0	0	0	0
Outside Services AG	15	20,305	4,360	3,304	853	83	4,892	6,305	512
Outside Services AG	15	55,111	11,832	8,967	2,315	226	13,276	17,112	1,389
Property Insurance	15	(14,553)	(3,125)	(2,368)	(611)	(60)	(3,506)	(4,519)	(367)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	140,465	39,260	30,902	3,708	337	29,666	34,091	2,528
Employee Pension & Benefits	16	187,065	52,285	41,154	4,939	449	39,508	45,401	3,367
Employee Pension & Benefits	16	33,553	9,378	7,382	886	81	7,086	8,143	604
Employee Pension & Benefits	16	94,413	26,389	20,771	2,493	227	19,940	22,914	1,699
Reg Commision Exp	15	4,808	1,032	782	202	20	1,158	1,493	121
Rents AG	15	6,674	1,433	1,086	280	27	1,608	2,072	168
Goodwill Advertising Exp	15	99,010	21,257	16,109	4,158	406	23,852	30,743	2,495
Misc Exp AG	15	0	0	0	0	0	0	0	0
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		1,619,456	283,317	219,160	39,987	3,823	256,584	787,199	29,543
General Plant Maint AG	15	1,233	265	201	52	5	297	383	31
General Plant Maint AG	15	9,846	2,114	1,602	414	40	2,372	3,057	248
TOTAL A & G EXPENSE - MAINTENANCE		11,079	2,379	1,803	465	45	2,669	3,440	279
TOTAL A & G EXPENSE		1,630,535	285,696	220,963	40,453	3,868	259,253	790,639	29,822
Total Operation & Maintenance Expenses		3,018,366	977,622	364,706	77,512	7,471	472,048	1,064,823	54,343

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
DEPRECIATION EXPENSE									
Struct & Imp SS	2	582	320	260	0	0	0	0	1
Struct & Imp P	6	10,595	5,750	4,678	0	0	0	0	170
Struct & Imp WT	2	36,125	19,869	16,166	0	0	0	0	90
Struct & Imp TD	7	1,280	258	0	743	0	0	0	278
Struct & Imp Offices	15	5,575	1,197	907	234	23	1,343	1,731	140
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	6,875	3,781	3,077	0	0	0	0	17
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	36,591	19,858	16,155	0	0	0	0	585
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	82,363	45,300	36,858	0	0	0	0	206
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	0	0	0	0	0	0	0	0
Ground Level Facilities	5	22,273	4,704	0	13,540	0	0	0	4,029
TD Mains Not Classified by	7	90,924	18,348	0	52,799	0	0	0	19,776
TD Mains 4 & Less "	4	598	121	0	347	0	0	0	130
TD Mains 6 to 8" "	4	13,505	2,724	0	7,844	0	0	0	2,937
TD Mains 10 to 16" "	3	16,870	8,639	7,030	0	0	0	0	1,201
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Services	10	11,039	0	0	0	0	10,763	0	276
Meters Bronze Case	9	0	0	0	0	0	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	19,138	0	0	0	19,138	0	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	7,564	0	0	0	7,564	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	19,286	0	0	0	0	0	0	19,286
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	2,266	487	369	95	9	546	704	57
Comp & Periph Equip	15	45,362	9,739	7,380	1,905	186	10,928	14,085	1,143
Computer Software	15	28,450	6,108	4,629	1,195	117	6,854	8,834	717
Comp Software Personal	15	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	31	7	5	1	0	7	10	1
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	44	9	7	2	0	10	14	1
Tools,Shop,Garage Equip	15	8,469	1,818	1,378	356	35	2,040	2,630	213
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	1,906	1,048	853	0	0	0	0	5
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	7,425	1,594	1,208	312	30	1,789	2,306	187
Comm Equip Non-Telephone	15	3,093	664	503	130	13	745	960	78
Comm Equip Telephone	15	76	16	12	3	0	18	24	2
Misc Equipment	15	12,928	2,776	2,103	543	53	3,114	4,014	326
Total Depreciation Expense		<u>491,234</u>	<u>155,136</u>	<u>103,578</u>	<u>80,050</u>	<u>27,169</u>	<u>38,158</u>	<u>35,310</u>	<u>51,854</u>
Amort-Other UP	18	0	0	0	0	0	0	0	0
Taxes Other Than Income									
Utility Reg Assessment Fee	19	27,492	8,858	4,181	2,543	575	3,236	6,499	1,600
Property Taxes	18	237,113	76,540	47,280	53,090	12,188	9,153	6,734	32,105
FUTA	16	896	251	197	24	2	189	218	16
FICA	16	58,048	16,224	12,771	1,532	139	12,260	14,088	1,045
SUTA	16	2,286	639	503	60	5	483	555	41
Other Taxes & Licenses	15	4,940	1,061	804	207	20	1,190	1,534	124
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>330,776</u>	<u>103,573</u>	<u>65,736</u>	<u>57,457</u>	<u>12,929</u>	<u>26,510</u>	<u>29,628</u>	<u>34,932</u>
Income Taxes	18	275,610	88,967	54,957	61,709	14,166	10,639	7,827	37,318
Utility Income Available for Return	18	788,924	254,665	157,311	176,640	40,551	30,452	22,405	106,820
Total Cost of Service		4,904,909	1,579,962	746,288	453,367	102,286	577,807	1,159,994	285,267
Less: Other Water Revenues	0	27,334	27,334	0	0	0	0	0	0
Billing and Collecting Services	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		<u>27,334</u>	<u>27,334</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Cost of Service Related to Sales of Water		<u>4,877,575</u>	<u>1,552,627</u>	<u>746,288</u>	<u>453,367</u>	<u>102,286</u>	<u>577,807</u>	<u>1,159,994</u>	<u>285,267</u>
Reallocation of Public Fire	20	0	134,536	63,517	38,598		0	0	(236,652)
Total		<u>\$ 4,877,575</u>	<u>\$ 1,687,164</u>	<u>\$ 809,806</u>	<u>\$ 491,965</u>	<u>\$ 102,286</u>	<u>\$ 577,807</u>	<u>\$ 1,159,994</u>	<u>\$ 48,615</u>
			1,549,886			25,064	16,111	167,344	
			1.089			4.08	35.87		
						0.34	2.99	6.93	
								10.26	

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
RATE BASE									
Organization	17	6,711	2,179	1,338	1,534	353	228	151	928
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	0	0	0	0	0	0	0	0
Land & Ld Rights P	6	944	512	417	0	0	0	0	15
Land & Ld Rights WT	2	50,762	27,919	22,716	0	0	0	0	127
Land & Ld Rights TD	7	45,514	9,185	0	26,430	0	0	0	9,899
Land & Land Rights AG	15	0	0	0	0	0	0	0	0
Struct & Imp SS	2	23,746	13,060	10,626	0	0	0	0	59
Struct & Imp P	6	612,421	332,361	270,384	0	0	0	0	9,799
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	2,216,231	1,218,927	991,763	0	0	0	0	5,541
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	47,953	9,677	0	27,846	0	0	0	10,430
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	232,303	49,875	37,796	9,757	952	55,962	72,130	5,854
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	388,419	213,630	173,818	0	0	0	0	971
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	1,499,638	813,854	662,090	0	0	0	0	23,994
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	4,890	2,654	2,159	0	0	0	0	78
WT Equip Non-Media	2	2,962,710	1,629,491	1,325,813	0	0	0	0	7,407
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Dist Reservoirs & Standpipe	5	43,968	9,286	0	26,728	0	0	0	7,954
Elevated Tanks & Standpipes	5	355	75	0	216	0	0	0	64
Ground Level Facilities	5	989,901	209,067	0	601,761	0	0	0	179,073
TD Mains Not Classified by	7	6,061,578	1,223,226	0	3,519,958	0	0	0	1,318,393
TD Mains 4 & Less "	4	39,863	8,040	0	23,152	0	0	0	8,670
TD Mains 6 to 8" "	4	900,363	181,603	0	522,931	0	0	0	195,829
TD Mains 10 to 16" "	3	1,124,661	575,939	468,646	0	0	0	0	80,076
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	358,398	0	0	0	0	349,438	0	8,960
Meters Bronze Case	9	2,792	0	0	0	2,792	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	787,582	0	0	0	787,582	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	311,286	0	0	0	311,286	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	1,004,470	0	0	0	0	0	0	1,004,470
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	9,298	1,996	1,513	391	38	2,240	2,887	234
Office Furniture & Equip	15	56,653	12,163	9,217	2,379	232	13,648	17,591	1,428
Comp & Periph Equip	15	317,438	68,154	51,647	13,332	1,301	76,471	98,564	7,999
Computer Software	15	199,093	42,745	32,392	8,362	816	47,962	61,818	5,017
Comp Software Personal	15	3,861	829	628	162	16	930	1,199	97
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	465	100	76	20	2	112	145	12
Trans Equip Lt Duty Trks	15	78,098	16,768	12,707	3,280	320	18,814	24,250	1,968
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	25,387	5,451	4,130	1,066	104	6,116	7,883	640
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	1,524	327	248	64	6	367	473	38
Tools,Shop,Garage Equip	15	169,387	36,367	27,559	7,114	694	40,805	52,595	4,269
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	47,644	26,204	21,321	0	0	0	0	119
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	108,875	23,375	17,714	4,573	446	26,228	33,806	2,744
Comm Equip Non-Telephone	15	61,857	13,281	10,064	2,598	254	14,901	19,206	1,559
Comm Equip Telephone	15	1,146	246	187	48	5	276	356	29
Misc Equipment	15	258,566	55,514	42,069	10,860	1,060	62,288	80,285	6,516
Other Tangible Property	17	0	0	0	0	0	0	0	0

		Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service	
Total Utility Plant in Service		21,056,750	6,834,082	4,199,037	4,814,563	1,108,261	716,786	473,338	2,911,260
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	22,258	4,779	3,621	935	91	5,362	6,911	561
Materials and Supplies	15	177,874	38,190	28,940	7,471	729	42,850	55,230	4,482
Prepayments	15	22,447	4,819	3,652	943	92	5,407	6,970	566
OPEB's Contributed to External Fund	16	0	0	0	0	0	0	0	0
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:		0							
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	1,221,171	396,514	243,501	279,160	64,234	41,520	27,476	168,888
Pensions	16	326,574	91,277	71,846	8,622	784	68,972	79,259	5,878
		0							
Total Other Rate Base Elements		1,770,324	535,579	351,561	297,130	65,930	164,112	175,847	180,375
Total Original Cost Measure of Value		\$ 22,827,074	\$ 7,369,661	\$ 4,550,599	\$ 5,111,692	\$ 1,174,191	\$ 880,897	\$ 649,184	\$ 3,091,635

T&D OP BASIS FOR FACTOR 11	11,116	2,027	0	5,832	1,073	0	0	2,184
FACTOR 11		0.1822	0.0000	0.5247	0.0966	0.0000	0.0000	0.1965
T&D Mnt BASIS FOR FACTOR 12	72,793	1,781	0	5,126	0	62,367	0	3,519
FACTOR 12		0.0245	0.0000	0.0704	0.0000	0.8568	0.0000	0.0483
A&G BASIS FOR FACTOR 15	883,182	189,549	143,743	37,059	3,602	212,795	274,184	22,250
FACTOR 15		0.2147	0.1627	0.0420	0.0041	0.2409	0.3105	0.0252
LABOR BASIS FOR FACTOR 16	667,935	186,707	146,919	17,604	1,581	141,057	162,082	11,998
FACTOR 16		0.2795	0.2200	0.0264	0.0024	0.2112	0.2427	0.0180
UPIS BASIS FOR FACTOR 17	21,050,039	6,831,903	4,197,699	4,813,029	1,107,908	716,558	473,187	2,910,332
FACTOR 17		0.3247	0.1994	0.2286	0.0526	0.0340	0.0225	0.1383
RATE BASE BASIS FOR FACTOR 18	22,827,074	7,369,661	4,550,599	5,111,692	1,174,191	880,897	649,184	3,091,635
FACTOR 18		0.3228	0.1994	0.2239	0.0514	0.0386	0.0284	0.1354
TOTAL COS BASIS FOR FACTOR 19	4,872,609	1,570,071	741,324	450,622	101,692	573,413	1,152,002	283,546
FACTOR 19		0.3222	0.1521	0.0925	0.0209	0.1177	0.2364	0.0582
TOTAL COS BASIS FOR FACTOR 20	2,762,018	1,570,071	741,324	450,622	0	0	0	0
FACTOR 20		0.5685	0.2684	0.1631	0.0000	0.0000	0.0000	0.0000

	2	4	6	8	10	12	14
	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
1	0.9955	-	-	-	-	-	0.0045
2	0.5500	0.4475	-	-	-	-	0.0025
3	0.5121	0.4167	-	-	-	-	0.0712
4	0.2017	-	0.5808	-	-	-	0.2175
5	0.2112	-	0.6079	-	-	-	0.1809
6	0.5427	0.4415	-	-	-	-	0.0160
7	0.2018	-	0.5807	-	-	-	0.2175

	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
8	-	-	-	-	-	-	1.0000
9	-	-	-	1.0000	-	-	-
10	-	-	-	-	0.9750	-	0.0250
11	0.1822	-	0.5247	0.0966	-	-	0.1965
12	0.0245	-	0.0704	-	0.8568	-	0.0483
13	-	-	-	-	-	0.9905	0.0095
14	-	-	-	-	-	1.0000	-
15	0.2147	0.1627	0.0420	0.0041	0.2409	0.3105	0.0252
16	0.2795	0.2200	0.0264	0.0024	0.2112	0.2427	0.0180
17	0.3247	0.1994	0.2286	0.0526	0.0340	0.0225	0.1383
18	0.3228	0.1994	0.2239	0.0514	0.0386	0.0284	0.1354
19	0.3222	0.1521	0.0925	0.0209	0.1177	0.2364	0.0582
20	0.5685	0.2684	0.1631	-	-	-	-

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.

ALLOCATION OF COSTS THAT VARY WITH THE AMT OF WATER CONSUMED

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	1,969	0.4616
Commercial	1,618	0.3794
Industrial	324	0.0760
Other Public Authority	335	0.0786
Sales for Resale	0	0.0000
Private Fire Protection	3	0.0007
Public Fire Protection	16	0.0038
Total	4,265	1.0001

FACTOR 2.

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS**

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.5525	(4)	(5)=(4)x 0.4475	(6)=(3)+(5)
Residential	0.4616	0.2550	0.5506	0.2463	0.5013
Commercial	0.3794	0.2096	0.3337	0.1493	0.3589
Industrial	0.0760	0.0420	0.0453	0.0203	0.0623
Other Public Authority	0.0786	0.0434	0.0703	0.0315	0.0749
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0007	0.0004			0.0004
Public Fire Protection	0.0038	0.0021			0.0021
Total	1.0001	0.5525	0.9999	0.4474	0.9999

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

**FACTOR 2. MAX DAY CLASS ALLOCATION AND MAX DAY TO AVERAGE DAY
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.**

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	1,969	1.00	1,969	0.5506
Commercial	1,591	0.75	1,193	0.3337
Industrial	324	0.50	162	0.0453
Other Public Authority	335	0.75	251	0.0703
Sales for Resale	0	0.90	0	0.0000
Total	4,219		3,575	0.9999

The weighting of the factors is based on the maximum day ratio of 1.81 based on a review of maximum day ratios experienced during the period 1999 through 2006 (see Schedule D & DR #110).

	Maximum Day Ratio	Weight
Average Day	1.00	0.5525
Maximum Day Extra Capacity	0.81	0.4475
Total	1.81	1.0000

* Ratio of maximum day to average day minus 1.0.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.5145	(4)	(5)=(4) X 0.4167	(6)	(7)=(6) X 0.0688	(8)=(3)+(5)+(7)
Residential	0.4616	0.2374	0.5506	0.2293			0.4667
Commercial	0.3794	0.1952	0.3337	0.1391			0.3343
Industrial	0.0760	0.0391	0.0453	0.0189			0.0580
Other Public Authority	0.0786	0.0404	0.0703	0.0293			0.0697
Sales for Resale	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.0007	0.0004			0.1333	0.0092	0.0096
Public Fire Protection	0.0038	0.0020			0.8667	0.0596	0.0616
Total	<u>1.0001</u>	<u>0.5145</u>	<u>0.9999</u>	<u>0.4166</u>	<u>1.0000</u>	<u>0.0688</u>	<u>0.9999</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. Continued

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.81 and the average daily system sendout for 2006 of 4.17 MGD. The system demand for fire protection is 3,000 Gallons per minute for 3 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	4,040,000	0.5145
Maximum Day Extra Capacity	<u>0.81</u>	<u>3,272,400</u>	<u>0.4167</u>
Subtotal	<u><u>1.81</u></u>	7,312,400	0.9312
Fire Protection		<u>540,000</u>	<u>0.0688</u>
Total		<u><u>7,852,400</u></u>	<u><u>1.0000</u></u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2026	(5)	(6)=(5) X 0.5807	(7)	(8)=(7) X 0.2166	(9)=(4)+(6)+(8)
Residential	82.0	0.4616	0.0935	0.5696	0.3308			0.4244
Commercial	67.4	0.3794	0.0769	0.3288	0.1909			0.2678
Industrial	13.5	0.0760	0.0154	0.0321	0.0186			0.0340
Other Public Authority	14.0	0.0786	0.0159	0.0693	0.0402			0.0561
Sales for Resale	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.1	0.0007	0.0001			0.1333	0.0289	0.0290
Public Fire Protection	0.7	0.0038	0.0008			0.8667	0.1877	0.1885
Total	177.7	1.0001	0.2026	0.9998	0.5805	1.0000	0.2166	0.9998

The maximum hour extra capacity factors in column 5 are determined as follows:

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. Continued

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.87 and the average daily system sendout for 2006 of 4.04 MGD. The system demand for fire protection is 3,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	2,806	0.2026
Maximum Hour Extra Capacity	2.87	8,043	0.5807
Subtotal	3.87	10,849	0.7833
Fire Protection		3,000	0.2166
Total		13,849	0.9999

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	82.0	3.5	287.1	0.5696
Commercial	66.3	2.5	165.7	0.3288
Industrial	13.5	1.2	16.2	0.0321
Other Public Authority	14.0	2.5	34.9	0.0693
Sales for Resale	0.0	3.2	0.0	0.0000
Total	175.8		504.0	0.9998

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2121	(5)	(6)=(5) X 0.6079	(7)	(8)=(7) X 0.1800	(9)=(4)+(6)+(8)
Residential	82.0	0.4616	0.0979	0.5696	0.3464			0.4443
Commercial	67.4	0.3794	0.0805	0.3288	0.1999			0.2804
Industrial	13.5	0.0760	0.0161	0.0321	0.0195			0.0356
Other Public Authority	14.0	0.0786	0.0167	0.0693	0.0421			0.0588
Sales for Resale	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.1	0.0007	0.0001			0.1333	0.0240	0.0241
Public Fire Protection	0.7	0.0038	0.0008			0.8667	0.1560	0.1568
Total	177.7	1.0001	0.2121	0.9998	0.6079	1.0000	0.1800	1.0000

The weighting of the factors is based on the ratio of the capacity required for a 3 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. Continued

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 3 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{3,000 \text{ GPM} \times 60 \text{ Min.} \times 3 \text{ Hrs.}}{3,000,000 \text{ Gallons}} = 0.1800$$

$$\text{General Service Weight} = 1.0000 - 0.1800 = 0.8200$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	25.86	0.2121
Extra Capacity Maximum Hour	<u>2.87</u>	<u>74.14</u>	<u>0.6079</u>
Total	<u><u>3.87</u></u>	<u><u>100.00</u></u>	<u><u>0.8200</u></u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.8042	(4)	(5)=(4)X 0.1958	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Residential	0.5013	0.4032	0.4667	0.0915	0.4244	0.0000	0.4947
Commercial	0.3589	0.2886	0.3343	0.0655	0.2678	0.0000	0.3541
Industrial	0.0623	0.0501	0.0580	0.0114	0.0340	0.0000	0.0615
Other Public Authority	0.0749	0.0602	0.0697	0.0136	0.0561	0.0000	0.0738
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0004	0.0003	0.0096	0.0019	0.0290	0.0000	0.0022
Public Fire Protection	0.0021	0.0017	0.0616	0.0121	0.1885	0.0000	0.0138
Total	0.9999	0.8041	0.9999	0.1960	0.9998	0.0000	1.0001

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	<u>Horsepower of Pumps</u>	<u>Weight</u>
Associated with Maximum Day	1,160	0.8042
Associated with Maximum Day and Fire	283	0.1958
Associated with Maximum Hour	0	0.0000
Total	1,443	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.

ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)=(3)+(5)
Residential	0.4668	0.0000	0.4244	0.4244	0.4244
Commercial	0.3343	0.0000	0.2678	0.2678	0.2678
Industrial	0.0580	0.0000	0.0340	0.0340	0.0340
Other Public Authority	0.0697	0.0000	0.0561	0.0561	0.0561
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0096	0.0000	0.0290	0.0290	0.0290
Public Fire Protection	0.0616	0.0000	0.1885	0.1885	0.1885
Total	1.0000	0.0000	0.9998	0.9998	0.9998

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains	114,360	0.0000
Distribution Mains	644,570	0.0000
Total	758,930	1.0000

NO FUNCTIONALIZATION PERFORMED
ASSIGN ALL WEIGHTING TO MAX HOUR

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.

ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

Customer Classification (1)	Allocation Factor (3)
Public Fire Protection	1.0000
Total	1.0000

FACTOR 9.

ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential	9,300	0.3711
Commercial	2,643	0.1054
Industrial	863	0.0344
Other Public Authority	12,258	0.4891
Sales for Resale	0	0.0000
Private Fire	0	0.0000
Total	25,064	1.0000

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.

ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	8,993	0.5444
Commercial	1,687	0.1021
Industrial	229	0.0139
Other Public Authority	5,201	0.3148
Sales for Resale	0	0.0000
Private Fire Protection	412	0.0250
Total	16,523	1.0002

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.

**ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION
SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.**

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 4,661	0.4193
Commercial	2,803	0.2522
Industrial	378	0.0340
Other Public Authority	1,088	0.0979
Sales for Resale	-	0.0000
Private Fire Protection	291	0.0262
Public Fire Protection	1,893	0.1703
Total	<u>11,114</u>	<u>1.0000</u>

FACTOR 12.

**ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.**

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 38,569	0.5298
Commercial	8,895	0.1222
Industrial	1,189	0.0163
Other Public Authority	20,632	0.2834
Sales for Resale	-	0.0000
Private Fire Protection	1,855	0.0255
Public Fire Protection	1,664	0.0229
Total	<u>\$72,804</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.

ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	8,962	0.6428
Commercial	1,417	0.1016
Industrial	132	0.0095
Other Public Authority	3,302	0.2368
Sales for Resale	0	0.0000
Private Fire Protection	132	0.0095
Public Fire Protection	0	0.0000
Total	13,945	1.0002

FACTOR 14.

ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	8,962	0.6487
Commercial	1,417	0.1026
Industrial	132	0.0096
Other Public Authority	3,302	0.2391
Sales for Resale	0	0.0000
Total	13,813	1.0000

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.

**ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$486,171	0.5506
Commercial	183,164	0.2074
Industrial	27,962	0.0317
Other Public Authority	163,650	0.1853
Sales for Resale	0	0.0000
Private Fire Protection	9,555	0.0108
Public Fire Protection	12,713	0.0144
Total	<u>\$883,214</u>	<u>1.0002</u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.

ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$361,976	0.5418
Commercial	157,518	0.2358
Industrial	25,107	0.0376
Other Public Authority	111,355	0.1667
Sales for Resale	0	0.0000
Private Fire Protection	5,596	0.0084
Public Fire Protection	6,408	0.0096
Total	<u>\$667,961</u>	<u>0.9999</u>

FACTOR 17.

**ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$9,338,517	0.4436
Commercial	5,826,771	0.2768
Industrial	919,183	0.0437
Other Public Authority	2,053,724	0.0976
Sales for Resale	0	0.0000
Private Fire Protection	273,838	0.0130
Public Fire Protection	2,636,494	0.1253
Total	<u>\$21,048,527</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.

ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$10,182,572	0.4461
Commercial	6,289,817	0.2756
Industrial	992,176	0.0435
Other Public Authority	2,269,249	0.0994
Sales for Resale	0	0.0000
Private Fire Protection	294,948	0.0129
Public Fire Protection	2,796,565	0.1225
Total	\$22,825,328	1.0000

FACTOR 19.

**ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND
OTHER WATER REVENUES.**

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$2,498,218	0.5128
Commercial	1,182,684	0.2427
Industrial	190,743	0.0391
Other Public Authority	717,523	0.1473
Sales for Resale	0	0.0000
Private Fire Protection	48,309	0.0099
Public Fire Protection	235,255	0.0483
Total	\$4,872,731	1.0001

MISSOURI-AMERICAN WATER COMPANY

JEFFERSON CITY DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Interruptible		Total	
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	8,096.94	8,096.94	853.87	853.87	36.00	36.00	661.40	661.40	0.00	0.00	9,648.21	9,648.21
3/4	1.3	729.32	948.11	59.32	77.11	0.00	0.00	59.33	77.13	0.00	0.00	847.97	1,102.36
1	1.7	125.64	213.59	269.94	458.90	24.00	40.80	800.87	1,361.47	0.00	0.00	1,220.45	2,074.76
1-1/2	3.5	2.32	8.12	68.69	240.42	0.00	0.00	460.56	1,611.98	0.00	0.00	531.58	1,860.52
2	4.3	7.78	33.45	149.92	644.64	48.00	206.40	1,150.27	4,946.15	0.00	0.00	1,355.96	5,830.64
3	19.0	0.00	0.00	9.28	176.38	12.00	228.00	134.00	2,546.00	0.00	0.00	155.28	2,950.38
4	29.3	0.00	0.00	4.91	143.81	12.00	351.60	35.97	1,053.82	0.00	0.00	52.87	1,549.23
6	48.4	0.00	0.00	0.98	47.59	0.00	0.00	0.00	0.00	0.00	0.00	0.98	47.59
8	112.9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		<u>8,962.00</u>	<u>9,300.22</u>	<u>1,416.91</u>	<u>2,642.73</u>	<u>132.00</u>	<u>862.80</u>	<u>3,302.40</u>	<u>12,257.95</u>	<u>0.00</u>	<u>0.00</u>	<u>13,813.31</u>	<u>25,063.70</u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services	Weighting (4)=(2)X(3)	Number of Services	Weighting (6)=(2)X(5)	Number of Services	Weighting (8)=(2)X(7)	Number of Services	Weighting (10)=(2)X(9)	Number of Services	Weighting (12)=(2)X(11)	Number of Services	Weighting (14)=(2)X(11)	Number of Services	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	8,826.26	8,826.26	913.18	913.18	36.00	36.00	720.74	720.74	0.00	0.00	0.00	0.00	10,496.18	10,496.18
1	1.17	125.64	147.00	269.94	315.83	24.00	28.08	800.87	937.01	0.00	0.00	0.00	0.00	1,220.45	1,427.92
1-1/2	1.58	2.32	3.67	68.69	108.53	0.00	0.00	460.56	727.69	0.00	0.00	0.00	0.00	531.58	839.89
2	2.04	7.78	15.87	149.92	305.83	48.00	97.92	1,150.27	2,346.54	0.00	0.00	9.00	18.36	1,364.96	2,784.52
3	2.73	0.00	0.00	9.28	25.34	12.00	32.76	134.00	365.82	0.00	0.00	1.00	2.73	156.28	426.65
4	2.88	0.00	0.00	4.91	14.14	12.00	34.56	35.97	103.58	0.00	0.00	22.00	63.36	74.87	215.64
6	4.24	0.00	0.00	0.98	4.17	0.00	0.00	0.00	0.00	0.00	0.00	41.00	173.84	41.98	178.01
8	6.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.00	125.64	18.00	125.64
10	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	28.50	3.00	28.50
12	12.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		<u>8,962.00</u>	<u>8,992.79</u>	<u>1,416.91</u>	<u>1,687.03</u>	<u>132.00</u>	<u>229.32</u>	<u>3,302.40</u>	<u>5,201.39</u>	<u>0.00</u>	<u>0.00</u>	<u>94.00</u>	<u>412.43</u>	<u>13,907.31</u>	<u>16,522.96</u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	9	36	
3 -inch	9.00	1	9	
4 -inch	16.00	22	352	
6 -inch	36.00	41	1,476	
8 -inch	64.00	18	1,152	
10 -inch	100.00	3	300	
12 -inch	144.00	0	0	
Private Hydrants	32.75	38	1,245	
Total Private Fire Protection		132	4,570	0.1333
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	906	29,672
2 -inch Fire Line		4.00	12	48
4 -inch Fire Line		16.00	0	0
Total Public Fire Protection		918	29,720	0.8667
Total Fire Protection		1,050	34,290	1.0000

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

PSC STAFF STUDY

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B)	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential	\$ 5,048,782	49.5%	\$ 3,930,227	54.1%	\$ 5,535,079	51.8%	\$ 1,604,852	40.8%
Commercial	2,289,078	22.3%	\$ 1,702,657	23.4%	\$ 2,289,079	21.4%	586,422	34.4%
Industrial	2,054,663	20.1%	\$ 1,247,047	17.1%	\$ 2,054,664	19.2%	807,617	64.8%
Public Authority	250,503	2.5%	\$ 191,497	2.6%	\$ 250,503	2.3%	59,006	30.8%
Sales for Resale	400,794	3.9%	\$ 201,703	2.8%	\$ 400,795	3.8%	199,092	98.7%
Private Fire Service	153,777	1.5%	\$ -	0.0%	\$ 153,778	1.3%	153,778	
Public Fire Service	-	0.0%	-	0.0%	-	0.0%	-	-
Total Sales	10,197,599	<u>99.8%</u>	7,273,131	<u>100.0%</u>	10,683,898	<u>99.8%</u>	3,410,767	46.9%
Other Revenues	<u>243,148</u>		<u>243,148</u>		<u>243,148</u>		-	0.0%
Total	<u>\$ 10,440,747</u>		<u>\$ 7,516,279</u>		<u>\$ 10,927,046</u>		<u>\$ 3,410,767</u>	45.4%

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Joplin

Case No. WR-2007-0216

STAFF - JOPLIN

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Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	1,273,254	\$3,930,227	1,273,254	\$5,535,079	\$1,604,852	40.83%
5	Commercial	982,569	1,702,657	982,569	2,289,079	586,422	34.44%
6	Industrial	1,508,197	1,247,047	1,508,197	2,054,664	807,617	64.76%
7	Other Public Authority	112,206	191,497	112,206	250,503	59,006	30.81%
8	Other Water Utilities	206,096	201,703	206,096	400,795	199,092	98.71%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	244,598	0	153,778	(90,820)	-37.13%
11	Public Fire	0	0	0	0	0	0.00%
12	Total	<u>4,082,322</u>	<u>7,517,729</u>	<u>4,082,322</u>	<u>10,683,898</u>	<u>\$3,166,169</u>	<u>42.12%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Other Revenues		243,148		243,148	0	0.00%
18	Returned Check Charge		0		0	0	0.00%
19	Application Fee		0		0	0	0.00%
20	Miscellaneous Other Revenue		0		0	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22							
23							
24			<u>\$7,760,877</u>		<u>\$10,927,046</u>	<u>3,166,169</u>	<u>40.80%</u>
25							
26							
27							
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29							
30							
31							
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33							
34							
35							
36							
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39							
40							

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Joplin

Case No. WR-2007-0216

STAFF - JOPLIN

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Residential:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	217,553		\$7.08	\$1,540,272	217,553		\$ 9.55	\$2,077,886	\$537,614	34.90%
5	3/4" Monthly	0		\$9.06	0	0		\$ 10.29	0	0	0.00%
6	1" Monthly	26,821		\$12.84	344,380	26,821		\$ 11.65	312,381	(31,999)	-9.29%
7	1-1/2" Monthly	24		\$22.33	546	24		\$ 16.98	415	(131)	-23.99%
8	2" Monthly	318		\$33.71	10,724	318		\$ 19.94	6,344	(4,380)	-40.84%
9	3" Monthly	0		\$60.24	0	0		\$ 57.78	0	0	0.00%
10	4" Monthly	0		\$98.15	0	0		\$ 83.57	0	0	0.00%
11	6" Monthly	0		\$192.93	0	0		\$ 133.72	0	0	0.00%
12	8" Monthly	0		\$306.65	0	0		\$ 299.12	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		1,242,314	\$1.6150	2,006,337		1,242,314	\$2.4646	3,061,798	1,055,461	52.61%
19	Second Block		30,813	\$0.9048	27,879		30,813	2.4646	75,941	48,062	172.39%
20	Third Block		127	\$0.6983	89		127	2.4646	314	225	252.81%
21	Fourth Block		0	\$0.4701	0		0	2.4646	0	0	0.00%
22											
23											
24	Total		<u>1,273,254</u>		<u>\$3,930,227</u>		<u>1,273,254</u>		<u>\$5,535,079</u>	<u>\$1,604,852</u>	<u>40.83%</u>
25											
26											
27											
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29											
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31											
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35											
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40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Joplin

Case No. WR-2007-0216

STAFF - JOPLIN

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Commercial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	24,946		\$7.08	\$176,617	24,946		\$ 9.55	\$238,264	\$61,647	34.90%
5	3/4" Monthly	56		\$9.06	510	56		\$ 10.29	579	69	13.53%
6	1" Monthly	7,587		\$12.84	97,422	7,587		\$ 11.65	88,369	(9,053)	-9.29%
7	1-1/2" Monthly	191		\$22.33	4,273	191		\$ 16.98	3,249	(1,024)	-23.96%
8	2" Monthly	4,510		\$33.71	152,045	4,510		\$ 19.94	89,949	(62,096)	-40.84%
9	3" Monthly	0		\$60.24	0	0		\$ 57.78	0	0	0.00%
10	4" Monthly	161		\$98.15	15,837	161		\$ 83.57	13,485	(2,352)	-14.85%
11	6" Monthly	60		\$192.93	11,583	60		\$ 133.72	8,029	(3,554)	-30.68%
12	8" Monthly	11		\$306.65	3,452	11		\$ 299.12	3,367	(85)	-2.46%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		521,941	\$1.6057	838,080		521,941	\$1.8765	979,420	141,340	16.86%
19	Second Block		413,760	\$0.8996	372,218		413,760	1.8765	776,419	404,201	108.59%
20	Third Block		38,418	\$0.6942	26,670		38,418	1.8765	72,092	45,422	170.31%
21	Fourth Block		8,450	\$0.4675	3,950		8,450	1.8765	15,857	11,907	301.44%
22											
23											
24	Total		982,569		\$1,702,657		982,569		\$2,289,079	\$586,422	34.44%
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Joplin

Case No. WR-2007-0216

STAFF - JOPLIN

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Industrial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	94		\$7.08	\$666	94		\$ 9.55	\$899	\$233	34.98%
5	3/4" Monthly	0		\$9.06	0	0		\$ 10.29	0	0	0.00%
6	1" Monthly	172		\$12.84	2,208	172		\$ 11.65	2,003	(205)	-9.28%
7	1-1/2" Monthly	0		\$22.33	0	0		\$ 16.98	0	0	0.00%
8	2" Monthly	398		\$33.71	13,417	398		\$ 19.94	7,937	(5,480)	-40.84%
9	3" Monthly	0		\$60.24	0	0		\$ 57.78	0	0	0.00%
10	4" Monthly	189		\$98.15	18,550	189		\$ 83.57	15,795	(2,755)	-14.85%
11	6" Monthly	58		\$192.93	11,190	58		\$ 133.72	7,756	(3,434)	-30.69%
12	8" Monthly	12		\$306.65	3,680	12		\$ 299.12	3,589	(91)	-2.47%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		47,719	\$2.0073	95,786		47,719	\$1.3371	63,808	(31,978)	-33.38%
19	Second Block		325,759	\$1.1245	366,316		325,759	1.3371	435,588	69,272	18.91%
20	Third Block		254,425	\$0.8678	220,790		254,425	1.3371	340,205	119,415	54.09%
21	Fourth Block		880,294	\$0.5844	514,444		880,294	1.3371	1,177,084	662,640	128.81%
22											
23											
24	Total		1,508,197		\$1,247,047		1,508,197		\$2,054,664	\$807,617	64.76%
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Joplin

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Public Authority:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	434		\$7.08	\$3,072	434		\$ 9.55	\$4,145	\$1,073	34.93%
5	3/4" Monthly	0		\$9.06	0	0		\$ 10.29	0	0	0.00%
6	1" Monthly	515		\$12.84	6,616	515		\$ 11.65	6,001	(615)	-9.30%
7	1-1/2" Monthly	25		\$22.33	558	25		\$ 16.98	424	(134)	-24.01%
8	2" Monthly	610		\$33.71	20,565	610		\$ 19.94	12,166	(8,399)	-40.84%
9	3" Monthly	0		\$60.24	0	0		\$ 57.78	0	0	0.00%
10	4" Monthly	48		\$98.15	4,692	48		\$ 83.57	3,995	(697)	-14.86%
11	6" Monthly	0		\$192.93	0	0		\$ 133.72	0	0	0.00%
12	8" Monthly	48		\$306.65	14,719	48		\$ 299.12	14,358	(361)	-2.45%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		41,144	\$1.7459	71,834		41,144	\$1.8663	76,789	4,955	6.90%
19	Second Block		70,806	\$0.9780	69,248		70,806	1.8663	132,148	62,900	90.83%
20	Third Block		256	\$0.7547	193		256	1.8663	477	284	147.15%
21	Fourth Block		0	\$0.5082	0		0	1.8663	0	0	0.00%
22											
23											
24	Total		112,206		\$191,497		112,206		\$250,503	\$59,006	30.81%
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Joplin

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Water Utilities:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 9.55	\$0	\$0	0.00%
5	3/4" Monthly	0		\$9.06	0	0		\$ 10.29	0	0	0.00%
6	1" Monthly	12		\$12.84	154	12		\$ 11.65	140	(14)	-9.09%
7	1-1/2" Monthly	0		\$22.33	0	0		\$ 16.98	0	0	0.00%
8	2" Monthly	12		\$33.71	405	12		\$ 19.94	239	(166)	-40.99%
9	3" Monthly	0		\$60.24	0	0		\$ 57.78	0	0	0.00%
10	4" Monthly	0		\$98.15	0	0		\$ 83.57	0	0	0.00%
11	6" Monthly	24		\$192.93	4,630	24		\$ 133.72	3,209	(1,421)	-30.69%
12	8" Monthly	24		\$306.65	7,360	24		\$ 299.12	7,179	(181)	-2.46%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		2,999	\$2.2033	6,607		2,999	\$1.8925	5,675	(932)	-14.11%
19	Second Block		50,303	\$1.2343	62,088		50,303	1.8925	95,195	33,107	53.32%
20	Third Block		72,157	\$0.9525	68,729		72,157	1.8925	136,553	67,824	98.68%
21	Fourth Block		80,639	\$0.6415	51,730		80,639	1.8925	152,605	100,875	195.00%
22											
23											
24	Total		<u>206,096</u>		<u>\$201,703</u>		<u>206,096</u>		<u>\$400,795</u>	<u>\$199,092</u>	<u>98.71%</u>
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Joplin

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Miscellaneous:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$0.00	\$0	0		\$ 9.55	\$0	\$0	0.00%
5	3/4" Monthly	0		0.00	0	0		\$ 10.29	0	0	0.00%
6	1" Monthly	0		0.00	0	0		\$ 11.65	0	0	0.00%
7	1-1/2" Monthly	0		0.00	0	0		\$ 16.98	0	0	0.00%
8	2" Monthly	0		0.00	0	0		\$ 19.94	0	0	0.00%
9	3" Monthly	0		0.00	0	0		\$ 57.78	0	0	0.00%
10	4" Monthly	0		0.00	0	0		\$ 83.57	0	0	0.00%
11	6" Monthly	0		0.00	0	0		\$ 133.72	0	0	0.00%
12	8" Monthly	0		0.00	0	0		\$ 299.12	0	0	0.00%
13	10" Monthly	0		0.00	0	0		0.00	0	0	0.00%
14	12" Monthly	0		0.00	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		0	\$0.0000	0		0	\$0.0000	0	0	0.00%
19	Second Block		0	0.0000	0		0	0.0000	0	0	0.00%
20	Third Block		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fourth Block		0	0.0000	0		0	0.0000	0	0	0.00%
22											
23											
24	Total		<u>0</u>		<u>\$0</u>		<u>0</u>		<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Joplin

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Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	Private Fire Service:							
3								
4	Private Fire Hydrant	5	\$669.24	\$3,346	420.75	\$2,104	(\$1,242)	-37.12%
5								
6	2"	6	95.88	575	60.28	362	(213)	-37.04%
7								
8	3"	0	164.76	0	103.58	0	0	0.00%
9								
10	4"	49	261.48	12,813	164.39	8,055	(4,758)	-37.13%
11								
12	6"	190	536.28	101,893	337.16	64,060	(37,833)	-37.13%
13								
14	8"	117	922.68	107,954	580.08	67,870	(40,084)	-37.13%
15								
16	10"	7	1,418.28	9,928	891.66	6,242	(3,686)	-37.13%
17								
18	12"	4	2,022.24	8,089	1,271.37	5,085	(3,004)	-37.14%
19								
20								
21								
22	Total	378		\$244,598		\$153,778	(\$90,820)	-37.13%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	0	0.00	0	0.00	0	0	0.00%
29								
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MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	18,241	6,328	4,380	5,945	500	981	24	82
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		18,241	6,328	4,380	5,945	500	981	24	82
Misc Exp Oper SS	2	277,757	96,354	66,689	90,521	7,611	14,943	361	1,250
Misc Exp Oper SS	2	2,548	884	612	831	70	137	3	11
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infiltr Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	11,202	3,886	2,690	3,651	307	603	15	50
Misc Plant Maint SS	2	2,307	800	554	752	63	124	3	10
TOTAL SS EXPENSE - MAINTENANCE		293,814	101,924	70,545	95,754	8,051	15,807	382	1,322
TOTAL SS EXPENSE		312,055	108,252	74,924	101,699	8,550	16,789	406	1,404
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	48,374	16,810	11,586	15,373	1,325	2,607	135	522
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	320,743	99,174	76,529	117,456	8,724	16,037	609	2,181
Labor & Exp Oper Pump	6	220,085	76,479	52,710	69,943	6,030	11,863	616	2,377
Labor & Exp Oper Pump	6	721	251	173	229	20	39	2	8
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	4,898	1,702	1,173	1,557	134	264	14	53
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		594,821	194,416	142,171	204,558	16,234	30,810	1,377	5,141

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
Super & Eng Maint P	6	27,950	9,713	6,694	8,882	766	1,507	78	302
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	32,567	11,317	7,800	10,350	892	1,755	91	352
Pump Equip Maint P	6	9,718	3,377	2,327	3,088	266	524	27	105
TOTAL PUMPING EXPENSES - MAINTENANCE		70,235	24,407	16,821	22,321	1,924	3,786	197	759
TOTAL PUMPING EXPENSES		665,056	218,823	158,992	226,879	18,158	34,596	1,573	5,900
WATER TREATMENT									
Super & Eng Oper WT	2	20,633	7,158	4,954	6,724	565	1,110	27	93
Chemicals	1	461,139	142,584	110,028	168,869	12,543	23,057	876	3,136
Labor & Exp Oper WT	2	64,929	22,524	15,589	21,160	1,779	3,493	84	292
Labor & Exp Oper WT	2	8,651	3,001	2,077	2,819	237	465	11	39
Misc Exp Oper WT	2	62,883	21,814	15,098	20,494	1,723	3,383	82	283
Misc Exp Oper WT	1	505	156	120	185	14	25	1	3
Misc Exp Oper WT	2	18,386	6,378	4,415	5,992	504	989	24	83
Rents Oper WT	2	1	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		637,127	203,615	152,282	226,244	17,365	32,523	1,105	3,929
Super & Eng Maint WT	2	40,921	14,195	9,825	13,336	1,121	2,202	53	184
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	16,863	5,850	4,049	5,496	462	907	22	76
TOTAL WT EXPENSE - MAINTENANCE		57,784	20,045	13,874	18,832	1,583	3,109	75	260
TOTAL WT EXPENSE		694,911	223,661	166,156	245,076	18,948	35,632	1,180	4,189
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	13,576	8,573	2,710	734	384	338	191	643
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	172	58	35	36	4	9	6	24
TD Lines Exp	7	65,100	24,764	15,344	6,888	1,751	3,769	2,480	10,097
TD Lines Exp	7	17,051	6,486	4,019	1,804	459	987	650	2,645
Meter Expense	9	169,104	124,968	31,589	5,564	5,124	1,860	0	0
Meter Expense	9	5,882	4,347	1,099	194	178	65	0	0
Customer Install Exp	10	11,893	9,372	1,659	75	105	12	671	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	7,442	4,700	1,485	403	211	185	105	353

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
Misc Exp Oper TD	11	1,119	707	223	61	32	28	16	53
Misc Exp Oper TD	11	21,374	13,498	4,266	1,156	605	532	301	1,013
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		312,713	197,471	62,430	16,914	8,852	7,785	4,420	14,828
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	78	26	14	6	2	3	2	25
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	88,682	33,735	20,902	9,383	2,386	5,135	3,379	13,755
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	5,281	4,161	737	33	46	5	298	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	5,738	4,240	1,072	189	174	63	0	0
Meters Maint TD	9	935	691	175	31	28	10	0	0
Hydrants Maint TD	8	28,209	0	0	0	0	0	0	28,209
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	0	0	0	0	0	0	0	0
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	25,563	8,494	4,540	1,912	521	1,035	729	8,326
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		154,485	51,347	27,439	11,553	3,157	6,252	4,407	50,315
TOTAL T & D EXPENSE		467,197	248,819	89,869	28,467	12,009	14,037	8,828	65,143
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	154,006	132,275	20,283	493	909	46	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(33)	(28)	(4)	(0)	(0)	(0)	0	0
Cust Rec & Collection CA	13	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	116,731	99,023	15,187	374	677	23	1,424	0
Uncollectible Accts	13	146,633	124,389	19,077	469	850	29	1,789	0
Misc Cust Accts Exp CA	13	11,969	10,153	1,557	38	69	2	146	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	15,409	13,071	2,005	49	89	3	188	0
Cust Serv & Info Exp CA	13	(5)	(4)	(1)	(0)	(0)	(0)	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		444,710	378,879	58,103	1,423	2,595	104	3,547	0

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	252,756	131,408	50,703	44,485	5,460	8,695	1,971	10,009
Other Supplies & Exp AG	15	1,645	855	330	289	36	57	13	65
Other Supplies & Exp AG	15	1,570	816	315	276	34	54	12	62
Other Supplies & Exp AG	15	88,457	45,989	17,745	15,568	1,911	3,043	690	3,503
Mgmt Fees-Coporate/Shared Service Center	15	519,909	270,301	104,294	91,504	11,230	17,885	4,055	20,588
Mgmt Fees-Call Center	13	350,650	297,456	45,620	1,122	2,034	70	4,278	0
Mgmt Fees-Belleville Lab	2	44,168	15,322	10,605	14,394	1,210	2,376	57	199
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	561,660	292,007	112,669	98,852	12,132	19,321	4,381	22,242
Outside Services AG	15	92,847	48,271	18,625	16,341	2,005	3,194	724	3,677
Outside Services AG	15	39,046	20,300	7,833	6,872	843	1,343	305	1,546
Outside Services AG	15	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Property Insurance	15	(18,132)	(9,427)	(3,637)	(3,191)	(392)	(624)	(141)	(718)
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	260,346	132,230	52,850	44,259	5,988	9,190	2,109	13,668
Employee Pension & Benefits	16	329,240	167,221	66,836	55,971	7,573	11,622	2,667	17,285
Employee Pension & Benefits	16	64,522	32,771	13,098	10,969	1,484	2,278	523	3,387
Employee Pension & Benefits	16	181,553	92,211	36,855	30,864	4,176	6,409	1,471	9,532
Reg Commision Exp	15	9,246	4,807	1,855	1,627	200	318	72	366
Rents AG	15	33,195	17,258	6,659	5,842	717	1,142	259	1,315
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	110,501	57,449	22,166	19,448	2,387	3,801	862	4,376
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		2,923,179	1,617,245	565,419	455,494	59,026	90,174	24,307	111,102
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	18,930	9,842	3,797	3,332	409	651	148	750
TOTAL A & G EXPENSE - MAINTENANCE		18,930	9,842	3,797	3,332	409	651	148	750
TOTAL A & G EXPENSE		2,942,109	1,627,087	569,216	458,826	59,435	90,825	24,455	111,852
Total Operation & Maintenance Expenses		5,526,038	2,805,520	1,117,261	1,062,369	119,696	191,983	39,989	188,487

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
DEPRECIATION EXPENSE									
Struct & Imp SS	2	55,068	19,103	13,222	17,947	1,509	2,963	72	248
Struct & Imp P	6	9,044	3,143	2,166	2,874	248	487	25	98
Struct & Imp WT	2	13,489	4,679	3,239	4,396	370	726	18	61
Struct & Imp TD	7	11,174	4,251	2,634	1,182	301	647	426	1,733
Struct & Imp Offices	15	290	151	58	51	6	10	2	11
Struct & Imp Store,Shop,Gar	15	805	419	162	142	17	28	6	32
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	1,386	429	331	508	38	69	3	9
Lake, River & Other Intakes	2	932	323	224	304	26	50	1	4
Wells & Springs	2	61,895	21,472	14,861	20,172	1,696	3,330	80	279
Supply Mains	2	5,489	1,904	1,318	1,789	150	295	7	25
Power Generation Equip Othe	6	1,387	482	332	441	38	75	4	15
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	58,365	20,282	13,978	18,548	1,599	3,146	163	630
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	66,423	23,042	15,948	21,647	1,820	3,574	86	299
WT Equip Filter Media	2	5,064	1,757	1,216	1,650	139	272	7	23
Dist Reservoirs & Standpipe	5	55,358	18,528	11,376	11,636	1,295	2,812	1,915	7,783
Elevated Tanks & Standpipes	5	61,948	20,734	12,730	13,021	1,450	3,147	2,143	8,710
Ground Level Facilities	5	80	27	17	17	2	4	3	11
TD Mains 4 & Less "	4	28,739	10,932	6,774	3,041	773	1,664	1,095	4,457
TD Mains 6 to 8" "	4	267,627	101,805	63,080	28,315	7,199	15,496	10,197	41,509
TD Mains 10 to 16" "	3	168,723	55,679	38,503	52,287	4,387	8,639	1,839	7,373
TD Mains 18 & Grtr "	3	13,848	4,570	3,160	4,291	360	709	151	605
Services	10	240,226	189,298	33,512	1,513	2,114	240	13,549	0
Meters Bronze Case	9	10,817	7,994	2,021	356	328	119	0	0
Meters Plastic Case	9	249	184	46	8	8	3	0	0
Meters Other	9	3,508	2,592	655	115	106	39	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	80,591	59,557	15,054	2,651	2,442	887	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	15,719	0	0	0	0	0	0	15,719
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	3,644	1,894	731	641	79	125	28	144
Comp & Periph Equip	15	46,101	23,968	9,248	8,114	996	1,586	360	1,826
Computer Software	15	54,708	28,443	10,975	9,629	1,182	1,882	427	2,166
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	289	150	58	51	6	10	2	11
Other Office Equipment	15	1,928	1,002	387	339	42	66	15	76
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	798	415	160	140	17	27	6	32
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	213	111	43	37	5	7	2	8
Tools,Shop,Garage Equip	15	27,408	14,249	5,498	4,824	592	943	214	1,085
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
								(9)	(10)
Laboratory Equipment	2	2,497	866	600	814	68	134	3	11
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	12,103	6,292	2,428	2,130	261	416	94	479
Comm Equip Non-Telephone	15	2,504	1,302	502	441	54	86	20	99
Comm Equip Telephone	15	147	76	29	26	3	5	1	6
Misc Equipment	15	2,841	1,477	570	500	61	98	22	113
Total Depreciation Expense		<u>1,393,426</u>	<u>653,583</u>	<u>287,843</u>	<u>236,590</u>	<u>31,786</u>	<u>54,816</u>	<u>32,986</u>	<u>95,693</u>
Amort-Other UP	18	8,212	3,538	1,759	1,490	198	362	194	669
Taxes Other Than Income									
Utility Reg Assessment Fee	19	51,931	24,807	10,734	9,633	1,174	1,994	763	2,815
Property Taxes	18	392,649	169,153	84,105	71,227	9,463	17,316	9,267	32,001
FUTA	16	1,523	774	309	259	35	54	12	80
FICA	16	99,398	50,484	20,178	16,898	2,286	3,509	805	5,218
SUTA	16	3,891	1,976	790	661	89	137	32	204
Other Taxes & Licenses	15	16,360	8,506	3,282	2,879	353	563	128	648
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>565,752</u>	<u>255,700</u>	<u>119,398</u>	<u>101,557</u>	<u>13,401</u>	<u>23,573</u>	<u>11,006</u>	<u>40,966</u>
Income Taxes	18	781,276	336,574	167,349	141,723	18,829	34,454	18,438	63,674
Utility Income Available for Return	18	<u>2,167,944</u>	<u>933,950</u>	<u>464,374</u>	<u>393,265</u>	<u>52,247</u>	<u>95,606</u>	<u>51,163</u>	<u>176,687</u>
Total Cost of Service		<u>10,442,648</u>	<u>4,988,864</u>	<u>2,157,984</u>	<u>1,936,994</u>	<u>236,157</u>	<u>400,794</u>	<u>153,777</u>	<u>566,176</u>
Less: Other Water Revenues	19	243,148	243,148						
Revenue Contribution	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		<u>243,148</u>	<u>243,148</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Cost of Service Related to Sales of Water		<u>\$ 10,199,500</u>	<u>\$ 4,745,716</u>	<u>\$ 2,157,984</u>	<u>\$ 1,936,994</u>	<u>\$ 236,157</u>	<u>\$ 400,794</u>	<u>\$ 153,777</u>	<u>\$ 566,176</u>
Reallocation of Public Fire	20	0	303,066	131,094	117,670	14,346	0		(566,176)
Total		<u>\$ 10,199,500</u>	<u>\$ 5,048,782</u>	<u>\$ 2,289,078</u>	<u>\$ 2,054,663</u>	<u>\$ 250,503</u>	<u>\$ 400,794</u>	<u>\$ 153,777</u>	<u>\$ -</u>
		\$ 243,148	\$ 243,148						1,634
		<u>\$ 10,442,648</u>	<u>\$ 5,291,931</u>					\$	-

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
RATE BASE									
Organization	17	\$ 11,420	\$ 4,910	\$ 2,448	\$ 2,073	\$ 275	\$ 505	\$ 272	\$ 935
Franchises	17	20,740	8,918	4,447	3,764	500	917	494	1,699
Land & Ld Rights SS	2	146,949	50,977	35,282	47,891	4,026	7,906	191	661
Land & Ld Rights P	6	12,561	4,365	3,008	3,992	344	677	35	136
Land & Ld Rights WT	2	11,715	4,064	2,813	3,818	321	630	15	53
Land & Ld Rights TD	7	27,039	10,286	6,373	2,861	727	1,566	1,030	4,194
Land & Land Rights AG	15	717	373	144	126	15	25	6	28
Struct & Imp SS	2	2,247,667	779,716	539,665	732,515	61,586	120,924	2,922	10,115
Struct & Imp P	6	522,767	181,662	125,203	166,135	14,324	28,177	1,464	5,646
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	827,541	287,074	198,693	269,696	22,675	44,522	1,076	3,724
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	418,511	159,202	98,643	44,278	11,258	24,232	15,945	64,911
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	5,796	3,013	1,163	1,020	125	199	45	230
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	33,552	17,444	6,731	5,905	725	1,154	262	1,329
Struct & Imp Misc	15	81,089	42,158	16,266	14,272	1,752	2,789	632	3,211
Collect & Impounding	1	110,883	34,285	26,457	40,605	3,016	5,544	211	754
Lake, River & Other Intakes	2	52,654	18,266	12,642	17,160	1,443	2,833	68	237
Wells & Springs	2	3,706,315	1,285,721	889,886	1,207,888	101,553	199,400	4,818	16,678
Supply Mains	2	343,054	119,005	82,367	111,801	9,400	18,456	446	1,544
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	69,359	24,102	16,611	22,042	1,900	3,738	194	749
Boiler Plant Equipment P	6	348	121	83	111	10	19	1	4
Pump Equip Steam	6	6,907	2,400	1,654	2,195	189	372	19	75
Pump Equip Electric	6	2,391,994	831,218	572,883	760,176	65,541	128,928	6,698	25,834
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	132,189	45,936	31,659	42,010	3,622	7,125	370	1,428
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	251,379	87,354	60,205	79,888	6,888	13,549	704	2,715
WT Equip Non-Media	2	2,389,333	828,860	573,679	778,684	65,468	128,546	3,106	10,752
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	8,445	2,930	2,028	2,752	231	454	11	38
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
WT Equip Filter Media	2	182,148	63,187	43,734	59,362	4,991	9,800	237	820
Dist Reservoirs & Standpipe	5	2,460,339	823,475	505,600	517,163	57,572	124,985	85,128	345,924
Elevated Tanks & Standpipes	5	2,753,231	921,506	565,789	578,729	64,426	139,864	95,262	387,104
Ground Level Facilities	5	3,570	1,195	734	750	84	181	124	502
TD Mains Not Classified by	7	0	0	0	0	0	0	0	0
TD Mains 4 & Less "	4	1,915,916	728,814	451,581	202,704	51,538	110,932	72,996	297,159
TD Mains 6 to 8" "	4	17,841,817	6,787,027	4,205,316	1,887,664	479,945	1,033,041	679,773	2,767,266
TD Mains 10 to 16" "	3	11,248,217	3,711,912	2,566,843	3,485,822	292,454	575,909	122,606	491,547
TD Mains 18 & Grtr "	3	923,174	304,647	210,668	286,092	24,003	47,267	10,063	40,343
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL)	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	7,799,555	6,146,049	1,088,038	49,137	68,636	7,800	439,895	0
Meters Bronze Case	9	445,160	328,973	83,156	14,646	13,488	4,897	0	0
Meters Plastic Case	9	10,232	7,561	1,911	337	310	113	0	0
Meters Other	9	144,361	106,683	26,967	4,749	4,374	1,588	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	3,316,522	2,450,910	619,526	109,114	100,491	36,482	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	818,714	0	0	0	0	0	0	818,714
Other P/E Intangible	15	64,083	33,317	12,855	11,279	1,384	2,204	500	2,538
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	91,094	47,360	18,273	16,032	1,968	3,134	711	3,607
Comp & Periph Equip	15	322,609	167,724	64,715	56,779	6,968	11,098	2,516	12,775
Computer Software	15	382,844	199,041	76,798	67,381	8,269	13,170	2,986	15,161
Comp Software Personal	15	10,051	5,225	2,016	1,769	217	346	78	398
Data Handling Equipment	15	4,332	2,252	869	762	94	149	34	172
Other Office Equipment	15	28,905	15,028	5,798	5,087	624	994	225	1,145
Trans Equip Lt Duty Trks	15	128,186	66,644	25,714	22,561	2,769	4,410	1,000	5,076
Trans Equip Hvy Duty Trks	15	9,581	4,981	1,922	1,686	207	330	75	379
Trans Equip Autos	15	30,375	15,792	6,093	5,346	656	1,045	237	1,203
Trans Equip Other	15	53,392	27,759	10,710	9,397	1,153	1,837	416	2,114
Stores Equipment	15	7,447	3,872	1,494	1,311	161	256	58	295
Tools,Shop,Garage Equip	15	548,157	284,987	109,960	96,476	11,840	18,857	4,276	21,707
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	62,423	21,655	14,988	20,344	1,710	3,358	81	281
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	177,464	92,264	35,599	31,234	3,833	6,105	1,384	7,028
Comm Equip Non-Telephone	15	50,087	26,040	10,048	8,815	1,082	1,723	391	1,983
Comm Equip Telephone	15	2,204	1,146	442	388	48	76	17	87

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
Misc Equipment	15	56,829	29,545	11,400	10,002	1,228	1,955	443	2,250
Accum Amortization Reserve	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		65,723,942	28,260,929	14,090,593	11,926,575	1,584,435	2,907,091	1,562,547	5,385,254
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	37,206	19,343	7,464	6,548	804	1,280	290	1,473
Materials and Supplies	15	375,144	195,037	75,254	66,025	8,103	12,905	2,926	14,856
Prepayments	15	43,164	22,441	8,659	7,597	932	1,485	337	1,709
OPEB's Contributed to External Fund	16	262,252	133,198	53,237	44,583	6,032	9,257	2,124	13,768
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(627,981)	(270,032)	(134,639)	(113,979)	(15,134)	(27,757)	(14,946)	(51,432)
Pensions	16	0	0	0	0	0	0	0	0
Total Other Rate Base Elements		89,785	99,988	9,974	10,775	737	(2,830)	(9,269)	(19,625)
Total Original Cost Measure of Value		\$ 65,813,727	\$ 28,360,917	\$ 14,100,567	\$ 11,937,350	\$ 1,585,172	\$ 2,904,261	\$ 1,553,278	\$ 5,365,629

T&D OP BASIS FOR FACTOR 11	269,202	169,994	53,745	14,560	7,621	6,702	3,807	12,766	(8.2)
FACTOR 11		0.6315	0.1996	0.0541	0.0283	0.0249	0.0141	0.0474	0.9999
T&D Mnt BASIS FOR FACTOR 12	128,844	42,827	22,885	9,635	2,634	5,213	3,677	41,963	(8.9)
FACTOR 12		0.3323	0.1776	0.0748	0.0204	0.0405	0.0285	0.3257	0.9998
A&G BASIS FOR FACTOR 15	1,801,542	936,519	361,367	317,033	38,980	62,038	14,048	71,315	(242.6)
FACTOR 15		0.5199	0.2006	0.1760	0.0216	0.0344	0.0078	0.0396	0.9999
LABOR BASIS FOR FACTOR 16	1,280,415	650,431	259,888	217,704	29,404	45,250	10,342	67,238	(157.6)
FACTOR 16		0.5079	0.2030	0.1700	0.0230	0.0353	0.0081	0.0525	0.9998
UPIS BASIS FOR FACTOR 17	65,691,782	28,247,100	14,083,698	11,920,738	1,583,660	2,905,669	1,561,781	5,382,620	(6,514.9)
FACTOR 17		0.4300	0.2144	0.1815	0.0241	0.0442	0.0238	0.0819	0.9999
RATE BASE BASIS FOR FACTOR 18	65,813,727	28,360,917	14,100,567	11,937,350	1,585,172	2,904,261	1,553,278	5,365,629	(6,553.4)
FACTOR 18		0.4308	0.2142	0.1814	0.0241	0.0441	0.0236	0.0815	0.9997
TOTAL COS BASIS FOR FACTOR 19	10,381,471	4,959,250	2,145,395	1,925,733	234,783	398,482	152,942	562,995	(1,890.1)
FACTOR 19		0.4777	0.2067	0.1855	0.0226	0.0384	0.0147	0.0542	0.9998
COS w/o Fire Factor 20	9,319,999	4,988,864	2,157,984	1,936,994	236,157				0.0
FACTOR 20		0.5353	0.2315	0.2078	0.0253				1.0000

Table of Factors - Table Name "FACTORS"

	2 Residential	4 Commercial	6 Industrial	8 Public	10 Resale	12 Private Fire	14 Public Fire	20 Total
1	0.3092	0.2386	0.3662	0.0272	0.0500	0.0019	0.0068	0.9999
2	0.3469	0.2401	0.3259	0.0274	0.0538	0.0013	0.0045	0.9999
3	0.3300	0.2282	0.3099	0.0260	0.0512	0.0109	0.0437	0.9999

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public		
			4	0.3804	0.2357	0.1058	0.0269	0.0579	0.0381	0.1551	0.9999
			5	0.3347	0.2055	0.2102	0.0234	0.0508	0.0346	0.1406	0.9998
			6	0.3475	0.2395	0.3178	0.0274	0.0539	0.0028	0.0108	0.9997
			7	0.3804	0.2357	0.1058	0.0269	0.0579	0.0381	0.1551	0.9999
			8	-	-	-	-	-	-	1.0000	1.0000
			9	0.7390	0.1868	0.0329	0.0303	0.0110	-	-	1.0000
			10	0.7880	0.1395	0.0063	0.0088	0.0010	0.0564	-	1.0000
			11	0.6315	0.1996	0.0541	0.0283	0.0249	0.0141	0.0474	0.9999
			12	0.3323	0.1776	0.0748	0.0204	0.0405	0.0285	0.3257	0.9998
			13	0.8483	0.1301	0.0032	0.0058	0.0002	0.0122	-	0.9998
			14	0.8589	0.1317	0.0032	0.0059	0.0003	-	-	1.0000
			15	0.5199	0.2006	0.1760	0.0216	0.0344	0.0078	0.0396	0.9999
			16	0.5079	0.2030	0.1700	0.0230	0.0353	0.0081	0.0525	0.9998
			17	0.4300	0.2144	0.1815	0.0241	0.0442	0.0238	0.0819	0.9999
			18	0.4308	0.2142	0.1814	0.0241	0.0441	0.0236	0.0815	0.9997
			19	0.4777	0.2067	0.1855	0.0226	0.0384	0.0147	0.0542	0.9998
			20	0.5353	0.2315	0.2078	0.0253	-	-	-	1.0000

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	18,241	11,895	6,240	0	0	0	0	106
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		18,241	11,895	6,240	0	0	0	0	106
Misc Exp Oper SS	2	277,757	181,125	95,021	0	0	0	0	1,611
Misc Exp Oper SS	2	2,548	1,662	872	0	0	0	0	15
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infilt Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	11,202	7,305	3,832	0	0	0	0	65
Misc Plant Maint SS	2	2,307	1,504	789	0	0	0	0	13
TOTAL SS EXPENSE - MAINTENANCE		293,814	191,596	100,514	0	0	0	0	1,704
TOTAL SS EXPENSE		312,055	203,491	106,754	0	0	0	0	1,810
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	48,374	30,901	15,954	845	0	0	0	660
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	320,743	317,953	0	0	0	0	0	2,790
Labor & Exp Oper Pump	6	220,085	140,588	72,584	3,844	0	0	0	3,003
Labor & Exp Oper Pump	6	721	461	238	13	0	0	0	10
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	4,898	3,129	1,615	86	0	0	0	67
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		594,821	493,031	90,391	4,787	0	0	0	6,531

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Super & Eng Maint P	6	27,950	17,854	9,218	488	0	0	0	381
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	32,567	20,803	10,741	569	0	0	0	444
Pump Equip Maint P	6	9,718	6,208	3,205	170	0	0	0	133
TOTAL PUMPING EXPENSES - MAINTENANCE		70,235	44,865	23,164	1,227	0	0	0	958
TOTAL PUMPING EXPENSES		665,056	537,896	113,554	6,013	0	0	0	7,489
WATER TREATMENT									
Super & Eng Oper WT	2	20,633	13,455	7,059	0	0	0	0	120
Chemicals	1	461,139	457,127	0	0	0	0	0	4,012
Labor & Exp Oper WT	2	64,929	42,340	22,212	0	0	0	0	377
Labor & Exp Oper WT	2	8,651	5,641	2,959	0	0	0	0	50
Misc Exp Oper WT	2	62,883	41,006	21,512	0	0	0	0	365
Misc Exp Oper WT	1	505	501	0	0	0	0	0	4
Misc Exp Oper WT	2	18,386	11,990	6,290	0	0	0	0	107
Rents Oper WT	2	1	1	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		637,127	572,060	60,033	0	0	0	0	5,034
Super & Eng Maint WT	2	40,921	26,684	13,999	0	0	0	0	237
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	16,863	10,996	5,769	0	0	0	0	98
TOTAL WT EXPENSE - MAINTENANCE		57,784	37,681	19,768	0	0	0	0	335
TOTAL WT EXPENSE		694,911	609,741	79,801	0	0	0	0	5,369
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	13,576	1,242	0	2,108	8,824	566	0	836
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	172	53	0	89	0	0	0	30
TD Lines Exp	7	65,100	19,471	0	33,051	0	0	0	12,577
TD Lines Exp	7	17,051	5,100	0	8,657	0	0	0	3,294
Meter Expense	9	169,104	0	0	0	169,104	0	0	0
Meter Expense	9	5,882	0	0	0	5,882	0	0	0
Customer Install Exp	10	11,893	0	0	0	0	11,222	0	671
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	7,442	681	0	1,156	4,837	310	0	458

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Misc Exp Oper TD	11	1,119	102	0	174	727	47	0	69
Misc Exp Oper TD	11	21,374	1,956	0	3,319	13,893	891	0	1,317
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		312,713	28,605	0	48,554	203,268	13,037	0	19,253
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	78	16	0	27	4	3	0	28
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	88,682	26,525	0	45,024	0	0	0	17,133
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	5,281	0	0	0	0	4,983	0	298
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	5,738	0	0	0	5,738	0	0	0
Meters Maint TD	9	935	0	0	0	935	0	0	0
Hydrants Maint TD	8	28,209	0	0	0	0	0	0	28,209
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	0	0	0	0	0	0	0	0
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	25,563	5,263	0	8,934	1,324	989	0	9,054
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		154,485	31,804	0	53,985	8,001	5,975	0	54,722
TOTAL T & D EXPENSE		467,197	60,409	0	102,539	211,269	19,012	0	73,975
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	154,006	0	0	0	0	0	154,006	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(33)	0	0	0	0	0	(33)	0
Cust Rec & Collection CA	13	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	116,731	0	0	0	0	0	115,307	1,424
Uncollectible Accts	13	146,633	0	0	0	0	0	144,844	1,789
Misc Cust Accts Exp CA	13	11,969	0	0	0	0	0	11,823	146
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	15,409	0	0	0	0	0	15,221	188
Cust Serv & Info Exp CA	13	(5)	0	0	0	0	0	(5)	(0)
TOTAL CUSTOMER ACCOUNTING EXPENSE		444,710	0	0	0	0	0	441,163	3,547

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	252,756	89,223	42,109	15,241	29,648	2,679	61,925	11,981
Other Supplies & Exp AG	15	1,645	581	274	99	193	17	403	78
Other Supplies & Exp AG	15	1,570	554	262	95	184	17	385	74
Other Supplies & Exp AG	15	88,457	31,225	14,737	5,334	10,376	938	21,672	4,193
Mgmt Fees-Coporate/Shared Service Center	15	519,909	183,528	86,617	31,351	60,985	5,511	127,378	24,644
Mgmt Fees-Call Center	13	350,650	0	0	0	0	0	346,372	4,278
Mgmt Fees-Belleville Lab	2	44,168	28,802	15,110	0	0	0	0	256
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	561,660	198,266	93,573	33,868	65,883	5,954	137,607	26,623
Outside Services AG	15	92,847	32,775	15,468	5,599	10,891	984	22,748	4,401
Outside Services AG	15	39,046	13,783	6,505	2,354	4,580	414	9,566	1,851
Property Insurance	15	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	(18,132)	(6,401)	(3,021)	(1,093)	(2,127)	(192)	(4,442)	(859)
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	260,346	88,856	40,197	20,802	44,363	4,009	46,316	15,777
Employee Pension & Benefits	16	329,240	112,369	50,835	26,306	56,102	5,070	58,572	19,952
Employee Pension & Benefits	16	64,522	22,022	9,962	5,155	10,995	994	11,479	3,910
Employee Pension & Benefits	16	181,553	61,964	28,032	14,506	30,937	2,796	32,298	11,002
Reg Commision Exp	15	9,246	3,264	1,540	558	1,085	98	2,265	438
Rents AG	15	33,195	11,718	5,530	2,002	3,894	352	8,133	1,573
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	110,501	39,007	18,409	6,663	12,962	1,171	27,073	5,238
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		2,923,179	911,536	426,140	168,839	340,950	30,812	909,748	135,409
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	18,930	6,682	3,154	1,142	2,221	201	4,638	897
TOTAL A & G EXPENSE - MAINTENANCE		18,930	6,682	3,154	1,142	2,221	201	4,638	897
TOTAL A & G EXPENSE		2,942,109	918,218	429,293	169,981	343,171	31,012	914,386	136,306
Total Operation & Maintenance Expenses		5,526,038	2,329,756	729,403	278,533	554,440	50,024	1,355,548	228,496

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
DEPRECIATION EXPENSE									
Struct & Imp SS	2	55,068	35,910	18,839	0	0	0	0	319
Struct & Imp P	6	9,044	5,777	2,983	158	0	0	0	123
Struct & Imp WT	2	13,489	8,796	4,615	0	0	0	0	78
Struct & Imp TD	7	11,174	3,342	0	5,673	0	0	0	2,159
Struct & Imp Offices	15	290	102	48	17	34	3	71	14
Struct & Imp Store,Shop,Gar	15	805	284	134	49	94	9	197	38
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	1,386	1,374	0	0	0	0	0	12
Lake, River & Other Intakes	2	932	608	319	0	0	0	0	5
Wells & Springs	2	61,895	40,362	21,174	0	0	0	0	359
Supply Mains	2	5,489	3,579	1,878	0	0	0	0	32
Power Generation Equip Othe	6	1,387	886	457	24	0	0	0	19
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	58,365	37,283	19,249	1,019	0	0	0	796
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	66,423	43,315	22,723	0	0	0	0	385
WT Equip Filter Media	2	5,064	3,302	1,732	0	0	0	0	29
Dist Reservoirs & Standpipe	5	55,358	16,951	0	28,708	0	0	0	9,699
Elevated Tanks & Standpipes	5	61,948	18,968	0	32,126	0	0	0	10,853
Ground Level Facilities	5	80	25	0	42	0	0	0	14
TD Mains 4 & Less "	4	28,739	8,596	0	14,591	0	0	0	5,552
TD Mains 6 to 8" "	4	267,627	80,047	0	135,874	0	0	0	51,706
TD Mains 10 to 16" "	3	168,723	104,608	54,886	0	0	0	0	9,212
TD Mains 18 & Grtr "	3	13,848	8,586	4,505	0	0	0	0	756
Services	10	240,226	0	0	0	0	226,678	0	13,549
Meters Bronze Case	9	10,817	0	0	0	10,817	0	0	0
Meters Plastic Case	9	249	0	0	0	249	0	0	0
Meters Other	9	3,508	0	0	0	3,508	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	80,591	0	0	0	80,591	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	15,719	0	0	0	0	0	0	15,719
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	3,644	1,286	607	220	427	39	893	173
Comp & Periph Equip	15	46,101	16,274	7,680	2,780	5,408	489	11,295	2,185
Computer Software	15	54,708	19,312	9,114	3,299	6,417	580	13,404	2,593
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	289	102	48	17	34	3	71	14
Other Office Equipment	15	1,928	681	321	116	226	20	472	91
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	798	282	133	48	94	8	196	38
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	213	75	35	13	25	2	52	10
Tools,Shop,Garage Equip	15	27,408	9,675	4,566	1,653	3,215	291	6,715	1,299
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Laboratory Equipment	2	2,497	1,628	854	0	0	0	0	14
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	12,103	4,272	2,016	730	1,420	128	2,965	574
Comm Equip Non-Telephone	15	2,504	884	417	151	294	27	614	119
Comm Equip Telephone	15	147	52	24	9	17	2	36	7
Misc Equipment	15	2,841	1,003	473	171	333	30	696	135
Total Depreciation Expense		<u>1,393,426</u>	<u>478,227</u>	<u>179,833</u>	<u>227,489</u>	<u>113,204</u>	<u>228,308</u>	<u>37,676</u>	<u>128,682</u>
Amort-Other UP	18	8,212	3,086	1,107	1,632	526	914	83	863
Taxes Other Than Income									
Utility Reg Assessment Fee	19	51,931	20,533	6,896	5,905	4,513	3,266	7,239	3,583
Property Taxes	18	392,649	147,558	52,929	78,019	25,169	43,702	3,966	41,267
FUTA	16	1,523	520	235	122	260	23	271	92
FICA	16	99,398	33,924	15,347	7,942	16,937	1,531	17,683	6,023
SUTA	16	3,891	1,328	601	311	663	60	692	236
Other Taxes & Licenses	15	16,360	5,775	2,726	987	1,919	173	4,008	775
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>565,752</u>	<u>209,638</u>	<u>78,734</u>	<u>93,285</u>	<u>49,461</u>	<u>48,756</u>	<u>33,859</u>	<u>51,978</u>
Income Taxes	18	781,276	293,603	105,316	155,239	50,080	86,956	7,891	82,112
Utility Income Available for Return	18	2,167,944	814,713	292,239	430,771	138,965	241,292	21,896	227,851
Total Cost of Service		10,442,648	4,129,024	1,386,631	1,186,949	906,676	656,250	1,456,953	719,982
Less: Other Water Revenues	19	243,148	96,141	32,290	27,646	21,130	15,294	33,895	16,777
Billing and Collecting Services	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		<u>243,148</u>	<u>96,141</u>	<u>32,290</u>	<u>27,646</u>	<u>21,130</u>	<u>15,294</u>	<u>33,895</u>	<u>16,777</u>
Total Cost of Service Related to Sales of Water		<u>10,199,500</u>	<u>4,032,883</u>	<u>1,354,341</u>	<u>1,159,303</u>	<u>885,546</u>	<u>640,956</u>	<u>1,423,059</u>	<u>703,205</u>
Reallocation of Public Fire	20	0	348,765	117,142	100,270	0	0	0	(566,176)
Total		<u>\$ 10,199,500</u>	<u>\$ 4,381,648</u>	<u>\$ 1,471,483</u>	<u>\$ 1,259,573</u>	<u>\$ 885,546</u>	<u>\$ 640,956</u>	<u>\$ 1,423,059</u>	<u>\$ 137,029</u>
			4,082,322			29,839	24,907	288,443	
			1.073			29.68	25.73		
						2.47	2.14	4.93	
								9.55	

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
RATE BASE									
Organization	17	11,420	4,295	1,536	2,285	723	1,284	89	1,207
Franchises	17	20,740	7,800	2,790	4,150	1,313	2,331	162	2,192
Land & Ld Rights SS	2	146,949	95,825	50,271	0	0	0	0	852
Land & Ld Rights P	6	12,561	8,024	4,143	219	0	0	0	171
Land & Ld Rights WT	2	11,715	7,639	4,008	0	0	0	0	68
Land & Ld Rights TD	7	27,039	8,087	0	13,728	0	0	0	5,224
Land & Land Rights AG	15	717	253	119	43	84	8	176	34
Struct & Imp SS	2	2,247,667	1,465,704	768,927	0	0	0	0	13,036
Struct & Imp P	6	522,767	333,938	172,409	9,130	0	0	0	7,134
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	827,541	539,639	283,102	0	0	0	0	4,800
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	418,511	125,177	0	212,478	0	0	0	80,856
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	5,796	2,046	966	349	680	61	1,420	275
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	33,552	11,844	5,590	2,023	3,936	356	8,220	1,590
Struct & Imp Misc	15	81,089	28,624	13,509	4,890	9,512	860	19,867	3,844
Collect & Impounding	1	110,883	109,918	0	0	0	0	0	965
Lake, River & Other Intakes	2	52,654	34,336	18,013	0	0	0	0	305
Wells & Springs	2	3,706,315	2,416,888	1,267,930	0	0	0	0	21,497
Supply Mains	2	343,054	223,706	117,359	0	0	0	0	1,990
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	69,359	44,306	22,875	1,211	0	0	0	946
Boiler Plant Equipment P	6	348	222	115	6	0	0	0	5
Pump Equip Steam	6	6,907	4,412	2,278	121	0	0	0	94
Pump Equip Electric	6	2,391,994	1,527,980	788,880	41,776	0	0	0	32,641
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	132,189	84,441	43,596	2,309	0	0	0	1,804
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	251,379	160,578	82,905	4,390	0	0	0	3,430
WT Equip Non-Media	2	2,389,333	1,558,084	817,391	0	0	0	0	13,858
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	8,445	5,507	2,889	0	0	0	0	49
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
WT Equip Filter Media	2	182,148	118,779	62,313	0	0	0	0	1,056
Dist Reservoirs & Standpipe	5	2,460,339	753,356	0	1,275,932	0	0	0	431,051
Elevated Tanks & Standpipes	5	2,753,231	843,039	0	1,427,826	0	0	0	482,366
Ground Level Facilities	5	3,570	1,093	0	1,851	0	0	0	625
TD Mains Not Classified by	7	0	0	0	0	0	0	0	0
TD Mains 4 & Less "	4	1,915,916	573,050	0	972,711	0	0	0	370,155
TD Mains 6 to 8" "	4	17,841,817	5,336,487	0	9,058,290	0	0	0	3,447,039
TD Mains 10 to 16" "	3	11,248,217	6,973,895	3,659,045	0	0	0	0	614,153
TD Mains 18 & Grtr "	3	923,174	572,368	300,309	0	0	0	0	50,405
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	7,799,555	0	0	0	0	7,359,660	0	439,895
Meters Bronze Case	9	445,160	0	0	0	445,160	0	0	0
Meters Plastic Case	9	10,232	0	0	0	10,232	0	0	0
Meters Other	9	144,361	0	0	0	144,361	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	3,316,522	0	0	0	3,316,522	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	818,714	0	0	0	0	0	0	818,714
Other P/E Intangible	15	64,083	22,621	10,676	3,864	7,517	679	15,700	3,038
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	91,094	32,156	15,176	5,493	10,685	966	22,318	4,318
Comp & Periph Equip	15	322,609	113,881	53,747	19,453	37,842	3,420	79,039	15,292
Computer Software	15	382,844	135,144	63,782	23,085	44,908	4,058	93,797	18,147
Comp Software Personal	15	10,051	3,548	1,674	606	1,179	107	2,462	476
Data Handling Equipment	15	4,332	1,529	722	261	508	46	1,061	205
Other Office Equipment	15	28,905	10,203	4,816	1,743	3,391	306	7,082	1,370
Trans Equip Lt Duty Trks	15	128,186	45,250	21,356	7,730	15,036	1,359	31,406	6,076
Trans Equip Hvy Duty Trks	15	9,581	3,382	1,596	578	1,124	102	2,347	454
Trans Equip Autos	15	30,375	10,722	5,060	1,832	3,563	322	7,442	1,440
Trans Equip Other	15	53,392	18,847	8,895	3,220	6,263	566	13,081	2,531
Stores Equipment	15	7,447	2,629	1,241	449	874	79	1,825	353
Tools,Shop,Garage Equip	15	548,157	193,499	91,323	33,054	64,299	5,810	134,298	25,983
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	62,423	40,706	21,355	0	0	0	0	362
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	177,464	62,645	29,566	10,701	20,817	1,881	43,479	8,412
Comm Equip Non-Telephone	15	50,087	17,681	8,345	3,020	5,875	531	12,271	2,374
Comm Equip Telephone	15	2,204	778	367	133	259	23	540	104

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Misc Equipment	15	56,829	20,061	9,468	3,427	6,666	602	13,923	2,694
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		<u>65,723,942</u>	<u>24,716,623</u>	<u>8,842,428</u>	<u>13,154,367</u>	<u>4,163,326</u>	<u>7,385,416</u>	<u>512,005</u>	<u>6,947,957</u>
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	37,206	13,134	6,199	2,244	4,364	394	9,115	1,764
Materials and Supplies	15	375,144	132,426	62,499	22,621	44,004	3,977	91,910	17,782
Prepayments	15	43,164	15,237	7,191	2,603	5,063	458	10,575	2,046
OPEB's Contributed to External Fund	16	262,252	89,507	40,492	20,954	44,688	4,039	46,655	15,892
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(627,981)	(236,184)	(84,463)	(125,659)	(39,751)	(70,585)	(4,898)	(66,378)
Pensions	16	0	0	0	0	0	0	0	0
		0							
Total Other Rate Base Elements		<u>89,785</u>	<u>14,119</u>	<u>31,917</u>	<u>(77,238)</u>	<u>58,368</u>	<u>(61,718)</u>	<u>153,357</u>	<u>(28,894)</u>
Total Original Cost Measure of Value		<u>\$ 65,813,727</u>	<u>\$ 24,730,743</u>	<u>\$ 8,874,345</u>	<u>\$ 13,077,130</u>	<u>\$ 4,221,694</u>	<u>\$ 7,323,698</u>	<u>\$ 665,362</u>	<u>\$ 6,919,063</u>

T&D OP BASIS FOR FACTOR 11	269,202	24,624	0	41,797	174,986	11,222	0	16,572
FACTOR 11		0.0915	0.0000	0.1553	0.6500	0.0417	0.0000	0.0616
T&D Mnt BASIS FOR FACTOR 12	128,844	26,525	0	45,024	6,673	4,983	0	45,640
FACTOR 12		0.2059	0.0000	0.3495	0.0518	0.0387	0.0000	0.3542
A&G BASIS FOR FACTOR 15	1,801,542	635,957	300,109	108,553	211,269	19,012	441,163	85,383
FACTOR 15		0.3530	0.1666	0.0603	0.1173	0.0106	0.2450	0.0474
LABOR BASIS FOR FACTOR 16	1,280,415	437,073	197,708	102,326	218,152	19,761	227,754	77,597
FACTOR 16		0.3413	0.1544	0.0799	0.1704	0.0154	0.1779	0.0606
UPIS BASIS FOR FACTOR 17	65,691,782	24,704,528	8,838,103	13,147,932	4,161,290	7,381,801	511,754	6,944,557
FACTOR 17		0.3761	0.1345	0.2001	0.0633	0.1124	0.0078	0.1057
RATE BASE BASIS FOR FACTOR 18	65,813,727	24,730,743	8,874,345	13,077,130	4,221,694	7,323,698	665,362	6,919,063
FACTOR 18		0.3758	0.1348	0.1987	0.0641	0.1113	0.0101	0.1051
TOTAL COS BASIS FOR FACTOR 19	10,381,471	4,105,226	1,378,195	1,180,487	901,078	652,885	1,447,449	715,961
FACTOR 19		0.3954	0.1328	0.1137	0.0869	0.0629	0.1394	0.0690
TOTAL COS BASIS FOR FACTOR 20	6,702,604	4,129,024	1,386,631	1,186,949				(6,702,604)
FACTOR 20		0.6160	0.2069	0.1771				

	2	4	6	8	10	12	14
	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
1	0.9913	-	-	-	-	-	0.0087
2	0.6521	0.3421	-	-	-	-	0.0058
3	0.6200	0.3253	-	-	-	-	0.0546

	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
4	0.2991	-	0.5077	-	-	-	0.1932
5	0.3062	-	0.5186	-	-	-	0.1752
6	0.6388	0.3298	0.0175				0.0136
7	0.2991	-	0.5077				0.1932
8	-	-	-	-	-	-	1.0000
9	-	-	-	1.0000	-	-	-
10	-	-	-	-	0.9436	-	0.0564
11	0.0915	-	0.1553	0.6500	0.0417	-	0.0616
12	0.2059	-	0.3495	0.0518	0.0387	-	0.3542
13	-	-	-	-	-	0.9878	0.0122
14	-	-	-	-	-	1.0000	-
15	0.3530	0.1666	0.0603	0.1173	0.0106	0.2450	0.0474
16	0.3413	0.1544	0.0799	0.1704	0.0154	0.1779	0.0606
17	0.3761	0.1345	0.2001	0.0633	0.1124	0.0078	0.1057
18	0.3758	0.1348	0.1987	0.0641	0.1113	0.0101	0.1051
19	0.3954	0.1328	0.1137	0.0869	0.0629	0.1394	0.0690
20	0.6160	0.2069	0.1771	-	-	-	-

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.

ALLOCATION OF COSTS THAT VARY WITH THE AMT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	3,488	0.3092
Commercial	2,692	0.2386
Industrial	4,132	0.3662
Other Public Authority	307	0.0272
Sales for Resale	565	0.0500
Private Fire Protection	21	0.0019
Public Fire Protection	77	0.0068
Total	11,282	0.9999

FACTOR 2.

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.**

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.6579	(4)	(5)=(4)x 0.3421	(6)=(3)+(5)
Residential	0.3092	0.2033	0.4197	0.1436	0.3469
Commercial	0.2386	0.1570	0.2429	0.0831	0.2401
Industrial	0.3662	0.2409	0.2486	0.0850	0.3259
Other Public Authority	0.0272	0.0179	0.0277	0.0095	0.0274
Sales for Resale	0.0500	0.0329	0.0611	0.0209	0.0538
Private Fire Protection	0.0019	0.0013			0.0013
Public Fire Protection	0.0068	0.0045			0.0045
Total	0.9999	0.6578	1.0000	0.3421	0.9999

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

**FACTOR 2. MAX DAY CLASS ALLOCATION AND MAX DAY TO AVERAGE DAY
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.**

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	3,488	1.00	3,488	0.4197
Commercial	2,692	0.75	2,019	0.2429
Industrial	4,132	0.50	2,066	0.2486
Other Public Authority	307	0.75	231	0.0277
Sales for Resale	565	0.90	508	0.0611
Total	11,184		8,312	1.0000

The weighting of the factors is based on the maximum day ratio of 1.52, based on a review of maximum day ratios experienced during the period 1990 through 2006 (see Schedule D & DR #110).

	Maximum Day Ratio	Weight
Average Day	1.00	0.6579
Maximum Day Extra Capacity	0.52	0.3421
Total	1.52	1.0000

* Ratio of maximum day to average day minus 1.0.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.6255	(4)	(5)=(4) X 0.3253	(6)	(7)=(6) X 0.0491	(8)=(3)+(5)+(7)
Residential	0.3092	0.1934	0.4197	0.1365			0.3299
Commercial	0.2386	0.1492	0.2429	0.0790			0.2282
Industrial	0.3662	0.2291	0.2486	0.0809			0.3099
Other Public Authority	0.0272	0.0170	0.0277	0.0090			0.0260
Sales for Resale	0.0500	0.0313	0.0611	0.0199			0.0512
Private Fire Protection	0.0019	0.0012			0.1971	0.0097	0.0109
Public Fire Protection	0.0068	0.0043			0.8029	0.0394	0.0437
Total	0.9999	0.6255	1.0000	0.3253	1.0000	0.0491	0.9998

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. Continued

**ALLOCATION OF COSTS ASSOC WITH FACILITIES SERVING BASE, MAXIMUM
DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.52 and the average daily system sendout for 2006 of 13.76 MGD. The system demand for fire protection is 6,000 Gallons per minute for 3 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	13,760,000	0.6255
Maximum Day			
Extra Capacity	<u>0.52</u>	<u>7,155,200</u>	<u>0.3253</u>
Subtotal	<u><u>1.52</u></u>	20,915,200	0.9508
Fire Protection		<u>1,080,000</u>	<u>0.0491</u>
Total		<u><u>21,995,200</u></u>	<u><u>0.9999</u></u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3024	(5)	(6)=(5) X 0.5077	(7)	(8)=(7) X 0.1899	(9)=(4)+(6)+(8)
Residential	145.3	0.3909	0.1182	0.5164	0.2622			0.3804
Commercial	112.2	0.3017	0.0912	0.2847	0.1445			0.2357
Industrial	73.8	0.1986	0.0601	0.0900	0.0457			0.1058
Other Public Authority	12.8	0.0345	0.0104	0.0325	0.0165			0.0269
Sales for Resale	23.5	0.0633	0.0191	0.0764	0.0388			0.0579
Private Fire Protection	0.9	0.0024	0.0007			0.1971	0.0374	0.0381
Public Fire Protection	3.2	0.0086	0.0026			0.8029	0.1525	0.1551
Total	371.8	1.0000	0.3023	1.0000	0.5077	1.0000	0.1899	0.9999

The maximum hour extra capacity factors in column 5 are determined as follows:

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. Continued

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.68 . The system demand for fire protection is 6,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	9,556	0.3024
Maximum Hour Extra Capacity	1.68	16,044	0.5077
Subtotal	2.68	25,600	0.8101
Fire Protection		6,000	0.1899
Total		31,600	1.0000

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	145.3	3.5	508.7	0.5164
Commercial	112.2	2.5	280.4	0.2847
Industrial	73.8	1.2	88.6	0.0900
Other Public Authority	12.8	2.5	32.0	0.0325
Sales for Resale	23.5	3.2	75.3	0.0764
Total	367.7		985.0	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3089	(5)	(6)=(5) X 0.5186	(7)	(8)=(7) X 0.1725	(9)=(4)+(6)+(8)
Residential	145.3	0.3092	0.0955	0.4612	0.2392			0.3347
Commercial	112.2	0.2386	0.0737	0.2542	0.1318			0.2055
Industrial	172.2	0.3662	0.1131	0.1873	0.0971			0.2102
Other Public Authority	12.8	0.0272	0.0084	0.0290	0.0150			0.0234
Sales for Resale	23.5	0.0500	0.0154	0.0683	0.0354			0.0508
Private Fire Protection	0.9	0.0019	0.0006			0.1971	0.0340	0.0346
Public Fire Protection	3.2	0.0068	0.0021			0.8029	0.1385	0.1406
Total	470.1	0.9999	0.3088	1.0000	0.5185	1.0000	0.1725	0.9998

The weighting of the factors is based on the ratio of the capacity required for a 3 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. Continued

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 3 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{6,000 \text{ GPM} \times 60 \text{ Min.} \times 3 \text{ Hrs.}}{6,260,000 \text{ Gallons}} = 0.1725$$

$$\text{General Service Weight} = 1.0000 - 0.1725 = 0.8275$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	37.33	0.3089
Extra Capacity Maximum Hour	1.68	62.67	0.5186
Total	2.68	100.00	0.8275

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	145.3	3.5	508.7	0.4612
Commercial	112.2	2.5	280.4	0.2542
Industrial	172.2	1.2	206.6	0.1873
Other Public Authority	12.8	2.5	32.0	0.0290
Sales for Resale	23.5	3.2	75.3	0.0683
Total	466.0		1,103.0	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily w/fire Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
	(2)	(3)=(2)X 0.9364	(4)	(5)=(4)X 0.0291	(6)	(7)=(6)X 0.0344	
							(8)=(3)+ (5)+(7)
Residential	0.3469	0.3248	0.3300	0.0096	0.3804	0.0131	0.3475
Commercial	0.2401	0.2248	0.2282	0.0066	0.2357	0.0081	0.2395
Industrial	0.3259	0.3052	0.3099	0.0090	0.1058	0.0036	0.3178
Other Public Authority	0.0274	0.0257	0.0260	0.0008	0.0269	0.0009	0.0274
Sales for Resale	0.0538	0.0504	0.0512	0.0015	0.0579	0.0020	0.0539
Private Fire Protection	0.0013	0.0012	0.0109	0.0003	0.0381	0.0013	0.0028
Public Fire Protection	0.0045	0.0042	0.0437	0.0013	0.1551	0.0053	0.0108
Total	0.9999	0.9363	0.9999	0.0291	0.9999	0.0343	0.9997

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	<u>Horsepower of Pumps</u>	<u>Weight</u>
Associated with Maximum Day	4,350	0.9364
Associated with Maximum Day and Fire	135	0.0291
Associated with Maximum Hour	160	0.0344
Total	4,645	0.9999

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.

ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 5, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)=(3)+(5)
Residential	0.3300	0.0000	0.3804	0.3804	0.3804
Commercial	0.2282	0.0000	0.2357	0.2357	0.2357
Industrial	0.3099	0.0000	0.1058	0.1058	0.1058
Other Public Authority	0.0260	0.0000	0.0269	0.0269	0.0269
Sales for Resale	0.0512	0.0000	0.0579	0.0579	0.0579
Private Fire Protection	0.0109	0.0000	0.0381	0.0381	0.0381
Public Fire Protection	0.0437	0.0000	0.1551	0.1551	0.1551
Total	0.9999	0.0000	0.9999	0.9999	0.9999

	Total Footage of Mains	Weight
Transmission Mains	325,873	0.0000
Distribution Mains	1,607,496	1.0000
Total	1,933,369	1.0000

Assign all to Max Hour
NO FUNCTIONALIZATION OF MAINS

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.

ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

Customer Classification (1)	Allocation Factor (3)
Public Fire Protection	1.0000
Total	1.0000

FACTOR 9.

ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential	22,050	0.7390
Commercial	5,574	0.1868
Industrial	983	0.0329
Other Public Authority	903	0.0303
Sales for Resale	329	0.0110
Private Fire	0	0.0000
Total	29,839	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.

ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	20,802	0.7880
Commercial	3,682	0.1395
Industrial	165	0.0063
Other Public Authority	233	0.0088
Sales for Resale	26	0.0010
Private Fire Protection	1,489	0.0564
Total	26,396	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.

**ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION
SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.**

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 169,994	0.6315
Commercial	53,745	0.1997
Industrial	14,560	0.0541
Other Public Authority	7,621	0.0283
Sales for Resale	6,702	0.0249
Private Fire Protection	3,807	0.0141
Public Fire Protection	12,766	0.0474
Total	269,194	1.0000

FACTOR 12.

**ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.**

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 42,827	0.3324
Commercial	22,885	0.1776
Industrial	9,635	0.0748
Other Public Authority	2,634	0.0204
Sales for Resale	5,213	0.0405
Private Fire Protection	3,677	0.0285
Public Fire Protection	41,963	0.3257
Total	\$128,835	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.

ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	20,393	0.8483
Commercial	3,127	0.1301
Industrial	77	0.0032
Other Public Authority	140	0.0058
Sales for Resale	6	0.0002
Private Fire Protection	294	0.0122
Public Fire Protection	0	0.0000
Total	24,037	0.9998

FACTOR 14.

ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	20,393	0.8589
Commercial	3,127	0.1317
Industrial	77	0.0032
Other Public Authority	140	0.0059
Sales for Resale	6	0.0003
Total	23,743	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.

**ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$936,519	0.5199
Commercial	361,367	0.2006
Industrial	317,033	0.1760
Other Public Authority	38,980	0.0216
Sales for Resale	62,038	0.0344
Private Fire Protection	14,048	0.0078
Public Fire Protection	71,315	0.0396
Total	<u>\$1,801,299</u>	<u>1.0000</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.

ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$650,431	0.5080
Commercial	259,888	0.2030
Industrial	217,704	0.1700
Other Public Authority	29,404	0.0230
Sales for Resale	45,250	0.0353
Private Fire Protection	10,342	0.0081
Public Fire Protection	67,238	0.0525
Total	<u>\$1,280,258</u>	<u>1.0000</u>

FACTOR 17.

**ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$28,247,100	0.4300
Commercial	14,083,698	0.2144
Industrial	11,920,738	0.1815
Other Public Authority	1,583,660	0.0241
Sales for Resale	2,905,669	0.0442
Private Fire Protection	1,561,781	0.0238
Public Fire Protection	5,382,620	0.0819
Total	<u>\$65,685,267</u>	<u>1.0000</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.

ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$28,360,917	0.4310
Commercial	14,100,567	0.2143
Industrial	11,937,350	0.1814
Other Public Authority	1,585,172	0.0241
Sales for Resale	2,904,261	0.0441
Private Fire Protection	1,553,278	0.0236
Public Fire Protection	5,365,629	0.0815
Total	\$65,807,174	1.0000

FACTOR 19.

**ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND
OTHER WATER REVENUES.**

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$4,959,250	0.4778
Commercial	2,145,395	0.2067
Industrial	1,925,733	0.1855
Other Public Authority	234,783	0.0226
Sales for Resale	398,482	0.0384
Private Fire Protection	152,942	0.0147
Public Fire Protection	562,995	0.0542
Total	\$10,379,581	1.0000

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BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	18,129.38	18,129.38	2,078.83	2,078.83	7.84	7.84	36.16	36.16	0.00	0.00	20,252.21	20,252.21
3/4	1.3	0.00	0.00	4.69	6.10	0.00	0.00	0.00	0.00	0.00	0.00	4.69	6.10
1	1.7	2,235.07	3,799.62	632.28	1,074.88	14.33	24.37	42.94	73.00	1.00	1.70	2,925.62	4,973.56
1-1/2	3.5	2.04	7.14	15.95	55.82	0.00	0.00	2.08	7.29	0.00	0.00	20.07	70.25
2	4.3	26.51	114.00	375.87	1,616.22	33.17	142.62	50.84	218.61	1.00	4.30	487.38	2,095.74
3	19.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	29.3	0.00	0.00	13.45	393.97	15.75	461.48	3.98	116.71	0.00	0.00	33.18	972.16
6	48.4	0.00	0.00	5.00	242.15	4.83	233.93	0.00	0.00	2.00	96.80	11.84	572.89
8	112.9	0.00	0.00	0.94	105.91	1.00	112.90	4.00	451.60	2.00	225.80	7.94	896.21
Total		<u>20,393.00</u>	<u>22,050.14</u>	<u>3,127.00</u>	<u>5,573.88</u>	<u>76.93</u>	<u>983.13</u>	<u>140.01</u>	<u>903.37</u>	<u>6.00</u>	<u>328.60</u>	<u>23,742.93</u>	<u>29,839.12</u>

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BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	18,129.38	18,129.38	2,083.52	2,083.52	7.84	7.84	36.16	36.16	0.00	0.00	0.00	0.00	20,256.90	20,256.90
1	1.17	2,235.07	2,615.04	632.28	739.77	14.33	16.77	42.94	50.24	1.00	1.17	0.00	0.00	2,925.62	3,422.98
1-1/2	1.58	2.04	3.22	15.95	25.20	0.00	0.00	2.08	3.29	0.00	0.00	0.00	0.00	20.07	31.71
2	2.04	26.51	54.08	375.87	766.77	33.17	67.66	50.84	103.71	1.00	2.04	2.00	4.08	489.38	998.34
3	2.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	2.73	1.00	2.73
4	2.88	0.00	0.00	13.45	38.72	15.75	45.36	3.98	11.47	0.00	0.00	37.00	106.56	70.18	202.12
6	4.24	0.00	0.00	5.00	21.21	4.83	20.49	0.00	0.00	2.00	8.48	146.00	619.04	157.84	669.23
8	6.98	0.00	0.00	0.94	6.55	1.00	6.98	4.00	27.92	2.00	13.96	96.00	670.08	103.94	725.49
10	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	38.00	4.00	38.00
12	12.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	48.64	4.00	48.64
Total		<u>20,393.00</u>	<u>20,801.72</u>	<u>3,127.00</u>	<u>3,681.74</u>	<u>76.93</u>	<u>165.11</u>	<u>140.01</u>	<u>232.80</u>	<u>6.00</u>	<u>25.65</u>	<u>290.00</u>	<u>1,489.13</u>	<u>24,032.93</u>	<u>26,396.14</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	2	8	
3 -inch	9.00	0	0	
4 -inch	16.00	37	592	
6 -inch	36.00	146	5,256	
8 -inch	64.00	96	6,144	
10 -inch	100.00	4	400	
12 -inch	144.00	4	576	
Private Hydrants	32.75	5	164	
Total Private Fire Protection		294	13,140	0.1971
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	1,634	53,514
6" Valve	2- 2-1/2" & 1- 4"	28.50	0	0
Total Public Fire Protection		1,634	53,514	0.8029
Total Fire Protection		1,928	66,654	1.0000

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

PSC STAFF STUDY

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 1,521,802	50.3%	\$ 1,222,378	47.5%	\$ 1,619,487	51.8%	\$ 397,108	32.5%
Commercial	411,292	13.6%	\$ 341,011	13.3%	\$ 411,292	13.2%	70,281	20.6%
Industrial	429,123	14.2%	\$ 398,576	15.5%	\$ 429,123	13.7%	30,547	7.7%
Public Authority	235,315	7.8%	\$ 194,713	7.6%	\$ 235,315	7.5%	40,602	20.9%
Sales for Resale	394,731	13.0%	\$ 311,969	12.1%	\$ 394,731	12.6%	82,762	26.5%
Private Fire Service	35,418	1.2%	\$ 102,706	4.0%	\$ 35,419	1.1%	(67,287)	
Public Fire Service	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Sales	3,027,681	<u>100.1%</u>	2,571,353	<u>100.0%</u>	3,125,367	<u>99.9%</u>	554,013	21.5%
Other Revenues	<u>48,843</u>		<u>48,843</u>		<u>48,843</u>		-	0.0%
Total	<u>\$ 3,076,523</u>		<u>\$ 2,620,196</u>		<u>\$ 3,174,209</u>		<u>\$ 554,013</u>	21.1%

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Mexico

Case No. WR-2007-0216

STAFF - MEXICO

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Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	233,577	\$1,222,378	233,577	\$1,619,487	\$397,108	32.49%
5	Commercial	99,993	341,011	99,993	411,292	70,281	20.61%
6	Industrial	145,421	398,576	145,421	429,123	30,547	7.66%
7	Other Public Authority	64,608	194,713	64,608	235,315	40,602	20.85%
8	Other Water Utilities	120,852	311,969	120,852	394,731	82,762	26.53%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	102,706	0	35,419	(67,287)	-65.51%
11	Public Fire	0	0	0	0	0	0.00%
12	Total	<u>664,450</u>	<u>2,571,353</u>	<u>664,450</u>	<u>3,125,367</u>	<u>\$554,013</u>	<u>21.55%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Reconnect Charges		48,843		48,843	0	0.00%
18	Returned Check Charge		0		0	0	0.00%
19	Application Fee		0		0	0	0.00%
20	Miscellaneous Other Revenue		0		0	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22							
23							
24			<u>\$2,620,196</u>		<u>\$3,174,210</u>	<u>554,013</u>	<u>21.14%</u>
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Mexico

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Residential:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	51,480		\$7.08	\$364,480	51,480		\$ 1.06	\$54,554	(\$309,925)	-85.03%
5	3/4" Monthly	24		9.06	\$217	24		\$ 1.10	\$26	(191)	-87.85%
6	1" Monthly	182		12.84	\$2,330	182		\$ 1.24	\$225	(2,106)	-90.36%
7	1-1/2" Monthly	0		22.33	\$0	0		\$ 1.68	\$0	0	0.00%
8	2" Monthly	24		33.71	\$809	24		\$ 2.02	\$48	(761)	-94.02%
9	3" Monthly	0		60.24	\$0	0		\$ 4.36	\$0	0	0.00%
10	4" Monthly	0		98.15	\$0	0		\$ 5.85	\$0	0	0.00%
11	6" Monthly	0		192.93	\$0	0		\$ 9.12	\$0	0	0.00%
12	8" Monthly	0		306.65	\$0	0		\$ 19.28	\$0	0	0.00%
13	10" Monthly	0		520.92	\$0	0		0.00	\$0	0	0.00%
14	12" Monthly	0		859.27	\$0	0		0.00	\$0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		233,203	\$3.6611	853,781		233,203	\$6.6986	1,562,129	708,348	82.97%
19	Second Block		374	2.0353	761		374	6.6986	2,503	1,743	229.12%
20	Third Block		0	1.5828	0		0	6.6986	0	0	0.00%
21	Fourth Block		0	1.0659	0		0	6.6986	0	0	0.00%
22											
23											
24	Total		<u>233,577</u>		<u>\$1,222,378</u>		<u>233,577</u>		<u>\$1,619,487</u>	<u>\$397,108</u>	<u>32.49%</u>
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**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Mexico

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Commercial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	3,717		\$7.08	\$26,319	3,717		\$ 1.06	\$3,939	(\$22,380)	-85.03%
5	3/4" Monthly	60		9.06	542	60		\$ 1.10	66	(476)	-87.82%
6	1" Monthly	926		12.84	11,891	926		\$ 1.24	1,147	(10,744)	-90.35%
7	1-1/2" Monthly	0		22.33	0	0		\$ 1.68	0	0	0.00%
8	2" Monthly	538		33.71	18,133	538		\$ 2.02	1,085	(17,048)	-94.02%
9	3" Monthly	26		60.24	1,542	26		\$ 4.36	112	(1,430)	-92.74%
10	4" Monthly	0		98.15	0	0		\$ 5.85	0	0	0.00%
11	6" Monthly	12		192.93	2,296	12		\$ 9.12	109	(2,187)	-95.25%
12	8" Monthly	0		306.65	0	0		\$ 19.28	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		70,495	\$3.2212	227,078		70,495	\$4.0486	285,408	58,330	25.69%
19	Second Block		29,438	1.8047	53,126		29,438	4.0486	119,183	66,057	124.34%
20	Third Block		60	1.3926	84		60	4.0486	243	159	189.29%
21	Fourth Block		0	0.9378	0		0	4.0486	0	0	0.00%
22											
23											
24	Total		99,993		\$341,011		99,993		\$411,292	\$70,281	20.61%
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**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Mexico

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (^{'000} Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (^{'000} Gal)	Proposed Rate	Total Revenue		
1											
2	Industrial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	13		\$7.08	\$92	13		\$ 1.06	\$14	(\$78)	-84.78%
5	3/4" Monthly	0		9.06	0	0		\$ 1.10	0	0	0.00%
6	1" Monthly	65		12.84	831	65		\$ 1.24	80	(751)	-90.37%
7	1-1/2" Monthly	0		22.33	0	0		\$ 1.68	0	0	0.00%
8	2" Monthly	68		33.71	2,296	68		\$ 2.02	137	(2,159)	-94.03%
9	3" Monthly	64		60.24	3,855	64		\$ 4.36	279	(3,576)	-92.76%
10	4" Monthly	39		98.15	3,825	39		\$ 5.85	228	(3,597)	-94.04%
11	6" Monthly	52		192.93	10,026	52		\$ 9.12	474	(9,552)	-95.27%
12	8" Monthly	0		306.65	0	0		\$ 19.28	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		12,340	\$4.6869	57,835		12,340	\$2.9426	36,311	(21,524)	-37.22%
19	Second Block		84,688	2.6256	222,356		84,688	\$2.9426	249,199	26,843	12.07%
20	Third Block		47,487	2.0263	96,224		47,487	\$2.9426	139,735	43,511	45.22%
21	Fourth Block		906	1.3645	1,236		906	\$2.9426	2,666	1,430	115.70%
22											
23											
24	Total		<u>145,421</u>		<u>\$398,576</u>		<u>145,421</u>		<u>\$429,123</u>	<u>\$30,547</u>	<u>7.66%</u>
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**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Mexico

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Public Authority:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	402		\$7.08	\$2,849	402		\$ 1.06	\$426	(\$2,423)	-85.05%
5	3/4" Monthly	19		9.06	176	19		\$ 1.10	21	(155)	-88.07%
6	1" Monthly	224		12.84	2,881	224		\$ 1.24	278	(2,603)	-90.35%
7	1-1/2" Monthly	12		22.33	268	12		\$ 1.68	20	(248)	-92.54%
8	2" Monthly	447		33.71	15,071	447		\$ 2.02	902	(14,169)	-94.01%
9	3" Monthly	52		60.24	3,132	52		\$ 4.36	227	(2,905)	-92.75%
10	4" Monthly	0		98.15	0	0		\$ 5.85	0	0	0.00%
11	6" Monthly	0		192.93	0	0		\$ 9.12	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 19.28	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		32,020	\$3.3880	108,484		32,020	\$3.6132	115,695	7,211	6.65%
19	Second Block		32,588	1.8980	61,852		32,588	\$3.6132	117,746	55,894	90.37%
20	Third Block		0	1.4647	0		0	\$3.6132	0	0	0.00%
21	Fourth Block		0	0.9864	0		0	\$3.6132	0	0	0.00%
22											
23											
24	Total		64,608		\$194,713		64,608		\$235,315	\$40,602	20.85%
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**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Mexico

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Water Utilities:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 1.06	\$0	\$0	0.00%
5	3/4" Monthly	0		9.06	0	0		\$ 1.10	0	0	0.00%
6	1" Monthly	0		12.84	0	0		\$ 1.24	0	0	0.00%
7	1-1/2" Monthly	0		22.33	0	0		\$ 1.68	0	0	0.00%
8	2" Monthly	52		33.71	1,766	52		\$ 2.02	106	(1,660)	-94.00%
9	3" Monthly	17		60.24	1,036	17		\$ 4.36	75	(961)	-92.76%
10	4" Monthly	0		98.15	0	0		\$ 5.85	0	0	0.00%
11	6" Monthly	0		192.93	0	0		\$ 9.12	0	0	0.00%
12	8" Monthly	9		306.65	2,760	9		\$ 19.28	174	(2,586)	-93.70%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		2,633	\$5.2329	13,779		2,633	\$3.2633	8,593	(5,186)	-37.64%
19	Second Block		49,773	2.9315	145,911		49,773	3.2633	162,426	16,515	11.32%
20	Third Block		57,456	2.2622	129,976		57,456	3.2633	187,496	57,520	44.25%
21	Fourth Block		10,989	1.5234	16,741		10,989	3.2633	35,861	19,120	114.21%
22											
23											
24	Total		<u>120,852</u>		<u>\$311,969</u>		<u>120,852</u>		<u>\$394,731</u>	<u>\$82,762</u>	<u>26.53%</u>
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**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Mexico

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Miscellaneous:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 1.06	\$0	\$0	0.00%
5	3/4" Monthly	0		9.06	0	0		\$ 1.10	0	0	0.00%
6	1" Monthly	0		12.84	0	0		\$ 1.24	0	0	0.00%
7	1-1/2" Monthly	0		22.33	0	0		\$ 1.68	0	0	0.00%
8	2" Monthly	0		33.71	0	0		\$ 2.02	0	0	0.00%
9	3" Monthly	0		60.24	0	0		\$ 4.36	0	0	0.00%
10	4" Monthly	0		98.15	0	0		\$ 5.85	0	0	0.00%
11	6" Monthly	0		192.93	0	0		\$ 9.12	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 19.28	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		0	\$0.0000	0		0	\$0.0000	0	0	0.00%
19	Second Block		0	0.0000	0		0	0.0000	0	0	0.00%
20	Third Block		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fourth Block		0	0.0000	0		0	0.0000	0	0	0.00%
22											
23											
24	Total		<u>0</u>		<u>\$0</u>		<u>0</u>		<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
25											
26											
27											
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37											
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39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Mexico

Case No. WR-2007-0216

STAFF - MEXICO

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Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	Private Fire Service:							
3								
4	Private Fire Hydrant	7	\$1,077.24	\$7,541	371.48	\$2,600	(\$4,941)	-65.52%
5								
6	2"	2	154.44	309	53.26	107	(202)	-65.37%
7								
8	3"	0	265.32	0	91.50	0	0	0.00%
9								
10	4"	12	420.84	5,050	145.13	1,742	(3,308)	-65.50%
11								
12	6"	24	863.16	20,716	297.66	7,144	(13,572)	-65.51%
13								
14	8"	16	1,485.36	23,766	512.22	8,196	(15,570)	-65.51%
15								
16	10"	17	2,283.12	38,813	787.33	13,385	(25,428)	-65.51%
17								
18	12"	2	3,255.36	6,511	1,122.61	2,245	(4,266)	-65.52%
19								
20								
21								
22	Total	80		\$102,706		\$35,419	(\$67,287)	-65.51%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	0	0.00	0	0.00	0	0	0.00%
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	53,501	19,913	7,897	10,566	5,099	10,005	0	5
Labor & Exp Oper SS	2	1,662	619	245	328	158	311	0	0
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		55,163	20,532	8,142	10,895	5,257	10,315	0	6
Misc Exp Oper SS	2	124,979	46,517	18,447	24,683	11,910	23,371	0	12
Misc Exp Oper SS	2	311	116	46	61	30	58	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	189	70	28	37	18	35	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infilt Gall & Tunnels Maint SS	2	4,600	1,712	679	909	438	860	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	5	2	1	1	1	1	0	0
Misc Plant Maint SS	2	22,872	8,513	3,376	4,517	2,180	4,277	0	2
TOTAL SS EXPENSE - MAINTENANCE		152,956	56,930	22,576	30,209	14,577	28,603	0	15
TOTAL SS EXPENSE		208,118	77,462	30,718	41,103	19,834	38,918	0	21
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	(6)	(2)	(1)	(1)	(1)	(1)	0	(0)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	48,786	17,143	7,342	10,674	4,742	8,874	0	5
Labor & Exp Oper Pump	6	48	18	7	10	5	9	0	0
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	197	73	29	39	19	37	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		49,026	17,233	7,378	10,722	4,765	8,919	0	5

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	686	255	101	135	65	128	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	455	169	67	90	43	85	0	0
Pump Equip Maint P	6	1,133	422	167	224	108	212	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		2,274	846	336	449	217	425	0	0
TOTAL PUMPING EXPENSES		51,300	18,079	7,713	11,171	4,982	9,344	0	5
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	64,323	22,603	9,681	14,074	6,252	11,700	0	6
Labor & Exp Oper WT	2	9,963	3,708	1,471	1,968	950	1,863	0	1
Labor & Exp Oper WT	2	6,144	2,287	907	1,213	586	1,149	0	1
Misc Exp Oper WT	2	(1)	(0)	(0)	(0)	(0)	(0)	0	(0)
Misc Exp Oper WT	1	42,036	14,772	6,326	9,198	4,086	7,646	0	4
Misc Exp Oper WT	2	2,587	963	382	511	247	484	0	0
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		125,052	44,332	18,766	26,963	12,120	22,842	0	13
Super & Eng Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	15,246	5,675	2,250	3,011	1,453	2,851	0	2
TOTAL WT EXPENSE - MAINTENANCE		15,246	5,675	2,250	3,011	1,453	2,851	0	2
TOTAL WT EXPENSE		140,298	50,007	21,016	29,974	13,573	25,693	0	14
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	501	172	59	59	38	84	17	73
TD Lines Exp	7	69,702	21,378	7,354	7,298	4,754	10,413	3,555	14,937
TD Lines Exp	7	2,361	724	249	247	161	353	120	506
Meter Expense	9	0	0	0	0	0	0	0	0
Meter Expense	9	(5)	(4)	(1)	(0)	(0)	(0)	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	242	206	24	3	7	1	1	0
Misc Exp Oper TD	11	140	43	15	15	10	21	7	30
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Misc Exp Oper TD	11	5,171	1,596	546	540	352	770	262	1,102
Rents Oper TD	11	173	53	18	18	12	26	9	37
TOTAL T & D EXPENSE OPERATION		78,285	24,168	8,264	8,179	5,333	11,668	3,972	16,685
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	21,233	13,275	1,981	798	800	943	374	3,064
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	2,383	731	251	250	163	356	122	511
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	5,317	4,522	531	64	154	19	28	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	70	51	9	5	4	2	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	713	0	0	0	0	0	0	713
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	87,203	54,519	8,136	3,279	3,288	3,872	1,535	12,583
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		116,919	73,097	10,908	4,396	4,408	5,191	2,058	16,871
TOTAL T & D EXPENSE		195,204	97,266	19,173	12,575	9,741	16,859	6,030	33,556
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	30,542	26,984	2,755	156	605	40	0	0
Meter Reading Exp CA	14	(40)	(35)	(4)	(0)	(1)	(0)	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	11,423	10,083	1,029	58	226	15	11	0
Cust Rec & Collection CA	13	24,644	21,753	2,220	126	488	32	25	0
Uncollectible Accts	13	29,707	26,222	2,677	152	588	39	30	0
Misc Cust Accts Exp CA	13	39	34	3	0	1	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	6,924	6,112	624	35	137	9	7	0
Cust Serv & Info Exp CA	13	(18)	(16)	(2)	(0)	(0)	(0)	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		103,221	91,137	9,303	526	2,044	134	73	0

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	75,088	38,648	8,928	8,492	4,851	8,673	841	4,640
Other Supplies & Exp AG	15	2,645	1,361	314	299	171	306	30	163
Other Supplies & Exp AG	15	31,995	16,468	3,804	3,619	2,067	3,695	358	1,977
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Mgmt Fees-Coporate/Shared Service Center	15	113,056	58,190	13,442	12,787	7,303	13,058	1,266	6,987
Mgmt Fees-Call Center	13	76,250	67,306	6,870	389	1,510	99	76	0
Mgmt Fees-Belleville Lab	2	25,665	9,553	3,788	5,069	2,446	4,799	0	3
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Outside Services AG	15	122,135	62,863	14,522	13,813	7,890	14,107	1,368	7,548
Outside Services AG	15	8,491	4,370	1,010	960	548	981	95	525
Outside Services AG	15	38,926	20,035	4,628	4,402	2,515	4,496	436	2,406
Property Insurance	15	(6,153)	(3,167)	(732)	(696)	(397)	(711)	(69)	(380)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	58,823	30,906	6,500	5,376	3,382	5,882	1,018	5,753
Employee Pension & Benefits	16	83,845	44,052	9,265	7,663	4,821	8,385	1,451	8,200
Employee Pension & Benefits	16	14,032	7,372	1,551	1,283	807	1,403	243	1,372
Employee Pension & Benefits	16	39,482	20,744	4,363	3,609	2,270	3,948	683	3,861
Reg Commision Exp	15	2,371	1,220	282	268	153	274	27	147
Rents AG	15	5,734	2,951	682	649	370	662	64	354
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	39,312	20,234	4,674	4,446	2,540	4,541	440	2,429
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		731,696	403,106	83,891	72,429	43,247	74,597	8,327	45,986
General Plant Maint AG	15	315	162	37	36	20	36	4	19
General Plant Maint AG	15	3,927	2,021	467	444	254	454	44	243
TOTAL A & G EXPENSE - MAINTENANCE		4,242	2,184	504	480	274	490	48	262
TOTAL A & G EXPENSE		735,938	405,289	84,396	72,909	43,521	75,087	8,374	46,248
Total Operation & Maintenance Expenses		1,434,080	739,240	172,320	168,259	93,693	166,036	14,477	79,843

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	1,671	622	247	330	159	313	0	0
Struct & Imp P	6	1,266	471	187	250	121	237	0	0
Struct & Imp WT	2	54,799	20,396	8,088	10,823	5,222	10,247	0	5
Struct & Imp TD	7	1,850	567	195	194	126	276	94	396
Struct & Imp Offices	15	2,936	1,511	349	332	190	339	33	181
Struct & Imp Store,Shop,Gar	15	592	305	70	67	38	68	7	37
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	2	1	0	1	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	15,608	5,809	2,304	3,083	1,487	2,919	0	2
Supply Mains	2	13,869	5,162	2,047	2,739	1,322	2,593	0	1
Power Generation Equip Othe	6	107	40	16	21	10	20	0	0
Pump Equip Electric	6	18,092	6,734	2,670	3,573	1,724	3,383	0	2
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	71,103	26,465	10,495	14,043	6,776	13,296	0	7
Dist Reservoirs & Standpipe	5	6,856	2,349	808	801	522	1,144	237	997
Elevated Tanks & Standpipes	5	1,057	362	124	124	80	176	37	154
Ground Level Facilities	5	441	151	52	52	34	74	15	64
TD Mains Not Classified by	4	40,774	12,505	4,302	4,269	2,781	6,092	2,079	8,738
TD Mains 4 & Less "	4	2,741	841	289	287	187	409	140	587
TD Mains 6 to 8" "	4	13,642	4,184	1,439	1,428	930	2,038	696	2,924
TD Mains 10 to 16" "	3	10,620	3,728	1,478	1,978	955	1,872	117	491
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Fire Mains	8	465	0	0	0	0	0	0	465
Services	10	51,276	43,605	5,122	620	1,482	185	272	0
Meters Bronze Case	9	8,860	6,454	1,087	657	468	195	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	1,753	1,277	215	130	93	39	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	19,487	14,194	2,391	1,446	1,029	429	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	7,194	0	0	0	0	0	0	7,194
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	236	72	25	25	16	35	12	51
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	487	251	58	55	31	56	5	30
Comp & Periph Equip	15	8,437	4,343	1,003	954	545	975	94	521
Computer Software	15	16,333	8,407	1,942	1,847	1,055	1,886	183	1,009

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	2,397	1,234	285	271	155	277	27	148
Other Office Equipment	15	560	288	67	63	36	65	6	35
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	316	163	38	36	20	37	4	20
Tools,Shop,Garage Equip	15	2,195	1,130	261	248	142	254	25	136
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	571	212	84	113	54	107	0	0
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	547	282	65	62	35	63	6	34
Comm Equip Non-Telephone	15	1,010	520	120	114	65	117	11	62
Comm Equip Telephone	15	278	143	33	31	18	32	3	17
Misc Equipment	15	410	211	49	46	26	47	5	25
Total Depreciation Expense		380,839	174,988	48,006	51,115	27,936	50,295	4,108	24,333
Amort-Other UP, Depr Ciac,COR	18	1,786	754	226	253	136	254	24	138
Taxes Other Than Income									
Utility Reg Assessment Fee	19	17,114	8,071	2,114	2,204	1,208	2,196	197	1,124
Property Taxes	18	129,022	54,486	16,360	18,244	9,844	18,373	1,716	9,986
FUTA	16	318	167	35	29	18	32	6	31
FICA	16	21,162	11,118	2,338	1,934	1,217	2,116	366	2,070
SUTA	16	811	426	90	74	47	81	14	79
Other Taxes & Licenses	15	4,553	2,343	541	515	294	526	51	281
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		172,980	76,612	21,478	23,000	12,629	23,323	2,349	13,572
Income Taxes	18	278,664	117,680	35,335	39,403	21,262	39,682	3,706	21,569
Utility Income Available for Return	18	808,569	341,459	102,527	114,332	61,694	115,140	10,754	62,583
Total Cost of Service		3,076,918	1,450,733	379,892	396,361	217,350	394,731	35,418	202,039
Less: Other Water Revenues	19	(48,843)	(48,843)	0	0	0	0	0	0
Revenue Contribution	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		(48,843)	(48,843)	0	0	0	0	0	0
Total Cost of Service Related to Sales of Water		\$ 3,028,075	\$ 1,401,890	\$ 379,892	\$ 396,361	\$ 217,350	\$ 394,731	\$ 35,418	\$ 202,039
Reallocation of Public Fire	20	0	119,911	31,400	32,762	17,965	0		(202,039)
Total		\$ 3,028,075	\$ 1,521,802	\$ 411,292	\$ 429,123	\$ 235,315	\$ 394,731	\$ 35,418	\$ -
		\$ 48,843	\$ 48,843						
		\$ 3,076,918	\$ 1,570,644						

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
RATE BASE									
Organization	17	\$ 2,483	\$ 1,048	\$ 315	\$ 351	\$ 189	\$ 354	\$ 33	\$ 192
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	25,516	9,497	3,766	5,039	2,432	4,771	0	3
Land & Ld Rights P	6	58,808	21,888	8,680	11,615	5,604	10,997	0	6
Land & Ld Rights WT	2	13,920	5,181	2,055	2,749	1,327	2,603	0	1
Land & Ld Rights TD	7	13,336	4,090	1,407	1,396	910	1,992	680	2,858
Land & Land Rights AG	15	2,057	1,059	245	233	133	238	23	127
Struct & Imp SS	2	68,215	25,390	10,069	13,472	6,501	12,756	0	7
Struct & Imp P	6	73,206	27,247	10,805	14,458	6,977	13,690	0	7
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	3,361,873	1,251,289	496,212	663,970	320,386	628,670	0	336
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	69,287	21,250	7,310	7,254	4,725	10,351	3,534	14,848
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	122,345	62,971	14,547	13,837	7,903	14,131	1,370	7,561
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	24,657	12,691	2,932	2,789	1,593	2,848	276	1,524
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	183	64	28	40	18	33	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	934,615	347,864	137,949	184,586	89,069	174,773	0	93
Supply Mains	2	866,809	322,626	127,941	171,195	82,607	162,093	0	87
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Other Sources of Supply	2	1,730	644	255	342	165	324	0	0
Power Generation Equip Othe	6	5,353	1,992	790	1,057	510	1,001	0	1
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	741,464	275,973	109,440	146,439	70,662	138,654	0	74
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	33,882	12,611	5,001	6,692	3,229	6,336	0	3
WT Equip Non-Media	2	2,488,498	926,219	367,302	491,478	237,154	465,349	0	249
WT Equip Non-Med North (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL)	2	0	0	0	0	0	0	0	0
Other WT Equip Non Media	2	23,864	8,882	3,522	4,713	2,274	4,463	0	2

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
WT Equip Filter Media	2	69,180	25,749	10,211	13,663	6,593	12,937	0	7
Dist Reservoirs & Standpipe	5	304,708	104,393	35,895	35,620	23,188	50,825	10,543	44,305
Elevated Tanks & Standpipes	5	46,971	16,092	5,533	5,491	3,574	7,835	1,625	6,830
Ground Level Facilities	5	19,616	6,720	2,311	2,293	1,493	3,272	679	2,852
TD Mains Not Classified by	7	2,718,252	833,688	286,776	284,601	185,385	406,107	138,631	582,521
TD Mains 4 & Less "	4	182,724	56,041	19,277	19,131	12,462	27,299	9,319	39,158
TD Mains 6 to 8" "	4	909,483	278,938	95,950	95,223	62,027	135,877	46,384	194,902
TD Mains 10 to 16" "	3	707,992	248,505	98,552	131,899	63,648	124,819	7,788	32,709
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL)	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	30,970	0	0	0	0	0	0	30,970
Services	10	1,664,804	1,415,749	166,314	20,144	48,113	5,993	8,823	0
Meters Bronze Case	9	364,606	265,579	44,737	27,054	19,251	8,021	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	72,150	52,554	8,853	5,354	3,810	1,587	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	801,924	584,121	98,396	59,503	42,342	17,642	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	374,686	0	0	0	0	0	0	374,686
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	11,797	3,618	1,245	1,235	805	1,762	602	2,528
Other P/E CPS	15	5,010	2,579	596	567	324	579	56	310
Office Furniture & Equip	15	12,173	6,265	1,447	1,377	786	1,406	136	752
Comp & Periph Equip	15	59,043	30,390	7,020	6,678	3,814	6,819	661	3,649
Computer Software	15	114,298	58,829	13,590	12,927	7,384	13,201	1,280	7,064
Comp Software Personal	15	1,614	831	192	183	104	186	18	100
Data Handling Equipment	15	35,936	18,496	4,273	4,064	2,321	4,151	402	2,221
Other Office Equipment	15	8,391	4,319	998	949	542	969	94	519
Trans Equip Lt Duty Trks	15	23,414	12,051	2,784	2,648	1,513	2,704	262	1,447
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	18,478	9,511	2,197	2,090	1,194	2,134	207	1,142
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	11,065	5,695	1,316	1,251	715	1,278	124	684
Tools,Shop,Garage Equip	15	43,905	22,598	5,220	4,966	2,836	5,071	492	2,713
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	14,270	5,311	2,106	2,818	1,360	2,668	0	1
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	8,027	4,131	954	908	519	927	90	496
Comm Equip Non-Telephone	15	20,195	10,394	2,401	2,284	1,305	2,332	226	1,248
Comm Equip Telephone	15	4,172	2,148	496	472	270	482	47	258
Misc Equipment	15	8,193	4,217	974	927	529	946	92	506

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		17,600,149	7,429,992	2,231,185	2,490,026	1,342,572	2,506,259	234,497	1,362,557
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	(10,231)	(5,266)	(1,216)	(1,157)	(661)	(1,182)	(115)	(632)
Materials and Supplies	15	18,431	9,487	2,191	2,085	1,191	2,129	206	1,139
Prepayments	15	9,386	4,831	1,116	1,062	606	1,084	105	580
OPEB's Contributed to External Fund	16	0	0	0	0	0	0	0	0
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(1,671,364)	(705,650)	(211,929)	(236,498)	(127,525)	(238,002)	(22,229)	(129,364)
Pensions	16	0	0	0	0	0	0	0	0
Total Other Rate Base Elements		(1,653,778)	(696,598)	(209,838)	(234,509)	(126,389)	(235,971)	(22,032)	(128,277)
Total Original Cost Measure of Value		\$ 15,946,371	\$ 6,733,394	\$ 2,021,347	\$ 2,255,517	\$ 1,216,183	\$ 2,270,288	\$ 212,465	\$ 1,234,280

T&D OP BASIS FOR FACTOR 11	72,801	22,476	7,685	7,606	4,960	10,851	3,694	15,516	(14.3)
FACTOR 11		0.3087	0.1056	0.1045	0.0681	0.1490	0.0507	0.2131	0.9997
T&D Mnt BASIS FOR FACTOR 12	8,483	5,303	791	319	320	377	150	1,224	0.6
FACTOR 12		0.6252	0.0933	0.0376	0.0377	0.0444	0.0176	0.1443	1.0001
A&G BASIS FOR FACTOR 15	542,997	279,433	64,575	61,405	35,092	62,728	6,103	33,580	(80.9)
FACTOR 15		0.5147	0.1189	0.1131	0.0646	0.1155	0.0112	0.0618	0.9998
LABOR BASIS FOR FACTOR 16	373,421	196,206	41,251	34,128	21,474	37,340	6,476	36,505	(41.5)
FACTOR 16		0.5254	0.1105	0.0914	0.0575	0.1000	0.0173	0.0978	0.9999
UPIS BASIS FOR FACTOR 17	17,597,666	7,428,944	2,230,870	2,489,674	1,342,382	2,505,906	234,464	1,362,365	(3,059.7)
FACTOR 17		0.4222	0.1268	0.1415	0.0763	0.1424	0.0133	0.0774	0.9999
RATE BASE BASIS FOR FACTOR 18	15,946,371	6,733,394	2,021,347	2,255,517	1,216,183	2,270,288	212,465	1,234,280	(2,896.3)
FACTOR 18		0.4223	0.1268	0.1414	0.0763	0.1424	0.0133	0.0774	0.9999
TOTAL COS BASIS FOR FACTOR 19	3,057,433	1,441,441	377,496	393,889	215,989	392,261	35,195	200,768	(394.2)
FACTOR 19		0.4716	0.1235	0.1288	0.0706	0.1283	0.0115	0.0657	1.0000
COS w/o Fire Factor 20	2,444,336	1,450,733	379,892	396,361	217,350				0
FACTOR 20		0.5935	0.1554	0.1622	0.0889				1.0000

Table of Factors - Table Name "FACTORS"

	2 Residential	4 Commercial	6 Industrial	8 Public	10 Resale	12 Private Fire	14 Public Fire	20 Total
1	0.3514	0.1505	0.2188	0.0972	0.1819	-	0.0001	0.9999
2	0.3722	0.1476	0.1975	0.0953	0.1870	-	0.0001	0.9997
3	0.3510	0.1392	0.1863	0.0899	0.1763	0.0110	0.0462	0.9999
4	0.3067	0.1055	0.1047	0.0682	0.1494	0.0510	0.2143	0.9998

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public		
			5	0.3426	0.1178	0.1169	0.0761	0.1668	0.0346	0.1454	1.0002
			6	0.3722	0.1476	0.1975	0.0953	0.1870	-	0.0001	0.9997
			7	0.3067	0.1055	0.1047	0.0682	0.1494	0.0510	0.2143	0.9998
			8	-	-	-	-	-	-	1.0000	1.0000
			9	0.7284	0.1227	0.0742	0.0528	0.0220	-	-	1.0001
			10	0.8504	0.0999	0.0121	0.0289	0.0036	0.0053	-	1.0002
			11	0.3087	0.1056	0.1045	0.0681	0.1490	0.0507	0.2131	0.9997
			12	0.6252	0.0933	0.0376	0.0377	0.0444	0.0176	0.1443	1.0001
			13	0.8827	0.0901	0.0051	0.0198	0.0013	0.0010	-	1.0000
			14	0.8835	0.0902	0.0051	0.0198	0.0013	-	-	0.9999
			15	0.5147	0.1189	0.1131	0.0646	0.1155	0.0112	0.0618	0.9998
			16	0.5254	0.1105	0.0914	0.0575	0.1000	0.0173	0.0978	0.9999
			17	0.4222	0.1268	0.1415	0.0763	0.1424	0.0133	0.0774	0.9999
			18	0.4223	0.1268	0.1414	0.0763	0.1424	0.0133	0.0774	0.9999
			19	0.4716	0.1235	0.1288	0.0706	0.1283	0.0115	0.0657	1.0000
			20	0.5935	0.1554	0.1622	0.0889	-	-	-	1.0000

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	53,501	39,922	13,573	0	0	0	0	5
Labor & Exp Oper SS	2	1,662	1,240	422	0	0	0	0	0
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		55,163	41,162	13,995	0	0	0	0	6
Misc Exp Oper SS	2	124,979	93,259	31,707	0	0	0	0	12
Misc Exp Oper SS	2	311	232	79	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	189	141	48	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infilt Gall & Tunnels Maint SS	2	4,600	3,433	1,167	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	5	4	1	0	0	0	0	0
Misc Plant Maint SS	2	22,872	17,067	5,803	0	0	0	0	2
TOTAL SS EXPENSE - MAINTENANCE		152,956	114,135	38,805	0	0	0	0	15
TOTAL SS EXPENSE		208,118	155,298	52,800	0	0	0	0	21
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	(6)	(4)	(1)	0	0	0	0	(0)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	48,786	48,781	0	0	0	0	0	5
Labor & Exp Oper Pump	6	48	36	12	0	0	0	0	0
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	197	147	50	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		49,026	48,960	61	0	0	0	0	5

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	686	512	174	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	455	340	116	0	0	0	0	0
Pump Equip Maint P	6	1,133	845	287	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		2,274	1,697	577	0	0	0	0	0
TOTAL PUMPING EXPENSES		51,300	50,657	638	0	0	0	0	5
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	64,323	64,316	0	0	0	0	0	6
Labor & Exp Oper WT	2	9,963	7,435	2,528	0	0	0	0	1
Labor & Exp Oper WT	2	6,144	4,585	1,559	0	0	0	0	1
Misc Exp Oper WT	2	(1)	(0)	(0)	0	0	0	0	(0)
Misc Exp Oper WT	1	42,036	42,032	0	0	0	0	0	4
Misc Exp Oper WT	2	2,587	1,930	656	0	0	0	0	0
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		125,052	120,297	4,743	0	0	0	0	13
Super & Eng Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	15,246	11,377	3,868	0	0	0	0	2
TOTAL WT EXPENSE - MAINTENANCE		15,246	11,377	3,868	0	0	0	0	2
TOTAL WT EXPENSE		140,298	131,674	8,610	0	0	0	0	14
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	501	152	0	258	0	0	0	90
TD Lines Exp	7	69,702	19,001	0	32,202	0	0	0	18,492
TD Lines Exp	7	2,361	644	0	1,091	0	0	0	626
Meter Expense	9	0	0	0	0	0	0	0	0
Meter Expense	9	(5)	0	0	0	(5)	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	242	0	0	0	0	241	0	1
Misc Exp Oper TD	11	140	38	0	65	(0)	0	0	37
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Misc Exp Oper TD	11	5,171	1,406	0	2,383	(1)	17	0	1,365
Rents Oper TD	11	173	47	0	80	(0)	1	0	46
TOTAL T & D EXPENSE OPERATION		78,285	21,288	0	36,079	(6)	259	0	20,657
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	21,233	1,626	0	2,756	174	13,239	0	3,438
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	2,383	650	0	1,101	0	0	0	632
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	5,317	0	0	0	0	5,289	0	28
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	70	0	0	0	70	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	713	0	0	0	0	0	0	713
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	87,203	6,680	0	11,319	715	54,371	0	14,118
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		116,919	8,956	0	15,176	959	72,899	0	18,929
TOTAL T & D EXPENSE		195,204	30,244	0	51,255	953	73,158	0	39,586
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	30,542	0	0	0	0	0	30,542	0
Meter Reading Exp CA	14	(40)	0	0	0	0	0	(40)	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	11,423	0	0	0	0	0	11,412	11
Cust Rec & Collection CA	13	24,644	0	0	0	0	0	24,619	25
Uncollectible Accts	13	29,707	0	0	0	0	0	29,677	30
Misc Cust Accts Exp CA	13	39	0	0	0	0	0	39	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	6,924	0	0	0	0	0	6,917	7
Cust Serv & Info Exp CA	13	(18)	0	0	0	0	0	(18)	(0)
TOTAL CUSTOMER ACCOUNTING EXPENSE		103,221	0	0	0	0	0	103,148	73

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	75,088	29,420	8,583	7,088	135	10,114	14,267	5,489
Other Supplies & Exp AG	15	2,645	1,036	302	250	5	356	503	193
Other Supplies & Exp AG	15	31,995	12,536	3,657	3,020	58	4,310	6,079	2,339
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Mgmt Fees-Coporate/Shared Service Center	15	113,056	44,295	12,922	10,672	204	15,229	21,481	8,264
Mgmt Fees-Call Center	13	76,250	0	0	0	0	0	76,174	76
Mgmt Fees-Belleville Lab	2	25,665	19,151	6,511	0	0	0	0	3
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	122,135	47,852	13,960	11,530	220	16,452	23,206	8,928
Outside Services AG	15	8,491	3,327	970	802	15	1,144	1,613	621
Outside Services AG	15	38,926	15,251	4,449	3,675	70	5,243	7,396	2,845
Property Insurance	15	(6,153)	(2,411)	(703)	(581)	(11)	(829)	(1,169)	(450)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	58,823	17,200	4,123	8,594	171	13,082	8,865	6,771
Employee Pension & Benefits	16	83,845	24,516	5,878	12,250	243	18,647	12,636	9,651
Employee Pension & Benefits	16	14,032	4,103	984	2,050	41	3,121	2,115	1,615
Employee Pension & Benefits	16	39,482	11,545	2,768	5,768	114	8,781	5,950	4,544
Reg Commision Exp	15	2,371	929	271	224	4	319	450	173
Rents AG	15	5,734	2,247	655	541	10	772	1,089	419
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	39,312	15,403	4,493	3,711	71	5,295	7,469	2,874
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		731,696	246,399	69,824	69,594	1,349	102,037	188,122	54,355
General Plant Maint AG	15	315	123	36	30	1	42	60	23
General Plant Maint AG	15	3,927	1,539	449	371	7	529	746	287
TOTAL A & G EXPENSE - MAINTENANCE		4,242	1,662	485	400	8	571	806	310
TOTAL A & G EXPENSE		735,938	248,061	70,309	69,994	1,357	102,608	188,928	54,666
Total Operation & Maintenance Expenses		1,434,080	615,934	132,357	121,250	2,310	175,766	292,076	94,365

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
DEPRECIATION EXPENSE									
Struct & Imp SS	2	1,671	1,247	424	0	0	0	0	0
Struct & Imp P	6	1,266	945	321	0	0	0	0	0
Struct & Imp WT	2	54,799	40,891	13,902	0	0	0	0	5
Struct & Imp TD	7	1,850	504	0	855	0	0	0	491
Struct & Imp Offices	15	2,936	1,150	336	277	5	396	558	215
Struct & Imp Store,Shop,Gar	15	592	232	68	56	1	80	112	43
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	2	2	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	15,608	11,647	3,960	0	0	0	0	2
Supply Mains	2	13,869	10,349	3,519	0	0	0	0	1
Power Generation Equip Othe	6	107	80	27	0	0	0	0	0
Pump Equip Electric	6	18,092	13,500	4,590	0	0	0	0	2
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	71,103	53,057	18,039	0	0	0	0	7
Dist Reservoirs & Standpipe	5	6,856	2,086	0	3,536	0	0	0	1,234
Elevated Tanks & Standpipes	5	1,057	322	0	545	0	0	0	190
Ground Level Facilities	5	441	134	0	228	0	0	0	79
TD Mains Not Classified by	4	40,774	11,119	0	18,833	0	0	0	10,817
TD Mains 4 & Less "	4	2,741	747	0	1,266	0	0	0	727
TD Mains 6 to 8" "	4	13,642	3,720	0	6,301	0	0	0	3,619
TD Mains 10 to 16" "	3	10,620	7,472	2,541	0	0	0	0	607
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Fire Mains	8	465	0	0	0	0	0	0	465
Services	10	51,276	0	0	0	0	51,004	0	272
Meters Bronze Case	9	8,860	0	0	0	8,860	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	1,753	0	0	0	1,753	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	19,487	0	0	0	19,487	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	7,194	0	0	0	0	0	0	7,194
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	236	64	0	109	0	0	0	63
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	487	191	56	46	1	66	93	36
Comp & Periph Equip	15	8,437	3,306	964	796	15	1,137	1,603	617
Computer Software	15	16,333	6,399	1,867	1,542	29	2,200	3,103	1,194

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	2,397	939	274	226	4	323	455	175
Other Office Equipment	15	560	219	64	53	1	75	106	41
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	316	124	36	30	1	43	60	23
Tools,Shop,Garage Equip	15	2,195	860	251	207	4	296	417	160
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	571	426	145	0	0	0	0	0
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	547	214	63	52	1	74	104	40
Comm Equip Non-Telephone	15	1,010	396	115	95	2	136	192	74
Comm Equip Telephone	15	278	109	32	26	1	37	53	20
Misc Equipment	15	410	161	47	39	1	55	78	30
Total Depreciation Expense		<u>380,839</u>	<u>172,614</u>	<u>51,640</u>	<u>35,118</u>	<u>30,166</u>	<u>55,921</u>	<u>6,935</u>	<u>28,444</u>
Amort-Other UP	18	1,786	856	249	208	126	175	11	162
Taxes Other Than Income									
Utility Reg Assessment Fee	19	17,114	7,722	1,990	1,687	662	1,996	1,735	1,321
Property Taxes	18	129,022	61,814	17,999	14,992	9,083	12,657	761	11,702
FUTA	16	318	93	22	46	1	71	48	37
FICA	16	21,162	6,188	1,483	3,092	61	4,706	3,189	2,436
SUTA	16	811	237	57	118	2	180	122	93
Other Taxes & Licenses	15	4,553	1,784	520	430	8	613	865	333
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>172,980</u>	<u>77,838</u>	<u>22,072</u>	<u>20,366</u>	<u>9,818</u>	<u>20,223</u>	<u>6,721</u>	<u>15,922</u>
Income Taxes	18	278,664	133,508	38,874	32,381	19,618	27,337	1,644	25,275
Utility Income Available for Return	18	808,569	387,385	112,795	93,956	56,923	79,321	4,771	73,337
Total Cost of Service		3,076,918	1,388,135	357,987	303,278	118,961	358,742	312,157	237,505
Less: Other Water Revenues	19	(48,843)	(22,038)	(5,680)	(4,816)	(1,890)	(5,695)	(4,953)	(3,771)
Revenue Shift	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		<u>(48,843)</u>	<u>(22,038)</u>	<u>(5,680)</u>	<u>(4,816)</u>	<u>(1,890)</u>	<u>(5,695)</u>	<u>(4,953)</u>	<u>(3,771)</u>
Total Cost of Service Related to Sales of Water		<u>3,028,075</u>	<u>1,366,097</u>	<u>352,306</u>	<u>298,462</u>	<u>117,071</u>	<u>353,047</u>	<u>307,205</u>	<u>233,734</u>
Reallocation of Public Fire	20	0	136,841	35,296	29,902		0	0	(202,039)
Total		<u>\$ 3,028,075</u>	<u>\$ 1,502,938</u>	<u>\$ 387,603</u>	<u>\$ 328,364</u>	<u>\$ 117,071</u>	<u>\$ 353,047</u>	<u>\$ 307,205</u>	<u>\$ 31,696</u>
			664,450			71,286	60,553	702,996	
			2.262			1.64	5.83		
						0.14	0.49	0.44	
								1.06	

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
RATE BASE									
Organization	17	2,483	1,190	347	289	175	244	14	225
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	25,516	19,040	6,473	0	0	0	0	3
Land & Ld Rights P	6	58,808	43,883	14,920	0	0	0	0	6
Land & Ld Rights WT	2	13,920	10,387	3,532	0	0	0	0	1
Land & Ld Rights TD	7	13,336	3,635	0	6,161	0	0	0	3,538
Land & Land Rights AG	15	2,057	806	235	194	4	277	391	150
Struct & Imp SS	2	68,215	50,902	17,306	0	0	0	0	7
Struct & Imp P	6	73,206	54,626	18,572	0	0	0	0	7
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	3,361,873	2,508,630	852,907	0	0	0	0	336
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	69,287	18,888	0	32,011	0	0	0	18,382
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	122,345	47,935	13,984	11,549	220	16,480	23,246	8,943
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	24,657	9,661	2,818	2,328	44	3,321	4,685	1,802
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	183	183	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	934,615	697,410	237,112	0	0	0	0	93
Supply Mains	2	866,809	646,813	219,909	0	0	0	0	87
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	1,730	1,291	439	0	0	0	0	0
Power Generation Equip Othe	6	5,353	3,994	1,358	0	0	0	0	1
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	741,464	553,280	188,109	0	0	0	0	74
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	33,882	25,283	8,596	0	0	0	0	3
WT Equip Non-Media	2	2,488,498	1,856,917	631,332	0	0	0	0	249
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	23,864	17,807	6,054	0	0	0	0	2

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
WT Equip Filter Media	2	69,180	51,622	17,551	0	0	0	0	7
Dist Reservoirs & Standpipe	5	304,708	92,723	0	157,138	0	0	0	54,847
Elevated Tanks & Standpipes	5	46,971	14,293	0	24,223	0	0	0	8,455
Ground Level Facilities	5	19,616	5,969	0	10,116	0	0	0	3,531
TD Mains Not Classified by	7	2,718,252	740,995	0	1,255,832	0	0	0	721,152
TD Mains 4 & Less "	4	182,724	49,829	0	84,400	0	0	0	48,477
TD Mains 6 to 8" "	4	909,483	248,016	0	420,090	0	0	0	241,286
TD Mains 10 to 16" "	3	707,992	498,143	169,422	0	0	0	0	40,497
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL)	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	30,970	0	0	0	0	0	0	30,970
Services	10	1,664,804	0	0	0	0	1,655,981	0	8,823
Meters Bronze Case	9	364,606	0	0	0	364,606	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	72,150	0	0	0	72,150	0	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	801,924	0	0	0	801,924	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	374,686	0	0	0	0	0	0	374,686
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	11,797	3,216	0	5,450	0	0	0	3,130
Other P/E CPS	15	5,010	1,963	573	473	9	675	952	366
Office Furniture & Equip	15	12,173	4,769	1,391	1,149	22	1,640	2,313	890
Comp & Periph Equip	15	59,043	23,133	6,749	5,574	106	7,953	11,218	4,316
Computer Software	15	114,298	44,782	13,064	10,790	206	15,396	21,717	8,355
Comp Software Personal	15	1,614	632	185	152	3	217	307	118
Data Handling Equipment	15	35,936	14,080	4,107	3,392	65	4,841	6,828	2,627
Other Office Equipment	15	8,391	3,287	959	792	15	1,130	1,594	613
Trans Equip Lt Duty Trks	15	23,414	9,174	2,676	2,210	42	3,154	4,449	1,712
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	18,478	7,240	2,112	1,744	33	2,489	3,511	1,351
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	11,065	4,335	1,265	1,045	20	1,490	2,102	809
Tools,Shop,Garage Equip	15	43,905	17,202	5,018	4,145	79	5,914	8,342	3,209
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	14,270	10,648	3,620	0	0	0	0	1
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	8,027	3,145	917	758	14	1,081	1,525	587
Comm Equip Non-Telephone	15	20,195	7,912	2,308	1,906	36	2,720	3,837	1,476
Comm Equip Telephone	15	4,172	1,635	477	394	8	562	793	305
Misc Equipment	15	8,193	3,210	936	773	15	1,104	1,557	599

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		17,600,149	8,434,515	2,457,336	2,045,079	1,239,796	1,726,669	99,379	1,597,107
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	(10,231)	(4,009)	(1,169)	(966)	(18)	(1,378)	(1,944)	(748)
Materials and Supplies	15	18,431	7,221	2,107	1,740	33	2,483	3,502	1,347
Prepayments	15	9,386	3,678	1,073	886	17	1,264	1,783	686
OPEB's Contributed to External Fund	16	0	0	0	0	0	0	0	0
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(1,671,364)	(800,918)	(233,322)	(194,212)	(117,664)	(163,961)	(9,360)	(151,593)
Pensions	16	0	0	0	0	0	0	0	0
Total Other Rate Base Elements		(1,653,778)	(794,027)	(231,312)	(192,552)	(117,632)	(161,592)	(6,018)	(150,307)
Total Original Cost Measure of Value		\$ 15,946,371	\$ 7,640,488	\$ 2,226,024	\$ 1,852,527	\$ 1,122,164	\$ 1,565,077	\$ 93,361	\$ 1,446,800

T&D OP BASIS FOR FACTOR 11	72,801	19,797	0	33,551	(5)	241	0	19,210
FACTOR 11		0.2719	0.0000	0.4609	(0.0001)	0.0033	0.0000	0.2639
T&D Mnt BASIS FOR FACTOR 12	8,483	650	0	1,101	70	5,289	0	1,373
FACTOR 12		0.0766	0.0000	0.1298	0.0082	0.6235	0.0000	0.1619
A&G BASIS FOR FACTOR 15	542,997	212,743	62,048	51,255	953	73,158	103,148	39,684
FACTOR 15		0.3918	0.1143	0.0944	0.0018	0.1347	0.1900	0.0731
LABOR BASIS FOR FACTOR 16	373,421	109,214	26,188	54,561	1,095	83,056	56,319	42,989
FACTOR 16		0.2924	0.0701	0.1461	0.0029	0.2224	0.1507	0.1151
UPIS BASIS FOR FACTOR 17	17,597,666	8,433,325	2,456,990	2,044,790	1,239,621	1,726,425	99,365	1,596,882
FACTOR 17		0.4792	0.1396	0.1162	0.0704	0.0981	0.0056	0.0907
RATE BASE BASIS FOR FACTOR 18	15,946,371	7,640,488	2,226,024	1,852,527	1,122,164	1,565,077	93,361	1,446,800
FACTOR 18		0.4791	0.1395	0.1162	0.0704	0.0981	0.0059	0.0907
TOTAL COS BASIS FOR FACTOR 19	3,057,433	1,379,484	355,725	301,367	118,295	356,428	309,971	236,011
FACTOR 19		0.4512	0.1163	0.0986	0.0387	0.1166	0.1014	0.0772
TOTAL COS BASIS FOR FACTOR 20	2,016,866	1,366,097	352,306	298,462				
FACTOR 20		0.6773	0.1747	0.1480				

	2	4	6	8	10	12	14
	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
1	0.9999	-	-	-	-	-	0.0001
2	0.7462	0.2537	-	-	-	-	0.0001
3	0.7036	0.2393	-	-	-	-	0.0572
4	0.2727	-	0.4619	-	-	-	0.2653

	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
5	0.3043	-	0.5157	-	-	-	0.1800
6	0.7462	0.2537	-	-	-	-	0.0001
7	0.2726	-	0.4620	-	-	-	0.2653
8	-	-	-	-	-	-	1.0000
9	-	-	-	1.0000	-	-	-
10	-	-	-	-	0.9947	-	0.0053
11	0.2719	-	0.4609	(0.0001)	0.0033	-	0.2639
12	0.0766	-	0.1298	0.0082	0.6235	-	0.1619
13	-	-	-	-	-	0.9990	0.0010
14	-	-	-	-	-	1.0000	-
15	0.3918	0.1143	0.0944	0.0018	0.1347	0.1900	0.0731
16	0.2924	0.0701	0.1461	0.0029	0.2224	0.1507	0.1151
17	0.4792	0.1396	0.1162	0.0704	0.0981	0.0056	0.0907
18	0.4791	0.1395	0.1162	0.0704	0.0981	0.0059	0.0907
19	0.4512	0.1163	0.0986	0.0387	0.1166	0.1014	0.0772
20	0.6773	0.1747	0.1480				

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.

ALLOCATION OF COSTS THAT VARY WITH THE AMT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	639.94	0.3514
Commercial	273.95	0.1505
Industrial	398.41	0.2188
Other Public Authority	177.01	0.0972
Sales for Resale	331.10	0.1819
Private Fire Protection	0.04	0.0000
Public Fire Protection	0.18	0.0001
Total	1,820.64	0.9999

FACTOR 2.

ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.7463	(4)	(5)=(4)x 0.2537	(6)=(3)+(5)
Residential	0.3514	0.2621	0.4338	0.1101	0.3722
Commercial	0.1505	0.1123	0.1393	0.0353	0.1476
Industrial	0.2188	0.1633	0.1350	0.0342	0.1975
Other Public Authority	0.0972	0.0725	0.0900	0.0228	0.0953
Sales for Resale	0.1819	0.1358	0.2020	0.0512	0.1870
Private Fire Protection	0.0000	0.0000			0.0000
Public Fire Protection	0.0001	0.0001			0.0001
Total	0.9999	0.7461	1.0001	0.2536	0.9997

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

**FACTOR 2. MAX DAY CLASS ALLOCATION AND MAX DAY TO AVERAGE DAY
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.**

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	640	1.00	640	0.4338
Commercial	274	0.75	205	0.1393
Industrial	398	0.50	199	0.1350
Other Public Authority	177	0.75	133	0.0900
Sales for Resale	331	0.90	298	0.2020
Total	1,820		1,475	1.0001

The weighting of the factors is based on the maximum day ratio of 1.34, based on a review of maximum day ratios experienced during the period 1990 through 2006 (see Schedule D and DR #110).

	Maximum Day Ratio	Weight
Average Day	1.00	0.7463
Maximum Day Extra Capacity	0.34	0.2537
Total	1.34	1.0000

* Ratio of maximum day to average day minus 1.0.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.7037	(4)	(5)=(4) X 0.2393	(6)	(7)=(6) X 0.0571	(8)=(3)+(5)+(7)
Residential	0.3514	0.2473	0.4338	0.1037			0.3510
Commercial	0.1505	0.1059	0.1393	0.0333			0.1392
Industrial	0.2188	0.1540	0.1350	0.0323			0.1863
Other Public Authority	0.0972	0.0684	0.0900	0.0215			0.0899
Sales for Resale	0.1819	0.1280	0.2020	0.0483			0.1763
Private Fire Protection	0.0000	0.0000			0.1923	0.0110	0.0110
Public Fire Protection	0.0001	0.0001			0.8077	0.0461	0.0462
Total	0.9999	0.7037	1.0001	0.2391	1.0000	0.0571	0.9999

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. Continued

**ALLOCATION OF COSTS ASSOC WITH FACILITIES SERVING BASE, MAXIMUM
DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.34 and the average daily system sendout for 2006 of 2.22 MGD. The system demand for fire protection is 1,500 Gallons per minute for 2 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	2,220,000	0.7037
Maximum Day Extra Capacity	<u>0.34</u>	<u>754,800</u>	<u>0.2393</u>
Subtotal	<u><u>1.34</u></u>	2,974,800	0.9430
Fire Protection		<u>180,000</u>	<u>0.0571</u>
Total		<u><u>3,154,800</u></u>	<u><u>1.0001</u></u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2727	(5)	(6)=(5) X 0.4620	(7)	(8)=(7) X 0.2653	(9)=(4)+(6)+(8)
Residential	26.7	0.3515	0.0959	0.4567	0.2109			0.3068
Commercial	11.4	0.1505	0.0410	0.1396	0.0645			0.1055
Industrial	16.6	0.2188	0.0597	0.0975	0.0450			0.1047
Other Public Authority	7.4	0.0972	0.0265	0.0902	0.0417			0.0682
Sales for Resale	13.8	0.1819	0.0496	0.2160	0.0998			0.1494
Private Fire Protection	0.0	0.0000	0.0000			0.1923	0.0510	0.0510
Public Fire Protection	0.0	0.0001	0.0000			0.8077	0.2143	0.2143
Total	75.9	1.0000	0.2727	1.0000	0.4619	1.0000	0.2653	0.9999

The maximum hour extra capacity factors in column 5 are determined as follows:

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. Continued

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.81. The system demand for fire protection is 1500 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	1,542	0.2727
Maximum Hour Extra Capacity	1.69	2,612	0.4620
Subtotal	2.69	4,154	0.7347
Fire Protection		1,500	0.2653
Total		5,654	1.0000

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	26.7	3.5	93.3	0.4567
Commercial	11.4	2.5	28.5	0.1396
Industrial	16.6	1.2	19.9	0.0975
Other Public Authority	7.4	2.5	18.4	0.0902
Sales for Resale	13.8	3.2	44.1	0.2160
Total	75.9		204.4	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3043	(5)	(6)=(5) X 0.5157	(7)	(8)=(7) X 0.1800	(9)=(4)+(6)+(8)
Residential	26.664	0.3515	0.1070	0.4567	0.2356			0.3426
Commercial	11.415	0.1505	0.0458	0.1396	0.0720			0.1178
Industrial	16.601	0.2188	0.0666	0.0975	0.0503			0.1169
Other Public Authority	7.375	0.0972	0.0296	0.0902	0.0465			0.0761
Sales for Resale	13.796	0.1819	0.0554	0.2160	0.1114			0.1668
Private Fire Protection	0.002	0.0000	0.0000			0.1923	0.0346	0.0346
Public Fire Protection	0.008	0.0001	0.0000			0.8077	0.1454	0.1454
Total	75.860	1.0000	0.3044	1.0000	0.5158	1.0000	0.1800	1.0002

The weighting of the factors is based on the ratio of the capacity required for a 10 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. Continued

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 10 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{1,500 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{1,000,000 \text{ Gallons}} = 0.1800$$

$$\text{General Service Weight} = 1.0000 - 0.1800 = 0.8200$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	37.11	0.3043
Extra Capacity Maximum Hour	<u>1.69</u>	<u>62.89</u>	<u>0.5157</u>
Total	<u><u>2.69</u></u>	<u><u>100.00</u></u>	<u><u>0.8200</u></u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 1.0000	(4)	(5)=(4)X 0.0000	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Residential	0.3722	0.3722	0.3510	0.0000	0.3068	0.0000	0.3722
Commercial	0.1476	0.1476	0.1392	0.0000	0.1055	0.0000	0.1476
Industrial	0.1975	0.1975	0.1863	0.0000	0.1047	0.0000	0.1975
Other Public Authority	0.0953	0.0953	0.0899	0.0000	0.0682	0.0000	0.0953
Sales for Resale	0.1870	0.1870	0.1763	0.0000	0.1494	0.0000	0.1870
Private Fire Protection	0.0000	0.0000	0.0110	0.0000	0.0510	0.0000	0.0000
Public Fire Protection	0.0001	0.0001	0.0462	0.0000	0.2143	0.0000	0.0001
Total	0.9997	0.9997	0.9999	0.0000	0.9999	0.0000	0.9997

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	Horsepower of Pumps	Weight
Associated with Maximum Day	1,415	1.0000
Associated with Maximum Day and Fire	0	0.0000
Associated with Maximum Hour	0	0.0000
Total	1,415	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.

ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 5, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)=(3)+(5)
Residential	0.3510	0.0000	0.3067	0.3067	0.3067
Commercial	0.1392	0.0000	0.1055	0.1055	0.1055
Industrial	0.1863	0.0000	0.1047	0.1047	0.1047
Other Public Authority	0.0899	0.0000	0.0682	0.0682	0.0682
Sales for Resale	0.1763	0.0000	0.1494	0.1494	0.1494
Private Fire Protection	0.0110	0.0000	0.0510	0.0510	0.0510
Public Fire Protection	0.0462	0.0000	0.2143	0.2143	0.2143
Total	0.9999	0.0000	0.9998	0.9998	0.9998

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains	19,677	0.0000
Distribution Mains	442,904	1.0000
Total	462,581	1.0000

Assigned all to Max Hour Consumption
NO FUNCTIONALIZATION

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.

ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

Customer Classification (1)	Allocation Factor (3)
Public Fire Protection	1.0000
Total	1.0000

FACTOR 9.

ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential	51,923	0.7284
Commercial	8,745	0.1227
Industrial	5,289	0.0742
Other Public Authority	3,761	0.0528
Sales for Resale	1,568	0.0220
Private Fire	0	0.0000
Total	71,286	1.0001

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.

ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	51,766	0.8504
Commercial	6,078	0.0999
Industrial	735	0.0121
Other Public Authority	1,757	0.0289
Sales for Resale	217	0.0036
Private Fire Protection	<u>321</u>	<u>0.0053</u>
Total	<u><u>60,874</u></u>	<u><u>1.0002</u></u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.

**ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION
SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.**

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 22,476	0.3088
Commercial	7,685	0.1056
Industrial	7,606	0.1045
Other Public Authority	4,960	0.0681
Sales for Resale	10,851	0.1491
Private Fire Protection	3,694	0.0507
Public Fire Protection	15,516	0.2132
Total	72,787	1.0000

FACTOR 12.

**ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.**

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 5,303	0.6251
Commercial	791	0.0933
Industrial	319	0.0376
Other Public Authority	320	0.0377
Sales for Resale	377	0.0444
Private Fire Protection	150	0.0176
Public Fire Protection	1,224	0.1443
Total	\$8,483	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.

ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	51,710	0.8827
Commercial	5,279	0.0901
Industrial	301	0.0051
Other Public Authority	1,157	0.0198
Sales for Resale	79	0.0013
Private Fire Protection	58	0.0010
Public Fire Protection	0	0.0000
Total	58,583	1.0000

FACTOR 14.

ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	51,710	0.8835
Commercial	5,279	0.0902
Industrial	301	0.0051
Other Public Authority	1,157	0.0198
Sales for Resale	79	0.0013
Total	58,525	0.9999

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.

**ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$279,433	0.5148
Commercial	64,575	0.1189
Industrial	61,405	0.1131
Other Public Authority	35,092	0.0646
Sales for Resale	62,728	0.1155
Private Fire Protection	6,103	0.0112
Public Fire Protection	33,580	0.0619
Total	<u>\$542,916</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.

ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$196,206	0.5255
Commercial	41,251	0.1105
Industrial	34,128	0.0914
Other Public Authority	21,474	0.0575
Sales for Resale	37,340	0.1000
Private Fire Protection	6,476	0.0173
Public Fire Protection	36,505	0.0978
Total	<u>\$373,380</u>	<u>1.0000</u>

FACTOR 17.

**ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$7,428,944	0.4222
Commercial	2,230,870	0.1268
Industrial	2,489,674	0.1415
Other Public Authority	1,342,382	0.0763
Sales for Resale	2,505,906	0.1424
Private Fire Protection	234,464	0.0133
Public Fire Protection	1,362,365	0.0774
Total	<u>\$17,594,606</u>	<u>0.9999</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.

ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$6,733,394	0.4223
Commercial	2,021,347	0.1268
Industrial	2,255,517	0.1415
Other Public Authority	1,216,183	0.0763
Sales for Resale	2,270,288	0.1424
Private Fire Protection	212,465	0.0133
Public Fire Protection	1,234,280	0.0774
Total	<u>\$15,943,475</u>	<u>1.0000</u>

FACTOR 19.

**ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND
OTHER WATER REVENUES.**

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$1,441,441	0.4715
Commercial	377,496	0.1235
Industrial	393,889	0.1288
Other Public Authority	215,989	0.0707
Sales for Resale	392,261	0.1283
Private Fire Protection	35,195	0.0115
Public Fire Protection	200,768	0.0657
Total	<u>\$3,057,039</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters	Weighting (4)=(2)X(3)	Number of Meters	Weighting (6)=(2)X(5)	Number of Meters	Weighting (8)=(2)X(7)	Number of Meters	Weighting (10)=(2)X(9)	Number of Meters	Weighting (12)=(2)X(11)	Number of Meters	Weighting (14)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	51,480.20	51,480.20	3,717.40	3,717.40	13.00	13.00	402.44	402.44	0.00	0.00	55,613.04	55,613.04
3/4	1.3	24.00	31.20	59.80	77.74	0.00	0.00	19.40	25.22	0.00	0.00	103.20	134.16
1	1.7	181.50	308.55	926.10	1,574.37	64.70	109.99	224.37	381.42	0.00	0.00	1,396.67	2,374.34
1-1/2	3.5	0.00	0.00	0.00	0.00	0.00	0.00	12.00	42.00	0.00	0.00	12.00	42.00
2	4.3	24.00	103.20	537.90	2,312.97	68.10	292.83	447.07	1,922.39	52.40	225.32	1,129.47	4,856.71
3	19.0	0.00	0.00	25.60	486.40	64.00	1,216.00	52.00	988.00	17.20	326.80	158.80	3,017.20
4	29.3	0.00	0.00	0.00	0.00	38.97	1,141.72	0.00	0.00	0.00	0.00	38.97	1,141.72
6	48.4	0.00	0.00	11.90	575.96	51.97	2,515.19	0.00	0.00	0.00	0.00	63.87	3,091.15
8	112.9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.00	1,016.10	9.00	1,016.10
Total		<u>51,709.70</u>	<u>51,923.15</u>	<u>5,278.70</u>	<u>8,744.84</u>	<u>300.73</u>	<u>5,288.73</u>	<u>1,157.27</u>	<u>3,761.47</u>	<u>78.60</u>	<u>1,568.22</u>	<u>58,525.00</u>	<u>71,286.41</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
PSC STAFF STUDY
BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services	Weighting (4)=(2)X(3)	Number of Services	Weighting (6)=(2)X(5)	Number of Services	Weighting (8)=(2)X(7)	Number of Services	Weighting (10)=(2)X(9)	Number of Services	Weighting (12)=(2)X(11)	Number of Services	Weighting (14)=(2)X(11)	Number of Services	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	51,504.20	51,504.20	3,777.20	3,777.20	13.00	13.00	421.83	421.83	0.00	0.00	0.00	0.00	55,716.23	55,716.23
1	1.17	181.50	212.36	926.10	1,083.54	64.70	75.70	224.37	262.51	0.00	0.00	0.00	0.00	1,396.67	1,634.10
1-1/2	1.58	0.00	0.00	0.00	0.00	0.00	0.00	12.00	18.96	0.00	0.00	0.00	0.00	12.00	18.96
2	2.04	24.00	48.96	537.90	1,097.32	68.10	138.92	447.07	912.02	52.40	106.90	1.00	2.04	1,130.47	2,306.15
3	2.73	0.00	0.00	25.60	69.89	64.00	174.72	52.00	141.96	17.20	46.96	1.00	2.73	159.80	436.25
4	2.88	0.00	0.00	0.00	0.00	38.97	112.22	0.00	0.00	0.00	0.00	10.00	28.80	48.97	141.02
6	4.24	0.00	0.00	11.90	50.46	51.97	220.34	0.00	0.00	0.00	0.00	20.00	84.80	83.87	355.59
8	6.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.00	62.82	11.00	76.78	20.00	139.60
10	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.00	114.00	12.00	114.00
12	12.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	12.16	1.00	12.16
Total		<u>51,709.70</u>	<u>51,765.52</u>	<u>5,278.70</u>	<u>6,078.40</u>	<u>300.73</u>	<u>734.91</u>	<u>1,157.27</u>	<u>1,757.28</u>	<u>78.60</u>	<u>216.67</u>	<u>56.00</u>	<u>321.31</u>	<u>58,581.00</u>	<u>60,874.08</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	1	4	
3 -inch	9.00	0	0	
4 -inch	16.00	10	160	
6 -inch	36.00	20	720	
8 -inch	64.00	11	704	
10 -inch	100.00	12	1,200	
12 -inch	144.00	1	144	
Private Hydrants	24.75	3	74	
Total Private Fire Protection		58	3,006	0.1923
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1- 3.5"	24.75	510	12,623
6" Valve	2- 2-1/2" & 1- 4"	28.50	0	0
Total Public Fire Protection		510	12,623	0.8077
Total Fire Protection		568	15,629	1.0000

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

PSC STAFF STUDY

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 2,266,611	72.6%	\$ 2,270,946	71.8%	\$ 2,266,611	72.6%	\$ (4,335)	-0.2%
Commercial	543,727	17.4%	\$ 578,465	18.3%	\$ 543,728	17.4%	(34,737)	-6.0%
Industrial	18,000	0.6%	\$ 22,792	0.7%	\$ 18,000	0.6%	(4,792)	-21.0%
Public Authority	40,384	1.3%	\$ 45,521	1.4%	\$ 40,384	1.3%	(5,137)	-11.3%
Sales for Resale	206,252	6.6%	\$ 159,292	5.0%	\$ 206,253	6.6%	46,961	29.5%
Private Fire Service	45,600	1.5%	\$ 84,678	2.7%	\$ 45,601	1.5%	(39,077)	
Public Fire Service	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Sales	3,120,574	<u>100.0%</u>	3,161,694	<u>99.9%</u>	3,120,577	<u>100.0%</u>	(41,117)	-1.3%
Other Revenues	<u>37,780</u>		<u>37,780</u>		<u>37,780</u>		-	0.0%
Total	<u>\$ 3,158,354</u>		<u>\$ 3,199,474</u>		<u>\$ 3,158,357</u>		<u>\$ (41,117)</u>	-1.3%

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission

Company: Missouri-American Water Company

District: Parkville Water (Platte County)

Case No. WR-2007-0216

STAFF - PARKVILLE WATER

Page 1 of 1

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	519,424	\$2,270,946	519,424	\$2,266,611	(\$4,335)	-0.19%
5	Commercial	171,481	578,465	171,481	543,728	(34,737)	-6.01%
6	Industrial	7,404	22,792	7,404	18,000	(4,792)	-21.02%
7	Other Public Authority	11,913	45,521	11,913	40,384	(5,137)	-11.28%
8	Other Water Utilities	77,175	159,292	77,175	206,253	46,961	29.48%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	84,678	0	45,601	(39,077)	-46.15%
11	Public Fire	0	0	0	0	0	0.00%
12	Total	<u>787,397</u>	<u>3,161,694</u>	<u>787,397</u>	<u>3,120,577</u>	<u>(\$41,117)</u>	<u>-1.30%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Other Revenue		37,780		37,780	0	0.00%
18	Returned Check Charge		0		0	0	0.00%
19	Application Fee		0		0	0	0.00%
20	Miscellaneous Other Revenue		0		0	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22							
23							
24			<u>\$3,199,474</u>		<u>\$3,158,357</u>	<u>(41,117)</u>	<u>-1.29%</u>
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission

Company: Missouri-American Water Company

District: Parkville Water (Platte County)

Case No. WR-2007-0216

STAFF - PARKVILLE WATER

Page 1 of 7

Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (^{'000} Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (^{'000} Gal)	Proposed Rate	Total Revenue		
1											
2	Residential:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	54,973		\$7.08	\$389,209	54,973		\$ 0.82	\$45,255	(\$343,954)	-88.37%
5	3/4" Monthly	0		\$9.06	0	0		\$ 0.87	0	0	0.00%
6	1" Monthly	3,608		\$12.84	46,322	3,608		\$ 0.97	3,481	(42,841)	-92.49%
7	1-1/2" Monthly	235		\$22.33	5,239	235		\$ 1.32	311	(4,928)	-94.06%
8	2" Monthly	81		\$33.71	2,734	81		\$ 1.54	125	(2,609)	-95.43%
9	3" Monthly	6		\$60.24	367	6		\$ 3.97	24	(343)	-93.46%
10	4" Monthly	6		\$98.15	599	6		\$ 5.62	34	(565)	-94.32%
11	6" Monthly	0		\$192.93	0	0		\$ 8.87	0	0	0.00%
12	8" Monthly	0		\$306.65	0	0		\$ 19.52	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		503,685	\$3.5580	1,792,112		503,685	\$4.2689	2,150,194	358,082	19.98%
19	Second Block		15,739	\$2.1834	34,364		15,739	4.2689	67,187	32,823	95.52%
20	Third Block		0	\$1.6849	0		0	4.2689	0	0	0.00%
21	Fourth Block		0	\$1.1346	0		0	4.2689	0	0	0.00%
22											
23											
24	Total		<u>519,424</u>		<u>\$2,270,946</u>		<u>519,424</u>		<u>\$2,266,611</u>	<u>(\$4,335)</u>	<u>-0.19%</u>
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission

Company: Missouri-American Water Company

District: Parkville Water (Platte County)

Case No. WR-2007-0216

STAFF - PARKVILLE WATER

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (^{'000} Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (^{'000} Gal)	Proposed Rate	Total Revenue		
1											
2	Commercial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	3,063		\$7.08	\$21,688	3,063		\$ 0.82	\$2,522	(\$19,166)	-88.37%
5	3/4" Monthly	0		\$9.06	0	0		\$ 0.87	0	0	0.00%
6	1" Monthly	874		\$12.84	11,220	874		\$ 0.97	843	(10,377)	-92.49%
7	1-1/2" Monthly	355		\$22.33	7,916	355		\$ 1.32	470	(7,446)	-94.06%
8	2" Monthly	620		\$33.71	20,907	620		\$ 1.54	953	(19,954)	-95.44%
9	3" Monthly	198		\$60.24	11,952	198		\$ 3.97	789	(11,163)	-93.40%
10	4" Monthly	21		\$98.15	2,071	21		\$ 5.62	119	(1,952)	-94.25%
11	6" Monthly	50		\$192.93	9,569	50		\$ 8.87	440	(9,129)	-95.40%
12	8" Monthly	0		\$306.65	0	0		\$ 19.52	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		89,967	\$3.5580	320,102		89,967	\$3.1350	282,046	(38,056)	-11.89%
19	Second Block		73,541	\$2.1834	160,569		73,541	3.1350	230,550	69,981	43.58%
20	Third Block		6,224	\$1.6849	10,487		6,224	3.1350	19,513	9,026	86.07%
21	Fourth Block		1,749	\$1.1346	1,984		1,749	3.1350	5,483	3,499	176.36%
22											
23											
24	Total		<u>171,481</u>		<u>\$578,465</u>		<u>171,481</u>		<u>\$543,728</u>	<u>(\$34,737)</u>	<u>-6.01%</u>
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Parkville Water (Platte County)

Case No. WR-2007-0216

STAFF - PARKVILLE WATER

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (^{'000} Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (^{'000} Gal)	Proposed Rate	Total Revenue		
1											
2	Industrial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	69		\$7.08	\$489	69		\$ 0.82	\$57	(\$432)	-88.34%
5	3/4" Monthly	0		\$9.06	0	0		\$ 0.87	0	0	0.00%
6	1" Monthly	0		\$12.84	0	0		\$ 0.97	0	0	0.00%
7	1-1/2" Monthly	24		\$22.33	536	24		\$ 1.32	32	(504)	-94.03%
8	2" Monthly	36		\$33.71	1,214	36		\$ 1.54	55	(1,159)	-95.47%
9	3" Monthly	0		\$60.24	0	0		\$ 3.97	0	0	0.00%
10	4" Monthly	0		\$98.15	0	0		\$ 5.62	0	0	0.00%
11	6" Monthly	0		\$192.93	0	0		\$ 8.87	0	0	0.00%
12	8" Monthly	0		\$306.65	0	0		\$ 19.52	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		3,192	\$3.5580	11,358		3,192	\$2.4117	7,699	(3,659)	-32.22%
19	Second Block		4,212	\$2.1834	9,195		4,212	2.4117	10,157	962	10.46%
20	Third Block		0	\$1.6849	0		0	2.4117	0	0	0.00%
21	Fourth Block		0	\$1.1346	0		0	2.4117	0	0	0.00%
22											
23											
24	Total		7,404		\$22,792		7,404		\$18,000	(\$4,792)	-21.02%
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**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission

Company: Missouri-American Water Company

District: Parkville Water (Platte County)

Case No. WR-2007-0216

STAFF - PARKVILLE WATER

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Public Authority:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	209		\$7.08	\$1,482	209		\$ 0.82	\$172	(\$1,310)	-88.39%
5	3/4" Monthly	0		\$9.06	0	0		\$ 0.87	0	0	0.00%
6	1" Monthly	48		\$12.84	616	48		\$ 0.97	46	(570)	-92.53%
7	1-1/2" Monthly	80		\$22.33	1,786	80		\$ 1.32	106	(1,680)	-94.06%
8	2" Monthly	95		\$33.71	3,202	95		\$ 1.54	146	(3,056)	-95.44%
9	3" Monthly	12		\$60.24	723	12		\$ 3.97	48	(675)	-93.36%
10	4" Monthly	0		\$98.15	0	0		\$ 5.62	0	0	0.00%
11	6" Monthly	12		\$192.93	2,347	12		\$ 8.87	108	(2,239)	-95.40%
12	8" Monthly	0		\$306.65	0	0		\$ 19.52	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		6,805	\$3.5580	24,211		6,805	\$3.3373	22,709	(1,502)	-6.20%
19	Second Block		5,109	\$2.1834	11,154		5,109	3.3373	17,049	5,895	52.85%
20	Third Block		0	\$1.6849	0		0	3.3373	0	0	0.00%
21	Fourth Block		0	\$1.1346	0		0	3.3373	0	0	0.00%
22											
23											
24	Total		11,913		\$45,521		11,913		\$40,384	(\$5,137)	-11.28%
25											
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission

Company: Missouri-American Water Company

District: Parkville Water (Platte County)

Case No. WR-2007-0216

STAFF - PARKVILLE WATER

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Water Utilities:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 0.82	\$0	\$0	0.00%
5	3/4" Monthly	0		\$9.06	0	0		\$ 0.87	0	0	0.00%
6	1" Monthly	0		\$12.84	0	0		\$ 0.97	0	0	0.00%
7	1-1/2" Monthly	0		\$22.33	0	0		\$ 1.32	0	0	0.00%
8	2" Monthly	0		\$33.71	0	0		\$ 1.54	0	0	0.00%
9	3" Monthly	36		\$60.24	2,169	36		\$ 3.97	143	(2,026)	-93.41%
10	4" Monthly	12		\$98.15	1,178	12		\$ 5.62	67	(1,111)	-94.31%
11	6" Monthly	0		\$192.93	0	0		\$ 8.87	0	0	0.00%
12	8" Monthly	0		\$306.65	0	0		\$ 19.52	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		2,402	\$3.5580	8,547		2,402	\$2.6698	6,413	(2,134)	-24.97%
19	Second Block		44,852	\$2.1834	97,929		44,852	2.6698	119,745	21,816	22.28%
20	Third Block		28,204	\$1.6849	47,520		28,204	2.6698	75,298	27,778	58.46%
21	Fourth Block		1,718	\$1.1346	1,949		1,718	2.6698	4,587	2,638	135.35%
22											
23											
24	Total		<u>77,175</u>		<u>\$159,292</u>		<u>77,175</u>		<u>\$206,253</u>	<u>\$46,961</u>	<u>29.48%</u>
25											
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**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Parkville Water (Platte County)

Case No. WR-2007-0216
STAFF - PARKVILLE WATER
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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Miscellaneous:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$0.00	\$0	0		\$ 0.82	\$0	\$0	0.00%
5	3/4" Monthly	0		0.00	0	0		\$ 0.87	0	0	0.00%
6	1" Monthly	0		0.00	0	0		\$ 0.97	0	0	0.00%
7	1-1/2" Monthly	0		0.00	0	0		\$ 1.32	0	0	0.00%
8	2" Monthly	0		0.00	0	0		\$ 1.54	0	0	0.00%
9	3" Monthly	0		0.00	0	0		\$ 3.97	0	0	0.00%
10	4" Monthly	0		0.00	0	0		\$ 5.62	0	0	0.00%
11	6" Monthly	0		0.00	0	0		\$ 8.87	0	0	0.00%
12	8" Monthly	0		0.00	0	0		\$ 19.52	0	0	0.00%
13	10" Monthly	0		0.00	0	0		0.00	0	0	0.00%
14	12" Monthly	0		0.00	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		0	\$0.0000	0		0	\$0.0000	0	0	0.00%
19	Second Block		0	0.0000	0		0	0.0000	0	0	0.00%
20	Third Block		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fourth Block		0	0.0000	0		0	0.0000	0	0	0.00%
22											
23											
24	Total		0		\$0		0		\$0	\$0	0.00%
25											
26											
27											
28											
29											
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40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Parkville Water (Platte County)

Case No. WR-2007-0216
STAFF - PARKVILLE WATER
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Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	Private Fire Service:							
3								
4	Private Fire Hydrant	35	\$980.64	\$34,322	528.08	\$18,483	(\$15,839)	-46.15%
5								
6	2"	1	140.52	141	75.67	76	(65)	-46.10%
7								
8	3"	1	241.44	241	130.02	130	(111)	-46.06%
9								
10	4"	8	383.16	3,065	206.33	1,651	(1,414)	-46.13%
11								
12	6"	38	785.76	29,859	423.14	16,079	(13,780)	-46.15%
13								
14	8"	8	1,352.04	10,816	728.08	5,825	(4,991)	-46.14%
15								
16	10"	3	2,078.16	6,234	1,119.10	3,357	(2,877)	-46.15%
17								
18	12"	0	2,963.16	0	1,595.68	0	0	0.00%
19								
20								
21								
22	Total	94		\$84,678		\$45,601	(\$39,077)	-46.15%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	0	0.00	0		0	0	0.00%
29								
30								
31								
32								
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MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	543	372	106	4	7	52	0	1
Purchased Water	1	58,223	38,200	12,611	547	873	5,677	52	274
TOTAL SS EXPENSE - OPERATION		58,766	38,572	12,717	551	881	5,729	53	275
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	1,225	840	239	9	17	118	0	3
Rents Oper SS	2	227	156	44	2	3	22	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	139	95	27	1	2	13	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infiltr Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	225	155	44	2	3	22	0	0
Misc Plant Maint SS	2	(587)	(403)	(115)	(4)	(8)	(56)	(0)	(1)
TOTAL SS EXPENSE - MAINTENANCE		1,229	842	240	9	17	118	0	3
TOTAL SS EXPENSE		59,995	39,415	12,957	560	897	5,847	53	278
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	(6)	(4)	(1)	(0)	(0)	(1)	(0)	(0)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	117,796	77,286	25,515	1,107	1,767	11,485	106	554
Labor & Exp Oper Pump	6	3,519	2,322	661	24	45	326	22	118
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	684	451	128	5	9	63	4	23
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		121,992	80,055	26,303	1,136	1,821	11,874	132	694

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	1,439	950	270	10	19	133	9	48
Pump Equip Maint P	6	9	6	2	0	0	1	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		1,448	956	272	10	19	134	9	49
TOTAL PUMPING EXPENSES		123,440	81,011	26,575	1,146	1,840	12,008	141	743
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	95,716	62,800	20,732	900	1,436	9,332	86	450
Labor & Exp Oper WT	2	42,040	28,818	8,198	298	568	4,044	17	92
Labor & Exp Oper WT	2	6,152	4,217	1,200	44	83	592	2	14
Misc Exp Oper WT	2	6,289	4,311	1,226	45	85	605	3	14
Misc Exp Oper WT	1	0	0	0	0	0	0	0	0
Misc Exp Oper WT	2	6,842	4,690	1,334	49	92	658	3	15
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		157,039	104,836	32,690	1,335	2,264	15,232	111	585
Super & Eng Maint WT	2	5,844	4,006	1,140	41	79	562	2	13
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	8,351	5,724	1,628	59	113	803	3	18
WT Equip Maint WT	2	9,850	6,752	1,921	70	133	948	4	22
TOTAL WT EXPENSE - MAINTENANCE		24,044	16,482	4,689	171	325	2,313	10	53
TOTAL WT EXPENSE		181,084	121,319	37,379	1,506	2,588	17,545	120	638
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	(17)	(11)	(3)	(0)	(0)	(1)	(0)	(2)
TD Lines Exp	7	5,065	2,602	685	20	48	363	210	1,137
TD Lines Exp	7	2,157	1,108	292	8	20	155	89	484
Meter Expense	9	39	30	7	0	1	0	0	0
Meter Expense	9	313	242	59	1	7	4	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Misc Exp Oper TD	11	29,327	15,414	4,038	114	293	2,021	1,158	6,285
Misc Exp Oper TD	11	50,605	26,598	6,968	197	506	3,487	1,999	10,845
Misc Exp Oper TD	11	12,047	6,332	1,659	47	120	830	476	2,582
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		99,536	52,316	13,706	388	995	6,858	3,932	21,330
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	2,899	1,489	392	11	27	208	120	651
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	4,418	2,270	598	17	42	317	183	991
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	44,457	22,838	6,015	173	418	3,188	1,841	9,976
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		51,774	26,597	7,005	202	487	3,712	2,143	11,618
TOTAL T & D EXPENSE		151,310	78,913	20,711	590	1,482	10,570	6,075	32,948
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	23,912	21,765	1,913	48	170	17	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(76)	(69)	(6)	(0)	(1)	(0)	0	0
Cust Rec & Collection CA	13	27,583	25,067	2,204	55	193	19	36	0
Cust Rec & Collection CA	13	27,048	24,581	2,161	54	189	19	35	0
Uncollectible Accts	13	19,395	17,626	1,550	39	136	14	25	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	5,535	5,030	442	11	39	4	7	0
Cust Serv & Info Exp CA	13	(1)	(1)	(0)	(0)	(0)	(0)	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		103,396	94,000	8,264	207	726	72	103	0

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	78,224	53,216	10,584	329	774	4,404	1,408	7,502
Other Supplies & Exp AG	15	2,227	1,515	301	9	22	125	40	214
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Other Supplies & Exp AG	15	35,203	23,949	4,763	148	349	1,982	634	3,376
Mgmt Fees-Coporate/Shared Service Center	15	94,245	64,115	12,751	396	933	5,306	1,696	9,038
Mgmt Fees-Call Center	13	63,563	57,766	5,079	127	445	44	83	0
Mgmt Fees-Belleville Lab	2	35,931	24,631	7,007	255	485	3,457	14	79
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Outside Services AG	15	101,813	69,263	13,775	428	1,008	5,732	1,833	9,764
Outside Services AG	15	7,078	4,815	958	30	70	398	127	679
Outside Services AG	15	38,075	25,902	5,152	160	377	2,144	685	3,651
Property Insurance	15	695	473	94	3	7	39	13	67
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	43,211	30,386	6,002	190	441	2,459	592	3,141
Employee Pension & Benefits	16	49,154	34,565	6,828	216	501	2,797	673	3,574
Employee Pension & Benefits	16	44,609	31,369	6,196	196	455	2,538	611	3,243
Employee Pension & Benefits	16	2,142	1,506	297	9	22	122	29	156
Reg Commision Exp	15	1,876	1,276	254	8	19	106	34	180
Rents AG	15	1,886	1,283	255	8	19	106	34	181
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	9,441	6,423	1,277	40	93	532	170	905
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		609,373	432,453	81,573	2,552	6,020	32,291	8,677	45,749
General Plant Maint AG	15	3,212	2,185	435	13	32	181	58	308
General Plant Maint AG	15	768	522	104	3	8	43	14	74
TOTAL A & G EXPENSE - MAINTENANCE		3,980	2,708	539	17	39	224	72	382
TOTAL A & G EXPENSE		613,353	435,161	82,111	2,568	6,059	32,515	8,748	46,131
Total Operation & Maintenance Expenses		1,232,578	849,818	187,996	6,577	13,592	78,557	15,241	80,737

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
DEPRECIATION EXPENSE									
Struct & Imp SS	2	463	318	90	3	6	45	0	1
Struct & Imp P	6	318	210	60	2	4	29	2	11
Struct & Imp WT	2	7,762	5,321	1,513	55	105	747	3	17
Struct & Imp TD	7	3,949	2,029	534	15	37	283	163	886
Struct & Imp Offices	15	1,598	1,087	216	7	16	90	29	153
Struct & Imp Store,Shop,Gar	15	514	350	70	2	5	29	9	49
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	3,552	2,435	693	25	48	342	1	8
Supply Mains	2	2,669	1,830	521	19	36	257	1	6
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	18,685	12,330	3,509	129	241	1,730	116	626
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	66,425	45,535	12,953	472	897	6,390	27	146
WT Equip Filter Media	2	1,934	1,326	377	14	26	186	1	4
Dist Reservoirs & Standpipe	5	23,643	14,801	3,899	111	274	2,064	390	2,102
Elevated Tanks & Standpipes	5	1,973	1,235	325	9	23	172	33	175
Ground Level Facilities	5	1,200	751	198	6	14	105	20	107
TD Mains Not Classified by	7	52,504	26,977	7,104	205	494	3,765	2,174	11,782
TD Mains 4 & Less "	4	4,315	2,217	584	17	41	309	179	968
TD Mains 6 to 8" "	4	45,501	23,378	6,156	177	428	3,262	1,884	10,210
TD Mains 10 to 16" "	3	72,895	47,812	13,602	496	940	6,706	518	2,799
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Fire Mains	8	1,358	0	0	0	0	0	0	1,358
Services	10	52,153	46,015	5,179	141	516	104	198	0
Meters Bronze Case	9	9,976	7,710	1,878	38	221	128	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	1,254	969	236	5	28	16	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	29,300	22,646	5,517	111	650	375	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	19,665	0	0	0	0	0	0	19,665
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	11	393	207	54	2	4	27	16	84
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	2,709	1,843	367	11	27	153	49	260
Comp & Periph Equip	15	4,844	3,295	655	20	48	273	87	465

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Computer Software	15	14,533	9,887	1,966	61	144	818	262	1,394
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	14,478	9,849	1,959	61	143	815	261	1,388
Other Office Equipment	15	1,732	1,179	234	7	17	98	31	166
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	127	86	17	1	1	7	2	12
Tools,Shop,Garage Equip	15	2,271	1,545	307	10	22	128	41	218
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	3,392	2,326	662	24	46	326	1	7
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	30	20	4	0	0	2	1	3
Comm Equip Non-Telephone	15	2,358	1,604	319	10	23	133	42	226
Comm Equip Telephone	15	27	18	4	0	0	2	0	3
Misc Equipment	15	16,094	10,949	2,178	68	159	906	290	1,543
Other Tangible Property	15	0	0	0	0	0	0	0	0
Total Depreciation Expense		486,594	310,087	73,940	2,333	5,686	30,821	6,829	56,844
Amort-Other UP	18	(1,664)	(1,017)	(255)	(8)	(19)	(112)	(27)	(225)
Taxes Other Than Income									
Utility Reg Assessment Fee	19	21,190	13,701	3,234	108	239	1,384	305	2,214
Property Taxes	18	365,462	223,370	55,952	1,791	4,203	24,669	5,994	49,374
FUTA	16	227	159	31	1	2	13	3	16
FICA	16	17,516	12,317	2,433	77	179	997	240	1,273
SUTA	16	581	408	81	3	6	33	8	42
Other Taxes & Licenses	15	5,891	4,008	797	25	58	332	106	565
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		410,865	253,964	62,528	2,004	4,687	27,427	6,656	53,485
Income Taxes	18	251,229	153,551	38,463	1,231	2,889	16,958	4,120	33,941
Utility Income Available for Return	18	779,287	476,300	119,309	3,819	8,962	52,602	12,780	105,282
Total Cost of Service		3,158,890	2,042,703	481,981	15,956	35,798	206,252	45,600	330,064
Less: Other Water Revenues	19	(37,780)	(37,780)						
Revenue Contribution									
Total Other Water Revenues		(37,780)	(37,780)	0	0	0	0	0	0
Total Cost of Service Related to Sales of Water		\$ 3,121,110	\$ 2,004,923	\$ 481,981	\$ 15,956	\$ 35,798	\$ 206,252	\$ 45,600	\$ 330,064
Reallocation of Public Fire	20		261,688	61,746	2,044	4,586	0	0	(330,064)
Total		\$ 3,121,110	\$ 2,266,611	\$ 543,727	\$ 18,000	\$ 40,384	\$ 206,252	\$ 45,600	\$ -
		\$ 37,780	\$ 37,780						
		\$ 3,158,890	\$ 2,304,391						

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
RATE BASE									
Organization	17	\$ 2,070	\$ 1,266	\$ 317	\$ 10	\$ 24	\$ 140	\$ 34	\$ 279
Franchises	17	13	8	2	0	0	1	0	2
Land & Ld Rights SS	2	1,735	1,189	338	12	23	167	1	4
Land & Ld Rights P	6	0	0	0	0	0	0	0	0
Land & Ld Rights WT	2	432	296	84	3	6	42	0	1
Land & Ld Rights TD	7	35,898	18,444	4,857	140	337	2,574	1,486	8,056
Land & Land Rights AG	15	142	97	19	1	1	8	3	14
Struct & Imp SS	2	18,918	12,968	3,689	134	255	1,820	8	42
Struct & Imp P	6	18,382	12,130	3,452	127	237	1,702	114	616
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	0	0	0	0	0	0	0	0
Struct & Imp WT Nth Plt (ST	2	476,166	326,412	92,852	3,381	6,428	45,807	190	1,048
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	147,896	75,989	20,010	577	1,390	10,604	6,123	33,188
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	66,601	45,309	9,011	280	659	3,750	1,199	6,387
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	21,415	14,569	2,897	90	212	1,206	385	2,054
Struct & Imp Misc	15	527,144	358,616	71,323	2,214	5,219	29,678	9,489	50,553
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	212,700	145,806	41,477	1,510	2,871	20,462	85	468
Supply Mains	2	166,827	114,360	32,531	1,184	2,252	16,049	67	367
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	765,768	505,330	143,811	5,284	9,878	70,910	4,748	25,653
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	12,817	8,458	2,407	88	165	1,187	79	429
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	81,548	53,814	15,315	563	1,052	7,551	506	2,732
Pump Equip Other	6	68,949	45,499	12,949	476	889	6,385	427	2,310
WT Equip Non-Media	2	2,389,403	1,637,936	465,934	16,965	32,257	229,861	956	5,257
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	69,579	47,696	13,568	494	939	6,693	28	153

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
Dist Reservoirs & Standpipe	5	1,050,805	657,804	173,278	4,939	12,189	91,735	17,338	93,417
Elevated Tanks & Standpipes	5	87,707	54,905	14,463	412	1,017	7,657	1,447	7,797
Ground Level Facilities	5	53,347	33,395	8,797	251	619	4,657	880	4,743
TD Mains Not Classified by	7	3,500,292	1,798,450	473,590	13,651	32,903	250,971	144,912	785,466
TD Mains 4 & Less "	4	287,636	147,787	38,917	1,122	2,704	20,624	11,908	64,546
TD Mains 6 to 8" "	4	3,033,376	1,558,549	410,416	11,830	28,514	217,493	125,582	680,690
TD Mains 10 to 16" "	3	4,859,652	3,187,446	906,811	33,046	62,690	447,088	34,504	186,611
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	90,562	0	0	0	0	0	0	90,562
Services	10	1,693,278	1,493,979	168,143	4,572	16,763	3,387	6,434	0
Meters Bronze Case	9	410,519	317,290	77,301	1,560	9,114	5,255	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	51,613	39,892	9,719	196	1,146	661	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	1,205,754	931,927	227,043	4,582	26,768	15,434	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	1,024,220	0	0	0	0	0	0	1,024,220
Other P/E Intangible	2 ?	3,241	2,222	632	23	44	312	1	7
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	2	19,645	13,467	3,831	139	265	1,890	8	43
Other P/E CPS	2 ?	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	67,737	46,081	9,165	284	671	3,814	1,219	6,496
Comp & Periph Equip	15	33,896	23,060	4,586	142	336	1,908	610	3,251
Computer Software	15	101,698	69,185	13,760	427	1,007	5,726	1,831	9,753
Comp Software Personal	15	1,346	915	182	6	13	76	24	129
Data Handling Equipment	15	217,059	147,665	29,368	912	2,149	12,220	3,907	20,816
Other Office Equipment	15	25,974	17,670	3,514	109	257	1,462	468	2,491
Trans Equip Lt Duty Trks	15	39,181	26,655	5,301	165	388	2,206	705	3,757
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	17,238	11,727	2,332	72	171	971	310	1,653
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	4,424	3,010	599	19	44	249	80	424
Tools,Shop,Garage Equip	15	45,415	30,896	6,145	191	450	2,557	817	4,355
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	84,812	58,139	16,538	602	1,145	8,159	34	187
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	438	298	59	2	4	25	8	42
Comm Equip Non-Telephone	15	47,162	32,084	6,381	198	467	2,655	849	4,523
Comm Equip Telephone	15	400	272	54	2	4	22	7	38
Misc Equipment	15	321,878	218,973	43,550	1,352	3,187	18,122	5,794	30,868
Other Tangible Property	17	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Total Utility Plant in Service		23,464,706	14,349,934	3,591,317	114,338	270,124	1,583,929	385,605	3,166,494
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	(104,281)	(70,942)	(14,109)	(438)	(1,032)	(5,871)	(1,877)	(10,001)
Materials and Supplies	15	8,153	5,547	1,103	34	81	459	147	782
Prepayments	15	7,824	5,323	1,059	33	77	441	141	750
OPEB's Contributed to External Fund	16	0	0	0	0	0	0	0	0
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(113,835)	(69,610)	(17,428)	(558)	(1,309)	(7,684)	(1,867)	(15,356)
Pensions	16	0	0	0	0	0	0	0	0
Total Other Rate Base Elements		(202,138)	(129,683)	(29,376)	(929)	(2,183)	(12,655)	(3,456)	(23,825)
Total Original Cost Measure of Value		\$ 23,262,568	\$ 14,220,251	\$ 3,561,942	\$ 113,409	\$ 267,941	\$ 1,571,273	\$ 382,149	\$ 3,142,669

T&D OP BASIS FOR FACTOR 11	7,557	3,972	1,041	29	75	521	299	1,619	(0.7)
FACTOR 11		0.5256	0.1377	0.0039	0.0100	0.0689	0.0395	0.2143	0.9999
T&D Mnt BASIS FOR FACTOR 12	2,899	1,489	392	11	27	208	120	651	(0.3)
FACTOR 12		0.5137	0.1353	0.0039	0.0094	0.0717	0.0414	0.2244	0.9998
A&G BASIS FOR FACTOR 15	347,490	236,372	47,027	1,454	3,457	19,548	6,249	33,329	(53.7)
FACTOR 15		0.6802	0.1353	0.0042	0.0099	0.0563	0.0180	0.0959	0.9998
LABOR BASIS FOR FACTOR 16	236,230	166,105	32,823	1,044	2,408	13,433	3,226	17,164	(27.7)
FACTOR 16		0.7032	0.1389	0.0044	0.0102	0.0569	0.0137	0.0727	1.0000
UPIS BASIS FOR FACTOR 17	23,462,623	14,348,660	3,590,998	114,328	270,100	1,583,788	385,571	3,166,213	(2,965.3)
FACTOR 17		0.6115	0.1531	0.0049	0.0115	0.0675	0.0164	0.1349	0.9998
RATE BASE BASIS FOR FACTOR 18	23,262,568	14,220,251	3,561,942	113,409	267,941	1,571,273	382,149	3,142,669	(2,934.2)
FACTOR 18		0.6112	0.1531	0.0049	0.0115	0.0675	0.0164	0.1351	0.9997
TOTAL COS BASIS FOR FACTOR 19	3,135,824	2,027,725	478,494	15,840	35,540	204,763	45,261	327,670	(531.9)
FACTOR 19		0.6466	0.1526	0.0051	0.0113	0.0653	0.0144	0.1045	0.9998
COS w/o Fire Factor 20	2,576,438	2,042,703	481,981	# 15,956	# 35,798				2,576,438
FACTOR 20		0.7928	0.1871	0.0062	0.0139				1.0000

Table of Factors - Table Name "FACTORS"

	2 Residential	4 Commercial	6 Industrial	8 Public	10 Resale	12 Private Fire	14 Public Fire	20 Total
1	0.6561	0.2166	0.0094	0.0150	0.0975	0.0009	0.0047	1.0002
2	0.6855	0.1950	0.0071	0.0135	0.0962	0.0004	0.0022	0.9999
3	0.6559	0.1866	0.0068	0.0129	0.0920	0.0071	0.0384	0.9997
4	0.5138	0.1353	0.0039	0.0094	0.0717	0.0414	0.2244	0.9999
5	0.6260	0.1649	0.0047	0.0116	0.0873	0.0165	0.0889	0.9999
6	0.6599	0.1878	0.0069	0.0129	0.0926	0.0062	0.0335	0.9998
7	0.5138	0.1353	0.0039	0.0094	0.0717	0.0414	0.2244	0.9999

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection		
								Private (9)	Public (10)	
8			-	-	-	-	-	-	1.0000	1.0000
9			0.7729	0.1883	0.0038	0.0222	0.0128	-	-	1.0000
10			0.8823	0.0993	0.0027	0.0099	0.0020	0.0038	-	1.0000
11			0.5256	0.1377	0.0039	0.0100	0.0689	0.0395	0.2143	0.9999
12			0.5137	0.1353	0.0039	0.0094	0.0717	0.0414	0.2244	0.9998
13			0.9088	0.0799	0.0020	0.0070	0.0007	0.0013	-	0.9997
14			0.9102	0.0800	0.0020	0.0071	0.0007	-	-	1.0000
15			0.6803	0.1353	0.0042	0.0099	0.0563	0.0180	0.0959	0.9999
16			0.7032	0.1389	0.0044	0.0102	0.0569	0.0137	0.0727	1.0000
17			0.6115	0.1531	0.0049	0.0115	0.0675	0.0164	0.1349	0.9998
18			0.6112	0.1531	0.0049	0.0115	0.0675	0.0164	0.1351	0.9997
19			0.6466	0.1526	0.0051	0.0113	0.0653	0.0144	0.1045	0.9998
20			0.7928	0.1871	0.0062	0.0139	-	-	-	1.0000

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	543	252	290	0	0	0	0	1
Purchased Water	1	58,223	57,897	0	0	0	0	0	326
TOTAL SS EXPENSE - OPERATION		58,766	58,149	290	0	0	0	0	327
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	1,225	568	653	0	0	0	0	3
Rents Oper SS	2	227	105	121	0	0	0	0	1
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	139	64	74	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infil Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	225	105	120	0	0	0	0	1
Misc Plant Maint SS	2	(587)	(273)	(313)	0	0	0	0	(2)
TOTAL SS EXPENSE - MAINTENANCE		1,229	570	655	0	0	0	0	3
TOTAL SS EXPENSE		59,995	58,719	945	0	0	0	0	331
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	(6)	(3)	(3)	0	0	0	0	(0)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	117,796	117,136	0	0	0	0	0	660
Labor & Exp Oper Pump	6	3,519	1,572	1,807	0	0	0	0	140
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	684	306	351	0	0	0	0	27
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		121,992	119,011	2,155	0	0	0	0	826

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	1,439	643	739	0	0	0	0	57
Pump Equip Maint P	6	9	4	5	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		1,448	647	744	0	0	0	0	57
TOTAL PUMPING EXPENSES		123,440	119,658	2,899	0	0	0	0	884
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	95,716	95,180	0	0	0	0	0	536
Labor & Exp Oper WT	2	42,040	19,506	22,424	0	0	0	0	109
Labor & Exp Oper WT	2	6,152	2,855	3,282	0	0	0	0	16
Misc Exp Oper WT	2	6,289	2,918	3,355	0	0	0	0	16
Misc Exp Oper WT	1	0	0	0	0	0	0	0	0
Misc Exp Oper WT	2	6,842	3,175	3,649	0	0	0	0	18
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		157,039	123,634	32,710	0	0	0	0	695
Super & Eng Maint WT	2	5,844	2,711	3,117	0	0	0	0	15
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	8,351	3,875	4,454	0	0	0	0	22
WT Equip Maint WT	2	9,850	4,570	5,254	0	0	0	0	26
TOTAL WT EXPENSE - MAINTENANCE		24,044	11,157	12,825	0	0	0	0	63
TOTAL WT EXPENSE		181,084	134,791	45,535	0	0	0	0	758
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	(17)	(5)	0	(10)	0	0	0	(2)
TD Lines Exp	7	5,065	1,152	0	2,567	0	0	0	1,346
TD Lines Exp	7	2,157	491	0	1,093	0	0	0	573
Meter Expense	9	39	0	0	0	39	0	0	0
Meter Expense	9	313	0	0	0	313	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Misc Exp Oper TD	11	29,327	6,355	0	14,165	1,364	0	0	7,443
Misc Exp Oper TD	11	50,605	10,966	0	24,442	2,353	0	0	12,844
Misc Exp Oper TD	11	12,047	2,611	0	5,819	560	0	0	3,058
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		99,536	21,570	0	48,076	4,629	0	0	25,262
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	2,899	659	0	1,469	0	0	0	771
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	4,418	1,005	0	2,239	0	0	0	1,174
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	44,457	10,110	0	22,531	0	0	0	11,812
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		51,774	11,773	0	26,239	0	0	0	13,757
TOTAL T & D EXPENSE		151,310	33,343	0	74,315	4,629	0	0	39,019
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	23,912	0	0	0	0	0	23,912	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(76)	0	0	0	0	0	(76)	0
Cust Rec & Collection CA	13	27,583	0	0	0	0	0	27,547	36
Cust Rec & Collection CA	13	27,048	0	0	0	0	0	27,013	35
Uncollectible Accts	13	19,395	0	0	0	0	0	19,370	25
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	5,535	0	0	0	0	0	5,528	7
Cust Serv & Info Exp CA	13	(1)	0	0	0	0	0	(1)	(0)
TOTAL CUSTOMER ACCOUNTING EXPENSE		103,396	0	0	0	0	0	103,293	103

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	78,224	17,178	11,116	16,732	1,040	0	23,256	8,910
Other Supplies & Exp AG	15	2,227	489	316	476	30	0	662	254
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Other Supplies & Exp AG	15	35,203	7,731	5,002	7,530	468	0	10,466	4,010
Mgmt Fees-Coporate/Shared Service Center	15	94,245	20,696	13,392	20,159	1,253	0	28,019	10,734
Mgmt Fees-Call Center	13	63,563	0	0	0	0	0	63,480	83
Mgmt Fees-Belleville Lab	2	35,931	16,672	19,166	0	0	0	0	93
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	101,813	22,358	14,468	21,778	1,354	0	30,269	11,596
Outside Services AG	15	7,078	1,554	1,006	1,514	94	0	2,104	806
Outside Services AG	15	38,075	8,361	5,410	8,144	506	0	11,320	4,337
Property Insurance	15	695	153	99	149	9	0	207	79
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	43,211	10,159	8,102	6,927	454	0	13,840	3,729
Employee Pension & Benefits	16	49,154	11,556	9,216	7,879	516	0	15,744	4,242
Employee Pension & Benefits	16	44,609	10,487	8,364	7,151	468	0	14,288	3,850
Employee Pension & Benefits	16	2,142	504	402	343	22	0	686	185
Reg Commision Exp	15	1,876	412	267	401	25	0	558	214
Rents AG	15	1,886	414	268	403	25	0	561	215
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	9,441	2,073	1,342	2,020	126	0	2,807	1,075
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		609,373	130,798	97,935	101,607	6,392	0	218,267	54,412
General Plant Maint AG	15	3,212	705	456	687	43	0	955	366
General Plant Maint AG	15	768	169	109	164	10	0	228	87
TOTAL A & G EXPENSE - MAINTENANCE		3,980	874	566	851	53	0	1,183	453
TOTAL A & G EXPENSE		613,353	131,672	98,501	102,458	6,445	0	219,450	54,865
Total Operation & Maintenance Expenses		1,232,578	478,183	147,880	176,773	11,073	0	322,743	95,960

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
DEPRECIATION EXPENSE									
Struct & Imp SS	2	463	215	247	0	0	0	0	1
Struct & Imp P	6	318	142	163	0	0	0	0	13
Struct & Imp WT	2	7,762	3,601	4,140	0	0	0	0	20
Struct & Imp TD	7	3,949	898	0	2,001	0	0	0	1,050
Struct & Imp Offices	15	1,598	351	227	342	21	0	475	182
Struct & Imp Store,Shop,Gar	15	514	113	73	110	7	0	153	59
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	3,552	1,648	1,895	0	0	0	0	9
Supply Mains	2	2,669	1,239	1,424	0	0	0	0	7
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	18,685	8,348	9,595	0	0	0	0	742
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	66,425	30,821	35,431	0	0	0	0	173
WT Equip Filter Media	2	1,934	898	1,032	0	0	0	0	5
Dist Reservoirs & Standpipe	5	23,643	6,552	0	14,600	0	0	0	2,492
Elevated Tanks & Standpipes	5	1,973	547	0	1,219	0	0	0	208
Ground Level Facilities	5	1,200	333	0	741	0	0	0	127
TD Mains Not Classified by	7	52,504	11,939	0	26,609	0	0	0	13,956
TD Mains 4 & Less "	4	4,315	981	0	2,187	0	0	0	1,147
TD Mains 6 to 8" "	4	45,501	10,347	0	23,060	0	0	0	12,094
TD Mains 10 to 16" "	3	72,895	32,365	37,205	0	0	0	0	3,317
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Fire Mains	8	1,358	0	0	0	0	0	0	1,358
Services	10	52,153	0	0	0	0	51,955	0	198
Meters Bronze Case	9	9,976	0	0	0	9,976	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	1,254	0	0	0	1,254	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	29,300	0	0	0	29,300	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	19,665	0	0	0	0	0	0	19,665
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	11	393	85	0	190	18	0	0	100
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	2,709	595	385	580	36	0	806	309
Comp & Periph Equip	15	4,844	1,064	688	1,036	64	0	1,440	552

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Computer Software	15	14,533	3,191	2,065	3,109	193	0	4,321	1,655
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	14,478	3,179	2,057	3,097	193	0	4,304	1,649
Other Office Equipment	15	1,732	380	246	371	23	0	515	197
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	127	28	18	27	2	0	38	14
Tools,Shop,Garage Equip	15	2,271	499	323	486	30	0	675	259
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	3,392	1,574	1,810	0	0	0	0	9
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	30	7	4	6	0	0	9	3
Comm Equip Non-Telephone	15	2,358	518	335	504	31	0	701	269
Comm Equip Telephone	15	27	6	4	6	0	0	8	3
Misc Equipment	15	16,094	3,534	2,287	3,442	214	0	4,785	1,833
Other Tangible Property	15	0	0	0	0	0	0	0	0
Total Depreciation Expense		<u>486,594</u>	<u>125,998</u>	<u>101,654</u>	<u>83,721</u>	<u>41,363</u>	<u>51,955</u>	<u>18,229</u>	<u>63,673</u>
Amort-Other UP	18	(1,664)	(457)	(357)	(327)	(120)	(120)	(31)	(252)
Taxes Other Than Income									
Utility Reg Assessment Fee	19	21,190	6,709	3,731	3,638	1,036	1,032	2,526	2,519
Property Taxes	18	365,462	100,392	78,318	71,850	26,386	26,386	6,724	55,367
FUTA	16	227	53	42	36	2	0	73	20
FICA	16	17,516	4,118	3,284	2,808	184	0	5,610	1,512
SUTA	16	581	137	109	93	6	0	186	50
Other Taxes & Licenses	15	5,891	1,294	837	1,260	78	0	1,751	671
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>410,865</u>	<u>112,702</u>	<u>86,323</u>	<u>79,685</u>	<u>27,693</u>	<u>27,418</u>	<u>16,871</u>	<u>60,139</u>
Income Taxes	18	<u>251,229</u>	<u>69,013</u>	<u>53,838</u>	<u>49,392</u>	<u>18,139</u>	<u>18,139</u>	<u>4,623</u>	<u>38,061</u>
Utility Income Available for Return	18	<u>779,287</u>	<u>214,070</u>	<u>167,001</u>	<u>153,208</u>	<u>56,264</u>	<u>56,264</u>	<u>14,339</u>	<u>118,062</u>
Total Cost of Service		<u>3,158,890</u>	<u>999,509</u>	<u>556,340</u>	<u>542,451</u>	<u>154,413</u>	<u>153,656</u>	<u>376,773</u>	<u>375,643</u>
Less: Other Water Revenues	19	<u>(37,780)</u>	<u>(11,961)</u>	<u>(6,653)</u>	<u>(6,487)</u>	<u>(1,847)</u>	<u>(1,840)</u>	<u>(4,503)</u>	<u>(4,492)</u>
Billing and Collecting Services									
Total Other Water Revenues		<u>(37,780)</u>	<u>(11,961)</u>	<u>(6,653)</u>	<u>(6,487)</u>	<u>(1,847)</u>	<u>(1,840)</u>	<u>(4,503)</u>	<u>(4,492)</u>
Total Cost of Service Related to Sales of Water		<u><u>3,121,110</u></u>	<u><u>987,548</u></u>	<u><u>549,687</u></u>	<u><u>535,965</u></u>	<u><u>152,566</u></u>	<u><u>151,816</u></u>	<u><u>372,270</u></u>	<u><u>371,151</u></u>
Reallocation of Public Fire	20	0	157,209	87,500	85,322		0	0	(330,064)
Total		<u><u>\$ 3,121,110</u></u>	<u><u>\$ 1,144,757</u></u>	<u><u>\$ 637,186</u></u>	<u><u>\$ 621,286</u></u>	<u><u>\$ 152,566</u></u>	<u><u>\$ 151,816</u></u>	<u><u>\$ 372,270</u></u>	<u><u>\$ 41,087</u></u>
			787,397			80,955	67,471	777,720	
			1.454			1.88	2.25		
						0.16	0.19	0.48	
								0.82	

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
RATE BASE									
Organization	17	2,070	568	443	407	149	149	40	313
Franchises	17	13	4	3	3	1	1	0	2
Land & Ld Rights SS	2	1,735	805	925	0	0	0	0	5
Land & Ld Rights P	6	0	0	0	0	0	0	0	0
Land & Ld Rights WT	2	432	200	230	0	0	0	0	1
Land & Ld Rights TD	7	35,898	8,163	0	18,193	0	0	0	9,542
Land & Land Rights AG	15	142	31	20	30	2	0	42	16
Struct & Imp SS	2	18,918	8,778	10,091	0	0	0	0	49
Struct & Imp P	6	18,382	8,213	9,439	0	0	0	0	730
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	0	0	0	0	0	0	0	0
Struct & Imp WT Nth Plt (ST	2	476,166	220,941	253,987	0	0	0	0	1,238
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	147,896	33,632	0	74,954	0	0	0	39,311
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	66,601	14,626	9,464	14,246	886	0	19,800	7,586
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	21,415	4,703	3,043	4,581	285	0	6,367	2,439
Struct & Imp Misc	15	527,144	115,761	74,907	112,756	7,011	0	156,720	60,042
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	212,700	98,693	113,454	0	0	0	0	553
Supply Mains	2	166,827	77,408	88,986	0	0	0	0	434
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	765,768	342,145	393,222	0	0	0	0	30,401
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	12,817	5,727	6,582	0	0	0	0	509
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	81,548	36,436	41,875	0	0	0	0	3,237
Pump Equip Other	6	68,949	30,806	35,405	0	0	0	0	2,737
WT Equip Non-Media	2	2,389,403	1,108,683	1,274,508	0	0	0	0	6,212
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	69,579	32,285	37,113	0	0	0	0	181

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Dist Reservoirs & Standpipe	5	1,050,805	291,178	0	648,872	0	0	0	110,755
Elevated Tanks & Standpipes	5	87,707	24,304	0	54,159	0	0	0	9,244
Ground Level Facilities	5	53,347	14,782	0	32,942	0	0	0	5,623
TD Mains Not Classified by	7	3,500,292	795,966	0	1,773,948	0	0	0	930,378
TD Mains 4 & Less "	4	287,636	65,408	0	145,774	0	0	0	76,454
TD Mains 6 to 8" "	4	3,033,376	689,790	0	1,537,315	0	0	0	806,271
TD Mains 10 to 16" "	3	4,859,652	2,157,685	2,480,366	0	0	0	0	221,114
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	90,562	0	0	0	0	0	0	90,562
Services	10	1,693,278	0	0	0	0	1,686,844	0	6,434
Meters Bronze Case	9	410,519	0	0	0	410,519	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	51,613	0	0	0	51,613	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	1,205,754	0	0	0	1,205,754	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	1,024,220	0	0	0	0	0	0	1,024,220
Other P/E Intangible	2	3,241	1,504	1,729	0	0	0	0	8
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	2	19,645	9,115	10,479	0	0	0	0	51
Other P/E CPS	2	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	67,737	14,875	9,625	14,489	901	0	20,138	7,715
Comp & Periph Equip	15	33,896	7,444	4,817	7,250	451	0	10,077	3,861
Computer Software	15	101,698	22,333	14,451	21,753	1,353	0	30,235	11,583
Comp Software Personal	15	1,346	296	191	288	18	0	400	153
Data Handling Equipment	15	217,059	47,666	30,844	46,429	2,887	0	64,532	24,723
Other Office Equipment	15	25,974	5,704	3,691	5,556	345	0	7,722	2,958
Trans Equip Lt Duty Trks	15	39,181	8,604	5,568	8,381	521	0	11,648	4,463
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	17,238	3,786	2,450	3,687	229	0	5,125	1,963
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	4,424	972	629	946	59	0	1,315	504
Tools,Shop,Garage Equip	15	45,415	9,973	6,453	9,714	604	0	13,502	5,173
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	84,812	39,353	45,239	0	0	0	0	221
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	438	96	62	94	6	0	130	50
Comm Equip Non-Telephone	15	47,162	10,357	6,702	10,088	627	0	14,021	5,372
Comm Equip Telephone	15	400	88	57	85	5	0	119	46
Misc Equipment	15	321,878	70,684	45,739	68,850	4,281	0	95,694	36,662
Other Tangible Property	17	0	0	0	0	0	0	0	0

		Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Total Utility Plant in Service	23,464,706	6,440,569	5,022,788	4,615,790	1,688,507	1,686,993	457,629	3,552,099
Other Rate Base Items								
Add:								
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0
Cash Working Capital	15	(104,281)	(22,900)	(14,818)	(22,306)	(1,387)	0	(31,003)
Materials and Supplies	15	8,153	1,790	1,159	1,744	108	0	2,424
Prepayments	15	7,824	1,718	1,112	1,674	104	0	2,326
OPEB's Contributed to External Fund	16	0	0	0	0	0	0	0
Premature Retirement	17	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0
Less:								
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0
Deferred Income Taxes	17	(113,835)	(31,259)	(24,372)	(22,391)	(8,196)	(8,185)	(2,220)
Pensions	16	0	0	0	0	0	0	0
Total Other Rate Base Elements		(202,138)	(50,650)	(36,920)	(41,279)	(9,371)	(8,185)	(28,472)
Total Original Cost Measure of Value		\$ 23,262,568	\$ 6,389,918	\$ 4,985,868	\$ 4,574,510	\$ 1,679,136	\$ 1,678,809	\$ 429,157
								\$ 3,524,807

T&D OP BASIS FOR FACTOR 11	7,557	1,638	0	3,650	352	0	0	1,918
FACTOR 11		0.2167	0.0000	0.4830	0.0465	0.0000	0.0000	0.2538
T&D Mnt BASIS FOR FACTOR 12	2,899	659	0	1,469	0	0	0	771
FACTOR 12		0.2274	0.0000	0.5068	0.0000	0.0000	0.0000	0.2657
A&G BASIS FOR FACTOR 15	347,490	76,298	49,379	74,315	4,629	0	103,293	39,573
FACTOR 15		0.2196	0.1421	0.2139	0.0133	0.0000	0.2973	0.1139
LABOR BASIS FOR FACTOR 16	236,230	55,529	44,305	37,860	2,485	0	75,670	20,389
FACTOR 16		0.2351	0.1875	0.1603	0.0105	0.0000	0.3203	0.0863
UPIS BASIS FOR FACTOR 17	23,462,623	6,439,997	5,022,342	4,615,380	1,688,357	1,686,844	457,588	3,551,784
FACTOR 17		0.2746	0.2141	0.1967	0.0720	0.0719	0.0195	0.1514
RATE BASE BASIS FOR FACTOR 18	23,262,568	6,389,918	4,985,868	4,574,510	1,679,136	1,678,809	429,157	3,524,807
FACTOR 18		0.2747	0.2143	0.1966	0.0722	0.0722	0.0184	0.1515
TOTAL COS BASIS FOR FACTOR 19	3,135,824	992,388	552,341	538,412	153,352	152,624	373,689	372,910
FACTOR 19		0.3166	0.1761	0.1717	0.0489	0.0487	0.1192	0.1189
TOTAL COS BASIS FOR FACTOR 20	2,098,300	999,509	556,340	542,451				
FACTOR 20		0.4763	0.2651	0.2585				

	2	4	6	8	10	12	14
	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
1	0.9944	-	-	-	-	-	0.0056
2	0.4640	0.5334	-	-	-	-	0.0026
3	0.4440	0.5104	-	-	-	-	0.0455
4	0.2274	-	0.5068	-	-	-	0.2658
5	0.2771	-	0.6175	-	-	-	0.1054
6	0.4468	0.5135	-	-	-	-	0.0397
7	0.2274	-	0.5068				0.2658

	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
8	-	-	-	-	-	-	1.0000
9	-	-	-	1.0000	-	-	-
10	-	-	-	-	0.9962	-	0.0038
11	0.2167	-	0.4830	0.0465	-	-	0.2538
12	0.2274	-	0.5068	-	-	-	0.2657
13	-	-	-	-	-	0.9987	0.0013
14	-	-	-	-	-	1.0000	-
15	0.2196	0.1421	0.2139	0.0133	-	0.2973	0.1139
16	0.2351	0.1875	0.1603	0.0105	-	0.3203	0.0863
17	0.2746	0.2141	0.1967	0.0720	0.0719	0.0195	0.1514
18	0.2747	0.2143	0.1966	0.0722	0.0722	0.0184	0.1515
19	0.3166	0.1761	0.1717	0.0489	0.0487	0.1192	0.1189
20	0.4763	0.2651	0.2585				

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.

ALLOCATION OF COSTS THAT VARY WITH THE AMT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	1,423.08	0.6561
Commercial	469.81	0.2166
Industrial	20.28	0.0094
Other Public Authority	32.64	0.0150
Sales for Resale	211.44	0.0975
Private Fire Protection	1.87	0.0009
Public Fire Protection	10.13	0.0047
Total	2,169	1.0002

FACTOR 2.

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.**

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.4666	(4)	(5)=(4)x 0.5334	(6)=(3)+(5)
Residential	0.6561	0.3061	0.7115	0.3795	0.6856
Commercial	0.2166	0.1011	0.1761	0.0939	0.1950
Industrial	0.0094	0.0044	0.0051	0.0027	0.0071
Other Public Authority	0.0150	0.0070	0.0122	0.0065	0.0135
Sales for Resale	0.0975	0.0455	0.0951	0.0507	0.0962
Private Fire Protection	0.0009	0.0004			0.0004
Public Fire Protection	0.0047	0.0022			0.0022
Total	1.0002	0.4667	1.0000	0.5333	1.0000

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

**FACTOR 2. MAX DAY CLASS ALLOCATION AND MAX DAY TO AVERAGE DAY
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.**

Customer Classification (1)	Average Daily Consumption, Thousand Gal. (2)	Maximum Day Extra Capacity		
		Factor* (3)	Rate of Flow, Thousand Gal. Per Day (4)=(2)x(3)	Allocation Factor (5)
Residential	1,423	1.00	1,423	0.7114
Commercial	470	0.75	352	0.1761
Industrial	20	0.50	10	0.0051
Other Public Authority	33	0.75	24	0.0122
Sales for Resale	211	0.90	190	0.0951
Total	2,157		2,000	0.9999

The weighting of the factors is based on the maximum day ratio of 2.14, based on a review of maximum day ratios experienced during the period 1994 through 2006 (see Schedule D and DR #110).

	Maximum Day Ratio	Weight
Average Day	1.00	0.4666
Maximum Day Extra Capacity	1.14	0.5334
Total	2.14	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.4465	(4)	(5)=(4) X 0.5104	(6)	(7)=(6) X 0.0430	(8)=(3)+(5)+(7)
Residential	0.6561	0.2929	0.7114	0.3630			0.6559
Commercial	0.2166	0.0967	0.1761	0.0899			0.1866
Industrial	0.0094	0.0042	0.0051	0.0026			0.0068
Other Public Authority	0.0150	0.0067	0.0122	0.0062			0.0129
Sales for Resale	0.0975	0.0435	0.0951	0.0485			0.0920
Private Fire Protection	0.0009	0.0004			0.1558	0.0067	0.0071
Public Fire Protection	0.0047	0.0021			0.8442	0.0363	0.0384
Total	<u>1.0002</u>	<u>0.4465</u>	<u>0.9999</u>	<u>0.5102</u>	<u>1.0000</u>	<u>0.0430</u>	<u>0.9997</u>

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 2.00 and the average daily system sendout for 2006 of 2.560 MGD. The system demand for fire protection is 2,000 Gallons per minute for 2 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	2,490,000	0.4465
Maximum Day Extra Capacity	<u>1.14</u>	<u>2,846,262</u>	<u>0.5104</u>
Subtotal	<u><u>2.14</u></u>	5,336,262	0.9569
Fire Protection		<u>240,000</u>	<u>0.0430</u>
Total		<u><u>5,576,262</u></u>	<u><u>0.9999</u></u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2287	(5)	(6)=(5) X 0.5068	(7)	(8)=(7) X 0.2645	(9)=(4)+(6)+(8)
Residential	59.3	0.6561	0.1500	0.7178	0.3638			0.5138
Commercial	19.6	0.2166	0.0495	0.1693	0.0858			0.1353
Industrial	0.8	0.0094	0.0021	0.0035	0.0018			0.0039
Other Public Authority	1.4	0.0150	0.0034	0.0118	0.0060			0.0094
Sales for Resale	8.8	0.0975	0.0223	0.0975	0.0494			0.0717
Private Fire Protection	0.1	0.0009	0.0002			0.1558	0.0412	0.0414
Public Fire Protection	0.4	0.0047	0.0011			0.8442	0.2233	0.2244
Total	90.4	1.0002	0.2286	0.9999	0.5068	1.0000	0.2645	0.9999

The maximum hour extra capacity factors in column 5 are determined as follows:

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE
BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 3.22 and the average daily system sendout for 2006 of 2.490 MGD. The system demand for fire protection is 2,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	1,729	0.2287
Maximum Hour Extra Capacity	<u>2.22</u>	<u>3,832</u>	<u>0.5068</u>
Subtotal	<u>3.22</u>	5,561	0.7355
Fire Protection		<u>2,000</u>	<u>0.2645</u>
Total		<u>7,561</u>	<u>1.0000</u>

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	59.3	3.50	207.5	0.7178
Commercial	19.6	2.50	48.9	0.1693
Industrial	0.8	1.20	1.0	0.0035
Other Public Authority	1.4	2.50	3.4	0.0118
Sales for Resale	<u>8.8</u>	<u>3.20</u>	<u>28.2</u>	<u>0.0975</u>
Total	<u>89.9</u>		<u>289.1</u>	<u>0.9999</u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2786	(5)	(6)=(5) X 0.6175	(7)	(8)=(7) X 0.1039	(9)=(4)+(6)+(8)
Residential	59.3	0.6560	0.1828	0.7178	0.4432			0.6260
Commercial	19.6	0.2168	0.0604	0.1693	0.1045			0.1649
Industrial	0.8	0.0088	0.0025	0.0035	0.0022			0.0047
Other Public Authority	1.4	0.0155	0.0043	0.0118	0.0073			0.0116
Sales for Resale	8.8	0.0972	0.0271	0.0975	0.0602			0.0873
Private Fire Protection	0.1	0.0011	0.0003			0.1558	0.0162	0.0165
Public Fire Protection	0.4	0.0044	0.0012			0.8442	0.0877	0.0889
Total	90.4	0.9998	0.2786	0.9999	0.6174	1.0000	0.1039	0.9999

The weighting of the factors is based on the ratio of the capacity required for a 10 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. Continued

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 10 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{2,000 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{2,310,000 \text{ Gallons}} = 0.1039$$

$$\text{General Service Weight} = 1.0000 - 0.1039 = 0.8961$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	31.09	0.2786
Extra Capacity Maximum Hour	<u>2.22</u>	<u>68.91</u>	<u>0.6175</u>
Total	<u><u>3.22</u></u>	<u><u>100.00</u></u>	<u><u>0.8961</u></u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.1358	(4)	(5)=(4)X 0.8642	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Residential	0.6856	0.0931	0.6559	0.5668	0.5138	0.0000	0.6599
Commercial	0.1950	0.0265	0.1866	0.1613	0.1353	0.0000	0.1878
Industrial	0.0071	0.0010	0.0068	0.0059	0.0039	0.0000	0.0069
Other Public Authority	0.0135	0.0018	0.0129	0.0111	0.0094	0.0000	0.0129
Sales for Resale	0.0962	0.0131	0.0920	0.0795	0.0717	0.0000	0.0926
Private Fire Protection	0.0004	0.0001	0.0071	0.0061	0.0414	0.0000	0.0062
Public Fire Protection	0.0022	0.0003	0.0384	0.0332	0.2244	0.0000	0.0335
Total	1.0000	0.1359	0.9997	0.8639	0.9999	0.0000	0.9998

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	Horsepower of Pumps	Weight
Associated with Maximum Day	165	0.1358
Associated with Maximum Day and Fire	1,050	0.8642
Associated with Maximum Hour	0	0.0000
Total	1,215	1.0000

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.

ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)=(3)+(5)
Residential	0.6559	0.0000	0.5138	0.5138	0.5138
Commercial	0.1866	0.0000	0.1353	0.1353	0.1353
Industrial	0.0068	0.0000	0.0039	0.0039	0.0039
Other Public Authority	0.0129	0.0000	0.0094	0.0094	0.0094
Sales for Resale	0.0920	0.0000	0.0717	0.0717	0.0717
Private Fire Protection	0.0071	0.0000	0.0414	0.0414	0.0414
Public Fire Protection	0.0384	0.0000	0.2244	0.2244	0.2244
Total	0.9997	0.0000	0.9999	0.9999	0.9999

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains	73,249	0.0000
Distribution Mains	408,720	1.0000
Total	481,969	1.0000

USE MAX HOUR @ 100%
NO FUNTIONALIZATION OF MAINS

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.

ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

Customer Classification (1)	Allocation Factor (3)
Public Fire Protection	1.0000
Total	1.0000

FACTOR 9.

ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential	62,570	0.7729
Commercial	15,245	0.1883
Industrial	308	0.0038
Other Public Authority	1,796	0.0222
Sales for Resale	1,036	0.0128
Private Fire	0	0.0000
Total	80,955	1.0000

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.

ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	59,764	0.8824
Commercial	6,724	0.0993
Industrial	180	0.0027
Other Public Authority	670	0.0099
Sales for Resale	133	0.0020
Private Fire Protection	255	0.0038
Total	67,726	1.0001

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.

**ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION
SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.**

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 3,972	0.5257
Commercial	1,041	0.1377
Industrial	29	0.0039
Other Public Authority	75	0.0100
Sales for Resale	521	0.0689
Private Fire Protection	299	0.0395
Public Fire Protection	1,619	0.2143
Total	7,556	1.0000

FACTOR 12.

**ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.**

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 1,489	0.5138
Commercial	392	0.1353
Industrial	11	0.0039
Other Public Authority	27	0.0094
Sales for Resale	208	0.0717
Private Fire Protection	120	0.0414
Public Fire Protection	651	0.2244
Total	\$2,899	0.9999

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.

ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	58,909	0.9088
Commercial	5,181	0.0799
Industrial	129	0.0020
Other Public Authority	457	0.0070
Sales for Resale	48	0.0007
Private Fire Protection	87	0.0013
Public Fire Protection	0	0.0000
Total	64,810	0.9997

FACTOR 14.

ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	58,909	0.9102
Commercial	5,181	0.0800
Industrial	129	0.0020
Other Public Authority	457	0.0071
Sales for Resale	48	0.0007
Total	64,723	1.0000

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.

**ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$236,372	0.6804
Commercial	47,027	0.1354
Industrial	1,454	0.0042
Other Public Authority	3,457	0.0100
Sales for Resale	19,548	0.0563
Private Fire Protection	6,249	0.0180
Public Fire Protection	33,329	0.0959
Total	<u>\$347,437</u>	<u>1.0002</u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.

ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$166,105	0.7032
Commercial	32,823	0.1390
Industrial	1,044	0.0044
Other Public Authority	2,408	0.0102
Sales for Resale	13,433	0.0569
Private Fire Protection	3,226	0.0137
Public Fire Protection	17,164	0.0727
Total	<u>\$236,202</u>	<u>1.0001</u>

FACTOR 17.

**ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$14,348,660	0.6115
Commercial	3,590,998	0.1531
Industrial	114,328	0.0049
Other Public Authority	270,100	0.0115
Sales for Resale	1,583,788	0.0675
Private Fire Protection	385,571	0.0164
Public Fire Protection	3,166,213	0.1350
Total	<u>\$23,459,658</u>	<u>0.9999</u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.

ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$14,220,251	0.6113
Commercial	3,561,942	0.1531
Industrial	113,409	0.0049
Other Public Authority	267,941	0.0115
Sales for Resale	1,571,273	0.0676
Private Fire Protection	382,149	0.0164
Public Fire Protection	3,142,669	0.1351
Total	\$23,259,634	0.9999

FACTOR 19.

**ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND
OTHER WATER REVENUES.**

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$2,027,725	0.6467
Commercial	478,494	0.1526
Industrial	15,840	0.0051
Other Public Authority	35,540	0.0113
Sales for Resale	204,763	0.0653
Private Fire Protection	45,261	0.0144
Public Fire Protection	327,670	0.1045
Total	\$3,135,292	0.9999

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	54,973.00	54,973.00	3,063.30	3,063.30	69.07	69.07	209.37	209.37	0.00	0.00	58,314.74	58,314.74
3/4	1.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1	1.7	3,607.60	6,132.92	873.80	1,485.46	0.00	0.00	48.00	81.60	0.00	0.00	4,529.40	7,699.98
1-1/2	3.5	234.60	821.10	354.50	1,240.75	24.00	84.00	80.00	280.00	0.00	0.00	693.10	2,425.85
2	4.3	81.10	348.73	620.20	2,666.86	36.00	154.80	95.00	408.50	0.00	0.00	832.30	3,578.89
3	19.0	6.10	115.90	198.40	3,769.60	0.00	0.00	12.00	228.00	36.00	684.00	252.50	4,797.50
4	29.3	6.10	178.73	21.10	618.23	0.00	0.00	0.00	0.00	12.00	351.60	39.20	1,148.56
6	48.4	0.00	0.00	49.60	2,400.64	0.00	0.00	12.17	588.87	0.00	0.00	61.77	2,989.51
8	112.9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
												<u>64,723.00</u>	
Total		<u>58,908.50</u>	<u>62,570.38</u>	<u>5,180.90</u>	<u>15,244.84</u>	<u>129.07</u>	<u>307.87</u>	<u>456.53</u>	<u>1,796.33</u>	<u>48.00</u>	<u>1,035.60</u>	<u>64,723.00</u>	<u>80,955.02</u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
PSC STAFF STUDY

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	54,973.00	54,973.00	3,063.30	3,063.30	69.07	69.07	209.37	209.37	0.00	0.00	0.00	0.00	58,314.74	58,314.74
1	1.17	3,607.60	4,220.89	873.80	1,022.35	0.00	0.00	48.00	56.16	0.00	0.00	0.00	0.00	4,529.40	5,299.40
1-1/2	1.58	234.60	370.67	354.50	560.11	24.00	37.92	80.00	126.40	0.00	0.00	0.00	0.00	693.10	1,095.10
2	2.04	81.10	165.44	620.20	1,265.21	36.00	73.44	95.00	193.80	0.00	0.00	1.00	2.04	833.30	1,699.93
3	2.73	6.10	16.65	198.40	541.63	0.00	0.00	12.00	32.76	36.00	98.28	1.00	2.73	253.50	692.06
4	2.88	6.10	17.57	21.10	60.77	0.00	0.00	0.00	0.00	12.00	34.56	6.00	17.28	45.20	130.18
6	4.24	0.00	0.00	49.60	210.30	0.00	0.00	12.17	51.59	0.00	0.00	35.00	148.40	96.77	410.29
8	6.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.00	55.84	8.00	55.84
10	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	28.50	3.00	28.50
12	12.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		<u>58,908.50</u>	<u>59,764.23</u>	<u>5,180.90</u>	<u>6,723.67</u>	<u>129.07</u>	<u>180.43</u>	<u>456.53</u>	<u>670.07</u>	<u>48.00</u>	<u>132.84</u>	<u>54.00</u>	<u>254.79</u>	<u>64,777.00</u>	<u>67,726.02</u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	1	4	
3 -inch	9.00	1	9	
4 -inch	16.00	6	96	
6 -inch	36.00	35	1,260	
8 -inch	64.00	8	512	
10 -inch	100.00	3	300	
12 -inch	144.00	0	0	
Private Hydrants	32.75	<u>33</u>	<u>1,081</u>	
Total Private Fire Protection		<u>87</u>	<u>3,262</u>	0.1558
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
6" Valve	2- 2-1/2" & 1- 4.5"	0	0	
6" Valve	2- 2-1/2" & 1- 4"	<u>620</u>	<u>17,670</u>	
Total Public Fire Protection		<u>620</u>	<u>17,670</u>	<u>0.8442</u>
Total Fire Protection		<u><u>707</u></u>	<u><u>20,932</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT

PSC STAFF STUDY

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 8,000,042	88.2%	\$ 7,895,444	86.7%	\$ 8,542,731	88.9%	\$ 647,287	8.2%
Commercial	803,630	8.9%	\$ 951,027	10.4%	\$ 803,630	8.3%	(147,397)	-15.5%
Industrial	1,858	0.0%	\$ 2,059	0.0%	\$ 1,858	0.0%	(201)	-9.8%
Public Authority	124,691	1.4%	\$ 127,391	1.4%	\$ 124,690	1.3%	(2,701)	-2.1%
Sales for Resale	-	0.0%	\$ -	0.0%	\$ -	0.0%	-	
Private Fire Service	140,707	1.6%	\$ 135,567	1.5%	\$ 140,707	1.5%	5,140	
Public Fire Service	-	0.0%	\$ -	0.0%	\$ -	0.0%	-	0.0%
Total Sales	9,070,927	<u>100.1%</u>	9,111,488	<u>100.0%</u>	9,613,616	<u>100.0%</u>	502,128	5.5%
Other Revenues	<u>271,344</u>		<u>271,344</u>		<u>271,344</u>		<u>-</u>	0.0%
Total	<u>\$ 9,342,272</u>		<u>\$ 9,382,832</u>		<u>\$ 9,884,960</u>		<u>\$ 502,128</u>	5.4%

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Charles

Case No. WR-2007-0216

STAFF - ST CHARLES

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Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	2,858,180	\$7,895,444	2,858,180	\$8,542,731	\$647,287	8.20%
5	Commercial	432,954	951,027	432,954	803,630	(147,397)	-15.50%
6	Industrial	1,362	2,059	1,362	1,858	(201)	-9.76%
7	Other Public Authority	66,777	127,391	66,777	124,690	(2,701)	-2.12%
8	Other Water Utilities	0	0	0	0	0	0.00%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	135,567	0	140,707	5,140	3.79%
11	Public Fire	0	0	0	0	0	0.00%
12	Total	<u>3,359,273</u>	<u>9,111,488</u>	<u>3,359,273</u>	<u>9,613,616</u>	<u>\$502,128</u>	<u>5.51%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Other Revenue		271,344		271,344	0	0.00%
18	Returned Check Charge		0		0	0	0.00%
19	Application Fee		0		0	0	0.00%
20	Miscellaneous Other Revenue		0		0	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22	Miscellaneous Unmetered Sales		0		0		
23							
24			<u>\$9,382,832</u>		<u>\$9,884,960</u>	<u>502,128</u>	<u>5.35%</u>
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Charles

Case No. WR-2007-0216

STAFF - ST CHARLES

Page 1 of 7

Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Residential:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	328,214		\$7.08	\$2,323,752	328,214		\$ 8.00	\$2,625,674	\$301,922	12.99%
5	3/4" Monthly	0		\$9.06	0	0		\$ 8.38	0	0	0.00%
6	1" Monthly	14,379		\$12.84	184,627	14,379		\$ 9.23	132,682	(51,945)	-28.14%
7	1-1/2" Monthly	377		\$22.33	8,429	377		\$ 12.33	4,654	(3,775)	-44.79%
8	2" Monthly	206		\$33.71	6,941	206		\$ 14.28	2,940	(4,001)	-57.64%
9	3" Monthly	0		\$60.24	0	0		\$ 34.11	0	0	0.00%
10	4" Monthly	0		\$98.15	0	0		\$ 47.31	0	0	0.00%
11	6" Monthly	0		\$192.93	0	0		\$ 74.03	0	0	0.00%
12	8" Monthly	0		\$306.65	0	0		\$ 160.42	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		\$ -	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		\$ -	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		2,822,453	\$1.8898	5,333,871		2,822,453	\$2.0211	5,704,571	370,700	6.95%
19	Second Block		35,727	\$1.0587	37,824		35,727	2.0211	72,210	34,386	90.91%
20	Third Block		0	\$0.8170	0		0	2.0211	0	0	0.00%
21	Fourth Block		0	\$0.5502	0		0	2.0211	0	0	0.00%
22											
23											
24	Total		<u>2,858,180</u>		<u>\$7,895,444</u>		<u>2,858,180</u>		<u>\$8,542,731</u>	<u>\$647,287</u>	<u>8.20%</u>
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40											

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Charles

Case No. WR-2007-0216

STAFF - ST CHARLES

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Commercial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	4,774		\$7.08	\$33,798	4,774		\$ 8.00	\$38,190	\$4,392	12.99%
5	3/4" Monthly	0		\$9.06	0	0		\$ 8.38	0	0	0.00%
6	1" Monthly	2,441		\$12.84	31,338	2,441		\$ 9.23	22,521	(8,817)	-28.14%
7	1-1/2" Monthly	2,124		\$22.33	47,429	2,124		\$ 12.33	26,184	(21,245)	-44.79%
8	2" Monthly	1,985		\$33.71	66,925	1,985		\$ 14.28	28,350	(38,575)	-57.64%
9	3" Monthly	76		\$60.24	4,594	76		\$ 34.11	2,601	(1,993)	-43.38%
10	4" Monthly	116		\$98.15	11,342	116		\$ 47.31	5,467	(5,875)	-51.80%
11	6" Monthly	15		\$192.93	2,898	15		\$ 74.03	1,112	(1,786)	-61.63%
12	8" Monthly	25		\$306.65	7,796	25		\$ 160.42	4,079	(3,717)	-47.68%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		299,041	\$1.9952	596,647		299,041	\$1.5593	466,309	(130,338)	-21.85%
19	Second Block		128,371	\$1.1177	143,480		128,371	1.5593	200,175	56,695	39.51%
20	Third Block		5,542	\$0.8625	4,780		5,542	1.5593	8,642	3,862	80.79%
21	Fourth Block		0	\$0.5809	0		0	1.5593	0	0	0.00%
22											
23											
24	Total		<u>432,954</u>		<u>\$951,027</u>		<u>432,954</u>		<u>\$803,630</u>	<u>(\$147,397)</u>	<u>-15.50%</u>
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39											

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Charles

Case No. WR-2007-0216

STAFF - ST CHARLES

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Industrial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 8.00	\$0	\$0	0.00%
5	3/4" Monthly	0		\$9.06	0	0		\$ 8.38	0	0	0.00%
6	1" Monthly	0		\$12.84	0	0		\$ 9.23	0	0	0.00%
7	1-1/2" Monthly	0		\$22.33	0	0		\$ 12.33	0	0	0.00%
8	2" Monthly	1		\$33.71	34	1		\$ 14.28	14	(20)	-58.82%
9	3" Monthly	0		\$60.24	0	0		\$ 34.11	0	0	0.00%
10	4" Monthly	0		\$98.15	0	0		\$ 47.31	0	0	0.00%
11	6" Monthly	0		\$192.93	0	0		\$ 74.03	0	0	0.00%
12	8" Monthly	0		\$306.65	0	0		\$ 160.42	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		740	\$1.8612	1,377		740	\$1.3543	1,002	(375)	-27.23%
19	Second Block		622	\$1.0427	648		622	1.3543	842	194	29.94%
20	Third Block		0	\$0.8044	0		0	1.3543	0	0	0.00%
21	Fourth Block		0	\$0.5419	0		0	1.3543	0	0	0.00%
22											
23											
24	Total		1,362		\$2,059		1,362		\$1,858	(\$201)	-9.76%
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37											
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39											

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Charles

Case No. WR-2007-0216

STAFF - ST CHARLES

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Public Authority:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	6		\$7.08	\$42	6		\$ 8.00	\$48	\$6	14.29%
5	3/4" Monthly	0		\$9.06	0	0		\$ 8.38	0	0	0.00%
6	1" Monthly	5		\$12.84	64	5		\$ 9.23	46	(18)	-28.13%
7	1-1/2" Monthly	5		\$22.33	112	5		\$ 12.33	62	(50)	-44.64%
8	2" Monthly	24		\$33.71	812	24		\$ 14.28	344	(468)	-57.64%
9	3" Monthly	14		\$60.24	852	14		\$ 34.11	482	(370)	-43.43%
10	4" Monthly	10		\$98.15	974	10		\$ 47.31	470	(504)	-51.75%
11	6" Monthly	4		\$192.93	688	4		\$ 74.03	264	(424)	-61.63%
12	8" Monthly	0		\$306.65	0	0		\$ 160.42	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		33,351	\$2.3919	79,771		33,351	\$1.8416	61,417	(18,354)	-23.01%
19	Second Block		31,097	\$1.3399	41,667		31,097	1.8416	57,267	15,600	37.44%
20	Third Block		2,330	\$1.0341	2,409		2,330	1.8416	4,290	1,881	78.08%
21	Fourth Block		0	\$0.6963	0		0	1.8416	0	0	0.00%
22											
23											
24	Total		66,777		\$127,391		66,777		\$124,690	(\$2,701)	-2.12%
25											
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39											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Charles

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Water Utilities:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 8.00	\$0	\$0	0.00%
5	3/4" Monthly	0		\$9.06	0	0		\$ 8.38	0	0	0.00%
6	1" Monthly	0		\$12.84	0	0		\$ 9.23	0	0	0.00%
7	1-1/2" Monthly	0		\$22.33	0	0		\$ 12.33	0	0	0.00%
8	2" Monthly	0		\$33.71	0	0		\$ 14.28	0	0	0.00%
9	3" Monthly	0		\$60.24	0	0		\$ 34.11	0	0	0.00%
10	4" Monthly	0		\$98.15	0	0		\$ 47.31	0	0	0.00%
11	6" Monthly	0		\$192.93	0	0		\$ 74.03	0	0	0.00%
12	8" Monthly	0		\$306.65	0	0		\$ 160.42	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		0	\$1.9548	0		0	\$0.0000	0	0	0.00%
19	Second Block		0	\$1.0951	0		0	0.0000	0	0	0.00%
20	Third Block		0	\$0.8451	0		0	0.0000	0	0	0.00%
21	Fourth Block		0	\$0.5691	0		0	0.0000	0	0	0.00%
22											
23											
24	Total		<u>0</u>		<u>\$0</u>		<u>0</u>		<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
25											
26											
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39											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Charles

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Miscellaneous:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$0.00	\$0	0		\$ 8.00	\$0	\$0	0.00%
5	3/4" Monthly	0		0.00	0	0		\$ 8.38	0	0	0.00%
6	1" Monthly	0		0.00	0	0		\$ 9.23	0	0	0.00%
7	1-1/2" Monthly	0		0.00	0	0		\$ 12.33	0	0	0.00%
8	2" Monthly	0		0.00	0	0		\$ 14.28	0	0	0.00%
9	3" Monthly	0		0.00	0	0		\$ 34.11	0	0	0.00%
10	4" Monthly	0		0.00	0	0		\$ 47.31	0	0	0.00%
11	6" Monthly	0		0.00	0	0		\$ 74.03	0	0	0.00%
12	8" Monthly	0		0.00	0	0		\$ 160.42	0	0	0.00%
13	10" Monthly	0		0.00	0	0		0.00	0	0	0.00%
14	12" Monthly	0		0.00	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		0	\$0.0000	0		0	\$0.0000	0	0	0.00%
19	Second Block		0	0.0000	0		0	0.0000	0	0	0.00%
20	Third Block		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fourth Block		0	0.0000	0		0	0.0000	0	0	0.00%
22											
23											
24	Total		<u>0</u>		<u>\$0</u>		<u>0</u>		<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
25											
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39											
40											

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Charles

Case No. WR-2007-0216

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Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	Private Fire Service:							
3								
4	Private Fire Hydrant	14	\$822.12	\$11,510	853.29	\$11,946	\$436	3.79%
5								
6	2"	12	117.84	1,414	122.31	1,468	54	3.82%
7								
8	3"	0	202.44	0	210.12	0	0	0.00%
9								
10	4"	18	321.24	5,782	333.42	6,002	220	3.80%
11								
12	6"	67	658.80	44,140	683.78	45,813	1,673	3.79%
13								
14	8"	58	1,133.64	65,751	1,176.63	68,244	2,493	3.79%
15								
16	10"	4	1,742.40	6,970	1,808.47	7,234	264	3.79%
17								
18	12"	0	2,484.36	0	2,578.56	0	0	0.00%
19								
20								
21								
22	Total	173		\$135,567		\$140,707	\$5,140	3.79%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	0	0.00	0	0.00	0	0	0.00%
29								
30								
31								
32								
33								
34								
35								
36								
37								
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39								

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	(328)	(284)	(37)	(0)	(6)	0	(0)	(1)
Purchased Water	1	653,202	553,066	83,806	261	12,933	0	457	2,743
TOTAL SS EXPENSE - OPERATION		652,874	552,782	83,769	261	12,928	0	457	2,743
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	9	8	1	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infil Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	257	223	29	0	4	0	0	0
Misc Plant Maint SS	2	3,284	2,848	371	1	57	0	1	6
TOTAL SS EXPENSE - MAINTENANCE		3,551	3,079	401	1	62	0	1	7
TOTAL SS EXPENSE		656,425	555,860	84,170	262	12,989	0	458	2,750
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	28,618	24,230	3,672	11	567	0	20	120
Labor & Exp Oper Pump	6	27,494	22,792	2,936	5	451	0	187	1,122
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	0	0	0	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		56,111	47,023	6,608	17	1,018	0	207	1,242

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	1,583	1,312	169	0	26	0	11	65
Pump Equip Maint P	6	30,364	25,172	3,243	6	498	0	206	1,239
Pump Equip Maint P	6	105	87	11	0	2	0	1	4
TOTAL PUMPING EXPENSES - MAINTENANCE		32,052	26,571	3,423	6	526	0	218	1,308
TOTAL PUMPING EXPENSES		88,163	73,594	10,031	23	1,543	0	425	2,550
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	0	0	0	0	0	0	0	0
Labor & Exp Oper WT	2	0	0	0	0	0	0	0	0
Labor & Exp Oper WT	2	341	296	39	0	6	0	0	1
Misc Exp Oper WT	2	(1,048)	(909)	(118)	(0)	(18)	0	(0)	(2)
Misc Exp Oper WT	1	0	0	0	0	0	0	0	0
Misc Exp Oper WT	2	0	0	0	0	0	0	0	0
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		(707)	(613)	(80)	(0)	(12)	0	(0)	(1)
Super & Eng Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	898	779	101	0	16	0	0	2
TOTAL WT EXPENSE - MAINTENANCE		898	779	101	0	16	0	0	2
TOTAL WT EXPENSE		191	166	22	0	3	0	0	0
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	188	136	15	0	2	0	5	29
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	2,769	1,821	220	1	34	0	99	595
TD Lines Exp	7	211,364	146,687	17,712	42	2,727	0	6,320	37,877
TD Lines Exp	7	7,354	5,104	616	1	95	0	220	1,318
Meter Expense	9	70	62	6	0	2	0	0	0
Meter Expense	9	(132)	(118)	(11)	(0)	(3)	0	0	0
Customer Install Exp	10	34,126	31,765	1,450	3	167	0	741	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	66,990	48,575	5,239	13	790	0	1,936	10,430

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Misc Exp Oper TD	11	489	355	38	0	6	0	14	76
Misc Exp Oper TD	11	4,404	3,193	344	1	52	0	127	686
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		327,623	237,580	25,630	62	3,871	0	9,462	51,010
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	27,762	19,267	2,326	6	358	0	830	4,975
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Services Maint TD	10	15,472	14,401	658	2	76	0	336	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	8,966	7,983	750	1	234	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	7,217	0	0	0	0	0	0	7,217
Misc Plant Maint TD	12	25,623	17,964	1,609	3	287	0	502	5,258
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	54,007	37,864	3,392	5	605	0	1,059	11,082
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		139,047	97,479	8,734	16	1,560	0	2,727	28,532
TOTAL T & D EXPENSE		466,670	335,059	34,364	78	5,431	0	12,189	79,542
CUSTOMER ACCOUNTS									
Supervision CA	13	14,327	13,760	463	0	33	0	72	0
Meter Reading Exp CA	14	141,100	136,175	4,586	0	325	0	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(41)	(39)	(1)	0	(0)	0	0	0
Cust Rec & Collection CA	13	146,058	140,275	4,718	0	336	0	730	0
Cust Rec & Collection CA	13	124,299	119,377	4,015	0	286	0	621	0
Uncollectible Accts	13	59,142	56,800	1,910	0	136	0	296	0
Misc Cust Accts Exp CA	13	1,293	1,242	42	0	3	0	6	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	11,745	11,280	379	0	27	0	59	0
Cust Serv & Info Exp CA	13	1,908	1,832	62	0	4	0	10	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		499,832	480,701	16,173	0	1,150	0	1,794	0
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	86,618	73,036	4,816	9	641	0	1,213	6,895
Other Supplies & Exp AG	15	27	23	1	0	0	0	0	2
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Other Supplies & Exp AG	15	104,131	87,804	5,790	10	771	0	1,458	8,289
Mgmt Fees-Coporate/Shared Service Center	15	335,003	282,475	18,626	34	2,479	0	4,690	26,666
Mgmt Fees-Call Center	13	225,941	216,994	7,298	0	520	0	1,130	0
Mgmt Fees-Belleville Lab	2	0	0	0	0	0	0	0	0
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Outside Services AG	15	361,906	305,159	20,122	36	2,678	0	5,067	28,808
Outside Services AG	15	25,159	21,214	1,399	3	186	0	352	2,003
Outside Services AG	15	38,439	32,411	2,137	4	284	0	538	3,060
Property Insurance	15	(6,376)	(5,376)	(355)	(1)	(47)	0	(89)	(508)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	166,538	138,627	10,076	17	1,349	0	2,598	13,856
Employee Pension & Benefits	16	225,683	187,858	13,654	23	1,828	0	3,521	18,777
Employee Pension & Benefits	16	158,560	131,986	9,593	16	1,284	0	2,474	13,192
Employee Pension & Benefits	16	13,945	11,608	844	1	113	0	218	1,160
Reg Commision Exp	15	5,958	5,024	331	1	44	0	83	474
Rents AG	15	8,176	6,894	455	1	60	0	114	651
Goodwill Advertising Expense	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	153,760	129,650	8,549	15	1,138	0	2,153	12,239
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		1,903,467	1,625,385	103,336	168	13,329	0	25,519	135,564
General Plant Maint AG	15	12,900	10,877	717	1	95	0	181	1,027
General Plant Maint AG	15	5,124	4,321	285	1	38	0	72	408
TOTAL A & G EXPENSE - MAINTENANCE		18,024	15,198	1,002	2	133	0	252	1,435
TOTAL A & G EXPENSE		1,921,491	1,640,583	104,338	170	13,462	0	25,771	136,999
Total Operation & Maintenance Expenses		3,632,772	3,085,963	249,097	533	34,579	0	40,637	221,840

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
DEPRECIATION EXPENSE									
Struct & Imp P	6	25,814	21,400	2,757	5	423	0	176	1,053
Struct & Imp WT	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	25,228	17,508	2,114	5	325	0	754	4,521
Struct & Imp Offices	15	8,320	7,015	463	1	62	0	116	662
Struct & Imp Store,Shop,Gar	15	1,210	1,020	67	0	9	0	17	96
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	5,011	4,154	535	1	82	0	34	204
Pump Equip Electric	6	54,800	45,429	5,853	11	899	0	373	2,236
Pump Equip Other	7	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	453	393	51	0	8	0	0	1
Dist Reservoirs & Standpipe	5	36,478	23,988	2,896	7	445	0	1,306	7,832
Elevated Tanks & Standpipes	5	2,975	1,956	236	1	36	0	106	639
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	250,262	173,682	20,972	50	3,228	0	7,483	44,847
TD Mains 4 & Less "	4	7,997	5,550	670	2	103	0	239	1,433
TD Mains 6 to 8" "	4	125,201	86,890	10,492	25	1,615	0	3,744	22,436
TD Mains 10 to 16" "	3	240,045	191,604	24,965	72	3,841	0	2,785	16,779
TD Mains 18 & Grtr "	3	118,016	94,201	12,274	35	1,888	0	1,369	8,249
Fire Mains	8	4,390	0	0	0	0	0	0	4,390
Services	10	190,141	176,983	8,081	19	932	0	4,126	0
Meters Bronze Case	9	43,403	38,642	3,629	4	1,133	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	4,647	4,137	388	0	121	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	87,024	77,477	7,275	9	2,271	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	79,394	0	0	0	0	0	0	79,394
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	79	55	7	0	1	0	2	14
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	4,540	3,828	252	0	34	0	64	361
Comp & Periph Equip	15	18,631	15,710	1,036	2	138	0	261	1,483
Computer Software	15	38,671	32,608	2,150	4	286	0	541	3,078
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	38	32	2	0	0	0	1	3
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	26	22	1	0	0	0	0	2
Tools,Shop,Garage Equip	15	9,846	8,302	547	1	73	0	138	784
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	217	188	25	0	4	0	0	0
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	5,674	4,785	315	1	42	0	79	452
Comm Equip Non-Telephone	15	1,037	875	58	0	8	0	15	83
Comm Equip Telephone	15	562	474	31	0	4	0	8	45
Misc Equipment	16	7,638	6,357	462	1	62	0	119	635
Other Tangible Property	15	42,760	36,055	2,377	4	316	0	599	3,404
Total Depreciation Expense		<u>1,440,531</u>	<u>1,081,321</u>	<u>110,983</u>	<u>261</u>	<u>18,390</u>	<u>0</u>	<u>24,454</u>	<u>205,117</u>
Amort-Other UP,Dep CIAC, CORemoval	18	<u>5,291</u>	<u>3,865</u>	<u>435</u>	<u>1</u>	<u>71</u>	<u>0</u>	<u>94</u>	<u>823</u>
Taxes Other Than Income									
Utility Reg Assessment Fee	19	62,519	48,827	4,745	13	738	0	944	7,240
Property Taxes	18	716,722	523,565	58,986	143	9,676	0	12,758	111,450
FUTA	16	1,045	870	63	0	8	0	16	87
FICA	16	64,324	53,543	3,892	6	521	0	1,003	5,352
SUTA	16	2,714	2,259	164	0	22	0	42	226
Other Taxes & Licenses	15	18,402	15,516	1,023	2	136	0	258	1,465
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>865,726</u>	<u>644,582</u>	<u>68,874</u>	<u>164</u>	<u>11,101</u>	<u>0</u>	<u>15,021</u>	<u>125,819</u>
Income Taxes	18	<u>917,304</u>	<u>670,091</u>	<u>75,494</u>	<u>183</u>	<u>12,384</u>	<u>0</u>	<u>16,328</u>	<u>142,641</u>
Utility Income Available for Return	18	<u>2,481,619</u>	<u>1,812,823</u>	<u>204,237</u>	<u>496</u>	<u>33,502</u>	<u>0</u>	<u>44,173</u>	<u>385,892</u>
Total Cost of Service		<u>9,343,243</u>	<u>7,298,645</u>	<u>709,120</u>	<u>1,639</u>	<u>110,027</u>	<u>0</u>	<u>140,707</u>	<u>1,082,132</u>
Less: Other Water Revenues	19	<u>271,344</u>	<u>271,344</u>						
Revenue Contribution	19	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Water Revenues		<u>271,344</u>	<u>271,344</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Cost of Service Related to Sales of Water		<u>\$ 9,071,899</u>	<u>\$ 7,027,301</u>	<u>\$ 709,120</u>	<u>\$ 1,639</u>	<u>\$ 110,027</u>	<u>\$ -</u>	<u>\$ 140,707</u>	<u>\$ 1,082,132</u>
Reallocation of Public Fire	20		<u>972,741</u>	<u>94,509</u>	<u>218</u>	<u>14,664</u>	<u>0</u>	<u>0</u>	<u>(1,082,132)</u>
Total		<u>\$ 9,071,899</u>	<u>\$ 8,000,042</u>	<u>\$ 803,630</u>	<u>\$ 1,858</u>	<u>\$ 124,691</u>	<u>\$ -</u>	<u>\$ 140,707</u>	<u>\$ -</u>
		<u>\$ 271,344</u>	<u>\$ 271,344</u>						
		<u>\$ 9,343,243</u>	<u>\$ 8,271,386</u>						

MISSOURI-AMERICAN WATER COMPANY

ST. CHARLES DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection		
								Private (9)	Public (10)	
RATE BASE										0.0
Organization	17	\$ 7,358	\$ 5,374	\$ 606	\$ 1	\$ 99	\$ -	\$ 131	\$ 1,146	0.0
Franchises	17	12,572	9,183	1,036	3	170	0	224	1,957	0.0
Land & Ld Rights SS	2	5,308	4,603	600	2	92	0	2	10	0.0
Land & Ld Rights P	6	1,193	989	127	0	20	0	8	49	0.0
Land & Ld Rights WT	2	5,372	4,658	607	2	93	0	2	10	0.0
Land & Ld Rights TD	7	314,898	218,539	26,388	63	4,062	0	9,415	56,430	0.0
Land & Land Rights AG	15	0	0	0	0	0	0	0	0	0.0
Struct & Imp SS	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp P	6	1,492,156	1,236,997	159,362	298	24,471	0	10,147	60,880	0.0
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0	0.0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0	0.0
Struct & Imp TD	7	944,876	655,744	79,181	189	12,189	0	28,252	169,322	0.0
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0	0.0
Struct & Imp Offices	15	346,653	292,298	19,274	35	2,565	0	4,853	27,594	(34.7)
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0	0.0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0	0.0
Struct & Imp Store,Shop,Gar	15	50,402	42,499	2,802	5	373	0	706	4,012	(5.0)
Struct & Imp Misc	15	977	824	54	0	7	0	14	78	(0.1)
Collect & Impounding	1	0	0	0	0	0	0	0	0	0.0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0	0.0
Wells & Springs	2	0	0	0	0	0	0	0	0	0.0
Supply Mains	2	0	0	0	0	0	0	0	0	0.0
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0	0.0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0	0.0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0	0.0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0	0.0
Power Generation Equip Othe	6	250,571	207,723	26,761	50	4,109	0	1,704	10,223	0.0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Steam	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Electric	6	2,245,914	1,861,863	239,864	449	36,833	0	15,272	91,633	0.0
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0	0.0
Pump Equip Other	6	72,907	60,440	7,786	15	1,196	0	496	2,975	0.0
WT Equip Non-Media	2	16,283	14,119	1,840	5	283	0	5	31	0.0
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0	0.0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0	0.0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0	0.0

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection		
								Private (9)	Public (10)	
WT Equip Non Media Sth (STL)	2	0	0	0	0	0	0	0	0	0.0
WT Equip Non Media Mer (STL)	2	0	0	0	0	0	0	0	0	0.0
WT Equip Filter Media	2	0	0	0	0	0	0	0	0	0.0
Dist Reservoirs & Standpipe	5	1,621,258	1,066,139	128,728	324	19,779	0	58,041	348,084	(162.1)
Elevated Tanks & Standpipes	5	132,216	86,945	10,498	26	1,613	0	4,733	28,387	(13.2)
Ground Level Facilities	5	0	0	0	0	0	0	0	0	0.0
TD Mains Not Classified by	7	16,684,163	11,578,809	1,398,133	3,337	215,226	0	498,856	2,989,802	0.0
TD Mains 4 & Less "	4	533,126	369,989	44,676	107	6,877	0	15,940	95,536	0.0
TD Mains 6 to 8" "	4	8,346,757	5,792,649	699,458	1,669	107,673	0	249,568	1,495,739	0.0
TD Mains 10 to 16" "	3	16,003,031	12,773,619	1,664,315	4,801	256,048	0	185,635	1,118,612	0.0
TD Mains 18 & Grtr "	3	7,867,745	6,280,034	818,245	2,360	125,884	0	91,266	549,955	0.0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0	0.0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0	0.0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0	0.0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0	0.0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0	0.0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0	0.0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0	0.0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0	0.0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0	0.0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0	0.0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0	0.0
Fire Mains	8	292,653	0	0	0	0	0	0	292,653	0.0
Services	10	6,173,406	5,746,206	262,370	617	30,250	0	133,963	0	0.0
Meters Bronze Case	9	1,786,146	1,590,206	149,322	179	46,618	0	0	0	178.6
Meters Plastic Case	9	0	0	0	0	0	0	0	0	0.0
Meters Other	9	191,226	170,249	15,986	19	4,991	0	0	0	19.1
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0	0.0
Meter Installations	9	3,581,236	3,188,374	299,391	358	93,470	0	0	0	358.1
Meter Installation Other	9	0	0	0	0	0	0	0	0	0.0
Hydrants	8	4,135,109	0	0	0	0	0	0	4,135,109	0.0
Other P/E Intangible	15	0	0	0	0	0	0	0	0	0.0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0	0.0
Other P/E TD	7	3,964	2,751	332	1	51	0	119	710	0.0
Other P/E CPS	15	11,520	9,714	641	1	85	0	161	917	(1.2)
Office Furniture & Equip	15	113,509	95,711	6,311	11	840	0	1,589	9,035	(11.4)
Comp & Periph Equip	15	130,379	109,936	7,249	13	965	0	1,825	10,378	(13.0)
Computer Software	15	270,617	228,185	15,046	27	2,003	0	3,789	21,541	(27.1)
Comp Software Personal	15	113,374	95,597	6,304	11	839	0	1,587	9,025	(11.3)
Data Handling Equipment	15	0	0	0	0	0	0	0	0	0.0
Other Office Equipment	15	577	486	32	0	4	0	8	46	(0.1)
Trans Equip Lt Duty Trks	15	148,320	125,063	8,247	15	1,098	0	2,076	11,806	(14.8)
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0	0.0
Trans Equip Autos	15	6,076	5,123	338	1	45	0	85	484	(0.6)
Trans Equip Other	15	860	725	48	0	6	0	12	68	(0.1)
Stores Equipment	15	907	765	50	0	7	0	13	72	(0.1)
Tools,Shop,Garage Equip	15	196,913	166,037	10,948	20	1,457	0	2,757	15,674	(19.7)
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0	0.0
Laboratory Equipment	2	5,427	4,706	613	2	94	0	2	10	0.0
Laboratory Equip Other	2	0	0	0	0	0	0	0	0	0.0

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection		
								Private (9)	Public (10)	
Power Operated Equipment	15	83,202	70,156	4,626	8	616	0	1,165	6,623	(8.3)
Comm Equip Non-Telephone	15	20,745	17,492	1,153	2	154	0	290	1,651	(2.1)
Comm Equip Telephone	15	8,420	7,100	468	1	62	0	118	670	(0.8)
Misc Equipment	15	152,750	128,799	8,493	15	1,130	0	2,139	12,159	(15.3)
Other Tangible Property	17	855,198	624,637	70,468	171	11,545	0	15,223	133,154	0.0
										0.0
Total Utility Plant in Service		75,238,271	54,952,055	6,198,780	15,214	1,015,995	0	1,342,189	11,714,251	214.9
										0.0
Other Rate Base Items										0.0
Add:										
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0	0.0
Cash Working Capital	15	(140,100)	(118,132)	(7,790)	(14)	(1,037)	0	(1,961)	(11,152)	14.0
Materials and Supplies	15	128,860	108,655	7,165	13	954	0	1,804	10,257	(12.9)
Prepayments	15	27,813	23,452	1,546	3	206	0	389	2,214	(2.8)
OPEB's Contributed to External Fund	16	168,982	140,661	10,223	17	1,369	0	2,636	14,059	(16.9)
Premature Retirement	17	0	0	0	0	0	0	0	0	0.0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0	0.0
Less:										
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0	0.0
Deferred Income Taxes	17	(404,639)	(295,549)	(33,342)	(81)	(5,463)	0	(7,203)	(63,002)	0.0
Pensions	16	0	0	0	0	0	0	0	0	0.0
										0.0
Total Other Rate Base Elements		(219,084)	(140,914)	(22,197)	(62)	(3,971)	0	(4,334)	(47,624)	(18.6)
										0.0
Total Original Cost Measure of Value		\$ 75,019,186	\$ 54,811,142	\$ 6,176,583	\$ 15,151	\$ 1,012,024	\$ -	\$ 1,337,855	\$ 11,666,628	196.3

T&D OP BASIS FOR FACTOR 11	255,552	185,321	19,994	48	3,021	0	7,379	39,789	(0.3)
FACTOR 11		0.7251	0.0782	0.0002	0.0118	0.0000	0.0289	0.1557	0.9999
T&D Mnt BASIS FOR FACTOR 12	59,417	41,651	3,734	8	668	0	1,166	12,192	0.9
FACTOR 12		0.7011	0.0628	0.0001	0.0112	0.0000	0.0196	0.2052	1.0000
A&G BASIS FOR FACTOR 15	1,029,461	868,084	57,282	91	7,617	0	14,389	81,978	(20.7)
FACTOR 15		0.8432	0.0556	0.0001	0.0074	0.0000	0.0140	0.0796	0.9999
LABOR BASIS FOR FACTOR 16	828,118	689,320	50,076	89	6,746	0	12,940	68,916	(30.8)
FACTOR 16		0.8324	0.0605	0.0001	0.0081	0.0000	0.0156	0.0832	0.9999
UPIS BASIS FOR FACTOR 17	74,363,142	54,312,862	6,126,670	15,039	1,004,181	0	1,326,612	11,577,994	214.9
FACTOR 17		0.7304	0.0824	0.0002	0.0135	0.0000	0.0178	0.1557	1.0000
RATE BASE BASIS FOR FACTOR 18	75,019,186	54,811,142	6,176,583	15,151	1,012,024	0	1,337,855	11,666,628	196.3
FACTOR 18		0.7305	0.0823	0.0002	0.0135	0.0000	0.0178	0.1555	0.9998
TOTAL COS BASIS FOR FACTOR 19	9,274,767	7,244,794	704,044	1,626	109,245	0	139,680	1,074,418	(958.6)
FACTOR 19		0.7810	0.0759	0.0002	0.0118	0.0000	0.0151	0.1158	0.9998
COS w/o Fire Factor 20	8,119,432	7,298,645	709,120 #	1,639 #	110,027 #	0			8,119,432
FACTOR 20		0.8989	0.0873	0.0002	0.0136	0.0000			1.0000

Table of Factors - Table Name "FACTORS"

2	4	6	8	10	12	14	20
Residential	Commercial	Industrial	Public	Resale	Private Fire	Public Fire	Total

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public		
			1	0.8467	0.1283	0.0004	0.0198	-	0.0007	0.0042	1.0001
			2	0.8671	0.1130	0.0003	0.0174	-	0.0003	0.0019	1.0000
			3	0.7982	0.1040	0.0003	0.0160	-	0.0116	0.0699	1.0000
			4	0.6940	0.0838	0.0002	0.0129	-	0.0299	0.1792	1.0000
			5	0.6576	0.0794	0.0002	0.0122	-	0.0358	0.2147	0.9999
			6	0.8290	0.1068	0.0002	0.0164	-	0.0068	0.0408	1.0000
			7	0.6940	0.0838	0.0002	0.0129	-	0.0299	0.1792	1.0000
			8	-	-	-	-	-	-	1.0000	1.0000
			9	0.8903	0.0836	0.0001	0.0261	-	-	-	1.0001
			10	0.9308	0.0425	0.0001	0.0049	-	0.0217	-	1.0000
			11	0.7251	0.0782	0.0002	0.0118	-	0.0289	0.1557	0.9999
			12	0.7011	0.0628	0.0001	0.0112	-	0.0196	0.2052	1.0000
			13	0.9604	0.0323	-	0.0023	-	0.0050	-	1.0000
			14	0.9651	0.0325	-	0.0023	-	-	-	0.9999
			15	0.8432	0.0556	0.0001	0.0074	-	0.0140	0.0796	0.9999
			16	0.8324	0.0605	0.0001	0.0081	-	0.0156	0.0832	0.9999
			17	0.7304	0.0824	0.0002	0.0135	-	0.0178	0.1557	1.0000
			18	0.7305	0.0823	0.0002	0.0135	-	0.0178	0.1555	0.9998
			19	0.7810	0.0759	0.0002	0.0118	-	0.0151	0.1158	0.9998
			20	0.8989	0.0873	0.0002	0.0136	-	-	-	1.0000

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	(328)	(147)	(180)	0	0	0	0	(1)
Purchased Water	1	653,202	650,001	0	0	0	0	0	3,201
TOTAL SS EXPENSE - OPERATION		652,874	649,854	(180)	0	0	0	0	3,200
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	9	4	5	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infil Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	257	115	141	0	0	0	0	1
Misc Plant Maint SS	2	3,284	1,476	1,801	0	0	0	0	7
TOTAL SS EXPENSE - MAINTENANCE		3,551	1,596	1,947	0	0	0	0	8
TOTAL SS EXPENSE		656,425	651,450	1,767	0	0	0	0	3,208
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	28,618	28,477	0	0	0	0	0	140
Labor & Exp Oper Pump	6	27,494	11,209	12,276	2,707	0	0	0	1,307
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	0	0	0	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		56,111	39,686	12,276	2,707	0	0	0	1,448

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	1,583	645	707	156	0	0	0	75
Pump Equip Maint P	6	30,364	12,379	13,558	2,990	0	0	0	1,444
Pump Equip Maint P	6	105	43	47	10	0	0	0	5
TOTAL PUMPING EXPENSES - MAINTENANCE		32,052	13,067	14,311	3,156	0	0	0	1,524
TOTAL PUMPING EXPENSES		88,163	52,753	26,587	5,863	0	0	0	2,972
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	0	0	0	0	0	0	0	0
Labor & Exp Oper WT	2	0	0	0	0	0	0	0	0
Labor & Exp Oper WT	2	341	153	187	0	0	0	0	1
Misc Exp Oper WT	2	(1,048)	(471)	(575)	0	0	0	0	(2)
Misc Exp Oper WT	1	0	0	0	0	0	0	0	0
Misc Exp Oper WT	2	0	0	0	0	0	0	0	0
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		(707)	(318)	(388)	0	0	0	0	(2)
Super & Eng Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	898	404	492	0	0	0	0	2
TOTAL WT EXPENSE - MAINTENANCE		898	404	492	0	0	0	0	2
TOTAL WT EXPENSE		191	86	105	0	0	0	0	0
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	188	38	0	90	(0)	25	0	35
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	2,769	617	0	1,458	0	0	0	694
TD Lines Exp	7	211,364	49,713	0	117,455	0	0	0	44,196
TD Lines Exp	7	7,354	1,730	0	4,087	0	0	0	1,538
Meter Expense	9	70	0	0	0	70	0	0	0
Meter Expense	9	(132)	0	0	0	(132)	0	0	0
Customer Install Exp	10	34,126	0	0	0	0	33,386	0	741
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	66,990	13,646	0	32,249	(13)	8,749	0	12,366

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Misc Exp Oper TD	11	489	100	0	235	(0)	64	0	90
Misc Exp Oper TD	11	4,404	897	0	2,120	(1)	575	0	813
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		327,623	66,741	0	157,695	(76)	42,798	0	60,473
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	27,762	6,530	0	15,427	0	0	0	5,805
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Services Maint TD	10	15,472	0	0	0	0	15,136	0	336
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	8,966	0	0	0	8,966	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	7,217	0	0	0	0	0	0	7,217
Misc Plant Maint TD	12	25,623	2,816	0	6,652	3,867	6,526	0	5,760
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	54,007	5,935	0	14,020	8,150	13,756	0	12,141
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		139,047	15,281	0	36,099	20,982	35,418	0	31,258
TOTAL T & D EXPENSE		466,670	82,022	0	193,794	20,906	78,216	0	91,731
CUSTOMER ACCOUNTS									
Supervision CA	13	14,327	0	0	0	0	0	14,256	72
Meter Reading Exp CA	14	141,100	0	0	0	0	0	141,100	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(41)	0	0	0	0	0	(41)	0
Cust Rec & Collection CA	13	146,058	0	0	0	0	0	145,328	730
Cust Rec & Collection CA	13	124,299	0	0	0	0	0	123,677	621
Uncollectible Accts	13	59,142	0	0	0	0	0	58,847	296
Misc Cust Accts Exp CA	13	1,293	0	0	0	0	0	1,287	6
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	11,745	0	0	0	0	0	11,686	59
Cust Serv & Info Exp CA	13	1,908	0	0	0	0	0	1,898	10
TOTAL CUSTOMER ACCOUNTING EXPENSE		499,832	0	0	0	0	0	498,038	1,794
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	86,618	9,069	2,391	16,795	1,758	6,583	41,897	8,107
Other Supplies & Exp AG	15	27	3	1	5	1	2	13	3
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Other Supplies & Exp AG	15	104,131	10,903	2,874	20,191	2,114	7,914	50,368	9,747
Mgmt Fees-Coporate/Shared Service Center	15	335,003	35,075	9,246	64,957	6,801	25,460	162,041	31,356
Mgmt Fees-Call Center	13	225,941	0	0	0	0	0	224,812	1,130
Mgmt Fees-Belleville Lab	2	0	0	0	0	0	0	0	0
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	361,906	37,892	9,989	70,174	7,347	27,505	175,054	33,874
Outside Services AG	15	25,159	2,634	694	4,878	511	1,912	12,169	2,355
Outside Services AG	15	38,439	4,025	1,061	7,453	780	2,921	18,593	3,598
Property Insurance	15	(6,376)	(668)	(176)	(1,236)	(129)	(485)	(3,084)	(597)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	166,538	21,617	5,912	39,619	1,199	11,308	70,412	16,454
Employee Pension & Benefits	16	225,683	29,294	8,012	53,690	1,625	15,324	95,419	22,297
Employee Pension & Benefits	16	158,560	20,581	5,629	37,721	1,142	10,766	67,039	15,666
Employee Pension & Benefits	16	13,945	1,810	495	3,318	100	947	5,896	1,378
Reg Commision Exp	15	5,958	624	164	1,155	121	453	2,882	558
Rents AG	15	8,176	856	226	1,585	166	621	3,954	765
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	153,760	16,099	4,244	29,814	3,121	11,686	74,374	14,392
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		1,903,467	189,812	50,761	350,120	26,656	122,918	1,001,839	161,083
General Plant Maint AG	15	12,900	1,351	356	2,501	262	980	6,240	1,207
General Plant Maint AG	15	5,124	537	141	994	104	389	2,479	480
TOTAL A & G EXPENSE - MAINTENANCE		18,024	1,887	497	3,495	366	1,370	8,718	1,687
TOTAL A & G EXPENSE		<u>1,921,491</u>	<u>191,699</u>	<u>51,259</u>	<u>353,615</u>	<u>27,022</u>	<u>124,288</u>	<u>1,010,557</u>	<u>162,770</u>
Total Operation & Maintenance Expenses		<u>3,632,772</u>	<u>978,008</u>	<u>79,718</u>	<u>553,273</u>	<u>47,928</u>	<u>202,504</u>	<u>1,508,595</u>	<u>262,474</u>

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
DEPRECIATION EXPENSE									
Struct & Imp P	6	25,814	10,524	11,526	2,542	0	0	0	1,228
Struct & Imp WT	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	25,228	5,934	0	14,019	0	0	0	5,275
Struct & Imp Offices	15	8,320	871	230	1,613	169	632	4,024	779
Struct & Imp Store,Shop,Gar	15	1,210	127	33	235	25	92	585	113
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	5,011	2,043	2,238	493	0	0	0	238
Pump Equip Electric	6	54,800	22,341	24,468	5,396	0	0	0	2,606
Pump Equip Other	7	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	453	203	248	0	0	0	0	1
Dist Reservoirs & Standpipe	5	36,478	8,131	0	19,209	0	0	0	9,138
Elevated Tanks & Standpipes	5	2,975	663	0	1,567	0	0	0	745
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	250,262	58,862	0	139,071	0	0	0	52,330
TD Mains 4 & Less "	4	7,997	1,881	0	4,444	0	0	0	1,672
TD Mains 6 to 8" "	4	125,201	29,447	0	69,574	0	0	0	26,180
TD Mains 10 to 16" "	3	240,045	99,307	121,175	0	0	0	0	19,564
TD Mains 18 & Grtr "	3	118,016	48,823	59,575	0	0	0	0	9,618
Fire Mains	8	4,390	0	0	0	0	0	0	4,390
Services	10	190,141	0	0	0	0	186,015	0	4,126
Meters Bronze Case	9	43,403	0	0	0	43,403	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	4,647	0	0	0	4,647	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	87,024	0	0	0	87,024	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	79,394	0	0	0	0	0	0	79,394
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	79	19	44	0	0	0	0	17
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	4,540	475	125	880	92	345	2,196	425
Comp & Periph Equip	15	18,631	1,951	514	3,613	378	1,416	9,012	1,744
Computer Software	15	38,671	4,049	1,067	7,498	785	2,939	18,705	3,620
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	38	4	1	7	1	3	19	4
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	26	3	1	5	1	2	13	2
Tools,Shop,Garage Equip	15	9,846	1,031	272	1,909	200	748	4,762	922
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	217	98	119	0	0	0	0	0
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	5,674	594	157	1,100	115	431	2,745	531
Comm Equip Non-Telephone	15	1,037	109	29	201	21	79	502	97
Comm Equip Telephone	15	562	59	16	109	11	43	272	53
Misc Equipment	16	7,638	991	271	1,817	55	519	3,229	755
Other Tangible Property	15	42,760	4,477	1,180	8,291	868	3,250	20,683	4,002
Total Depreciation Expense		<u>1,440,531</u>	<u>303,015</u>	<u>223,244</u>	<u>283,639</u>	<u>137,795</u>	<u>196,513</u>	<u>66,746</u>	<u>229,567</u>
Amort-Other UP	18	5,291	1,309	989	1,178	397	439	62	917
Taxes Other Than Income									
Utility Reg Assessment Fee	19	62,519	15,567	7,252	11,947	3,339	5,033	11,178	8,184
Property Taxes	18	716,722	177,245	133,955	159,542	53,754	59,416	8,457	124,208
FUTA	16	1,045	136	37	249	8	71	442	103
FICA	16	64,324	8,349	2,284	15,303	463	4,368	27,196	6,355
SUTA	16	2,714	352	96	646	20	184	1,148	268
Other Taxes & Licenses	15	18,402	1,927	508	3,568	374	1,399	8,901	1,722
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>865,726</u>	<u>203,576</u>	<u>144,132</u>	<u>191,255</u>	<u>57,956</u>	<u>70,470</u>	<u>57,322</u>	<u>140,841</u>
Income Taxes	18	917,304	226,849	171,444	204,192	68,798	76,045	10,824	158,969
Utility Income Available for Return	18	2,481,619	613,704	463,815	552,408	186,121	205,726	29,283	430,065
Total Cost of Service		9,343,243	2,326,463	1,083,342	1,785,945	498,995	751,697	1,672,834	1,222,833
Less: Other Water Revenues	19	271,344	67,565	31,476	51,854	14,490	21,843	48,516	35,519
Billing and Collecting Services	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		<u>271,344</u>	<u>67,565</u>	<u>31,476</u>	<u>51,854</u>	<u>14,490</u>	<u>21,843</u>	<u>48,516</u>	<u>35,519</u>
Total Cost of Service Related to Sales of Water		<u>9,071,899</u>	<u>2,258,898</u>	<u>1,051,866</u>	<u>1,734,091</u>	<u>484,505</u>	<u>729,854</u>	<u>1,624,317</u>	<u>1,187,314</u>
Reallocation of Public Fire	20		484,538	225,631	371,963				1,082,132
Total		<u>\$ 9,071,899</u>	<u>\$ 2,743,436</u>	<u>\$ 1,277,497</u>	<u>\$ 2,106,054</u>	<u>\$ 484,505</u>	<u>\$ 729,854</u>	<u>\$ 1,624,317</u>	<u>\$ 2,269,446</u>
						33,221	30,309	357,333	
						14.58	24.08		
						1.22	2.01	4.55	
								7.77	

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
RATE BASE									
Organization	17	7,358	1,823	1,378	1,638	553	610	79	1,277
Franchises	17	12,572	3,115	2,355	2,799	945	1,042	136	2,181
Land & Ld Rights SS	2	5,308	2,385	2,911	0	0	0	0	12
Land & Ld Rights P	6	1,193	486	533	117	0	0	0	57
Land & Ld Rights WT	2	5,372	2,414	2,946	0	0	0	0	12
Land & Ld Rights TD	7	314,898	74,064	0	174,989	0	0	0	65,845
Land & Land Rights AG	15	0	0	0	0	0	0	0	0
Struct & Imp SS	2	0	0	0	0	0	0	0	0
Struct & Imp P	6	1,492,156	608,318	666,248	146,933	0	0	0	70,956
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	0	0	0	0	0	0	0	0
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	944,876	222,235	0	525,068	0	0	0	197,574
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	346,653	36,295	9,568	67,216	7,037	26,346	167,676	32,447
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	50,402	5,277	1,391	9,773	1,023	3,831	24,379	4,718
Struct & Imp Misc	15	977	102	27	189	20	74	473	91
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	250,571	102,152	111,880	24,674	0	0	0	11,915
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	2,245,914	915,608	1,002,801	221,155	0	0	0	106,799
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	72,907	29,723	32,553	7,179	0	0	0	3,467
WT Equip Non-Media	2	16,283	7,318	8,930	0	0	0	0	36
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
WT Equip Non Media Sth (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL)	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	0	0	0	0	0	0	0	0
Dist Reservoirs & Standpipe	5	1,621,258	361,378	0	853,754	0	0	0	406,125
Elevated Tanks & Standpipes	5	132,216	29,471	0	69,625	0	0	0	33,120
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	16,684,163	3,924,115	0	9,271,389	0	0	0	3,488,658
TD Mains 4 & Less "	4	533,126	125,391	0	296,258	0	0	0	111,477
TD Mains 6 to 8" "	4	8,346,757	1,963,157	0	4,638,293	0	0	0	1,745,307
TD Mains 10 to 16" "	3	16,003,031	6,620,454	8,078,330	0	0	0	0	1,304,247
TD Mains 18 & Grtr "	3	7,867,745	3,254,886	3,971,638	0	0	0	0	641,221
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL)	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	292,653	0	0	0	0	0	0	292,653
Services	10	6,173,406	0	0	0	0	6,039,443	0	133,963
Meters Bronze Case	9	1,786,146	0	0	0	1,786,146	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	191,226	0	0	0	191,226	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	3,581,236	0	0	0	3,581,236	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	4,135,109	0	0	0	0	0	0	4,135,109
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	3,964	932	0	2,203	0	0	0	829
Other P/E CPS	15	11,520	1,206	318	2,234	234	876	5,572	1,078
Office Furniture & Equip	15	113,509	11,884	3,133	22,009	2,304	8,627	54,904	10,624
Comp & Periph Equip	15	130,379	13,651	3,598	25,280	2,647	9,909	63,064	12,203
Computer Software	15	270,617	28,334	7,469	52,473	5,494	20,567	130,898	25,330
Comp Software Personal	15	113,374	11,870	3,129	21,983	2,301	8,616	54,839	10,612
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	577	60	16	112	12	44	279	54
Trans Equip Lt Duty Trks	15	148,320	15,529	4,094	28,759	3,011	11,272	71,742	13,883
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	6,076	636	168	1,178	123	462	2,939	569
Trans Equip Other	15	860	90	24	167	17	65	416	80
Stores Equipment	15	907	95	25	176	18	69	439	85
Tools,Shop,Garage Equip	15	196,913	20,617	5,435	38,181	3,997	14,965	95,247	18,431
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	5,427	2,439	2,976	0	0	0	0	12
Laboratory Equip Other	2	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Power Operated Equipment	15	83,202	8,711	2,296	16,133	1,689	6,323	40,245	7,788
Comm Equip Non-Telephone	15	20,745	2,172	573	4,022	421	1,577	10,034	1,942
Comm Equip Telephone	15	8,420	882	232	1,633	171	640	4,073	788
Misc Equipment	15	152,750	15,993	4,216	29,618	3,101	11,609	73,885	14,297
Other Tangible Property	17	855,198	211,918	160,179	190,367	64,311	70,896	9,236	148,377
Total Utility Plant in Service		<u>75,238,271</u>	<u>18,637,189</u>	<u>14,091,367</u>	<u>16,747,578</u>	<u>5,658,039</u>	<u>6,237,863</u>	<u>810,556</u>	<u>13,056,248</u>
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	(140,100)	(14,668)	(3,867)	(27,165)	(2,844)	(10,648)	(67,766)	(13,113)
Materials and Supplies	15	128,860	13,492	3,557	24,986	2,616	9,793	62,330	12,061
Prepayments	15	27,813	2,912	768	5,393	565	2,114	13,453	2,603
OPEB's Contributed to External Fund	16	168,982	21,934	5,999	40,201	1,217	11,474	71,446	16,695
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:		0							
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(404,639)	(100,270)	(75,789)	(90,073)	(30,429)	(33,545)	(4,370)	(70,205)
Pensions	16	0	0	0	0	0	0	0	0
Total Other Rate Base Elements		<u>(219,084)</u>	<u>(76,601)</u>	<u>(69,333)</u>	<u>(46,658)</u>	<u>(28,876)</u>	<u>(20,811)</u>	<u>75,092</u>	<u>(51,958)</u>
Total Original Cost Measure of Value		<u><u>\$ 75,019,186</u></u>	<u><u>\$ 18,560,589</u></u>	<u><u>\$ 14,022,034</u></u>	<u><u>\$ 16,700,920</u></u>	<u><u>\$ 5,629,163</u></u>	<u><u>\$ 6,217,051</u></u>	<u><u>\$ 885,648</u></u>	<u><u>\$ 13,004,290</u></u>
T&D OP BASIS FOR FACTOR 11		255,552	52,060	0	123,000	(62)	33,386	0	47,168
FACTOR 11			0.2037	0.0000	0.4814	(0.0002)	0.1306	0.0000	0.1846
T&D Mnt BASIS FOR FACTOR 12		59,417	6,530	0	15,427	8,966	15,136	0	13,358
FACTOR 12			0.1099	0.0000	0.2596	0.1509	0.2547	0.0000	0.2248
A&G BASIS FOR FACTOR 15		1,029,461	107,831	28,459	199,658	20,906	78,216	498,038	96,364
FACTOR 15			0.1047	0.0276	0.1939	0.0203	0.0760	0.4838	0.0936
LABOR BASIS FOR FACTOR 16		828,118	107,510	29,428	197,023	5,943	56,249	350,107	81,853
FACTOR 16			0.1298	0.0355	0.2379	0.0072	0.0679	0.4228	0.0988
UPIS BASIS FOR FACTOR 17		74,363,142	18,420,332	13,927,455	16,552,775	5,592,229	6,165,314	801,105	12,904,413
FACTOR 17			0.2478	0.1873	0.2226	0.0752	0.0829	0.0108	0.1735
RATE BASE BASIS FOR FACTOR 18		75,019,186	18,560,589	14,022,034	16,700,920	5,629,163	6,217,051	885,648	13,004,290
FACTOR 18			0.2473	0.1869	0.2226	0.0750	0.0829	0.0118	0.1733
TOTAL COS BASIS FOR FACTOR 19		9,274,767	2,310,272	1,075,926	1,772,842	495,536	746,212	1,658,773	1,214,092
FACTOR 19			0.2490	0.1160	0.1911	0.0534	0.0805	0.1788	0.1309
COS w/o Fire Factor 20		5,195,750	2,326,463	1,083,342	1,785,945				
FACTOR 20			0.4478	0.2085	0.3437				

2

4

6

8

10

12
Billing &14
Fire

	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
	Base	Max Day	Max Hour	Meters	Services	Collecting	Service
1	0.9951	-	-	-	-	-	0.0049
2	0.4494	0.5484	-	-	-	-	0.0022
3	0.4137	0.5048	-	-	-	-	0.0815
4	0.2352	-	0.5557	-	-	-	0.2091
5	0.2229	-	0.5266	-	-	-	0.2505
6	0.4077	0.4465	0.0985	-	-	-	0.0476
7	0.2352	-	0.5557	-	-	-	0.2091
8	-	-	-	-	-	-	1.0000
9	-	-	-	1.0000	-	-	-
10	-	-	-	-	0.9783	-	0.0217
11	0.2037	-	0.4814	(0.0002)	0.1306	-	0.1846
12	0.1099	-	0.2596	0.1509	0.2547	-	0.2248
13	-	-	-	-	-	0.9950	0.0050
14	-	-	-	-	-	1.0000	-
15	0.1047	0.0276	0.1939	0.0203	0.0760	0.4837	0.0936
16	0.1298	0.0355	0.2379	0.0072	0.0679	0.4228	0.0988
17	0.2478	0.1873	0.2226	0.0752	0.0829	0.0108	0.1735
18	0.2473	0.1869	0.2226	0.0750	0.0829	0.0118	0.1733
19	0.2490	0.1160	0.1911	0.0534	0.0805	0.1788	0.1309
20	0.4478	0.2085	0.3437	-	-	-	-

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.

ALLOCATION OF COSTS THAT VARY WITH THE AMT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	7,830.63	0.8467
Commercial	1,186.18	0.1283
Industrial	3.73	0.0004
Other Public Authority	182.95	0.0198
Sales for Resale	0.00	0.0000
Private Fire Protection	6.42	0.0007
Public Fire Protection	38.58	0.0042
Total	9,248.49	1.0001

FACTOR 2.

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.**

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.4516	(4)	(5)=(4)x 0.5484	(6)=(3)+(5)
Residential	0.8467	0.3823	0.8839	0.4847	0.8671
Commercial	0.1283	0.0579	0.1004	0.0551	0.1130
Industrial	0.0004	0.0002	0.0002	0.0001	0.0003
Other Public Authority	0.0198	0.0089	0.0155	0.0085	0.0174
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0007	0.0003			0.0003
Public Fire Protection	0.0042	0.0019			0.0019
Total	1.0001	0.4515	1.0000	0.5484	1.0000

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

**FACTOR 2. MAX DAY CLASS ALLOCATION AND MAX DAY TO AVERAGE DAY
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.**

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	7,831	1.00	7,831	0.8839
Commercial	1,186	0.75	890	0.1004
Industrial	4	0.50	2	0.0002
Other Public Authority	183	0.75	137	0.0155
Sales for Resale	0	0.90	0	0.0000
Total	9,203		8,859	1.0000

The weighting of the factors is based on the maximum day ratio of 2.21, based on a review of maximum day ratios experienced during the period 1994 through 2006 (see Schedule D & DR #110).

	Maximum Day Ratio	Weight
Average Day	1.00	0.4516
Maximum Day Extra Capacity	1.21	0.5484
Total	2.21	1.0000

* Ratio of maximum day to average day minus 1.0.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.4157	(4)	(5)=(4) X 0.5048	(6)	(7)=(6) X 0.0795	(8)=(3)+(5)+(7)
Residential	0.8467	0.3521	0.8839	0.4461			0.7982
Commercial	0.1283	0.0533	0.1004	0.0507			0.1040
Industrial	0.0004	0.0002	0.0002	0.0001			0.0003
Other Public Authority	0.0198	0.0082	0.0155	0.0078			0.0160
Sales for Resale	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.0007	0.0003			0.1427	0.0113	0.0116
Public Fire Protection	0.0042	0.0017			0.8573	0.0682	0.0699
Total	<u>1.0001</u>	<u>0.4158</u>	<u>1.0000</u>	<u>0.5047</u>	<u>1.0000</u>	<u>0.0795</u>	<u>1.0000</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 2.21 and the average daily system sendout for 2006 of 10.04 MGD. The system demand for fire protection is 8,000 Gallons per minute for 4 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	10,040,000	0.4157
Maximum Day Extra Capacity	<u>1.21</u>	<u>12,191,429</u>	<u>0.5048</u>
Subtotal	<u>2.21</u>	22,231,429	0.9205
Fire Protection		<u>1,920,000</u>	<u>0.0795</u>
Total		<u>24,151,429</u>	<u>1.0000</u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2364	(5)	(6)=(5) X 0.5557	(7)	(8)=(7) X 0.2079	(9)=(4)+(6)+(8)
Residential	326.3	0.8467	0.2002	0.8888	0.4938			0.6940
Commercial	49.4	0.1283	0.0303	0.0962	0.0535			0.0838
Industrial	0.2	0.0004	0.0001	0.0001	0.0001			0.0002
Other Public Authority	7.6	0.0198	0.0047	0.0148	0.0082			0.0129
Sales for Resale	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.3	0.0007	0.0002			0.1427	0.0297	0.0299
Public Fire Protection	1.6	0.0042	0.0010			0.8573	0.1782	0.1792
Total	385.4	1.0001	0.2365	0.9999	0.5556	1.0000	0.2079	1.0000

The maximum hour extra capacity factors in column 5 are determined as follows:

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 3.35 and the average daily system sendout for 2006 of 9.100 MGD. The system demand for fire protection is 8,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	9,100	0.2364
Maximum Hour			
Extra Capacity	<u>2.35</u>	<u>21,388</u>	<u>0.5557</u>
Subtotal	<u><u>3.35</u></u>	<u>30,488</u>	<u>0.7921</u>
Fire Protection		<u>8,000</u>	<u>0.2079</u>
Total		<u><u>38,488</u></u>	<u><u>1.0000</u></u>

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	326.3	3.5	1,142.0	0.8888
Commercial	49.4	2.5	123.6	0.0962
Industrial	0.2	1.2	0.2	0.0001
Other Public Authority	7.6	2.5	19.1	0.0148
Sales for Resale	<u>0.0</u>	<u>3.2</u>	<u>0.0</u>	<u>0.0000</u>
Total	<u><u>383.5</u></u>		<u><u>1,284.8</u></u>	<u><u>0.9999</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2240	(5)	(6)=(5) X 0.5266	(7)	(8)=(7) X 0.2494	(9)=(4)+(6)+(8)
Residential	326.3	0.8467	0.1897	0.8888	0.4679			0.6576
Commercial	49.4	0.1283	0.0287	0.0962	0.0507			0.0794
Industrial	0.2	0.0004	0.0001	0.0001	0.0001			0.0002
Other Public Authority	7.6	0.0198	0.0044	0.0148	0.0078			0.0122
Sales for Resale	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.3	0.0007	0.0002			0.1427	0.0356	0.0358
Public Fire Protection	1.6	0.0042	0.0009			0.8573	0.2138	0.2147
Total	385.4	1.0001	0.2240	0.9999	0.5265	1.0000	0.2494	0.9999

The weighting of the factors is based on the ratio of the capacity required for a 4 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. Continued

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 4 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{8,000 \text{ GPM} \times 60 \text{ Min.} \times 4 \text{ Hrs.}}{7,700,000 \text{ Gallons}} = 0.2494$$

$$\text{General Service Weight} = 1.0000 - 0.2494 = 0.7506$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	29.85	0.2240
Extra Capacity Maximum Hour	<u>2.35</u>	<u>70.15</u>	<u>0.5266</u>
Total	<u><u>3.35</u></u>	<u><u>100.00</u></u>	<u><u>0.7506</u></u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.7144	(4)	(5)=(4)X 0.1084	(6)	(7)=(6)X 0.1772	(8)=(3)+ (5)+(7)
Residential	0.8671	0.6195	0.7982	0.0865	0.6940	0.1230	0.8290
Commercial	0.1130	0.0807	0.1040	0.0113	0.0838	0.0148	0.1068
Industrial	0.0003	0.0002	0.0003	0.0000	0.0002	0.0000	0.0002
Other Public Authority	0.0174	0.0124	0.0160	0.0017	0.0129	0.0023	0.0164
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0003	0.0002	0.0116	0.0013	0.0299	0.0053	0.0068
Public Fire Protection	0.0019	0.0014	0.0699	0.0076	0.1792	0.0318	0.0408
Total	1.0000	0.7144	1.0000	0.1084	1.0000	0.1772	1.0000

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	Horsepower of Pumps	Weight
Associated with Maximum Day	1,351	0.7144
Associated with Maximum Day and Fire	205	0.1084
Associated with Maximum Hour	335	0.1772
Total	1,891	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.

ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)=(3)+(5)
Residential	0.7982	0.0000	0.6940	0.6940	0.6940
Commercial	0.1040	0.0000	0.0838	0.0838	0.0838
Industrial	0.0003	0.0000	0.0002	0.0002	0.0002
Other Public Authority	0.0160	0.0000	0.0129	0.0129	0.0129
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0116	0.0000	0.0299	0.0299	0.0299
Public Fire Protection	0.0699	0.0000	0.1792	0.1792	0.1792
Total	1.0000	0.0000	1.0000	1.0000	1.0000

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains	410,796	0.0000
Distribution Mains	2,015,020	1.0000
Total	2,425,816	1.0000

ASSIGN ALL TO MAX DAY
NO FUNTIONALIZATION OF MAINS

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.

ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

Customer Classification (1)	Allocation Factor (3)
Public Fire Protection	1.0000
Total	1.0000

FACTOR 9.

ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential	29,572	0.8903
Commercial	2,777	0.0836
Industrial	4	0.0001
Other Public Authority	868	0.0261
Sales for Resale	0	0.0000
Private Fire	0	0.0000
Total	33,221	1.0001

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.

ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	28,838	0.9308
Commercial	1,318	0.0425
Industrial	2	0.0001
Other Public Authority	151	0.0049
Sales for Resale	0	0.0000
Private Fire Protection	<u>673</u>	<u>0.0217</u>
Total	<u><u>30,982</u></u>	<u><u>1.0000</u></u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.

**ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION
SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.**

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 185,321	0.7251
Commercial	19,994	0.0782
Industrial	48	0.0002
Other Public Authority	3,021	0.0118
Sales for Resale	-	0.0000
Private Fire Protection	7,379	0.0289
Public Fire Protection	39,789	0.1557
Total	<u>255,552</u>	<u>0.9999</u>

FACTOR 12.

**ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.**

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 41,651	0.7011
Commercial	3,734	0.0628
Industrial	8	0.0001
Other Public Authority	668	0.0112
Sales for Resale	-	0.0000
Private Fire Protection	1,166	0.0196
Public Fire Protection	12,192	0.2052
Total	<u>\$59,418</u>	<u>1.0000</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.

ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	28,598	0.9604
Commercial	963	0.0323
Industrial	1	0.0000
Other Public Authority	68	0.0023
Sales for Resale	0	0.0000
Private Fire Protection	148	0.0050
Public Fire Protection	0	0.0000
Total	29,778	1.0000

FACTOR 14.

ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	28,598	0.9651
Commercial	963	0.0325
Industrial	1	0.0000
Other Public Authority	68	0.0023
Sales for Resale	0	0.0000
Total	29,630	0.9999

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.

**ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$868,084	0.8433
Commercial	57,282	0.0556
Industrial	91	0.0001
Other Public Authority	7,617	0.0074
Sales for Resale	0	0.0000
Private Fire Protection	14,389	0.0140
Public Fire Protection	81,978	0.0796
Total	<u>\$1,029,440</u>	<u>1.0000</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.

ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$689,320	0.8324
Commercial	50,076	0.0605
Industrial	89	0.0001
Other Public Authority	6,746	0.0081
Sales for Resale	0	0.0000
Private Fire Protection	12,940	0.0156
Public Fire Protection	68,916	0.0832
Total	<u>\$828,087</u>	<u>0.9999</u>

FACTOR 17.

**ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$54,312,862	0.7304
Commercial	6,126,670	0.0824
Industrial	15,039	0.0002
Other Public Authority	1,004,181	0.0135
Sales for Resale	0	0.0000
Private Fire Protection	1,326,612	0.0178
Public Fire Protection	11,577,994	0.1557
Total	<u>\$74,363,357</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.

ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$54,811,142	0.7305
Commercial	6,176,583	0.0823
Industrial	15,151	0.0002
Other Public Authority	1,012,024	0.0135
Sales for Resale	0	0.0000
Private Fire Protection	1,337,855	0.0178
Public Fire Protection	11,666,628	0.1555
	<u>11,666,628</u>	<u>0.1555</u>
Total	<u>\$75,019,382</u>	<u>0.9998</u>

FACTOR 19.

**ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND
OTHER WATER REVENUES.**

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$7,244,794	0.7811
Commercial	704,044	0.0759
Industrial	1,626	0.0002
Other Public Authority	109,245	0.0118
Sales for Resale	0	0.0000
Private Fire Protection	139,680	0.0151
Public Fire Protection	1,074,418	0.1159
	<u>1,074,418</u>	<u>0.1159</u>
Total	<u>\$9,273,808</u>	<u>1.0000</u>

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BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	27,351.13	27,351.13	397.82	397.82	0.00	0.00	6.00	6.00	0.00	0.00	27,754.94	27,754.94
3/4	1.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1	1.7	1,198.26	2,037.04	203.39	345.76	0.00	0.00	5.00	8.50	0.00	0.00	1,406.64	2,391.29
1-1/2	3.5	31.46	110.10	177.00	619.50	0.00	0.00	5.00	17.50	0.00	0.00	213.46	747.10
2	4.3	17.16	73.78	165.44	711.41	1.00	4.30	24.09	103.58	0.00	0.00	207.69	893.07
3	19.0	0.00	0.00	6.36	120.76	0.00	0.00	14.14	268.74	0.00	0.00	20.50	389.50
4	29.3	0.00	0.00	9.63	282.16	0.00	0.00	9.93	290.80	0.00	0.00	19.56	572.96
6	48.4	0.00	0.00	1.25	60.59	0.00	0.00	3.56	172.49	0.00	0.00	4.82	233.08
8	112.9	0.00	0.00	2.12	239.19	0.00	0.00	0.00	0.00	0.00	0.00	2.12	239.19
Total		<u>28,598.00</u>	<u>29,572.05</u>	<u>963.00</u>	<u>2,777.18</u>	<u>1.00</u>	<u>4.30</u>	<u>67.72</u>	<u>867.62</u>	<u>0.00</u>	<u>0.00</u>	<u>29,629.72</u>	<u>33,221.15</u>

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	27,351.13	27,351.13	397.82	397.82	0.00	0.00	6.00	6.00	0.00	0.00	0.00	0.00	27,754.94	27,754.94
1	1.17	1,198.26	1,401.96	203.39	237.96	0.00	0.00	5.00	5.85	0.00	0.00	0.00	0.00	1,406.64	1,645.77
1-1/2	1.58	31.46	49.70	177.00	279.66	0.00	0.00	5.00	7.90	0.00	0.00	0.00	0.00	213.46	337.26
2	2.04	17.16	35.00	165.44	337.50	1.00	2.04	24.09	49.14	0.00	0.00	12.00	24.48	219.69	448.17
3	2.73	0.00	0.00	6.36	17.35	0.00	0.00	14.14	38.61	0.00	0.00	1.00	2.73	21.50	58.70
4	2.88	0.00	0.00	9.63	27.73	0.00	0.00	9.93	28.58	0.00	0.00	12.00	34.56	31.56	90.88
6	4.24	0.00	0.00	1.25	5.31	0.00	0.00	3.56	15.11	0.00	0.00	60.00	254.40	64.82	274.82
8	6.98	0.00	0.00	2.12	14.79	0.00	0.00	0.00	0.00	0.00	0.00	47.00	328.06	49.12	342.85
10	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	28.50	3.00	28.50
12	12.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		<u>28,598.00</u>	<u>28,837.79</u>	<u>963.00</u>	<u>1,318.12</u>	<u>1.00</u>	<u>2.04</u>	<u>67.72</u>	<u>151.20</u>	<u>0.00</u>	<u>0.00</u>	<u>135.00</u>	<u>672.73</u>	<u>29,764.72</u>	<u>30,981.89</u>

MISSOURI-AMERICAN WATER COMPANY
ST. CHARLES DISTRICT
PSC STAFF STUDY

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	12	48	
3 -inch	9.00	0	0	
4 -inch	16.00	12	192	
6 -inch	36.00	60	2,160	
8 -inch	64.00	47	3,008	
10 -inch	100.00	3	300	
12 -inch	144.00	0	0	
Private Hydrants	32.75	14	459	
Total Private Fire Protection		148	6,167	0.1427
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	0	
6" Valve	2- 2-1/2"	12.50	2,963	
Total Public Fire Protection		2,963	37,038	0.8573
Total Fire Protection		3,111	43,205	1.0000

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES

6

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 9,014,243	50.9%	\$ 7,577,213	49.8%	\$ 9,014,243	51.0%	\$ 1,437,030	19.0%
Commercial	2,932,736	16.6%	\$ 2,772,885	18.2%	\$ 2,932,736	16.6%	159,851	5.8%
Industrial	2,546,978	14.4%	\$ 2,136,153	14.1%	\$ 2,546,979	14.4%	410,826	19.2%
Public Authority	674,824	3.8%	\$ 587,221	3.9%	\$ 674,824	3.8%	87,603	14.9%
Sales for Resale	2,359,007	13.3%	\$ 1,927,498	12.7%	\$ 2,359,006	13.3%	431,508	22.4%
Private Fire Service	172,652	1.0%	\$ 201,602	1.3%	\$ 172,652	1.0%	(28,950)	-14.4%
Public Fire Service	-	0.0%	-	0.0%	-	0.0%	-	-
Total Sales	17,700,440	<u>100.0%</u>	15,202,572	<u>100.0%</u>	17,700,440	<u>100.1%</u>	2,497,868	16.4%
Other Revenues	<u>282,492</u>		<u>282,492</u>		<u>282,492</u>		-	0.0%
Total	<u>\$ 17,982,932</u>		<u>\$ 15,485,064</u>		<u>\$ 17,982,932</u>		<u>\$ 2,497,868</u>	16.1%

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Joseph

Case No. WR-2007-0216

STAFF - ST JOSEPH

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Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	1,648,445	\$7,577,213	1,648,445	\$9,014,243	\$1,437,030	18.97%
5	Commercial	830,272	2,772,885	830,272	2,932,736	159,851	5.76%
6	Industrial	955,862	2,136,153	955,862	2,546,979	410,826	19.23%
7	Other Public Authority	210,635	587,221	210,635	674,824	87,603	14.92%
8	Other Water Utilities	791,325	1,927,498	791,325	2,359,006	431,508	22.39%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	201,602	0	172,652	(28,950)	-14.36%
11	Public Fire	0	0	0	0	0	0.00%
12	Total	4,436,539	15,202,572	4,436,539	17,700,440	\$2,497,868	16.43%
13							
14							
15	Miscellaneous Revenues:						
16							
17	Other Revenue		292,119		292,119	0	0.00%
18	Returned Check Charge		0		0	0	0.00%
19	Application Fee		0		0	0	0.00%
20	Miscellaneous Other Revenue		0		0	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22							
23							
24			<u>\$15,494,691</u>		<u>\$17,992,559</u>	<u>2,497,868</u>	<u>16.12%</u>
25							
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40							

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Joseph

Case No. WR-2007-0216

STAFF - ST JOSEPH

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Residential:										
3	Minimum Charge:										
4	5/8" Monthly	321,470		\$7.08	\$2,276,007	321,470		\$ 10.41	\$3,347,780	\$1,071,773	47.09%
5	3/4" Monthly	13,152		9.06	119,159	13,152		\$ 11.14	146,513	27,354	22.96%
6	1" Monthly	7,603		12.84	97,628	7,603		\$ 12.39	94,181	(3,447)	-3.53%
7	1-1/2" Monthly	72		22.33	1,614	72		\$ 17.41	1,258	(356)	-22.06%
8	2" Monthly	171		33.71	5,749	171		\$ 20.11	3,429	(2,320)	-40.35%
9	3" Monthly	12		60.24	722	12		\$ 56.80	681	(41)	-5.68%
10	4" Monthly	0		98.15	0	0		\$ 81.97	0	0	0.00%
11	6" Monthly	0		192.93	0	0		\$ 130.41	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 290.95	0	0	0.00%
13	10" Monthly	0		520.92	0	0		\$ -	0	0	0.00%
14	12" Monthly	0		859.27	0	0		\$ -	0	0	0.00%
15											
16											
17	Volumetric Charges:										
18	First Block		1,626,028	\$3.1010	5,042,314		1,626,028	\$3.3335	5,420,401	378,087	7.50%
19	Second Block		15,823	1.7373	27,490		15,823	3.3335	0	(27,490)	
20	Third Block		1,319	1.3406	1,768		1,319	3.3335	0	(1,768)	
21	Fourth Block		5,274	0.9028	4,762		5,274	3.3335	0	(4,762)	
22											
23											
24											
25											
26	Property tax Surcharge		1,648,445	0.1393	229,628		1,648,445	0.0000	0	(229,628)	-100.00%
27											
28	Total		1,648,445		\$7,577,213		1,648,445		\$9,014,243	\$1,207,402	15.93%
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Joseph

Case No. WR-2007-0216

STAFF - ST JOSEPH

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Commercial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	24,053		\$7.08	\$170,294	24,053		\$ 10.41	\$250,486	\$80,192	47.09%
5	3/4" Monthly	1,846		\$9.06	16,725	1,846		\$ 11.14	20,564	3,839	22.95%
6	1" Monthly	4,547		\$12.84	58,389	4,547		\$ 12.39	56,328	(2,061)	-3.53%
7	1-1/2" Monthly	1,005		\$22.33	22,442	1,005		\$ 17.41	17,502	(4,940)	-22.01%
8	2" Monthly	3,209		\$33.71	108,176	3,209		\$ 20.11	64,521	(43,655)	-40.36%
9	3" Monthly	130		\$60.24	7,833	130		\$ 56.80	7,386	(447)	-5.71%
10	4" Monthly	139		\$98.15	13,638	139		\$ 81.97	11,389	(2,249)	-16.49%
11	6" Monthly	27		\$192.93	5,132	27		\$ 130.41	3,469	(1,663)	-32.40%
12	8" Monthly	0		\$306.65	0	0		\$ 290.95	0	0	0.00%
13	10" Monthly	0		\$520.92	0	0		\$0.00	0	0	0.00%
14	12" Monthly	0		\$859.27	0	0		\$0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		467,941	\$3.5681	1,669,660		467,941	\$3.0124	1,409,615	(260,045)	-15.57%
19	Second Block		319,073	\$1.9989	637,796		319,073	\$3.0124	961,169	323,373	50.70%
20	Third Block		35,453	\$1.5427	54,693		35,453	\$3.0124	106,797	52,104	95.27%
21	Fourth Block		7,805	\$1.0388	8,107		7,805	\$3.0124	23,510	15,403	190.00%
22											
23											
24											
25											
26	Property tax Surcharge		830,272	0.1393	115,657		830,272	0.0000	0	(115,657)	-100.00%
27											
28	Total		830,272		\$2,772,885		830,272		\$2,932,736	\$44,194	1.59%
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Joseph

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Industrial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	75		\$7.08	\$533	75		\$ 10.41	\$784	\$251	47.09%
5	3/4" Monthly	48		9.06	435	48		\$ 11.14	535	100	22.99%
6	1" Monthly	211		12.84	2,708	211		\$ 12.39	2,613	(95)	-3.51%
7	1-1/2" Monthly	36		22.33	804	36		\$ 17.41	627	(177)	-22.01%
8	2" Monthly	876		33.71	29,542	876		\$ 20.11	17,620	(11,922)	-40.36%
9	3" Monthly	36		60.24	2,157	36		\$ 56.80	2,034	(123)	-5.70%
10	4" Monthly	161		98.15	15,832	161		\$ 81.97	13,221	(2,611)	-16.49%
11	6" Monthly	61		192.93	11,685	61		\$ 130.41	7,898	(3,787)	-32.41%
12	8" Monthly	0		306.65	0	0		\$ 290.95	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		49,989	\$5.0756	253,726		49,989	\$2.6172	130,830	(122,896)	-48.44%
19	Second Block		341,570	2.8433	971,185		341,570	\$2.6172	893,943	(77,242)	-7.95%
20	Third Block		181,394	1.7150	311,090		181,394	\$2.6172	474,737	163,647	52.60%
21	Fourth Block		382,910	1.4010	536,456		382,910	\$2.6172	1,002,137	465,681	86.81%
22											
23											
24											
25											
26	Property tax Surcharge		955,862	0.1393	133,152		955,862	0.0000	0	(133,152)	-100.00%
27											
28	Total		955,862		\$2,136,153		955,862		\$2,546,979	\$277,674	13.00%
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Joseph

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Public Authority:										
3	Minimum Charge:										
4	5/8" Monthly	462.83		\$7.08	\$3,277	463		\$ 10.41	\$4,820	\$1,543	47.09%
5	3/4" Monthly	155.20		9.06	1,406	155		\$ 11.14	1,729	323	22.97%
6	1" Monthly	458.67		12.84	5,889	459		\$ 12.39	5,681	(208)	-3.53%
7	1-1/2" Monthly	229.03		22.33	5,114	229		\$ 17.41	3,989	(1,125)	-22.00%
8	2" Monthly	987.50		33.71	33,289	988		\$ 20.11	19,855	(13,434)	-40.36%
9	3" Monthly	37.40		60.24	2,253	37		\$ 56.80	2,124	(129)	-5.73%
10	4" Monthly	71.93		98.15	7,060	72		\$ 81.97	5,896	(1,164)	-16.49%
11	6" Monthly	12.03		192.93	2,322	12		\$ 130.41	1,569	(753)	-32.43%
12	8" Monthly	0.00		306.65	0	0		\$ 290.95	0	0	0.00%
13	10" Monthly	0.00		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0.00		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	Volumetric Charges:										
18	First Block		62,601	\$3.9599	247,895		62,601	\$2.9870	186,988	(60,907)	-24.57%
19	Second Block		79,799	2.2148	176,738		79,799	\$2.9870	238,357	61,619	34.86%
20	Third Block		41,696	1.7120	71,384		41,696	\$2.9870	124,546	53,162	74.47%
21	Fourth Block		26,539	1.1528	30,594		26,539	\$2.9870	79,270	48,676	159.10%
22											
23											
24											
25											
26	Property tax Surcharge		210,635	0.1393	29,341		210,635	0.0000	0	(29,341)	-100.00%
27											
28	Total		210,635		\$587,221		210,635		\$674,824	\$58,262	9.92%
29											
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Joseph

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Water Utilities:										
3	Minimum Charge:										
4	5/8" Monthly	0.00		\$7.08	\$0	0		\$ 10.41	\$0	\$0	0.00%
5	3/4" Monthly	0.00		9.06	0	0		\$ 11.14	0	0	0.00%
6	1" Monthly	0.00		12.84	0	0		\$ 12.39	0	0	0.00%
7	1-1/2" Monthly	0.00		22.33	0	0		\$ 17.41	0	0	0.00%
8	2" Monthly	133.73		33.71	4,508	134		\$ 20.11	2,689	(1,819)	-40.35%
9	3" Monthly	0.00		60.24	0	0		\$ 56.80	0	0	0.00%
10	4" Monthly	60.13		98.15	5,902	60		\$ 81.97	4,929	(973)	-16.49%
11	6" Monthly	2.98		192.93	576	3		\$ 130.41	389	(187)	-32.47%
12	8" Monthly	11.67		306.65	3,578	12		\$ 290.95	3,394	(184)	-5.14%
13	10" Monthly	0.00		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0.00		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	Volumetric Charges:					Volumetric Charges:					
18	First Block		10,849	\$5.6592	61,394		10,849	\$2.9667	32,184	(29,210)	-47.58%
19	Second Block		174,638	3.1703	553,656		174,638	2.9667	518,095	(35,561)	-6.42%
20	Third Block		236,259	2.4466	578,032		236,259	2.9667	700,905	122,873	21.26%
21	Fourth Block		369,579	1.6495	609,620		369,579	2.9667	1,096,421	486,801	79.85%
22											
23											
24											
25											
26	Property tax Surcharge		791,325	0.1393	110,232		791,325	0.0000	0	(110,232)	-100.00%
27											
28	Total		791,325		\$1,927,498		791,325		\$2,359,006	\$431,508	22.39%
29											
30											
31											
32											
33											
34											
35											
36											
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38											
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Joseph

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Miscellaneous:										
3	Minimum Charge:										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 10.41	\$0	\$0	0.00%
5	3/4" Monthly	0		9.06	0	0		11.14	0	0	0.00%
6	1" Monthly	0		12.84	0	0		12.39	0	0	0.00%
7	1-1/2" Monthly	0		22.33	0	0		17.41	0	0	0.00%
8	2" Monthly	0		33.71	0	0		20.11	0	0	0.00%
9	3" Monthly	0		60.24	0	0		56.80	0	0	0.00%
10	4" Monthly	0		98.15	0	0		81.97	0	0	0.00%
11	6" Monthly	0		192.93	0	0		130.41	0	0	0.00%
12	8" Monthly	0		306.65	0	0		290.95	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	Volumetric Charges:										
18	First Block		0	\$0.0000	0		0	\$0.0000	0	0	0.00%
19	Second Block		0	0.0000	0		0	0.0000	0	0	0.00%
20	Third Block		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fourth Block		0	0.0000	0		0	0.0000	0	0	0.00%
22											
23											
24	Total		0		\$0		0		\$0	\$0	0.00%
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											
37											
38											
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: St. Joseph

Case No. WR-2007-0216

STAFF - ST JOSEPH

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Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	Private Fire Service:							
3								
4	Private Fire Hydrant	63.0	\$459.96	\$28,977	393.91	\$24,816	(\$4,161)	-14.36%
5								
6	2"	10.0	66.00	660	56.52	565	(95)	-14.39%
7								
8	3"	1.0	113.28	113	97.01	97	(16)	-14.16%
9								
10	4"	100.0	179.76	17,976	153.95	15,395	(2,581)	-14.36%
11								
12	6"	168.0	368.64	61,932	315.70	53,038	(8,894)	-14.36%
13								
14	8"	100.0	634.20	63,420	543.13	54,313	(9,107)	-14.36%
15								
16	10"	15.0	974.88	14,623	834.89	12,523	(2,100)	-14.36%
17								
18	12"	10.0	1,390.08	13,901	1,190.47	11,905	(1,996)	-14.36%
19								
20								
21								
22	Total	467		\$201,602		\$172,652	(\$28,950)	-14.36%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	0	0.00	0	0.00	0	0	0.00%
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	0							
Labor & Exp Oper SS	2	61,393	24,029	11,088	11,585	2,812	11,155	111	602
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		61,393	24,029	11,088	11,585	2,812	11,155	111	602
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	406	159	73	77	19	74	1	4
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infiltr Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	93	36	17	17	4	17	0	1
Misc Plant Maint SS	2	16,947	6,633	3,061	3,198	776	3,079	31	166
TOTAL SS EXPENSE - MAINTENANCE		17,446	6,828	3,151	3,292	799	3,170	31	171
TOTAL SS EXPENSE		78,839	30,857	14,238	14,877	3,611	14,325	142	773
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	(1,240)	(473)	(218)	(227)	(55)	(219)	(7)	(40)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	657,357	240,198	121,019	139,294	30,699	115,366	1,643	9,072
Labor & Exp Oper Pump	6	353,563	134,884	62,156	64,773	15,734	62,545	2,051	11,420
Labor & Exp Oper Pump	6	1,183	451	208	217	53	209	7	38
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	5,062	1,931	890	927	225	895	29	164
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		1,015,924	376,992	184,056	204,983	46,655	178,797	3,723	20,653

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Super & Eng Maint P	6	15,977	6,095	2,809	2,927	711	2,826	93	516
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	156	60	27	29	7	28	1	5
TOTAL PUMPING EXPENSES - MAINTENANCE		16,133	6,155	2,836	2,956	718	2,854	94	521
TOTAL PUMPING EXPENSES		1,032,057	383,146	186,892	207,939	47,373	181,651	3,817	21,174
WATER TREATMENT									
Super & Eng Oper WT	2	71,506	27,987	12,914	13,493	3,275	12,993	129	701
Chemicals	1	756,895	276,569	139,344	160,386	35,347	132,835	1,892	10,445
Labor & Exp Oper WT	2	74,939	29,331	13,534	14,141	3,432	13,616	135	734
Labor & Exp Oper WT	2	38,381	15,023	6,932	7,243	1,758	6,974	69	376
Misc Exp Oper WT	2	40,607	15,894	7,334	7,663	1,860	7,378	73	398
Misc Exp Oper WT	1	234,855	85,816	43,237	49,766	10,968	41,217	587	3,241
Misc Exp Oper WT	2	0	0	0	0	0	0	0	0
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		1,217,183	450,620	223,294	252,691	56,640	215,013	2,885	15,895
Super & Eng Maint WT	2	10,687	4,183	1,930	2,017	489	1,942	19	105
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	35,337	13,831	6,382	6,668	1,618	6,421	64	346
TOTAL WT EXPENSE - MAINTENANCE		46,024	18,014	8,312	8,685	2,108	8,362	83	451
TOTAL WT EXPENSE		1,263,207	468,634	231,606	261,376	58,747	223,376	2,968	16,346
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	17,327	9,797	2,259	1,187	466	1,525	459	1,629
Storage Facility Exp	5	70	26	11	8	3	12	2	8
Storage Facility Exp	5	5,036	1,899	767	600	194	858	109	606
TD Lines Exp	7	204,319	71,328	28,829	22,557	7,315	32,221	6,375	35,674
TD Lines Exp	7	26,135	9,124	3,688	2,885	936	4,121	815	4,563
Meter Expense	9	103,513	83,256	14,005	3,002	2,339	901	0	0
Meter Expense	9	378	304	51	11	9	3	0	0
Customer Install Exp	10	95,152	79,852	9,334	704	904	124	4,234	0
Customer Install Exp	10	(1)	(1)	(0)	(0)	(0)	(0)	(0)	0
Misc Exp Oper TD	11	16,078	9,091	2,097	1,101	433	1,415	426	1,511

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Misc Exp Oper TD	11	20,927	11,832	2,729	1,433	563	1,842	555	1,967
Misc Exp Oper TD	11	24,629	13,925	3,212	1,687	663	2,167	653	2,315
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		513,564	290,432	66,983	35,177	13,823	45,189	13,627	48,274
Super & Eng Maint TD	12	16,313	6,891	2,011	1,274	462	1,703	354	3,618
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	229	97	28	18	6	24	5	51
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	13	5	2	1	0	2	0	2
TD Main Maint TD	7	102,794	35,885	14,504	11,348	3,680	16,211	3,207	17,948
Fire Main Maint TD	8	92	0	0	0	0	0	0	92
Services Maint TD	10	62	52	6	0	1	0	3	0
Services Maint TD	10	4,849	4,069	476	36	46	6	216	0
Meters Maint TD	9	5,196	4,179	703	151	117	45	0	0
Meters Maint TD	9	28,057	22,566	3,796	814	634	244	0	0
Hydrants Maint TD	8	17,019	0	0	0	0	0	0	17,019
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	120,376	50,847	14,842	9,401	3,407	12,567	2,612	26,699
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		294,999	124,590	36,369	23,044	8,353	30,802	6,397	65,429
TOTAL T & D EXPENSE		808,562	415,023	103,351	58,220	22,177	75,991	20,024	113,704
CUSTOMER ACCOUNTS									
Supervision CA	13	43,746	38,838	3,963	171	276	22	477	0
Meter Reading Exp CA	14	284,958	255,778	26,102	1,111	1,795	142	0	0
Meter Reading Exp CA	14	7,200	6,463	660	28	45	4	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	161,176	143,092	14,603	629	1,015	81	1,757	0
Cust Rec & Collection CA	13	16,120	14,311	1,460	63	102	8	176	0
Uncollectible Accts	13	166,736	148,028	15,106	650	1,050	83	1,817	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	21,542	19,125	1,952	84	136	11	235	0
Cust Serv & Info Exp CA	13	(9)	(8)	(1)	(0)	(0)	(0)	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		701,469	625,628	63,845	2,736	4,419	351	4,461	0

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	178,117	105,249	23,618	15,603	4,720	16,440	2,173	10,295
Other Supplies & Exp AG	15	657	389	87	58	17	61	8	38
Other Supplies & Exp AG	15	1,405	830	186	123	37	130	17	81
Other Supplies & Exp AG	15	186,206	110,029	24,691	16,312	4,934	17,187	2,272	10,763
Mgmt Fees-Coporate/Shared Service Center	15	1,393,565	823,457	184,787	122,076	36,929	128,626	17,001	80,548
Mgmt Fees-Call Center	13	451,800	401,108	40,933	1,762	2,846	226	4,925	0
Mgmt Fees-Belleville Lab	2	21,368	8,363	3,859	4,032	979	3,883	38	209
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	0	0	0	0	0	0	0	0
Outside Services AG	15	50,309	29,727	6,671	4,407	1,333	4,643	614	2,908
Outside Services AG	15	232,576	137,429	30,840	20,374	6,163	21,467	2,837	13,443
Property Insurance	15	(20,034)	(11,838)	(2,656)	(1,755)	(531)	(1,849)	(244)	(1,158)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	332,118	196,879	43,740	28,595	8,701	29,857	3,952	20,425
Employee Pension & Benefits	16	452,700	268,361	59,621	38,977	11,861	40,698	5,387	27,841
Employee Pension & Benefits	16	83,136	49,283	10,949	7,158	2,178	7,474	989	5,113
Employee Pension & Benefits	16	233,926	138,671	30,808	20,141	6,129	21,030	2,784	14,386
Reg Commision Exp	15	12,414	7,335	1,646	1,087	329	1,146	151	718
Rents AG	15	50,384	29,772	6,681	4,414	1,335	4,650	615	2,912
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	244,930	144,729	32,478	21,456	6,491	22,607	2,988	14,157
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		3,905,577	2,439,776	498,938	304,820	94,453	318,275	46,508	202,680
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	0	0	0	0	0	0	0	0
TOTAL A & G EXPENSE - MAINTENANCE		0	0	0	0	0	0	0	0
TOTAL A & G EXPENSE		3,905,577	2,439,776	498,938	304,820	94,453	318,275	46,508	202,680
Total Operation & Maintenance Expenses		7,789,712	4,363,064	1,098,871	849,968	230,780	813,969	77,920	354,677

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor	Cost of	Residential	Commercial	Industrial	Public	Sales for	Fire Protection	
(1)	Ref.	Service	(4)	(5)	(6)	Authorities	Resale	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	51,340	20,095	9,272	9,688	2,351	9,329	92	503
Struct & Imp P	6	79,623	30,376	13,998	14,587	3,543	14,085	462	2,572
Struct & Imp WT	2	381,924	149,485	68,976	72,069	17,492	69,396	687	3,743
Struct & Imp TD	7	10,692	3,733	1,509	1,180	383	1,686	334	1,867
Struct & Imp Offices	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	4,910	2,901	651	430	130	453	60	284
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	112	44	20	21	5	20	0	1
Wells & Springs	2	586	230	106	111	27	107	1	6
Supply Mains	2	148,998	58,318	26,909	28,116	6,824	27,073	268	1,460
Pump Equip Electric	6	118,888	45,356	20,900	21,780	5,290	21,031	690	3,840
WT Equip Non-Media	2	567,412	222,085	102,475	107,071	25,987	103,099	1,021	5,561
Dist Reservoirs & Standpipe	5	34,631	13,059	5,278	4,128	1,337	5,901	748	4,170
Elevated Tanks & Standpipes	5	6,999	2,639	1,067	834	270	1,193	151	843
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains 4 & Less "	4	12,966	4,526	1,829	1,431	464	2,045	405	2,264
TD Mains 6 to 8" "	4	148,733	51,923	20,986	16,420	5,325	23,455	4,640	25,969
TD Mains 10 to 16" "	3	163,992	59,414	27,403	28,617	6,937	27,583	2,115	11,889
TD Mains 18 & Grtr "	3	72,902	26,413	12,182	12,721	3,084	12,262	940	5,285
Services	10	94,673	79,450	9,287	701	899	123	4,213	0
Meters Bronze Case	9	52,398	42,144	7,089	1,520	1,184	456	0	0
Meters Plastic Case	9	1,956	1,573	265	57	44	17	0	0
Meters Other	9	6,673	5,367	903	194	151	58	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	73,929	59,461	10,003	2,144	1,671	643	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	50,152	0	0	0	0	0	0	50,152
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	329	129	59	62	15	60	1	3
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	11,007	6,504	1,460	964	292	1,016	134	636
Comp & Periph Equip	15	38,487	22,742	5,103	3,371	1,020	3,552	470	2,225
Computer Software	15	92,355	54,573	12,246	8,090	2,447	8,524	1,127	5,338
Comp Software Personal	15	4,542	2,684	602	398	120	419	55	263
Data Handling Equipment	15	2,565	1,516	340	225	68	237	31	148
Other Office Equipment	15	12,832	7,582	1,701	1,124	340	1,184	157	742
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	4,985	2,946	661	437	132	460	61	288
Tools,Shop,Garage Equip	15	38,074	22,498	5,049	3,335	1,009	3,514	465	2,201
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	13,833	5,414	2,498	2,610	634	2,514	25	136
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	10,105	5,971	1,340	885	268	933	123	584

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Comm Equip Non-Telephone	15	3,165	1,870	420	277	84	292	39	183
Comm Equip Telephone	15	2,050	1,212	272	180	54	189	25	119
Misc Equipment	15	5,246	3,100	696	460	139	484	64	303
Total Depreciation Expense		2,324,067	1,017,332	373,555	346,238	90,022	343,394	19,604	133,576
Amort-Other UP,DepCIAC,Cost Removal	18	10,581	4,393	1,709	1,604	419	1,631	101	721
Taxes Other Than Income									
Utility Reg Assessment Fee	19	102,217	49,340	15,568	13,523	3,578	13,411	981	5,806
Property Taxes	18	893,493	370,978	144,299	135,454	35,382	137,687	8,488	60,847
FUTA	16	1,994	1,182	263	172	52	179	24	123
FICA	16	126,727	75,124	16,690	10,911	3,320	11,393	1,508	7,794
SUTA	16	5,094	3,020	671	439	133	458	61	313
Other Taxes & Licenses	15	0	0	0	0	0	0	0	0
Gross Receipts Tax	19	28,595	13,803	4,355	3,783	1,001	3,752	275	1,624
Total Taxes, Other Than Income		1,158,120	513,447	181,845	164,281	43,467	166,880	11,336	76,507
Income Taxes	18	1,568,301	651,158	253,281	237,754	62,105	241,675	14,899	106,801
Utility Income Available for Return	18	5,136,004	2,132,469	829,465	778,618	203,386	791,458	48,792	349,762
Total Cost of Service		17,986,785	8,681,863	2,738,725	2,378,464	630,178	2,359,007	172,652	1,022,043
Less: Other Water Revenues	d	(282,492)	(282,492)						
Revenue Contribution	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		(282,492)	(282,492)	0	0	0	0	0	0
Total Cost of Service Related to Sales of Water		17,704,293	8,399,371	2,738,725	2,378,464	630,178	2,359,007	172,652	1,022,043
Reallocation of Public Fire	20		614,872	194,011	168,514	44,646	0		(1,022,043)
Total		\$ 17,704,293	\$ 9,014,243	\$ 2,932,736	\$ 2,546,978	\$ 674,824	\$ 2,359,007	\$ 172,652	\$ -
Total Cost of Service		17,986,785	9,296,735 #	2,932,736 #	2,546,978 #	674,824 #	2,359,007 #	172,652 #	0

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
RATE BASE									
Organization	17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	1,414,424	553,606	255,445	266,902	64,781	257,001	2,546	13,861
Land & Ld Rights P	6	8,921	3,403	1,568	1,634	397	1,578	52	288
Land & Ld Rights WT	2	0	0	0	0	0	0	0	0
Land & Ld Rights TD	7	44,413	15,505	6,267	4,903	1,590	7,004	1,386	7,755
Land & Land Rights AG	15	8,112	4,793	1,076	711	215	749	99	469
Struct & Imp SS	2	2,095,522	820,187	378,451	395,425	95,975	380,756	3,772	20,536
Struct & Imp P	6	4,585,597	1,749,405	806,148	840,081	204,059	811,192	26,596	148,115
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	24,064,628	9,418,895	4,346,072	4,540,995	1,102,160	4,372,543	43,316	235,833
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	400,459	139,800	56,505	44,211	14,336	63,152	12,494	69,920
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	204,591	120,893	27,129	17,922	5,422	18,884	2,496	11,825
Struct & Imp Misc	15	1,668,281	985,787	221,214	146,141	44,209	153,982	20,353	96,427
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	6,326	2,476	1,142	1,194	290	1,149	11	62
Wells & Springs	2	35,119	13,746	6,342	6,627	1,608	6,381	63	344
Supply Mains	2	9,312,362	3,644,858	1,681,813	1,757,243	426,506	1,692,056	16,762	91,261
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	4,792,895	1,828,489	842,591	878,058	213,284	847,863	27,799	154,811
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	2,618	999	460	480	117	463	15	85
WT Equip Non-Media	2	20,371,803	7,973,524	3,679,148	3,844,159	933,029	3,701,557	36,669	199,644
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
WT Equip Non Media Sth (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL)	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	19,503	7,633	3,522	3,680	893	3,544	35	191
Dist Reservoirs & Standpipe	5	1,611,970	607,874	245,664	192,147	62,222	274,680	34,819	194,081
Elevated Tanks & Standpipes	5	305,806	115,319	46,605	36,452	11,804	52,109	6,605	36,819
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	2,465,986	860,876	347,951	272,245	88,282	388,886	76,939	430,561
TD Mains 4 & Less "	4	819,524	286,096	115,635	90,475	29,339	129,239	25,569	143,089
TD Mains 6 to 8" "	4	9,338,727	3,260,150	1,317,694	1,030,995	334,326	1,472,717	291,368	1,630,542
TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr "	3	10,292,327	3,728,910	1,719,848	1,796,011	435,365	1,731,169	132,771	746,194
TD Mains AC 4 (STL) "	4	4,840,789	1,689,919	683,035	534,423	173,300	763,392	151,033	845,202
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	3,223,585	2,705,233	316,234	23,855	30,624	4,191	143,450	0
Meters Bronze Case	9	2,462,124	1,980,286	333,125	71,402	55,644	21,420	0	0
Meters Plastic Case	9	80,479	64,729	10,889	2,334	1,819	700	0	0
Meters Other	9	274,621	220,878	37,156	7,964	6,206	2,389	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	2,958,774	2,379,742	400,322	85,804	66,868	25,741	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	2,572,605	0	0	0	0	0	0	2,572,605
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	1,449,357	567,278	261,754	273,494	66,381	263,348	2,609	14,204
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	23,975	14,167	3,179	2,100	635	2,213	292	1,386
Office Furniture & Equip	15	208,757	123,355	27,681	18,287	5,532	19,268	2,547	12,066
Comp & Periph Equip	15	143,889	85,024	19,080	12,605	3,813	13,281	1,755	8,317
Computer Software	15	153,012	90,415	20,289	13,404	4,055	14,123	1,867	8,844
Comp Software Personal	15	22,221	13,130	2,947	1,947	589	2,051	271	1,284
Data Handling Equipment	15	38,458	22,725	5,100	3,369	1,019	3,550	469	2,223
Other Office Equipment	15	191,225	112,995	25,356	16,751	5,067	17,650	2,333	11,053
Trans Equip Lt Duty Trks	15	242,186	143,108	32,114	21,215	6,418	22,354	2,955	13,998
Trans Equip Hvy Duty Trks	15	51,331	30,331	6,806	4,497	1,360	4,738	626	2,967
Trans Equip Autos	15	32,766	19,361	4,345	2,870	868	3,024	400	1,894
Trans Equip Other	15	7,255	4,287	962	636	192	670	89	419
Stores Equipment	15	174,304	102,996	23,113	15,269	4,619	16,088	2,127	10,075
Tools,Shop,Garage Equip	15	785,558	464,186	104,165	68,815	20,817	72,507	9,584	45,405
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	336,605	131,747	60,791	63,517	15,417	61,161	606	3,299

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	248,942	147,100	33,010	21,807	6,597	22,977	3,037	14,389
Comm Equip Non-Telephone	15	63,117	37,296	8,369	5,529	1,673	5,826	770	3,648
Comm Equip Telephone	15	27,901	16,487	3,700	2,444	739	2,575	340	1,613
Misc Equipment	15	104,032	61,473	13,795	9,113	2,757	9,602	1,269	6,013
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		114,587,782	47,371,473	18,545,606	17,452,143	4,553,220	17,743,496	1,090,965	7,813,615
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	(74,423)	(43,977)	(9,868)	(6,519)	(1,972)	(6,869)	(908)	(4,302)
Materials and Supplies	15	208,737	123,342	27,678	18,285	5,532	19,266	2,547	12,065
Prepayments	15	55,616	32,863	7,375	4,872	1,474	5,133	679	3,215
OPEB's Contributed to External Fund	16	337,902	200,308	44,502	29,093	8,853	30,377	4,021	20,781
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	7,483,519	3,093,687	1,210,833	1,139,740	297,096	1,158,449	71,093	510,376
Pensions	16	809,131	479,653	106,563	69,666	21,199	72,741	9,629	49,762
Total Other Rate Base Elements		8,820,482	3,885,878	1,387,082	1,255,137	332,181	1,279,098	87,060	591,896
Total Original Cost Measure of Value		\$ 123,408,264	\$ 51,257,351	\$ 19,932,688	\$ 18,707,281	\$ 4,885,401	\$ 19,022,594	\$ 1,178,025	\$ 8,405,512

T&D OP BASIS FOR FACTOR 11	434,602	245,787	56,686	29,768	11,699	38,240	11,535	40,852	(35.0)
FACTOR 11		0.5654	0.1304	0.0685	0.0269	0.0880	0.0265	0.0940	0.9997
T&D Mnt BASIS FOR FACTOR 12	158,081	66,756	19,487	12,351	4,479	16,508	3,426	35,061	(13.6)
FACTOR 12		0.4224	0.1233	0.0781	0.0283	0.1044	0.0217	0.2218	1.0000
A&G BASIS FOR FACTOR 15	2,235,028	1,320,704	296,332	195,702	59,314	206,275	27,290	129,239	(171.5)
FACTOR 15		0.5909	0.1326	0.0876	0.0265	0.0923	0.0122	0.0578	0.9999
LABOR BASIS FOR FACTOR 16	1,789,051	1,060,323	235,529	154,042	46,843	160,919	21,291	109,985	(119.1)
FACTOR 16		0.5928	0.1317	0.0861	0.0262	0.0899	0.0119	0.0615	1.0001
UPIS BASIS FOR FACTOR 17	114,587,782	47,371,473	18,545,606	17,452,143	4,553,220	17,743,496	1,090,965	7,813,615	(17,263.5)
FACTOR 17		0.4134	0.1618	0.1523	0.0397	0.1548	0.0095	0.0682	0.9997
RATE BASE BASIS FOR FACTOR 18	123,408,264	51,257,351	19,932,688	18,707,281	4,885,401	19,022,594	1,178,025	8,405,512	(19,412.9)
FACTOR 18		0.4152	0.1615	0.1516	0.0396	0.1541	0.0095	0.0681	0.9996
TOTAL COS BASIS FOR FACTOR 19	17,843,559	8,611,385	2,717,156	2,360,070	625,271	2,340,698	171,245	1,013,895	(3,838.9)
FACTOR 19		0.4827	0.1523	0.1323	0.0350	0.1312	0.0096	0.0568	0.9999
COS w/o Fire Factor 20	14,313,882	8,611,385	2,717,156 #	2,360,070 #	625,271 #				0
FACTOR 20		0.6016	0.1898	0.1649	0.0437				1.0000

Table of Factors - Table Name "FACTORS"

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor	Cost of	Residential	Commercial	Industrial	Public	Sales for	Fire Protection		
(1)	Ref.	Service	(4)	(5)	(6)	Authorities	Resale	Private	Public	
	(2)	(3)				(7)	(8)	(9)	(10)	
			2	4	6	8	10	12	14	20
			Residential	Commercial	Industrial	Public	Resale	Private Fire	Public Fire	Total
1			0.3654	0.1841	0.2119	0.0467	0.1755	0.0025	0.0138	0.9999
2			0.3914	0.1806	0.1887	0.0458	0.1817	0.0018	0.0098	0.9998
3			0.3623	0.1671	0.1745	0.0423	0.1682	0.0129	0.0725	0.9998
4			0.3491	0.1411	0.1104	0.0358	0.1577	0.0312	0.1746	0.9999
5			0.3771	0.1524	0.1192	0.0386	0.1704	0.0216	0.1204	0.9997
6			0.3815	0.1758	0.1832	0.0445	0.1769	0.0058	0.0323	1.0000
7			0.3491	0.1411	0.1104	0.0358	0.1577	0.0312	0.1746	0.9999
8			-	-	-	-	-	-	1.0000	1.0000
9			0.8043	0.1353	0.0290	0.0226	0.0087	-	-	0.9999
10			0.8392	0.0981	0.0074	0.0095	0.0013	0.0445	-	1.0000
11			0.5654	0.1304	0.0685	0.0269	0.0880	0.0265	0.0940	0.9997
12			0.4224	0.1233	0.0781	0.0283	0.1044	0.0217	0.2218	1.0000
13			0.8878	0.0906	0.0039	0.0063	0.0005	0.0109	-	1.0000
14			0.8976	0.0916	0.0039	0.0063	0.0005	-	-	0.9999
15			0.5909	0.1326	0.0876	0.0265	0.0923	0.0122	0.0578	0.9999
16			0.5928	0.1317	0.0861	0.0262	0.0899	0.0119	0.0615	1.0001
17			0.4134	0.1618	0.1523	0.0397	0.1548	0.0095	0.0682	0.9997
18			0.4152	0.1615	0.1516	0.0396	0.1541	0.0095	0.0681	0.9996
19			0.4827	0.1523	0.1323	0.0350	0.1312	0.0096	0.0568	0.9999
20			0.6016	0.1898	0.1649	0.0437	-	-	-	1.0000

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	61,393	42,828	17,853	0	0	0	0	712
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		61,393	42,828	17,853	0	0	0	0	712
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	406	283	118	0	0	0	0	5
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infiltr Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	93	65	27	0	0	0	0	1
Misc Plant Maint SS	2	16,947	11,822	4,928	0	0	0	0	197
TOTAL SS EXPENSE - MAINTENANCE		17,446	12,170	5,073	0	0	0	0	202
TOTAL SS EXPENSE		78,839	54,998	22,926	0	0	0	0	915
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	(1,240)	(839)	(349)	(5)	0	0	0	(47)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	657,357	646,642	0	0	0	0	0	10,715
Labor & Exp Oper Pump	6	353,563	239,232	99,351	1,535	0	0	0	13,446
Labor & Exp Oper Pump	6	1,183	800	332	5	0	0	0	45
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	5,062	3,425	1,422	22	0	0	0	193
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		1,015,924	889,260	100,758	1,556	0	0	0	24,351

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Super & Eng Maint P	6	15,977	10,810	4,489	69	0	0	0	608
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	156	106	44	1	0	0	0	6
TOTAL PUMPING EXPENSES - MAINTENANCE		16,133	10,916	4,533	70	0	0	0	614
TOTAL PUMPING EXPENSES		1,032,057	900,176	105,291	1,626	0	0	0	24,964
WATER TREATMENT									
Super & Eng Oper WT	2	71,506	49,883	20,794	0	0	0	0	829
Chemicals	1	756,895	744,558	0	0	0	0	0	12,337
Labor & Exp Oper WT	2	74,939	52,277	21,792	0	0	0	0	869
Labor & Exp Oper WT	2	38,381	26,775	11,161	0	0	0	0	445
Misc Exp Oper WT	2	40,607	28,327	11,809	0	0	0	0	471
Misc Exp Oper WT	1	234,855	231,027	0	0	0	0	0	3,828
Misc Exp Oper WT	2	0	0	0	0	0	0	0	0
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		1,217,183	1,132,847	65,556	0	0	0	0	18,781
Super & Eng Maint WT	2	10,687	7,455	3,108	0	0	0	0	124
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	35,337	24,651	10,276	0	0	0	0	410
TOTAL WT EXPENSE - MAINTENANCE		46,024	32,106	13,384	0	0	0	0	534
TOTAL WT EXPENSE		1,263,207	1,164,953	78,940	0	0	0	0	19,314
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	17,327	2,724	0	4,748	4,141	3,625	0	2,088
Storage Facility Exp	5	70	22	0	38	0	0	0	10
Storage Facility Exp	5	5,036	1,600	0	2,746	0	0	0	689
TD Lines Exp	7	204,319	59,130	0	103,140	0	0	0	42,049
TD Lines Exp	7	26,135	7,563	0	13,193	0	0	0	5,379
Meter Expense	9	103,513	0	0	0	103,513	0	0	0
Meter Expense	9	378	0	0	0	378	0	0	0
Customer Install Exp	10	95,152	0	0	0	0	90,918	0	4,234
Customer Install Exp	10	(1)	0	0	0	0	(1)	0	(0)
Misc Exp Oper TD	11	16,078	2,528	0	4,405	3,843	3,364	0	1,937

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Misc Exp Oper TD	11	20,927	3,290	0	5,734	5,002	4,378	0	2,522
Misc Exp Oper TD	11	24,629	3,872	0	6,748	5,886	5,152	0	2,968
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		513,564	80,728	0	140,752	122,763	107,436	0	61,875
Super & Eng Maint TD	12	16,313	3,070	0	5,356	3,432	484	0	3,972
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	229	43	0	75	48	7	0	56
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	13	4	0	7	0	0	0	3
TD Main Maint TD	7	102,794	29,748	0	51,890	0	0	0	21,155
Fire Main Maint TD	8	92	0	0	0	0	0	0	92
Services Maint TD	10	62	0	0	0	0	59	0	3
Services Maint TD	10	4,849	0	0	0	0	4,633	0	216
Meters Maint TD	9	5,196	0	0	0	5,196	0	0	0
Meters Maint TD	9	28,057	0	0	0	28,057	0	0	0
Hydrants Maint TD	8	17,019	0	0	0	0	0	0	17,019
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	120,376	22,655	0	39,519	25,327	3,575	0	29,312
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		294,999	55,520	0	96,847	62,060	8,759	0	71,826
TOTAL T & D EXPENSE		808,562	136,248	0	237,599	184,823	116,195	0	133,701
CUSTOMER ACCOUNTS									
Supervision CA	13	43,746	0	0	0	0	0	43,269	477
Meter Reading Exp CA	14	284,958	0	0	0	0	0	284,958	0
Meter Reading Exp CA	14	7,200	0	0	0	0	0	7,200	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	161,176	0	0	0	0	0	159,419	1,757
Cust Rec & Collection CA	13	16,120	0	0	0	0	0	15,944	176
Uncollectible Accts	13	166,736	0	0	0	0	0	164,919	1,817
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	21,542	0	0	0	0	0	21,307	235
Cust Serv & Info Exp CA	13	(9)	0	0	0	0	0	(9)	(0)
TOTAL CUSTOMER ACCOUNTING EXPENSE		701,469	0	0	0	0	0	697,008	4,461

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	178,117	50,532	16,511	19,058	14,730	9,262	55,555	12,468
Other Supplies & Exp AG	15	657	187	61	70	54	34	205	46
Other Supplies & Exp AG	15	1,405	399	130	150	116	73	438	98
Other Supplies & Exp AG	15	186,206	52,827	17,261	19,924	15,399	9,683	58,078	13,034
Mgmt Fees-Coporate/Shared Service Center	15	1,393,565	395,354	129,183	149,111	115,248	72,465	434,653	97,550
Mgmt Fees-Call Center	13	451,800	0	0	0	0	0	446,876	4,925
Mgmt Fees-Belleville Lab	2	21,368	14,906	6,214	0	0	0	0	248
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	0	0	0	0	0	0	0	0
Outside Services AG	15	50,309	14,273	4,664	5,383	4,161	2,616	15,691	3,522
Outside Services AG	15	232,576	65,982	21,560	24,886	19,234	12,094	72,541	16,280
Property Insurance	15	(20,034)	(5,684)	(1,857)	(2,144)	(1,657)	(1,042)	(6,248)	(1,402)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	332,118	92,727	30,754	33,012	29,725	20,658	100,831	24,377
Employee Pension & Benefits	16	452,700	126,394	41,920	44,998	40,517	28,158	137,440	33,228
Employee Pension & Benefits	16	83,136	23,212	7,698	8,264	7,441	5,171	25,240	6,102
Employee Pension & Benefits	16	233,926	65,312	21,662	23,252	20,936	14,550	71,020	17,170
Reg Commision Exp	15	12,414	3,522	1,151	1,328	1,027	646	3,872	869
Rents AG	15	50,384	14,294	4,671	5,391	4,167	2,620	15,715	3,527
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	244,930	69,487	22,705	26,207	20,256	12,736	76,394	17,145
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		3,905,577	983,722	324,288	358,893	291,353	189,724	1,508,298	249,188
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	0	0	0	0	0	0	0	0
TOTAL A & G EXPENSE - MAINTENANCE		0	0	0	0	0	0	0	0
TOTAL A & G EXPENSE		3,905,577	983,722	324,288	358,893	291,353	189,724	1,508,298	249,188
Total Operation & Maintenance Expenses		7,789,712	3,240,097	531,445	598,119	476,176	305,919	2,205,306	432,544

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
DEPRECIATION EXPENSE									
Struct & Imp SS	2	51,340	35,815	14,930	0	0	0	0	596
Struct & Imp P	6	79,623	53,876	22,374	346	0	0	0	3,028
Struct & Imp WT	2	381,924	266,431	111,064	0	0	0	0	4,430
Struct & Imp TD	7	10,692	3,094	0	5,397	0	0	0	2,200
Struct & Imp Offices	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	4,910	1,393	455	525	406	255	1,531	344
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	112	78	33	0	0	0	0	1
Wells & Springs	2	586	409	171	0	0	0	0	7
Supply Mains	2	148,998	103,941	43,329	0	0	0	0	1,728
Pump Equip Electric	6	118,888	80,443	33,407	516	0	0	0	4,521
WT Equip Non-Media	2	567,412	395,827	165,003	0	0	0	0	6,582
Dist Reservoirs & Standpipe	5	34,631	11,002	0	18,881	0	0	0	4,738
Elevated Tanks & Standpipes	5	6,999	2,224	0	3,816	0	0	0	957
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains 4 & Less "	4	12,966	3,752	0	6,545	0	0	0	2,668
TD Mains 6 to 8" "	4	148,733	43,043	0	75,080	0	0	0	30,609
TD Mains 10 to 16" "	3	163,992	105,857	44,130	0	0	0	0	14,005
TD Mains 18 & Grtr "	3	72,902	47,059	19,618	0	0	0	0	6,226
Services	10	94,673	0	0	0	0	90,461	0	4,213
Meters Bronze Case	9	52,398	0	0	0	52,398	0	0	0
Meters Plastic Case	9	1,956	0	0	0	1,956	0	0	0
Meters Other	9	6,673	0	0	0	6,673	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	73,929	0	0	0	73,929	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	50,152	0	0	0	0	0	0	50,152
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	329	230	96	0	0	0	0	4
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	11,007	3,123	1,020	1,178	910	572	3,433	770
Comp & Periph Equip	15	38,487	10,919	3,568	4,118	3,183	2,001	12,004	2,694
Computer Software	15	92,355	26,201	8,561	9,882	7,638	4,802	28,806	6,465
Comp Software Personal	15	4,542	1,289	421	486	376	236	1,417	318
Data Handling Equipment	15	2,565	728	238	274	212	133	800	180
Other Office Equipment	15	12,832	3,640	1,189	1,373	1,061	667	4,002	898
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	4,985	1,414	462	533	412	259	1,555	349
Tools,Shop,Garage Equip	15	38,074	10,802	3,529	4,074	3,149	1,980	11,875	2,665
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	13,833	9,650	4,023	0	0	0	0	160
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	10,105	2,867	937	1,081	836	525	3,152	707

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Comm Equip Non-Telephone	15	3,165	898	293	339	262	165	987	222
Comm Equip Telephone	15	2,050	582	190	219	170	107	640	144
Misc Equipment	15	5,246	1,488	486	561	434	273	1,636	367
Total Depreciation Expense		<u>2,324,067</u>	<u>1,228,073</u>	<u>479,528</u>	<u>135,226</u>	<u>154,004</u>	<u>102,437</u>	<u>71,838</u>	<u>152,950</u>
Amort-Other UP	18	10,581	5,627	2,112	980	571	309	160	821
Taxes Other Than Income									
Utility Reg Assessment Fee	19	102,217	48,962	14,556	8,310	6,031	3,659	13,912	6,787
Property Taxes	18	893,493	475,159	178,341	82,737	48,249	26,090	13,492	69,335
FUTA	16	1,994	557	185	198	178	124	605	146
FICA	16	126,727	35,382	11,735	12,597	11,342	7,882	38,474	9,302
SUTA	16	5,094	1,422	472	506	456	317	1,547	374
Other Taxes & Licenses	15	0	0	0	0	0	0	0	0
Gross Receipts Tax	19	28,595	13,697	4,072	2,325	1,687	1,024	3,892	1,899
Total Taxes, Other Than Income		<u>1,158,120</u>	<u>575,180</u>	<u>209,360</u>	<u>106,674</u>	<u>67,943</u>	<u>39,096</u>	<u>71,922</u>	<u>87,843</u>
Income Taxes	18	1,568,301	834,022	313,033	145,225	84,688	45,794	23,681	121,700
Utility Income Available for Return	18	5,136,004	2,731,327	1,025,146	475,594	277,344	149,971	77,554	398,554
Total Cost of Service		<u>17,986,785</u>	<u>8,614,326</u>	<u>2,560,624</u>	<u>1,461,817</u>	<u>1,060,727</u>	<u>643,528</u>	<u>2,450,461</u>	<u>1,194,411</u>
Less: Other Water Revenues		(282,492)	(282,492)	0	0	0	0	0	0
Revenue Shift	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		<u>(282,492)</u>	<u>(282,492)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Cost of Service Related to Sales of Water		<u>17,704,293</u>	<u>8,331,834</u>	<u>2,560,624</u>	<u>1,461,817</u>	<u>1,060,727</u>	<u>643,528</u>	<u>2,450,461</u>	<u>1,194,411</u>
Reallocation of Public Fire	20	0	696,727	207,066	118,148	0	0	0	(1,021,941)
Total		<u>\$ 17,704,293</u>	<u>\$ 9,028,560</u>	<u>\$ 2,767,690</u>	<u>\$ 1,579,965</u>	<u>\$ 1,060,727</u>	<u>\$ 643,528</u>	<u>\$ 2,450,461</u>	<u>\$ 172,471</u>
			4,436,539			36,538	32,642	385,788	
			\$ 2.035			29.03	19.71		
						2.42	1.64		
		1,649,107	1,622,226					6.35	
			\$ 0.366					10.41	

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
RATE BASE									
Organization	17	0	0	0	0	0	0	0	0
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	1,414,424	986,702	411,314	0	0	0	0	16,407
Land & Ld Rights P	6	8,921	6,036	2,507	39	0	0	0	339
Land & Ld Rights WT	2	0	0	0	0	0	0	0	0
Land & Ld Rights TD	7	44,413	12,853	0	22,420	0	0	0	9,140
Land & Land Rights AG	15	8,112	2,301	752	868	671	422	2,530	568
Struct & Imp SS	2	2,095,522	1,461,836	609,378	0	0	0	0	24,308
Struct & Imp P	6	4,585,597	3,102,757	1,288,553	19,903	0	0	0	174,384
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	24,064,628	16,787,484	6,997,994	0	0	0	0	279,150
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	400,459	115,893	0	202,152	0	0	0	82,414
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	204,591	58,042	18,966	21,891	16,920	10,639	63,812	14,321
Struct & Imp Misc	15	1,668,281	473,291	154,650	178,506	137,967	86,751	520,337	116,780
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	6,326	4,413	1,840	0	0	0	0	73
Wells & Springs	2	35,119	24,499	10,213	0	0	0	0	407
Supply Mains	2	9,312,362	6,496,304	2,708,035	0	0	0	0	108,023
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	4,792,895	3,243,021	1,346,803	20,803	0	0	0	182,268
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	2,618	1,771	736	11	0	0	0	100
WT Equip Non-Media	2	20,371,803	14,211,370	5,924,120	0	0	0	0	236,313
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
WT Equip Non Media Sth (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL)	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	19,503	13,605	5,671	0	0	0	0	226
Dist Reservoirs & Standpipe	5	1,611,970	512,123	0	878,846	0	0	0	220,517
Elevated Tanks & Standpipes	5	305,806	97,155	0	166,725	0	0	0	41,834
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	2,465,986	713,656	0	1,244,830	0	0	0	507,500
TD Mains 4 & Less "	4	819,524	237,170	0	413,696	0	0	0	168,658
TD Mains 6 to 8" "	4	9,338,727	2,702,628	0	4,714,189	0	0	0	1,921,910
TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr "	3	10,292,327	6,643,697	2,769,665	0	0	0	0	878,965
TD Mains AC 4 (STL) "	4	4,840,789	1,400,924	0	2,443,630	0	0	0	996,234
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	3,223,585	0	0	0	0	3,080,135	0	143,450
Meters Bronze Case	9	2,462,124	0	0	0	2,462,124	0	0	0
Meters Plastic Case	9	80,479	0	0	0	80,479	0	0	0
Meters Other	9	274,621	0	0	0	274,621	0	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	2,958,774	0	0	0	2,958,774	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	2,572,605	0	0	0	0	0	0	2,572,605
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	1,449,357	1,011,071	421,473	0	0	0	0	16,813
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	23,975	6,802	2,222	2,565	1,983	1,247	7,478	1,678
Office Furniture & Equip	15	208,757	59,224	19,352	22,337	17,264	10,855	65,111	14,613
Comp & Periph Equip	15	143,889	40,821	13,339	15,396	11,900	7,482	44,879	10,072
Computer Software	15	153,012	43,410	14,184	16,372	12,654	7,957	47,724	10,711
Comp Software Personal	15	22,221	6,304	2,060	2,378	1,838	1,155	6,931	1,555
Data Handling Equipment	15	38,458	10,911	3,565	4,115	3,180	2,000	11,995	2,692
Other Office Equipment	15	191,225	54,251	17,727	20,461	15,814	9,944	59,643	13,386
Trans Equip Lt Duty Trks	15	242,186	68,708	22,451	25,914	20,029	12,594	75,538	16,953
Trans Equip Hvy Duty Trks	15	51,331	14,563	4,758	5,492	4,245	2,669	16,010	3,593
Trans Equip Autos	15	32,766	9,296	3,037	3,506	2,710	1,704	10,220	2,294
Trans Equip Other	15	7,255	2,058	673	776	600	377	2,263	508
Stores Equipment	15	174,304	49,450	16,158	18,651	14,415	9,064	54,365	12,201
Tools,Shop,Garage Equip	15	785,558	222,863	72,821	84,055	64,966	40,849	245,016	54,989
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	336,605	234,816	97,885	0	0	0	0	3,905

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	248,942	70,625	23,077	26,637	20,588	12,945	77,645	17,426
Comm Equip Non-Telephone	15	63,117	17,906	5,851	6,754	5,220	3,282	19,686	4,418
Comm Equip Telephone	15	27,901	7,916	2,586	2,985	2,307	1,451	8,702	1,953
Misc Equipment	15	104,032	29,514	9,644	11,131	8,603	5,410	32,448	7,282
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		114,587,782	61,270,041	23,004,059	10,598,034	6,139,871	3,308,931	1,372,333	8,893,938
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	(74,423)	(21,114)	(6,899)	(7,963)	(6,155)	(3,870)	(23,213)	(5,210)
Materials and Supplies	15	208,737	59,219	19,350	22,335	17,263	10,854	65,105	14,612
Prepayments	15	55,616	15,778	5,156	5,951	4,599	2,892	17,346	3,893
OPEB's Contributed to External Fund	16	337,902	94,342	31,290	33,587	30,242	21,018	102,587	24,802
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:		0							
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	7,483,519	4,002,186	1,502,691	692,226	401,117	216,274	89,802	580,721
Pensions	16	809,131	225,909	74,926	80,428	72,417	50,328	245,652	59,390
Total Other Rate Base Elements		8,820,482	4,376,321	1,626,512	826,563	519,483	297,496	497,281	678,208
Total Original Cost Measure of Value		\$ 123,408,264	\$ 65,646,362	\$ 24,630,571	#####	\$ 6,659,354	\$ 3,606,426	\$ 1,869,613	\$ 9,572,147
T&D OP BASIS FOR FACTOR 11		434,602	68,315	0	119,117	103,891	90,917	0	52,360
FACTOR 11			0.1572	0.0000	0.2740	0.2390	0.2092	0.0000	0.1205
T&D Mnt BASIS FOR FACTOR 12		158,081	29,752	0	51,897	33,253	4,692	0	38,487
FACTOR 12			0.1882	0.0000	0.3283	0.2104	0.0297	0.0000	0.2435
A&G BASIS FOR FACTOR 15		2,235,028	634,148	207,157	239,225	184,823	116,195	697,008	156,476
FACTOR 15			0.2837	0.0927	0.1070	0.0827	0.0520	0.3119	0.0700
LABOR BASIS FOR FACTOR 16		1,789,051	499,546	165,724	177,870	160,183	111,287	543,201	131,250
FACTOR 16			0.2792	0.0926	0.0994	0.0895	0.0622	0.3036	0.0734
UPIS BASIS FOR FACTOR 17		114,587,782	61,270,041	23,004,059	10,598,034	6,139,871	3,308,931	1,372,333	8,893,938
FACTOR 17			0.5348	0.2008	0.0925	0.0536	0.0289	0.0120	0.0776
RATE BASE BASIS FOR FACTOR 18		123,408,264	65,646,362	24,630,571	11,424,598	6,659,354	3,606,426	1,869,613	9,572,147
FACTOR 18			0.5318	0.1996	0.0926	0.0540	0.0292	0.0151	0.0776
TOTAL COS BASIS FOR FACTOR 19		17,843,559	8,548,145	2,540,845	1,449,853	1,051,982	638,199	2,428,785	1,184,857
FACTOR 19			0.4790	0.1424	0.0813	0.0590	0.0358	0.1361	0.0664
TOTAL COS BASIS FOR FACTOR 20		12,538,843	8,548,145	2,540,845	1,449,853	0	0	0	
FACTOR 20			0.6817	0.2026	0.1156	0.0000	0.0000	0.0000	

	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
	2	4	6	8	10	12	14
	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
1	0.9837	-	-	-	-	-	0.0163
2	0.6976	0.2908	-	-	-	-	0.0116
3	0.6455	0.2691	-	-	-	-	0.0854
4	0.2894	-	0.5048	-	-	-	0.2058
5	0.3177	-	0.5452	-	-	-	0.1368
6	0.6766	0.2810	0.0043	-	-	-	0.0380
7	0.2894	-	0.5048	-	-	-	0.2058
8	-	-	-	-	-	-	1.0000
9	-	-	-	1.0000	-	-	-
10	-	-	-	-	0.9555	-	0.0445
11	0.1572	-	0.2740	0.2390	0.2092	-	0.1205
12	0.1882	-	0.3283	0.2104	0.0297	-	0.2435
13	-	-	-	-	-	0.9891	0.0109
14	-	-	-	-	-	1.0000	-
15	0.2837	0.0927	0.1070	0.0827	0.0520	0.3119	0.0700
16	0.2792	0.0926	0.0994	0.0895	0.0622	0.3036	0.0734
17	0.5348	0.2008	0.0925	0.0536	0.0289	0.0120	0.0776
18	0.5318	0.1996	0.0926	0.0540	0.0292	0.0151	0.0776
19	0.4790	0.1424	0.0813	0.0590	0.0358	0.1361	0.0664
20	0.6817	0.2026	0.1156	-	-	-	-

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.

ALLOCATION OF COSTS THAT VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	4,516	0.3654
Commercial	2,275	0.1841
Industrial	2,619	0.2119
Other Public Authority	577	0.0467
Sales for Resale	2,168	0.1755
Private Fire Protection	31	0.0025
Public Fire Protection	171	0.0138
Total	12,356	0.9999

FACTOR 2.

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.**

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x	(4)	(5)=(4)x	(6)=(3)+(5)
		0.7092		0.2908	
Residential	0.3654	0.2590	0.4554	0.1324	0.3914
Commercial	0.1841	0.1306	0.1721	0.0500	0.1806
Industrial	0.2119	0.1503	0.1321	0.0384	0.1887
Other Public Authority	0.0467	0.0331	0.0436	0.0127	0.0458
Sales for Resale	0.1755	0.1245	0.1968	0.0572	0.1817
Private Fire Protection	0.0025	0.0018			0.0018
Public Fire Protection	0.0138	0.0098			0.0098
Total	0.9999	0.7091	1.0000	0.2907	0.9998

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 2. MAX DAY CLASS ALLOCATION AND MAX DAY TO AVERAGE DAY

ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
 MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.

Customer Classification	Base	Maximum Day- Extra Capacity		Allocation Factor
	Average Daily Consumption, Thousand Gal.	Factor*	Rate of Flow, Thousand Gal. Per Day	
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	4,516	1.000	4,516	0.4554
Commercial	2,275	0.750	1,706	0.1721
Industrial	2,619	0.500	1,309	0.1321
Other Public Authority	577	0.750	433	0.0436
Sales for Resale	2,168	0.900	1,951	0.1968
Total	12,155		9,916	1.0000

The weighting of the factors is based on the maximum day ratio of 1.41, based on a review of maximum day ratios experienced during the period 1990 through 2006 (see Schedule D & DR #110).

	Maximum Day Ratio	Weight
Average Day	1.00	0.7092
Maximum Day Extra Capacity	0.41	0.2908
Total	1.41	1.0000

* Ratio of maximum day to average day minus 1.0.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Base		Maximum Day		Fire Protection		Allocation Factor
	Average Daily		Extra Capacity				
	Consumption						
	Allocation	Weighted	Allocation	Weighted	Allocation	Weighted	
	Factor	Factor	Factor	Factor	Factor	Factor	
(1)	(2)	(3)=(2) X 0.6562	(4)	(5)=(4) X 0.2691	(6)	(7)=(6) X 0.0747	(8)=(3)+(5)+(7)
Residential	0.3654	0.2398	0.4554	0.1225			0.3623
Commercial	0.1841	0.1208	0.1721	0.0463			0.1671
Industrial	0.2119	0.1390	0.1321	0.0355			0.1745
Other Public Authority	0.0467	0.0306	0.0436	0.0117			0.0423
Sales for Resale	0.1755	0.1152	0.1968	0.0530			0.1682
Private Fire Protection	0.0025	0.0016			0.1517	0.0113	0.0129
Public Fire Protection	0.0138	0.0091			0.8483	0.0634	0.0725
Total	0.9999	0.6561	1.0000	0.2690	1.0000	0.0747	0.9998

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. Continued

ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM
DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.41 and the average daily system sendout for 2006 of 16.86 MGD. The system demand for fire protection is 8000 Gallons per minute for 4 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	16,860,000	0.6562
Maximum Day Extra Capacity	<u>0.41</u>	<u>6,912,600</u>	<u>0.2691</u>
Subtotal	<u>1.41</u>	23,772,600	0.9253
Fire Protection		<u>1,920,000</u>	<u>0.0747</u>
Total		<u>25,692,600</u>	<u>1.0000</u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the deliverability of 8000 gallons per minute for 4 hours.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the average hourly consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Base			Maximum Hour		Fire Protection		Allocation Factor
	Average Hourly Consumption			Extra Capacity				
	Thousand	Allocation	Weighted	Allocation	Weighted	Allocation	Weighted	
	Gallons	Factor	Factor	Factor	Factor	Factor	Factor	
(1)	(2)	(3)	(4)=(3) X 0.2942	(5)	(6)=(5) X 0.5048	(7)	(8)=(7) X 0.2010	(9)=(4)+(6)+(8)
Residential	188.2	0.3654	0.1075	0.4789	0.2416			0.3491
Commercial	94.8	0.1841	0.0542	0.1722	0.0869			0.1411
Industrial	109.1	0.2119	0.0623	0.0952	0.0481			0.1104
Other Public Authority	24.0	0.0467	0.0137	0.0437	0.0221			0.0358
Sales for Resale	90.3	0.1755	0.0516	0.2102	0.1061			0.1577
Private Fire Protection	1.3	0.0025	0.0007			0.1517	0.0305	0.0312
Public Fire Protection	7.1	0.0138	0.0041			0.8483	0.1705	0.1746
Total	514.8	0.9999	0.2941	1.0002	0.5048	1.0000	0.2010	0.9999

The maximum hour extra capacity factors in column 5 are determined as follows:

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. Continued

ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
 MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.72. The system demand for fire protection is approximately 8000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	11,708	0.2942
Maximum Hour			
Extra Capacity	1.72	20,093	0.5048
Subtotal	2.72	31,801	0.7990
Fire Protection		8,000	0.2010
Total		39,801	1.0000

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	188.2	3.5	658.6	0.4789
Commercial	94.8	2.5	236.9	0.1722
Industrial	109.1	1.2	130.9	0.0952
Other Public Authority	24.0	2.5	60.1	0.0437
Sales for Resale	90.3	3.2	289.1	0.2102
Total	506.5		1,375.6	1.0002

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	BASE Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3178	(5)	(6)=(5) X 0.5454	(7)	(8)=(7) X 0.1368	(9)=(4)+(6)+(8)
Residential	188.2	0.3654	0.1161	0.4788	0.2611			0.3771
Commercial	94.8	0.1841	0.0585	0.1722	0.0939			0.1524
Industrial	109.1	0.2119	0.0673	0.0952	0.0519			0.1192
Other Public Authority	24.0	0.0467	0.0148	0.0437	0.0238			0.0386
Sales for Resale	90.3	0.1755	0.0558	0.2101	0.1146			0.1704
Private Fire Protection	1.3	0.0025	0.0008			0.1517	0.0208	0.0216
Public Fire Protection	7.1	0.0138	0.0044			0.8483	0.1160	0.1204
Total	514.8	0.9999	0.3177	1.0000	0.5453	1.0000	0.1368	0.9997

The weighting of the factors is based on the ratio of the capacity required for a 4 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont

FACTOR 5. Continued

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 4 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{8,000 \text{ GPM} \times 60 \text{ Min.} \times 4 \text{ Hrs}}{14,040,000 \text{ Gallons}} = 0.1368$$

$$\text{General Service Weight} = 1.0000 - 0.1368 = 0.8632$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	36.82	0.3178
Extra Capacity Maximum Hour	1.72	63.18	0.5454
Total	2.72	100.00	0.8632

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	188.2	3.5	658.6	0.4788
Commercial	94.8	2.5	236.9	0.1722
Industrial	109.1	1.2	130.9	0.0952
Other Public Authority	24.0	2.5	60.1	0.0437
Sales for Resale	90.3	3.2	289.1	0.2101
Total	506.5		1375.7	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of Maximum Day Factor 2, Maximum Day with Fire Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.6555	(4)	(5)=(4)X 0.3361	(6)	(7)=(6)X 0.0084	(8)=(3)+ (5)+(7)
Residential	0.3914	0.2568	0.3623	0.1217	0.3491	0.0030	0.3815
Commercial	0.1806	0.1184	0.1671	0.0562	0.1411	0.0012	0.1758
Industrial	0.1887	0.1237	0.1745	0.0586	0.1104	0.0009	0.1832
Other Public Authority	0.0458	0.0300	0.0423	0.0142	0.0358	0.0003	0.0445
Sales for Resale	0.1817	0.1191	0.1682	0.0565	0.1577	0.0013	0.1769
Private Fire Protection	0.0018	0.0012	0.0129	0.0043	0.0312	0.0003	0.0058
Public Fire Protection	0.0098	0.0064	0.0725	0.0244	0.1746	0.0015	0.0323
Total	0.9998	0.6556	0.9998	0.3359	0.9999	0.0085	1.0000

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	Horsepower of Pumps	Weight
Associated with Maximum Day	2,350	0.6555
Associated with Maximum Day and Fire	1,205	0.3361
Associated with Maximum Hour	30	0.0084
Total	3,585	1.0000

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.

ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)=(3)+(5)
Residential	0.3623	0.0000	0.3491	0.3491	0.3491
Commercial	0.1671	0.0000	0.1411	0.1411	0.1411
Industrial	0.1745	0.0000	0.1104	0.1104	0.1104
Other Public Authority	0.0423	0.0000	0.0358	0.0358	0.0358
Sales for Resale	0.1682	0.0000	0.1577	0.1577	0.1577
Private Fire Protection	0.0129	0.0000	0.0312	0.0312	0.0312
Public Fire Protection	0.0725	0.0000	0.1746	0.1746	0.1746
Total	0.9998	0.0000	0.9999	0.9999	0.9999

Assigned 100% to Maximum Hour Function. No Plant functionalization was performed.

	Cost of of Mains	Weight
Transmission Mains	15,133,026	0.5983
Distribution Mains	10,158,251	0.4017
Total	25,291,277	1.0000

NO FUNCTIONALIZATION
ASSIGN ALL TO MAX HOUR

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.

ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

Customer Classification	Allocation Factor
(1)	(3)
Public Fire Protection	1.0000
Total	1.0000

FACTOR 9.

ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification	5/8" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	29,392	0.8043
Commercial	4,944	0.1353
Industrial	1,061	0.0290
Other Public Authority	824	0.0226
Sales for Resale	317	0.0087
Private Fire	0	0.0000
Total	36,538	0.9999

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.

ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	28,668	0.8392
Commercial	3,352	0.0981
Industrial	253	0.0074
Other Public Authority	324	0.0095
Sales for Resale	45	0.0013
Private Fire Protection	<u>1,520</u>	<u>0.0445</u>
Total	<u><u>34,161</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.

**ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION
 SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.**

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 245,787	0.5656
Commercial	56,686	0.1304
Industrial	29,768	0.0685
Other Public Authority	11,699	0.0269
Sales for Resale	38,240	0.0880
Private Fire Protection	11,535	0.0265
Public Fire Protection	40,852	0.0940
Total	<u>434,567</u>	<u>1.0000</u>

FACTOR 12.

**ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION
 AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.**

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 66,756	0.4223
Commercial	19,487	0.1233
Industrial	12,351	0.0781
Other Public Authority	4,479	0.0283
Sales for Resale	16,508	0.1044
Private Fire Protection	3,426	0.0217
Public Fire Protection	35,061	0.2218
Total	<u>\$158,067</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.

ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	28,540	0.8878
Commercial	2,913	0.0906
Industrial	125	0.0039
Other Public Authority	201	0.0063
Sales for Resale	17	0.0005
Private Fire Protection	352	0.0109
Public Fire Protection	0	0.0000
Total	32,149	1.0000

FACTOR 14.

ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	28,540	0.8976
Commercial	2,913	0.0916
Industrial	125	0.0039
Other Public Authority	201	0.0063
Sales for Resale	17	0.0005
Total	31,797	0.9999

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.

**ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$1,320,704	0.5910
Commercial	296,332	0.1326
Industrial	195,702	0.0876
Other Public Authority	59,314	0.0265
Sales for Resale	206,275	0.0923
Private Fire Protection	27,290	0.0122
Public Fire Protection	129,239	0.0578
Total	<u>\$2,234,856</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.

ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$1,060,323	0.5927
Commercial	235,529	0.1317
Industrial	154,042	0.0861
Other Public Authority	46,843	0.0262
Sales for Resale	160,919	0.0900
Private Fire Protection	21,291	0.0119
Public Fire Protection	109,985	0.0615
Total	<u>\$1,788,932</u>	<u>1.0000</u>

FACTOR 17.

**ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
 MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$47,371,473	0.4135
Commercial	18,545,606	0.1619
Industrial	17,452,143	0.1523
Other Public Authority	4,553,220	0.0397
Sales for Resale	17,743,496	0.1549
Private Fire Protection	1,090,965	0.0095
Public Fire Protection	7,813,615	0.0682
Total	<u>\$114,570,518</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.

ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$51,257,351	0.4154
Commercial	19,932,688	0.1615
Industrial	18,707,281	0.1516
Other Public Authority	4,885,401	0.0396
Sales for Resale	19,022,594	0.1542
Private Fire Protection	1,178,025	0.0095
Public Fire Protection	8,405,512	0.0681
Total	\$123,388,851	1.0000

FACTOR 19.

**ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND
OTHER WATER REVENUES.**

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$8,611,385	0.4827
Commercial	2,717,156	0.1523
Industrial	2,360,070	0.1323
Other Public Authority	625,271	0.0350
Sales for Resale	2,340,698	0.1312
Private Fire Protection	171,245	0.0096
Public Fire Protection	1,013,895	0.0568
Total	\$17,839,721	1.0000

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	26,789.16	26,789.16	2,004.41	2,004.41	6.27	6.27	38.57	38.57	0.00	0.00	28,838.41	28,838.41
3/4	1.3	1,096.02	1,424.83	153.83	199.98	4.01	5.21	12.93	16.81	0.00	0.00	1,266.79	1,646.83
1	1.7	633.62	1,077.15	378.96	644.22	17.58	29.88	38.22	64.98	0.00	0.00	1,068.37	1,816.23
1-1/2	3.5	6.02	21.08	83.75	293.13	3.00	10.50	19.09	66.80	0.00	0.00	111.86	391.51
2	4.3	14.21	61.12	267.42	1,149.90	73.03	314.02	82.29	353.85	11.14	47.92	448.10	1,926.81
3	19.0	1.00	18.98	10.84	205.89	2.98	56.68	3.12	59.22	0.00	0.00	17.94	340.77
4	29.3	0.00	0.00	11.58	339.27	13.44	393.84	5.99	175.64	5.01	146.83	36.03	1,055.58
6	48.4	0.00	0.00	2.22	107.29	5.05	244.29	1.00	48.53	0.25	12.03	8.52	412.14
8	112.9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.97	109.76	0.97	109.76
Total		<u>28,540</u>	<u>29,392</u>	<u>2,913</u>	<u>4,944</u>	<u>125</u>	<u>1,061</u>	<u>201</u>	<u>824</u>	<u>17</u>	<u>317</u>	<u>31,797</u>	<u>36,538</u>

MISSOURI-AMERICAN WATER COMPANY

ST. JOSEPH DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(13)	(15)	(16)
3/4	1.00	27,885.18	27,885.18	2,158.24	2,158.24	10.28	10.28	51.50	51.50	0.00	0.00	0.00	0.00	30,105.20	30,105.20
1	1.17	633.62	741.33	378.96	443.38	17.58	20.57	38.22	44.72	0.00	0.00	0.00	0.00	1,068.37	1,250.00
1-1/2	1.58	6.02	9.51	83.75	132.33	3.00	4.74	19.09	30.16	0.00	0.00	0.00	0.00	111.86	176.74
2	2.04	14.21	28.99	267.42	545.54	73.03	148.98	82.29	167.88	11.14	22.73	4.00	8.16	452.10	922.28
3	2.73	1.00	2.73	10.84	29.58	2.98	8.14	3.12	8.51	0.00	0.00	1.00	2.73	18.94	51.69
4	2.88	0.00	0.00	11.58	33.35	13.44	38.71	5.99	17.26	5.01	14.43	61.00	175.68	97.03	279.43
6	4.24	0.00	0.00	2.22	9.40	5.05	21.40	1.00	4.25	0.25	1.05	130.00	551.20	138.52	587.30
8	6.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.97	6.79	81.00	565.38	81.97	572.17
10	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00	95.00	10.00	95.00
12	12.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00	121.60	10.00	121.60
Total		<u>28,540.03</u>	<u>28,667.74</u>	<u>2,913.00</u>	<u>3,351.82</u>	<u>125.36</u>	<u>252.82</u>	<u>201.22</u>	<u>324.28</u>	<u>17.38</u>	<u>45.00</u>	<u>297.00</u>	<u>1,519.75</u>	<u>32,093.98</u>	<u>34,161.41</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
PSC STAFF STUDY

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	4	16	
3 -inch	9.00	1	9	
4 -inch	16.00	61	976	
6 -inch	36.00	130	4,680	
8 -inch	64.00	81	5,184	
10 -inch	100.00	10	1,000	
12 -inch	144.00	10	1,440	
Private Hydrants	32.75	55	1,801	
Total Private Fire Protection		352	15,106	0.1517
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	0	0
6" Valve	2- 2-1/2" & 1- 4"	28.50	2,963	84,446
Total Public Fire Protection		2,963	84,446	0.8483
Total Fire Protection		3,315	99,552	1.0000

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS

PSC STAFF STUDY

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 265,409	98.5%	\$ 104,949	98.7%	\$ 265,745	98.5%	\$ 160,796	153.2%
Commercial	4,006	1.5%	\$ 1,360	1.3%	\$ 4,006	1.5%	2,646	194.6%
Industrial	-	0.0%	\$ -	0.0%	\$ -	0.0%	-	
Public Authority	-	0.0%	\$ -	0.0%	\$ -	0.0%	-	
Sales for Resale	-	0.0%	\$ -	0.0%	\$ -	0.0%	-	
Private Fire Service	6	0.0%	\$ -	0.0%	\$ -	0.0%	-	
Public Fire Service	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Sales	269,420	<u>100.0%</u>	106,309	<u>100.0%</u>	269,751	<u>100.0%</u>	163,442	153.7%
Other Revenues	168		168		168		-	0.0%
Total	<u>\$ 269,589</u>		<u>\$ 106,477</u>		<u>\$ 269,919</u>		<u>\$ 163,442</u>	153.5%

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

**Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warren County Water**

**Case No. WR-2007-0216
STAFF - Warren County Water
Page 1 of 1**

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	28,110	\$104,949	28,110	\$265,745	\$160,796	153.21%
5	Commercial	487	1,360	487	4,006	2,646	194.56%
12	Total	<u>28,598</u>	<u>106,309</u>	<u>28,598</u>	<u>269,751</u>	<u>\$163,442</u>	<u>153.74%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Other Revenu		168		168	0	0.00%
18	Returned Check Charge		0		0	0	0.00%
19	Application Fee		0		0	0	0.00%
20	Miscellaneous Other Revenue		0		0	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22	Miscellaneous Unmetered Sales		0		0		
23							
24			<u>\$106,477</u>		<u>\$269,919</u>	<u>163,442</u>	<u>153.50%</u>
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

**Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warren County Water**

**Case No. WR-2007-0216
STAFF - Warren County Water
Page 1 of 7**

Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Residential:										
3	<u>Minimum Charge:</u>										
4	5/8" Month	4,923		\$7.50	\$36,922	4,923		\$ 8.00	\$39,383	\$2,461	6.67%
5	3/4" Month	0		\$7.50	0	0		\$ 8.38	0	0	0.00%
6	1" Monthly	0		\$7.50	0	0		\$ 9.23	0	0	0.00%
7	1-1/2" Mon	0		\$7.50	0	0		\$ 12.33	0	0	0.00%
8	2" Monthly	0		\$7.50	0	0		\$ 14.28	0	0	0.00%
9	3" Monthly	0		\$7.50	0	0		\$ 34.11	0	0	0.00%
10	4" Monthly	0		\$7.50	0	0		\$ 47.31	0	0	0.00%
11	6" Monthly	0		\$7.50	0	0		\$ 74.03	0	0	0.00%
12	8" Monthly	0		\$7.50	0	0		\$ 160.42	0	0	0.00%
13	10" Monthl	0		\$7.50	0	0		0.00	0	0	0.00%
14	12" Monthl	0		\$7.50	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		28,110	\$2.4200	68,027		28,110	\$8.0526	226,362	158,335	232.75%
19	Second Block		0	\$0.0000	0		0	8.0526	0	0	0.00%
20	Third Block		0	\$0.0000	0		0	8.0526	0	0	0.00%
21	Fourth Block		0	\$0.0000	0		0	8.0526	0	0	0.00%
22											
23											
24	Total		<u>28,110</u>		<u>\$104,949</u>		<u>28,110</u>		<u>\$265,745</u>	<u>\$160,796</u>	<u>153.21%</u>
25											
26											
27											
28											
29											
30											
31											
32											
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35											
36											
37											
38											
39											
40											

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warren County Water

Case No. WR-2007-0216
STAFF - Warren County Water
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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Commercial:										
3	<u>Minimum Charge:</u>										
4	5/8" Month	24		\$7.50	\$180	24		\$ 8.00	\$192	\$12	6.67%
5	3/4" Month	0		\$7.50	0	0		\$ 8.38	0	0	0.00%
6	1" Monthly	0		\$7.50	0	0		\$ 9.23	0	0	0.00%
7	1-1/2" Mon	0		\$7.50	0	0		\$ 12.33	0	0	0.00%
8	2" Monthly	0		\$7.50	0	0		\$ 14.28	0	0	0.00%
9	3" Monthly	0		\$7.50	0	0		\$ 34.11	0	0	0.00%
10	4" Monthly	0		\$7.50	0	0		\$ 47.31	0	0	0.00%
11	6" Monthly	0		\$7.50	0	0		\$ 74.03	0	0	0.00%
12	8" Monthly	0		\$7.50	0	0		\$ 160.42	0	0	0.00%
13	10" Monthl	0		\$7.50	0	0		0.00	0	0	0.00%
14	12" Monthl	0		\$7.50	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		487	\$2.4200	1,180		487	\$7.825	3,814	2,634	223.22%
19	Second Block		0	\$0.0000	0		0	\$7.825	0	0	0.00%
20	Third Block		0	\$0.0000	0		0	\$7.825	0	0	0.00%
21	Fourth Block		0	\$0.0000	0		0	\$7.825	0	0	0.00%
22											
23											
24	Total		487		\$1,360		487		\$4,006	\$2,646	194.56%
25											
26											
27											
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MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	7,419	7,300	109	0	0	0	0	10
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infilt Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	(0)	(0)	(0)	0	0	0	0	(0)
Misc Plant Maint SS	2	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - MAINTENANCE		7,419	7,300	109	0	0	0	0	10
TOTAL SS EXPENSE		7,419	7,300	109	0	0	0	0	10
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	(539)	(528)	(9)	0	0	0	0	(2)
Labor & Exp Oper Pump	6	4	4	0	0	0	0	0	0
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	0	0	0	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		(535)	(524)	(9)	0	0	0	0	(2)

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	19	19	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		19	19	0	0	0	0	0	0
TOTAL PUMPING EXPENSES		(516)	(505)	(9)	0	0	0	0	(2)
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	2,077	2,035	35	0	0	0	0	6
Labor & Exp Oper WT	2	0	0	0	0	0	0	0	0
Labor & Exp Oper WT	2	49	48	1	0	0	0	0	0
Misc Exp Oper WT	2	(0)	(0)	(0)	0	0	0	0	(0)
Misc Exp Oper WT	1	1	1	0	0	0	0	0	0
Misc Exp Oper WT	2	0	0	0	0	0	0	0	0
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		2,127	2,084	36	0	0	0	0	6
Super & Eng Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	16	16	0	0	0	0	0	0
TOTAL WT EXPENSE - MAINTENANCE		16	16	0	0	0	0	0	0
TOTAL WT EXPENSE		2,143	2,100	36	0	0	0	0	6
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	49,988	21,980	305	0	0	0	0	27,693
TD Lines Exp	7	1,399	615	9	0	0	0	0	775
Meter Expense	9	0	0	0	0	0	0	0	0
Meter Expense	9	(1)	(1)	(0)	0	0	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	(1)	(1)	(0)	0	0	0	(0)	0
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Misc Exp Oper TD	11	26	(0)	0	0	0	0	0	26
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		51,411	22,593	314	0	0	0	(0)	28,494
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	0	0	0	0	0	0	0	0
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	2,869	2,726	38	0	0	0	0	106
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		2,869	2,726	38	0	0	0	0	106
TOTAL T & D EXPENSE		54,280	25,319	351	0	0	0	(0)	28,600
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(1)	(1)	(0)	0	0	0	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	(13,371)	(13,305)	(66)	0	0	0	0	0
Uncollectible Accts	13	1,857	1,848	9	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Cust Serv & Info Exp CA	13	(0)	(0)	(0)	0	0	0	0	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		(11,514)	(11,458)	(56)	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS
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PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	2,124	3	5	0	0	0	0	2,116
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Other Supplies & Exp AG	15	2	0	0	0	0	0	0	2
Other Supplies & Exp AG	15	1,239	2	3	0	0	0	0	1,234
Mgmt Fees-Coporate/Shared Service Center	15	21,202	30	51	0	0	0	0	21,124
Mgmt Fees-Call Center	13	14,300	14,230	70	0	0	0	0	0
Mgmt Fees-Belleville Lab	2	9,669	9,514	142	0	0	0	0	13
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Outside Services AG	15	22,905	32	55	0	0	0	0	22,820
Outside Services AG	15	1,592	2	4	0	0	0	0	1,586
Outside Services AG	15	935	1	2	0	0	0	0	931
Property Insurance	15	(1,805)	(3)	(4)	0	0	0	0	(1,798)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	11,683	711	11	0	0	0	0	10,961
Employee Pension & Benefits	16	14,672	894	13	0	0	0	0	13,765
Employee Pension & Benefits	16	7,404	451	7	0	0	0	0	6,946
Employee Pension & Benefits	16	2,631	160	2	0	0	0	0	2,469
Reg Commision Exp	15	377	1	1	0	0	0	0	376
Rents AG	15	177	0	0	0	0	0	0	176
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	1,232	2	3	0	0	0	0	1,227
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		110,338	26,029	365	0	0	0	0	83,948
General Plant Maint AG	15	39	0	0	0	0	0	0	39
General Plant Maint AG	15	724	1	2	0	0	0	0	721
TOTAL A & G EXPENSE - MAINTENANCE		763	1	2	0	0	0	0	761
TOTAL A & G EXPENSE		111,102	26,030	367	0	0	0	0	84,709
Total Operation & Maintenance Expenses		162,913	48,786	798	0	0	0	(0)	113,323

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	0	0	0	0	0	0	0	0
Struct & Imp P	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	37	36	1	0	0	0	0	0
Struct & Imp TD	7	53	23	0	0	0	0	0	30
Struct & Imp Offices	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	6,279	6,178	92	0	0	0	0	8
Supply Mains	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	3,045	2,996	45	0	0	0	0	4
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	578	569	8	0	0	0	0	1
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	367	348	5	0	0	0	0	13
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	4	0	0	0	0	0	0	0	0
TD Mains 4 & Less "	4	713	314	4	0	0	0	0	395
TD Mains 6 to 8" "	4	1,862	819	11	0	0	0	0	1,032
T & D Mains - DI 6-10" (TN)	3	107	90	1	0	0	0	0	15
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	848	838	4	0	0	0	6	0
Meters Bronze Case	9	1,110	1,104	5	0	0	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	258	256	1	0	0	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	775	772	4	0	0	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	226	0	0	0	0	0	0	226
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	77	0	0	0	0	0	0	77
Comp & Periph Equip	15	6,746	9	16	0	0	0	0	6,722
Computer Software	15	2,231	3	5	0	0	0	0	2,223

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS
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Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	2	0	0	0	0	0	0	2
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	0	0	0	0	0	0	0	0
Tools,Shop,Garage Equip	15	358	1	1	0	0	0	0	357
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	0	0	0	0	0	0	0	0
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	0	0	0	0	0	0	0	0
Comm Equip Non-Telephone	15	498	1	1	0	0	0	0	496
Comm Equip Telephone	15	6	0	0	0	0	0	0	6
Misc Equipment	15	171	0	0	0	0	0	0	170
Total Depreciation Expense		26,346	14,357	207	0	0	0	6	11,776
Amort-Other UP, Depr Ciac,COR	18	0	0	0	0	0	0	0	0
Taxes Other Than Income									
Utility Reg Assessment Fee	19	705	308	5	0	0	0	0	392
Property Taxes	18	6,195	4,520	64	0	0	0	0	1,612
FUTA	16	57	3	0	0	0	0	0	53
FICA	16	3,913	238	4	0	0	0	0	3,671
SUTA	16	147	9	0	0	0	0	0	138
Other Taxes & Licenses	15	251	0	1	0	0	0	0	250
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		11,267	5,079	73	0	0	0	0	6,116
Income Taxes	18	20,366	14,859	210	0	0	0	0	5,299
Utility Income Available for Return	18	48,695	35,528	502	0	0	0	0	12,671
Total Cost of Service		269,588	118,609	1,789	0	0	0	6	149,185
Less: Other Water Revenues	19	(168)	(168)	0	0	0	0	0	0
Revenue Contribution	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		(168)	(168)	0	0	0	0	0	0
Total Cost of Service Related to Sales of Water		\$ 269,420	\$ 118,441	\$ 1,789	\$ -	\$ -	\$ -	\$ 6	\$ 149,185
Reallocation of Public Fire	20	0	146,968	2,217	0	0	0		(149,185)
Total		\$ 269,420	\$ 265,409	\$ 4,006	\$ -	\$ -	\$ -	\$ 6	\$ -
		\$ 168	\$ 168						
		\$ 269,588	\$ 265,577						

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
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								Private (9)	Public (10)
RATE BASE									
Organization	17	\$ 466	\$ 357	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ 104
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	0	0	0	0	0	0	0	0
Land & Ld Rights P	6	0	0	0	0	0	0	0	0
Land & Ld Rights WT	2	0	0	0	0	0	0	0	0
Land & Ld Rights TD	7	65,000	28,581	397	0	0	0	0	36,010
Land & Land Rights AG	15	0	0	0	0	0	0	0	0
Struct & Imp SS	2	0	0	0	0	0	0	0	0
Struct & Imp P	6	0	0	0	0	0	0	0	0
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	2,244	2,208	33	0	0	0	0	3
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	2,001	880	12	0	0	0	0	1,109
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	10	0	0	0	0	0	0	10
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	375,966	369,913	5,527	0	0	0	0	489
Supply Mains	2	0	0	0	0	0	0	0	0
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	124,797	122,788	1,835	0	0	0	0	162
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	20,789	20,454	306	0	0	0	0	27
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
WT Equip Filter Media	2	0	0	0	0	0	0	0	0
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	16,295	15,484	213	0	0	0	0	600
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	0	0	0	0	0	0	0	0
TD Mains 4 & Less "	4	47,552	20,909	290	0	0	0	0	26,344
TD Mains 6 to 8" "	4	124,138	54,583	757	0	0	0	0	68,772
T & D Mains - DI 6-10" (TN)	3	7,101	6,030	90	0	0	0	0	980
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL)	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	27,523	27,209	132	0	0	0	182	0
Meters Bronze Case	9	45,659	45,435	224	0	0	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	10,601	10,549	52	0	0	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	31,910	31,754	156	0	0	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	11,760	0	0	0	0	0	0	11,760
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	729	1	2	0	0	0	0	726
Office Furniture & Equip	15	1,936	3	5	0	0	0	0	1,929
Comp & Periph Equip	15	47,211	66	113	0	0	0	0	47,037
Computer Software	15	15,613	22	37	0	0	0	0	15,555
Comp Software Personal	15	303	0	1	0	0	0	0	302
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	36	0	0	0	0	0	0	36
Trans Equip Lt Duty Trks	15	104	0	0	0	0	0	0	104
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	385	1	1	0	0	0	0	383
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	0	0	0	0	0	0	0	0
Tools,Shop,Garage Equip	15	7,157	10	17	0	0	0	0	7,131
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	0	0	0	0	0	0	0	0
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	0	0	0	0	0	0	0	0
Comm Equip Non-Telephone	15	9,959	14	24	0	0	0	0	9,922
Comm Equip Telephone	15	90	0	0	0	0	0	0	90
Misc Equipment	15	3,412	5	8	0	0	0	0	3,399

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS
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PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		1,000,747	757,255	10,237	0	0	0	182	232,982
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	7,249	10	17	0	0	0	0	7,222
Materials and Supplies	15	531	1	1	0	0	0	0	529
Prepayments	15	1,760	2	4	0	0	0	0	1,754
OPEB's Contributed to External Fund	16	78,837	4,801	71	0	0	0	0	73,965
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	25,610	19,640	277	0	0	0	0	5,693
Pensions	16	0	0	0	0	0	0	0	0
Total Other Rate Base Elements		113,987	24,455	370	0	0	0	0	89,163
Total Original Cost Measure of Value		\$ 1,114,734	\$ 781,710	\$ 10,608	\$ -	\$ -	\$ -	\$ 182	\$ 322,145

T&D OP BASIS FOR FACTOR 11	51,385	22,593	313	0	0	0	0	28,468	(10.3)
FACTOR 11		(0.0003)	0.0061	0.0000	0.0000	0.0000	0.0000	1.0003	1.0061
T&D Mnt BASIS FOR FACTOR 12	0	0	0	0	0	0	0	0	0.0
FACTOR 12		0.9502	0.0131	0.0000	0.0000	0.0000	0.0000	0.0368	1.0001
A&G BASIS FOR FACTOR 15	50,273	21,247	405	0	0	0	0	28,610	(10.6)
FACTOR 15		0.0014	0.0024	0.0000	0.0000	0.0000	0.0000	0.9963	1.0001
LABOR BASIS FOR FACTOR 16	55,042	24,731	348	0	0	0	0	29,954	(9.5)
FACTOR 16		0.0609	0.0009	0.0000	0.0000	0.0000	0.0000	0.9382	1.0000
UPIS BASIS FOR FACTOR 17	1,000,281	756,898	10,232	0	0	0	0	232,879	(272.2)
FACTOR 17		0.7669	0.0108	0.0000	0.0000	0.0000	0.0000	0.2223	1.0000
RATE BASE BASIS FOR FACTOR 18	1,114,734	781,710	10,608	0	0	0	0	322,145	(271.2)
FACTOR 18		0.7296	0.0103	0.0000	0.0000	0.0000	0.0000	0.2602	1.0001
TOTAL COS BASIS FOR FACTOR 19	268,506	118,301	1,784	0	0	0	0	148,417	(5.2)
FACTOR 19		0.4370	0.0066	0.0000	0.0000	0.0000	0.0000	0.5565	1.0001
COS w/o Fire Factor 20	120,398	118,609	1,789	0	0				0
FACTOR 20		0.9851	0.0149	0.0000	0.0000				1.0000

Table of Factors - Table Name "FACTORS"

	2 Residential	4 Commercial	6 Industrial	8 Public	10 Resale	12 Private Fire	14 Public Fire	20 Total
1	0.9800	0.0170	-	-	-	-	0.0029	0.9999
2	0.9839	0.0147	-	-	-	-	0.0013	0.9999
3	0.8492	0.0127	-	-	-	-	0.1380	0.9999
4	0.4397	0.0061	-	-	-	-	0.5540	0.9998

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS
PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public		
								(9)	(10)		
			5	0.9502	0.0131	-	-	-	-	0.0368	1.0001
			6	0.9839	0.0147	-	-	-	-	0.0013	0.9999
			7	0.4397	0.0061	-	-	-	-	0.5540	0.9998
			8	-	-	-	-	-	-	1.0000	1.0000
			9	0.9951	0.0049	-	-	-	-	-	1.0000
			10	0.9886	0.0048	-	-	-	0.0066	-	1.0000
			11	(0.0003)	0.0061	-	-	-	-	1.0003	1.0061
			12	0.9502	0.0131	-	-	-	-	0.0368	1.0001
			13	0.9951	0.0049	-	-	-	-	-	1.0000
			14	0.9951	0.0049	-	-	-	-	-	1.0000
			15	0.0014	0.0024	-	-	-	-	0.9963	1.0001
			16	0.0609	0.0009	-	-	-	-	0.9382	1.0000
			17	0.7669	0.0108	-	-	-	-	0.2223	1.0000
			18	0.7296	0.0103	-	-	-	-	0.2602	1.0001
			19	0.4370	0.0066	-	-	-	-	0.5565	1.0001
			20	0.9851	0.0149	-	-	-	-	-	1.0000

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	7,419	3,258	4,151	0	0	0	0	10
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infilt Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	(0)	(0)	(0)	0	0	0	0	(0)
Misc Plant Maint SS	2	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - MAINTENANCE		7,419	3,258	4,151	0	0	0	0	10
TOTAL SS EXPENSE		7,419	3,258	4,151	0	0	0	0	10
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	(539)	(537)	0	0	0	0	0	(2)
Labor & Exp Oper Pump	6	4	2	0	0	0	0	0	0
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	0	0	0	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		(535)	(535)	2	0	0	0	0	(2)

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	19	8	11	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		19	8	11	0	0	0	0	0
TOTAL PUMPING EXPENSES		(516)	(527)	13	0	0	0	0	(2)
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	2,077	2,071	0	0	0	0	0	6
Labor & Exp Oper WT	2	0	0	0	0	0	0	0	0
Labor & Exp Oper WT	2	49	22	27	0	0	0	0	0
Misc Exp Oper WT	2	(0)	(0)	(0)	0	0	0	0	(0)
Misc Exp Oper WT	1	1	1	0	0	0	0	0	0
Misc Exp Oper WT	2	0	0	0	0	0	0	0	0
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		2,127	2,093	27	0	0	0	0	6
Super & Eng Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	16	7	9	0	0	0	0	0
TOTAL WT EXPENSE - MAINTENANCE		16	7	9	0	0	0	0	0
TOTAL WT EXPENSE		2,143	2,100	36	0	0	0	0	6
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	49,988	6,383	0	15,906	0	0	0	27,693
TD Lines Exp	7	1,399	179	0	445	0	0	0	775
Meter Expense	9	0	0	0	0	0	0	0	0
Meter Expense	9	(1)	0	0	0	(1)	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	(1)	0	0	0	0	(1)	0	(0)
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Misc Exp Oper TD	11	26	3	0	8	0	0	0	14
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		51,411	6,565	0	16,360	(1)	(1)	0	28,483
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	0	0	0	0	0	0	0	0
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	2,869	792	0	1,972	0	0	0	106
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		2,869	792	0	1,972	0	0	0	106
TOTAL T & D EXPENSE		54,280	7,357	0	18,331	(1)	(1)	0	28,588
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(1)	0	0	0	0	0	(1)	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	(13,371)	0	0	0	0	0	(13,371)	0
Uncollectible Accts	13	1,857	0	0	0	0	0	1,857	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Cust Serv & Info Exp CA	13	(0)	0	0	0	0	0	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		(11,514)	0	0	0	0	0	(11,514)	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	2,124	450	177	774	0	0	(486)	1,208
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Other Supplies & Exp AG	15	2	0	0	1	0	0	(0)	1
Other Supplies & Exp AG	15	1,239	263	103	452	0	0	(284)	705
Mgmt Fees-Coporate/Shared Service Center	15	21,202	4,493	1,770	7,730	0	0	(4,855)	12,062
Mgmt Fees-Call Center	13	14,300	0	0	0	0	0	14,300	0
Mgmt Fees-Belleville Lab	2	9,669	4,247	5,410	0	0	0	0	13
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	22,905	4,854	1,913	8,351	0	0	(5,245)	13,031
Outside Services AG	15	1,592	337	133	581	0	0	(365)	906
Outside Services AG	15	935	198	78	341	0	0	(214)	532
Property Insurance	15	(1,805)	(382)	(151)	(658)	0	0	413	(1,027)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	11,683	1,622	41	3,962	0	0	(106)	6,161
Employee Pension & Benefits	16	14,672	2,036	51	4,975	0	0	(134)	7,738
Employee Pension & Benefits	16	7,404	1,028	26	2,511	0	0	(67)	3,905
Employee Pension & Benefits	16	2,631	365	9	892	0	0	(24)	1,388
Reg Commision Exp	15	377	80	31	137	0	0	(86)	215
Rents AG	15	177	38	15	65	0	0	(41)	101
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	1,232	261	103	449	0	0	(282)	701
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		110,338	19,888	9,711	30,562	0	0	2,523	47,638
General Plant Maint AG	15	39	8	3	14	0	0	(9)	22
General Plant Maint AG	15	724	153	60	264	0	0	(166)	412
TOTAL A & G EXPENSE - MAINTENANCE		763	162	64	278	0	0	(175)	434
TOTAL A & G EXPENSE		<u>111,102</u>	<u>20,050</u>	<u>9,774</u>	<u>30,841</u>	<u>0</u>	<u>0</u>	<u>2,348</u>	<u>48,072</u>
Total Operation & Maintenance Expenses		<u>162,913</u>	<u>32,239</u>	<u>13,974</u>	<u>49,172</u>	<u>(1)</u>	<u>(1)</u>	<u>(9,166)</u>	<u>76,675</u>

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
DEPRECIATION EXPENSE									
Struct & Imp SS	2	0	0	0	0	0	0	0	0
Struct & Imp P	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	37	16	20	0	0	0	0	0
Struct & Imp TD	7	53	7	0	17	0	0	0	30
Struct & Imp Offices	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	6,279	2,758	3,513	0	0	0	0	8
Supply Mains	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	3,045	1,337	1,704	0	0	0	0	4
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	578	254	323	0	0	0	0	1
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	367	101	0	252	0	0	0	13
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	4	0	0	0	0	0	0	0	0
TD Mains 4 & Less "	4	713	91	0	227	0	0	0	395
TD Mains 6 to 8" "	4	1,862	238	0	592	0	0	0	1,032
TD Mains 10 to 16" "	3	107	40	51	0	0	0	0	15
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	848	0	0	0	0	842	0	6
Meters Bronze Case	9	1,110	0	0	0	1,110	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	258	0	0	0	258	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	775	0	0	0	775	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	226	0	0	0	0	0	0	226
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	77	16	6	28	0	0	(18)	44
Comp & Periph Equip	15	6,746	1,430	563	2,460	0	0	(1,545)	3,838
Computer Software	15	2,231	473	186	813	0	0	(511)	1,269

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	2	1	0	1	0	0	(1)	1
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	0	0	0	0	0	0	0	0
Tools,Shop,Garage Equip	15	358	76	30	130	0	0	(82)	204
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	0	0	0	0	0	0	0	0
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	0	0	0	0	0	0	0	0
Comm Equip Non-Telephone	15	498	106	42	182	0	0	(114)	283
Comm Equip Telephone	15	6	1	1	2	0	0	(1)	3
Misc Equipment	15	171	36	14	62	0	0	(39)	97
Total Depreciation Expense		<u>26,346</u>	<u>6,980</u>	<u>6,454</u>	<u>4,767</u>	<u>2,143</u>	<u>842</u>	<u>(2,311)</u>	<u>7,469</u>
Amort-Other UP	18	0	0	0	0	0	0	0	0
Taxes Other Than Income									
Utility Reg Assessment Fee	19	705	159	109	172	22	7	(34)	270
Property Taxes	18	6,195	1,704	1,738	846	503	156	(129)	1,378
FUTA	16	57	8	0	19	0	0	(1)	30
FICA	16	3,913	543	14	1,327	0	0	(36)	2,063
SUTA	16	147	20	1	50	0	0	(1)	77
Other Taxes & Licenses	15	251	53	21	91	0	0	(57)	143
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>11,267</u>	<u>2,487</u>	<u>1,882</u>	<u>2,505</u>	<u>525</u>	<u>163</u>	<u>(259)</u>	<u>3,963</u>
Income Taxes	18	20,366	5,601	5,713	2,780	1,654	513	(426)	4,532
Utility Income Available for Return	18	48,695	13,391	13,659	6,647	3,954	1,227	(1,018)	10,835
Total Cost of Service		<u>269,588</u>	<u>60,698</u>	<u>41,683</u>	<u>65,871</u>	<u>8,274</u>	<u>2,745</u>	<u>(13,178)</u>	<u>103,472</u>
Less: Other Water Revenues	19	(168)	(38)	(26)	(41)	(5)	(2)	8	(65)
Revenue Shift	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		<u>(168)</u>	<u>(38)</u>	<u>(26)</u>	<u>(41)</u>	<u>(5)</u>	<u>(2)</u>	<u>8</u>	<u>(65)</u>
Total Cost of Service Related to Sales of Water		<u>269,420</u>	<u>60,660</u>	<u>41,657</u>	<u>65,830</u>	<u>8,269</u>	<u>2,743</u>	<u>(13,170)</u>	<u>103,408</u>
Reallocation of Public Fire	20	0	53,826	36,953	58,406		0	0	(149,185)
Total		<u>\$ 269,420</u>	<u>\$ 114,486</u>	<u>\$ 78,610</u>	<u>\$ 124,236</u>	<u>\$ 8,269</u>	<u>\$ 2,743</u>	<u>\$ (13,170)</u>	<u>\$ (45,777)</u>
			28,598			412	412	4,947	
			4.003			20.06	6.65		
					1.67	0.55		-2.66	
								-0.44	

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
RATE BASE									
Organization	17	466	133	141	55	41	13	(9)	91
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	0	0	0	0	0	0	0	0
Land & Ld Rights P	6	0	0	0	0	0	0	0	0
Land & Ld Rights WT	2	0	0	0	0	0	0	0	0
Land & Ld Rights TD	7	65,000	8,301	0	20,683	0	0	0	36,010
Land & Land Rights AG	15	0	0	0	0	0	0	0	0
Struct & Imp SS	2	0	0	0	0	0	0	0	0
Struct & Imp P	6	0	0	0	0	0	0	0	0
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	2,244	986	1,256	0	0	0	0	3
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	2,001	256	0	637	0	0	0	1,109
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	10	2	1	4	0	0	(2)	6
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	375,966	165,124	210,353	0	0	0	0	489
Supply Mains	2	0	0	0	0	0	0	0	0
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	124,797	54,811	69,824	0	0	0	0	162
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	20,789	9,131	11,631	0	0	0	0	27
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
WT Equip Filter Media	2	0	0	0	0	0	0	0	0
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	16,295	4,497	0	11,198	0	0	0	600
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	0	0	0	0	0	0	0	0
TD Mains 4 & Less "	4	47,552	6,077	0	15,126	0	0	0	26,344
TD Mains 6 to 8" "	4	124,138	15,865	0	39,488	0	0	0	68,772
TD Mains 10 to 16" "	3	7,101	2,692	3,429	0	0	0	0	980
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	27,523	0	0	0	0	27,341	0	182
Meters Bronze Case	9	45,659	0	0	0	45,659	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	10,601	0	0	0	10,601	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	31,910	0	0	0	31,910	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	11,760	0	0	0	0	0	0	11,760
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	729	155	61	266	0	0	(167)	415
Office Furniture & Equip	15	1,936	410	162	706	0	0	(443)	1,101
Comp & Periph Equip	15	47,211	10,004	3,942	17,213	0	0	(10,811)	26,858
Computer Software	15	15,613	3,308	1,304	5,692	0	0	(3,575)	8,882
Comp Software Personal	15	303	64	25	110	0	0	(69)	172
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	36	8	3	13	0	0	(8)	21
Trans Equip Lt Duty Trks	15	104	22	9	38	0	0	(24)	59
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	385	81	32	140	0	0	(88)	219
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	0	0	0	0	0	0	0	0
Tools,Shop,Garage Equip	15	7,157	1,517	598	2,610	0	0	(1,639)	4,072
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	0	0	0	0	0	0	0	0
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	0	0	0	0	0	0	0	0
Comm Equip Non-Telephone	15	9,959	2,110	832	3,631	0	0	(2,281)	5,666
Comm Equip Telephone	15	90	19	8	33	0	0	(21)	51
Misc Equipment	15	3,412	723	285	1,244	0	0	(781)	1,941

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		<u>1,000,747</u>	<u>286,295</u>	<u>303,894</u>	<u>118,888</u>	<u>88,211</u>	<u>27,354</u>	<u>(19,920)</u>	<u>195,991</u>
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	7,249	1,536	605	2,643	0	0	(1,660)	4,124
Materials and Supplies	15	531	113	44	194	0	0	(122)	302
Prepayments	15	1,760	373	147	642	0	0	(403)	1,001
OPEB's Contributed to External Fund	16	78,837	10,943	276	26,734	0	0	(717)	41,579
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:		0							
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	25,610	7,327	7,778	3,042	2,256	699	(510)	5,014
Pensions	16	0	0	0	0	0	0	0	0
Total Other Rate Base Elements		<u>113,987</u>	<u>20,291</u>	<u>8,850</u>	<u>33,255</u>	<u>2,256</u>	<u>699</u>	<u>(3,412)</u>	<u>52,021</u>
Total Original Cost Measure of Value		<u>\$ 1,114,734</u>	<u>\$ 306,587</u>	<u>\$ 312,744</u>	<u>\$ 152,142</u>	<u>\$ 90,467</u>	<u>\$ 28,053</u>	<u>\$ (23,332)</u>	<u>\$ 248,012</u>

T&D OP BASIS FOR FACTOR 11	51,385	6,562	0	16,351	(1)	(1)	0	28,468
FACTOR 11		0.1277	0.0000	0.3182	0.0000	0.0000	0.0000	0.5540
T&D Mnt BASIS FOR FACTOR 12	0	0	0	0	0	0	0	0
FACTOR 12		0.2760	0.0000	0.6872	0.0000	0.0000	0.0000	0.0368
A&G BASIS FOR FACTOR 15	50,273	10,654	4,200	18,331	(1)	(1)	(11,514)	28,598
FACTOR 15		0.2119	0.0835	0.3646	0.0000	0.0000	(0.2290)	0.5689
LABOR BASIS FOR FACTOR 16	55,042	7,644	193	18,666	0	0	(496)	29,030
FACTOR 16		0.1388	0.0035	0.3391	0.0000	0.0000	(0.0091)	0.5274
UPIS BASIS FOR FACTOR 17	1,000,281	286,162	303,753	118,832	88,170	27,341	(19,910)	195,900
FACTOR 17		0.2861	0.3037	0.1188	0.0881	0.0273	(0.0199)	0.1958
RATE BASE BASIS FOR FACTOR 18	1,114,734	306,587	312,744	152,142	90,467	28,053	(23,332)	248,012
FACTOR 18		0.2750	0.2805	0.1365	0.0812	0.0252	(0.0209)	0.2225
TOTAL COS BASIS FOR FACTOR 19	268,506	60,459	41,542	65,561	8,252	2,738	(13,058)	102,987
FACTOR 19		0.2252	0.1547	0.2442	0.0307	0.0102	(0.0486)	0.3836
TOTAL COS BASIS FOR FACTOR 20	168,146	60,660	41,657	65,830				
FACTOR 20		0.3608	0.2477	0.3915				

	2	4	6	8	10	12	14
	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
1	0.9971	-	-	-	-	-	0.0029
2	0.4392	0.5595	-	-	-	-	0.0013
3	0.3791	0.4829	-	-	-	-	0.1380
4	0.1278	-	0.3181	-	-	-	0.5540

	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
5	0.2760	-	0.6872	-	-	-	0.0368
6	0.4392	0.5595	-	-	-	-	0.0013
7	0.1277	-	0.3182	-	-	-	0.5540
8	-	-	-	-	-	-	1.0000
9	-	-	-	1.0000	-	-	-
10	-	-	-	-	0.9934	-	0.0066
11	0.1277	-	0.3182	-	-	-	0.5540
12	0.2760	-	0.6872	-	-	-	0.0368
13	-	-	-	-	-	1.0000	-
14	-	-	-	-	-	1.0000	-
15	0.2119	0.0835	0.3646	-	-	(0.2290)	0.5689
16	0.1388	0.0035	0.3391	-	-	(0.0091)	0.5274
17	0.2861	0.3037	0.1188	0.0881	0.0273	(0.0199)	0.1958
18	0.2750	0.2805	0.1365	0.0812	0.0252	(0.0209)	0.2225
19	0.2252	0.1547	0.2442	0.0307	0.0102	(0.0486)	0.3836
20	0.3608	0.2477	0.3915				

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY WATER OPERATIONS

PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.

ALLOCATION OF COSTS THAT VARY WITH THE AMT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	77.01	0.9800
Commercial	1.34	0.0170
Industrial	0.00	0.0000
Other Public Authority	0.00	0.0000
Sales for Resale	0.00	0.0000
Private Fire Protection	0.00	0.0000
Public Fire Protection	0.22	0.0029
Total	78.57	0.9999

FACTOR 2.

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.**

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.4405	(4)	(5)=(4)x 0.5595	(6)=(3)+(5)
Residential	0.9800	0.4316	0.9872	0.5523	0.9839
Commercial	0.0170	0.0075	0.0128	0.0072	0.0147
Industrial	0.0000	0.0000	0.0000	0.0000	0.0000
Other Public Authority	0.0000	0.0000	0.0000	0.0000	0.0000
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0000	0.0000			0.0000
Public Fire Protection	0.0029	0.0013			0.0013
Total	0.9999	0.4404	1.0000	0.5595	0.9999

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

**FACTOR 2. MAX DAY CLASS ALLOCATION AND MAX DAY TO AVERAGE DAY
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.**

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	77	1.00	77	0.9872
Commercial	1	0.75	1	0.0128
Industrial	0	0.50	0	0.0000
Other Public Authority	0	0.75	0	0.0000
Sales for Resale	0	0.90	0	0.0000
Total	78		78	1.0000

The weighting of the factors is based on the maximum day ratio of 1.35, based on a review of maximum day ratios experienced during the period 2004 through 2006 (see Schedule D DR #110).

	Maximum Day Ratio	Weight
Average Day	1.00	0.4405
Maximum Day Extra Capacity	1.27	0.5595
Total	2.27	1.0000

* Ratio of maximum day to average day minus 1.0.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.3802	(4)	(5)=(4) X 0.4829	(6)	(7)=(6) X 0.1369	(8)=(3)+(5)+(7)
Residential	0.9800	0.3726	0.9872	0.4766			0.8492
Commercial	0.0170	0.0065	0.0128	0.0062			0.0127
Industrial	0.0000	0.0000	0.0000	0.0000			0.0000
Other Public Authority	0.0000	0.0000	0.0000	0.0000			0.0000
Sales for Resale	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.0000	0.0000			0.0000	0.0000	0.0000
Public Fire Protection	0.0029	0.0011			1.0000	0.1369	0.1380
Total	0.9999	0.3802	1.0000	0.4828	1.0000	0.1369	0.9999

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. Continued

**ALLOCATION OF COSTS ASSOC WITH FACILITIES SERVING BASE, MAXIMUM
DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 2.27 and the average daily system sendout for 2006 of 0.10 MGD. The system demand for fire protection is 300 Gallons per minute for 2 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	100,000	0.3802
Maximum Day Extra Capacity	<u>1.27</u>	<u>127,000</u>	<u>0.4829</u>
Subtotal	<u><u>2.27</u></u>	227,000	0.8631
Fire Protection		<u>36,000</u>	<u>0.1369</u>
Total		<u><u>263,000</u></u>	<u><u>1.0000</u></u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.1282	(5)	(6)=(5) X 0.3182	(7)	(8)=(7) X 0.5536	(9)=(4)+(6)+(8)
Residential	3.2	0.9801	0.1256	0.9878	0.3142			0.4398
Commercial	0.1	0.0170	0.0022	0.0122	0.0039			0.0061
Industrial	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Other Public Authority	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Sales for Resale	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.0	0.0000	0.0000			0.0000	0.0000	0.0000
Public Fire Protection	0.0	0.0029	0.0004			1.0000	0.5536	0.5540
Total	3.3	1.0000	0.1282	1.0000	0.3181	1.0000	0.5536	0.9999

The maximum hour extra capacity factors in column 5 are determined as follows:

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. Continued

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 3.48. The system demand for fire protection is 300 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	69	0.1282
Maximum Hour Extra Capacity	2.48	172	0.3182
Subtotal	3.48	242	0.4464
Fire Protection		300	0.5536
Total		542	1.0000

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	3.2	3.5	11.2	0.9878
Commercial	0.1	2.5	0.1	0.0122
Industrial	0.0	1.2	0.0	0.0000
Other Public Authority	0.0	2.5	0.0	0.0000
Sales for Resale	0.0	3.2	0.0	0.0000
Total	3.3		11.4	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2768	(5)	(6)=(5) X 0.6872	(7)	(8)=(7) X 0.0360	(9)=(4)+(6)+(8)
Residential	3.209	0.9801	0.2713	0.9878	0.6789			0.9502
Commercial	0.056	0.0170	0.0047	0.0122	0.0084			0.0131
Industrial	0.000	0.0000	0.0000	0.0000	0.0000			0.0000
Other Public Authority	0.000	0.0000	0.0000	0.0000	0.0000			0.0000
Sales for Resale	0.000	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.000	0.0000	0.0000			0.0000	0.0000	0.0000
Public Fire Protection	0.009	0.0029	0.0008			1.0000	0.0360	0.0368
Total	3.274	1.0000	0.2768	1.0000	0.6873	1.0000	0.0360	1.0001

The weighting of the factors is based on the ratio of the capacity required for a 10 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. Continued

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 10 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{300 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{1,000,000 \text{ Gallons}} = 0.0360$$

$$\text{General Service Weight} = 1.0000 - 0.0360 = 0.9640$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	<u>Maximum Hour Ratio</u>	<u>Percent</u>	<u>Weight</u>
Average Hour	1.00	28.71	0.2768
Extra Capacity Maximum Hour	<u>2.48</u>	<u>71.29</u>	<u>0.6872</u>
Total	<u><u>3.48</u></u>	<u><u>100.00</u></u>	<u><u>0.9640</u></u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 1.0000	(4)	(5)=(4)X 0.0000	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Residential	0.9839	0.9839	0.8492	0.0000	0.4398	0.0000	0.9839
Commercial	0.0147	0.0147	0.0127	0.0000	0.0061	0.0000	0.0147
Industrial	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Other Public Authority	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Public Fire Protection	0.0013	0.0013	0.1380	0.0000	0.5540	0.0000	0.0013
Total	0.9999	0.9999	0.9999	0.0000	0.9999	0.0000	0.9999

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	Horsepower of Pumps	Weight
Associated with Maximum Day	30	1.0000
Associated with Maximum Day and Fire	0	0.0000
Associated with Maximum Hour	0	0.0000
Total	30	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.

ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 5, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)=(3)+(5)
Residential	0.8492	0.0000	0.4397	0.4397	0.4397
Commercial	0.0127	0.0000	0.0061	0.0061	0.0061
Industrial	0.0000	0.0000	0.0000	0.0000	0.0000
Other Public Authority	0.0000	0.0000	0.0000	0.0000	0.0000
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0000	0.0000	0.0000	0.0000	0.0000
Public Fire Protection	0.1380	0.0000	0.5540	0.5540	0.5540
Total	0.9999	0.0000	0.9998	0.9998	0.9998

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains		0.0000
Distribution Mains		1.0000
Total	0	1.0000

Assigned all to Max Hour Consumption
NO FUNCTIONALIZATION

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.

ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

Customer Classification (1)	Allocation Factor (3)
Public Fire Protection	1.0000
Total	1.0000

FACTOR 9.

ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential	410	0.9951
Commercial	2	0.0049
Industrial	0	0.0000
Other Public Authority	0	0.0000
Sales for Resale	0	0.0000
Private Fire	0	0.0000
Total	412	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.

ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	410	0.9886
Commercial	2	0.0048
Industrial	0	0.0000
Other Public Authority	0	0.0000
Sales for Resale	0	0.0000
Private Fire Protection	<u>3</u>	<u>0.0066</u>
Total	<u><u>415</u></u>	<u><u>1.0000</u></u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.

**ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION
SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.**

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 22,593	0.4398
Commercial	313	0.0061
Industrial	-	0.0000
Other Public Authority	-	0.0000
Sales for Resale	-	0.0000
Private Fire Protection	-	0.0000
Public Fire Protection	28,468	0.5541
Total	51,375	1.0000

FACTOR 12.

**ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.**

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 0	0.9501
Commercial	0	0.0131
Industrial	-	0.0000
Other Public Authority	-	0.0000
Sales for Resale	-	0.0000
Private Fire Protection	-	0.0000
Public Fire Protection	0	0.0368
Total	\$0	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.

ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	410	0.9951
Commercial	2	0.0049
Industrial	0	0.0000
Other Public Authority	0	0.0000
Sales for Resale	0	0.0000
Private Fire Protection	0	0.0000
Public Fire Protection	0	0.0000
Total	412	1.0000

FACTOR 14.

ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	410	0.9951
Commercial	2	0.0049
Industrial	0	0.0000
Other Public Authority	0	0.0000
Sales for Resale	0	0.0000
Total	412	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.

**ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$21,247	0.4228
Commercial	405	0.0081
Industrial	0	0.0000
Other Public Authority	0	0.0000
Sales for Resale	0	0.0000
Private Fire Protection	0	0.0000
Public Fire Protection	28,610	0.5692
Total	\$50,262	1.0001

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.

ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$24,731	0.4494
Commercial	348	0.0063
Industrial	0	0.0000
Other Public Authority	0	0.0000
Sales for Resale	0	0.0000
Private Fire Protection	0	0.0000
Public Fire Protection	29,954	0.5443
Total	\$55,033	1.0000

FACTOR 17.

**ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$756,898	0.7569
Commercial	10,232	0.0102
Industrial	0	0.0000
Other Public Authority	0	0.0000
Sales for Resale	0	0.0000
Private Fire Protection	0	0.0000
Public Fire Protection	232,879	0.2329
Total	\$1,000,009	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.

ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$781,710	0.7014
Commercial	10,608	0.0095
Industrial	0	0.0000
Other Public Authority	0	0.0000
Sales for Resale	0	0.0000
Private Fire Protection	0	0.0000
Public Fire Protection	322,145	0.2891
Total	\$1,114,463	1.0000

FACTOR 19.

**ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND
OTHER WATER REVENUES.**

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$118,301	0.4406
Commercial	1,784	0.0066
Industrial	0	0.0000
Other Public Authority	0	0.0000
Sales for Resale	0	0.0000
Private Fire Protection	0	0.0000
Public Fire Protection	148,417	0.5528
Total	\$268,501	1.0000

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BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	410.24	410.24	2.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	412.24	412.24
3/4	1.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1	1.7	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1-1/2	3.5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	4.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	19.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	29.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	48.4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	112.9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		<u>410.24</u>	<u>410.24</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>412.24</u>	<u>412.24</u>

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BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services	Weighting (4)=(2)X(3)	Number of Services	Weighting (6)=(2)X(5)	Number of Services	Weighting (8)=(2)X(7)	Number of Services	Weighting (10)=(2)X(9)	Number of Services	Weighting (12)=(2)X(11)	Number of Services	Weighting (14)=(2)X(11)	Number of Services	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	410.24	410.24	2.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	412.24	412.24
1	1.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1-1/2	1.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	2.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	2.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	2.73	1.00	2.73
4	2.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	4.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	6.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	12.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		<u>410.24</u>	<u>410.24</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1.00</u>	<u>2.73</u>	<u>413.24</u>	<u>414.97</u>

MISSOURI-AMERICAN WATER COMPANY

WARREN COUNTY WATER OPERATIONS

PSC STAFF STUDY

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	0	0	
3 -inch	9.00	0	0	
4 -inch	16.00	0	0	
6 -inch	36.00	0	0	
8 -inch	64.00	0	0	
10 -inch	100.00	0	0	
12 -inch	144.00	0	0	
Private Hydrants	24.75	0	0	
Total Private Fire Protection		0	0	0.0000
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1- 3.5"	24.75	0	1
6" Valve	2- 2-1/2" & 1- 4"	28.50	0	0
Total Public Fire Protection		0	1	1.0000
Total Fire Protection		0	1	1.0000

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

PSC STAFF STUDY

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2006

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
	(Schedule B)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential	\$ 1,612,551	61.0%	\$ 1,359,562	54.7%	\$ 1,612,551	61.0%	\$ 252,989	18.6%
Commercial	446,493	16.9%	\$ 503,172	20.3%	\$ 446,493	16.9%	(56,679)	-11.3%
Industrial	53,316	2.0%	\$ 56,497	2.3%	\$ 53,316	2.0%	(3,181)	-5.6%
Public Authority	318,663	12.0%	\$ 322,544	13.0%	\$ 318,663	12.0%	(3,881)	-1.2%
Sales for Resale	179,948	6.8%	\$ 175,986	7.1%	\$ 179,948	6.8%	3,962	2.3%
Private Fire Service	34,668	1.3%	\$ 66,037	2.7%	\$ 34,668	1.3%	(31,369)	-47.5%
Public Fire Service	-	0.0%	\$ -	0.0%	\$ -	0.0%	-	-
Total Sales	2,645,639	<u>100.0%</u>	2,483,798	<u>100.1%</u>	2,645,639	<u>100.0%</u>	161,841	6.5%
Other Revenues	<u>54,043</u>		<u>54,043</u>		<u>54,043</u>		-	0.0%
Total	<u>\$ 2,699,682</u>		<u>\$ 2,537,841</u>		<u>\$ 2,699,682</u>		<u>\$ 161,841</u>	6.4%

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

**Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg**

Case No. WR-2007-0216

STAFF - WARRENSBURG

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Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	387,170	\$1,359,562	387,170	\$1,612,551	\$252,989	18.61%
5	Commercial	181,435	503,172	181,435	446,493	(56,679)	-11.26%
6	Industrial	30,422	56,497	30,422	53,316	(3,181)	-5.63%
7	Other Public Authority	140,682	322,544	140,682	318,663	(3,881)	-1.20%
8	Other Water Utilities	100,829	175,986	100,829	179,948	3,962	2.25%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	66,037	0	34,668	(31,369)	-47.50%
11							
12	Total	<u>840,538</u>	<u>2,483,798</u>	<u>840,538</u>	<u>2,645,639</u>	<u>\$161,841</u>	<u>6.52%</u>
13							
14							
15	Miscellaneous Revenues:						
16							
17	Other Revenue		73,371		73,371	0	0.00%
18	Returned Check Charge		0		0	0	0.00%
19	Application Fee		0		0	0	0.00%
20	Miscellaneous Other Revenue		0		0	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22							
23							
24			<u>\$2,557,169</u>		<u>\$2,719,010</u>	<u>161,841</u>	<u>6.33%</u>
25							
26							
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38							
39							
40							

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg

Case No. WR-2007-0216

STAFF - WARRENSBURG

Page 1 of 7

Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Residential:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	72,994		\$7.08	\$516,798	72,994		\$ 9.49	\$692,973	\$176,175	34.09%
5	3/4" Monthly	0		9.06	1	0		\$ 10.37	2	1	100.00%
6	1" Monthly	244		12.84	3,132	244		\$ 12.00	2,927	(205)	-6.55%
7	1-1/2" Monthly	0		22.33	0	0		\$ 18.37	0	0	0.00%
8	2" Monthly	40		33.71	1,359	40		\$ 21.96	885	(474)	-34.88%
9	3" Monthly	0		60.24	0	0		\$ 66.70	0	0	0.00%
10	4" Monthly	0		98.15	0	0		\$ 97.13	0	0	0.00%
11	6" Monthly	0		192.93	0	0		\$ 156.53	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 352.03	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		386,125	\$2.1677	837,003		386,125	\$2.3653	913,291	76,288	9.11%
19	Second Block		1,045	1.2143	1,269		1,045	2.3653	2,473	1,204	94.88%
20	Third Block		0	0.9371	0		0	2.3653	0	0	0.00%
21	Fourth Block		0	0.6311	0		0	2.3653	0	0	0.00%
22											
23											
24	Total		387,170		\$1,359,562		387,170		\$1,612,551	\$252,989	18.61%
25											
26											
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37											
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40											

**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

**Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg**

Case No. WR-2007-0216

STAFF - WARRENSBURG

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Commercial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	5,094		\$7.08	\$36,068	5,094		\$ 9.49	\$48,364	\$12,296	34.09%
5	3/4" Monthly	86		9.06	775	86		\$ 10.37	886	111	14.32%
6	1" Monthly	946		12.84	12,145	946		\$ 12.00	11,351	(794)	-6.54%
7	1-1/2" Monthly	342		22.33	7,641	342		\$ 18.37	6,287	(1,354)	-17.72%
8	2" Monthly	882		33.71	29,715	882		\$ 21.96	19,362	(10,353)	-34.84%
9	3" Monthly	24		60.24	1,470	24		\$ 66.70	1,627	157	10.68%
10	4" Monthly	0		98.15	0	0		\$ 97.13	0	0	0.00%
11	6" Monthly	0		192.93	0	0		\$ 156.53	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 352.03	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		138,707	\$2.5538	354,231		138,707	\$1.9765	274,162	(80,069)	-22.60%
19	Second Block		42,728	1.4306	61,127		42,728	1.9765	84,454	23,327	38.16%
20	Third Block		0	1.1040	0		0	1.9765	0	0	0.00%
21	Fourth Block		0	0.7434	0		0	1.9765	0	0	0.00%
22											
23											
24	Total		181,435		\$503,172		181,435		\$446,493	(\$56,679)	-11.26%
25											
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40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warrensburg

Case No. WR-2007-0216

STAFF - WARRENSBURG

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Industrial:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	12		\$7.08	\$85	12		\$ 9.49	\$114	\$29	34.12%
5	3/4" Monthly	0		9.06	0	0		\$ 10.37	0	0	0.00%
6	1" Monthly	36		12.84	460	36		\$ 12.00	430	(30)	-6.52%
7	1-1/2" Monthly	12		22.33	268	12		\$ 18.37	220	(48)	-17.91%
8	2" Monthly	60		33.71	2,023	60		\$ 21.96	1,318	(705)	-34.85%
9	3" Monthly	12		60.24	723	12		\$ 66.70	800	77	10.65%
10	4" Monthly	24		98.15	2,356	24		\$ 97.13	2,331	(25)	-1.06%
11	6" Monthly	0		192.93	0	0		\$ 156.53	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 352.03	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		6,890	\$2.5200	17,363		6,890	\$1.5812	10,895	(6,468)	-37.25%
19	Second Block		23,531	1.4117	33,219		23,531	1.5812	37,208	3,989	12.01%
20	Third Block		0	1.0895	0		0	1.5812	0	0	0.00%
21	Fourth Block		0	0.7336	0		0	1.5812	0	0	0.00%
22											
23											
24	Total		30,422		\$56,497		30,422		\$53,316	(\$3,181)	-5.63%
25											
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**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Public Authority:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	998		\$7.08	\$7,068	998		\$ 9.49	\$9,478	\$2,410	34.10%
5	3/4" Monthly	24		9.06	217	24		\$ 10.37	248	31	14.29%
6	1" Monthly	72		12.84	924	72		\$ 12.00	864	(60)	-6.49%
7	1-1/2" Monthly	60		22.33	1,340	60		\$ 18.37	1,102	(238)	-17.76%
8	2" Monthly	412		33.71	13,889	412		\$ 21.96	9,050	(4,839)	-34.84%
9	3" Monthly	72		60.24	4,337	72		\$ 66.70	4,802	465	10.72%
10	4" Monthly	156		98.15	15,311	156		\$ 97.13	15,152	(159)	-1.04%
11	6" Monthly	0		192.93	0	0		\$ 156.53	0	0	0.00%
12	8" Monthly	12		306.65	3,680	12		\$ 352.03	4,224	544	14.78%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		41,347	\$2.8432	117,557		41,347	\$1.9458	80,454	(37,103)	-31.56%
19	Second Block		99,335	1.5928	158,221		99,335	1.9458	193,289	35,068	22.16%
20	Third Block		0	1.2292	0		0	1.9458	0	0	0.00%
21	Fourth Block		0	0.8277	0		0	1.9458	0	0	0.00%
22											
23											
24	Total		140,682		\$322,544		140,682		\$318,663	(\$3,881)	-1.20%
25											
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Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
 Company: Missouri-American Water Company
 District: Warrensburg

Case No. WR-2007-0216

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Other Water Utilities:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 9.49	\$0	\$0	0.00%
5	3/4" Monthly	0		9.06	0	0		\$ 10.37	0	0	0.00%
6	1" Monthly	0		12.84	0	0		\$ 12.00	0	0	0.00%
7	1-1/2" Monthly	0		22.33	0	0		\$ 18.37	0	0	0.00%
8	2" Monthly	2		33.71	67	2		\$ 21.96	44	(23)	-34.33%
9	3" Monthly	0		60.24	0	0		\$ 66.70	0	0	0.00%
10	4" Monthly	12		98.15	1,178	12		\$ 97.13	1,166	(12)	-1.02%
11	6" Monthly	0		192.93	0	0		\$ 156.53	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 352.03	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		1,502	\$4.2012	6,308		1,502	\$1.7727	2,662	(3,646)	-57.80%
19	Second Block		23,015	2.3536	54,169		23,015	1.7727	40,799	(13,370)	-24.68%
20	Third Block		36,000	1.8043	64,955		36,000	1.7727	63,817	(1,138)	-1.75%
21	Fourth Block		40,312	1.2232	49,309		40,312	1.7727	71,460	22,151	44.92%
22											
23											
24	Total		<u>100,829</u>		<u>\$175,986</u>		<u>100,829</u>		<u>\$179,948</u>	<u>\$3,962</u>	<u>2.25%</u>
25											
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**Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006**

**Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg**

Case No. WR-2007-0216

STAFF - WARRENSBURG

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1											
2	Miscellaneous:										
3	<u>Minimum Charge:</u>										
4	5/8" Monthly	0		\$7.08	\$0	0		\$ 9.49	\$0	\$0	0.00%
5	3/4" Monthly	0		9.06	0	0		\$ 10.37	0	0	0.00%
6	1" Monthly	0		12.84	0	0		\$ 12.00	0	0	0.00%
7	1-1/2" Monthly	0		22.33	0	0		\$ 18.37	0	0	0.00%
8	2" Monthly	0		33.71	0	0		\$ 21.96	0	0	0.00%
9	3" Monthly	0		60.24	0	0		\$ 66.70	0	0	0.00%
10	4" Monthly	0		98.15	0	0		\$ 97.13	0	0	0.00%
11	6" Monthly	0		192.93	0	0		\$ 156.53	0	0	0.00%
12	8" Monthly	0		306.65	0	0		\$ 352.03	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		0	\$0.0000	0		0	\$0.0000	0	0	0.00%
19	Second Block		0	0.0000	0		0	0.0000	0	0	0.00%
20	Third Block		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fourth Block		0	0.0000	0		0	0.0000	0	0	0.00%
22											
23											
24	Total		<u>0</u>		<u>\$0</u>		<u>0</u>		<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											
37											
38											
39											
40											

Test Year Operating Revenues at Present Rates vs Proposed Rates
12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
District: Warrensburg

Case No. WR-2007-0216

STAFF - WARRENSBURG

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Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	Private Fire Service:							
3								
4	Private Fire Hydrant	4	\$968.28	\$3,873	508.33	\$2,033	(\$1,840)	-47.51%
5								
6	2"	2	138.84	278	72.89	146	(132)	-47.48%
7								
8	3"	0	238.44	0	125.18	0	0	0.00%
9								
10	4"	18	378.36	6,810	198.63	3,575	(3,235)	-47.50%
11								
12	6"	33	775.92	25,605	407.34	13,442	(12,163)	-47.50%
13								
14	8"	19	1,335.12	25,367	700.91	13,317	(12,050)	-47.50%
15								
16	10"	2	2,052.12	4,104	1,077.33	2,155	(1,949)	-47.49%
17								
18	12"	0	2,925.96	0	1,536.08	0	0	0.00%
19								
20								
21								
22	Total	78		\$66,037		\$34,668	(\$31,369)	-47.50%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	0	0.00	0	0.00	0	0	0.00%
29								
30								
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MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	4,517	2,183	921	137	714	546	2	14
Labor & Exp Oper SS	2	1,769	855	361	54	280	214	1	6
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		6,286	3,037	1,281	191	993	759	3	20
Misc Exp Oper SS	2	59,277	28,643	12,081	1,802	9,366	7,161	24	190
Misc Exp Oper SS	2	2	1	0	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	313	151	64	10	49	38	0	1
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	655	317	134	20	104	79	0	2
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infilt Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	7	4	2	0	1	1	0	0
Misc Plant Maint SS	2	1,192	576	243	36	188	144	0	4
TOTAL SS EXPENSE - MAINTENANCE		61,447	29,691	12,523	1,868	9,709	7,423	25	197
TOTAL SS EXPENSE		67,733	32,728	13,804	2,059	10,702	8,182	27	217
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	1,183	571	241	36	187	143	1	6
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	17,219	7,886	3,695	620	2,865	2,054	10	86
Labor & Exp Oper Pump	6	67	32	14	2	11	8	0	0
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	0	0	0	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		18,469	8,489	3,949	658	3,062	2,205	11	92

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	3,870	1,867	787	117	610	466	2	20
TOTAL PUMPING EXPENSES - MAINTENANCE		3,870	1,867	787	117	610	466	2	20
TOTAL PUMPING EXPENSES		22,339	10,356	4,736	775	3,673	2,671	13	112
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	29,393	13,462	6,308	1,058	4,891	3,507	18	147
Labor & Exp Oper WT	2	27,050	13,070	5,513	822	4,274	3,268	11	87
Labor & Exp Oper WT	2	8,044	3,887	1,639	245	1,271	972	3	26
Misc Exp Oper WT	2	27,482	13,279	5,601	835	4,342	3,320	11	88
Misc Exp Oper WT	1	598	274	128	22	100	71	0	3
Misc Exp Oper WT	2	1,871	904	381	57	296	226	1	6
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		94,437	44,876	19,570	3,039	15,173	11,363	44	356
Super & Eng Maint WT	2	883	427	180	27	140	107	0	3
Struct & Improve Maint WT	2	285	138	58	9	45	34	0	1
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	9,422	4,553	1,920	286	1,489	1,138	4	30
WT Equip Maint WT	2	3,245	1,568	661	99	513	392	1	10
TOTAL WT EXPENSE - MAINTENANCE		13,836	6,685	2,820	421	2,186	1,671	6	44
TOTAL WT EXPENSE		108,272	51,561	22,390	3,459	17,359	13,034	49	400
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	0	0	0	0	0	0	0	0
Storage Facility Exp	5	178	55	21	2	16	13	8	64
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	72,900	27,024	10,140	1,152	7,851	6,619	2,187	17,919
TD Lines Exp	7	1,568	581	218	25	169	142	47	385
Meter Expense	9	24,150	18,144	3,024	321	2,572	89	0	0
Meter Expense	9	63	47	8	1	7	0	0	0
Customer Install Exp	10	2,224	1,845	219	8	70	1	83	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	15,513	7,321	2,091	231	1,640	1,053	357	2,819

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Misc Exp Oper TD	11	39,859	18,809	5,373	594	4,213	2,706	917	7,242
Misc Exp Oper TD	11	15,526	7,327	2,093	231	1,641	1,054	357	2,821
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		171,982	81,153	23,186	2,565	18,178	11,680	3,955	31,250
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	0	0	0	0	0	0	0	0
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	4,095	3,396	402	14	128	2	152	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	5,974	4,489	748	79	636	22	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	8,581	0	0	0	0	0	0	8,581
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	73,207	30,952	4,517	366	3,001	95	600	33,675
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		91,857	38,837	5,667	459	3,766	119	753	42,256
TOTAL T & D EXPENSE		263,840	119,990	28,854	3,024	21,944	11,798	4,708	73,507
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	30,279	26,851	2,701	58	663	6	0	0
Meter Reading Exp CA	14	212	188	19	0	5	0	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	2,562	2,252	227	5	56	1	23	0
Cust Rec & Collection CA	13	49,561	43,564	4,386	94	1,075	10	436	0
Uncollectible Accts	13	26,529	23,319	2,348	50	576	5	233	0
Misc Cust Accts Exp CA	13	4,238	3,725	375	8	92	1	37	0
Misc Cust Accts Exp CA	13	1,475	1,297	131	3	32	0	13	0
Misc Cust Accts Exp CA	13	9,588	8,427	848	18	208	2	84	0
Cust Serv & Info Exp CA	13	(1)	(1)	(0)	(0)	(0)	(0)	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		124,441	109,621	11,034	236	2,706	25	827	0

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	43,382	24,333	5,683	633	3,904	2,421	451	5,952
Other Supplies & Exp AG	15	2,466	1,383	323	36	222	138	26	338
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Other Supplies & Exp AG	15	27,525	15,439	3,606	402	2,477	1,536	286	3,776
Mgmt Fees-Coporate/Shared Service Center	15	104,878	58,826	13,739	1,531	9,439	5,852	1,091	14,389
Mgmt Fees-Call Center	13	70,734	62,175	6,260	134	1,535	14	622	0
Mgmt Fees-Belleville Lab	2	31,037	14,997	6,325	944	4,904	3,749	12	99
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Outside Services AG	15	113,300	63,550	14,842	1,654	10,197	6,322	1,178	15,545
Outside Services AG	15	7,876	4,418	1,032	115	709	440	82	1,081
Outside Services AG	15	4,977	2,791	652	73	448	278	52	683
Property Insurance	15	(463)	(260)	(61)	(7)	(42)	(26)	(5)	(63)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	49,341	25,593	5,837	632	4,115	2,339	582	10,248
Employee Pension & Benefits	16	87,696	45,488	10,374	1,123	7,314	4,157	1,035	18,214
Employee Pension & Benefits	16	36,624	18,997	4,333	469	3,054	1,736	432	7,607
Employee Pension & Benefits	16	13,014	6,750	1,540	167	1,085	617	154	2,703
Reg Commision Exp	15	2,165	1,214	284	32	195	121	23	297
Rents AG	15	4,897	2,747	641	71	441	273	51	672
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	25,318	14,201	3,317	370	2,279	1,413	263	3,474
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		624,768	362,644	78,727	8,378	52,276	31,379	6,335	85,015
General Plant Maint AG	15	3,869	2,170	507	56	348	216	40	531
General Plant Maint AG	15	(520)	(292)	(68)	(8)	(47)	(29)	(5)	(71)
TOTAL A & G EXPENSE - MAINTENANCE		3,349	1,878	439	49	301	187	35	459
TOTAL A & G EXPENSE		628,117	364,522	79,166	8,427	52,578	31,565	6,370	85,474
Total Operation & Maintenance Expenses		1,214,741	688,779	159,984	17,981	108,962	67,276	11,995	159,711

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
DEPRECIATION EXPENSE									
Struct & Imp SS	2	888	429	181	27	140	107	0	3
Struct & Imp P	6	3,957	1,909	804	120	624	477	2	20
Struct & Imp WT	2	13,350	6,451	2,721	406	2,109	1,613	5	43
Struct & Imp TD	7	5,255	1,948	731	83	566	477	158	1,292
Struct & Imp Offices	15	3,208	1,800	420	47	289	179	33	440
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	14,191	6,857	2,892	431	2,242	1,714	6	45
Supply Mains	2	2,923	1,412	596	89	462	353	1	9
Power Generation Equip Othe	6	107	51	22	3	17	13	0	1
Pump Equip Electric	6	6,483	3,127	1,318	196	1,022	781	4	33
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	95,455	46,124	19,454	2,902	15,082	11,531	38	305
Dist Reservoirs & Standpipe	5	11,924	3,656	1,371	155	1,062	895	521	4,262
Elevated Tanks & Standpipes	5	1,309	401	150	17	117	98	57	468
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	46,109	17,093	6,414	729	4,966	4,187	1,383	11,334
TD Mains 4 & Less "	4	1,439	533	200	23	155	131	43	354
TD Mains 6 to 8" "	4	30,963	11,478	4,307	489	3,335	2,811	929	7,611
TD Mains 10 to 16" "	3	18,011	8,213	3,465	517	2,685	2,053	117	960
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Fire Mains	8	1,728	0	0	0	0	0	0	1,728
Services	10	65,101	53,994	6,399	221	2,038	26	2,422	0
Meters Bronze Case	9	10,161	7,634	1,272	135	1,082	38	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	3,200	2,404	401	43	341	12	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	22,988	17,271	2,878	306	2,448	85	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	16,705	0	0	0	0	0	0	16,705
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	857	481	112	13	77	48	9	118
Comp & Periph Equip	15	12,002	6,732	1,572	175	1,080	670	125	1,647
Computer Software	15	11,036	6,190	1,446	161	993	616	115	1,514
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	12	7	2	0	1	1	0	2
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	0	0	0	0	0	0	0	0
Tools,Shop,Garage Equip	15	658	369	86	10	59	37	7	90
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	2,284	1,104	466	69	361	276	1	7
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	4,275	2,398	560	62	385	239	44	587
Comm Equip Non-Telephone	15	620	348	81	9	56	35	6	85
Comm Equip Telephone	15	166	93	22	2	15	9	2	23
Misc Equipment	15	3,373	1,892	442	49	304	188	35	463
Other Tangible Property	15	336	189	44	5	30	19	3	46
Total Depreciation Expense		<u>411,073</u>	<u>212,587</u>	<u>60,829</u>	<u>7,495</u>	<u>44,143</u>	<u>29,718</u>	<u>6,068</u>	<u>50,192</u>
Amort-Other UP, DepCiac, Cost of Removal	18	1,657	795	247	31	184	129	26	245
Taxes Other Than Income									
Utility Reg Assessment Fee	19	17,002	8,936	2,394	286	1,709	1,134	218	2,328
Property Taxes	18	157,066	75,376	23,418	2,937	17,403	12,267	2,450	23,199
FUTA	16	317	165	38	4	26	15	4	66
FICA	16	19,556	10,144	2,313	250	1,631	927	231	4,062
SUTA	16	815	423	96	10	68	39	10	169
Other Taxes & Licenses	15	4,542	2,547	595	66	409	253	47	623
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>199,298</u>	<u>97,590</u>	<u>28,855</u>	<u>3,554</u>	<u>21,246</u>	<u>14,635</u>	<u>2,959</u>	<u>30,446</u>
Income Taxes	18	216,640	103,966	32,301	4,051	24,004	16,920	3,380	31,998
Utility Income Available for Return	18	<u>656,467</u>	<u>315,039</u>	<u>97,879</u>	<u>12,276</u>	<u>72,737</u>	<u>51,270</u>	<u>10,241</u>	<u>96,960</u>
Total Cost of Service		2,699,876	1,418,756	380,095	45,388	271,275	179,948	34,668	369,552
Less: Other Water Revenues	19	(54,043)	(54,043)						
Revenue Contribution	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		<u>(54,043)</u>	<u>(54,043)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Cost of Service Related to Sales of Water		<u>\$ 2,645,833</u>	<u>\$ 1,364,713</u>	<u>\$ 380,095</u>	<u>\$ 45,388</u>	<u>\$ 271,275</u>	<u>\$ 179,948</u>	<u>\$ 34,668</u>	<u>\$ 369,552</u>
Reallocation of Public Fire	20		247,837	66,397	7,929	47,388	0	0	(369,552)
Total		<u>\$ 2,645,833</u>	<u>\$ 1,612,551</u>	<u>\$ 446,493</u>	<u>\$ 53,316</u>	<u>\$ 318,663</u>	<u>\$ 179,948</u>	<u>\$ 34,668</u>	<u>\$ -</u>
		\$ 54,043	\$ 54,043						
		<u>\$ 2,699,876</u>	<u>\$ 1,666,594</u>						

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
RATE BASE									
Organization	17	\$ 2,304	\$ 1,105	\$ 343	\$ 43	\$ 255	\$ 180	\$ 36	\$ 341
Franchises	17	5,083	2,438	757	95	563	396	79	752
Land & Ld Rights SS	2	9,981	4,823	2,034	303	1,577	1,206	4	32
Land & Ld Rights P	6	0	0	0	0	0	0	0	0
Land & Ld Rights WT	2	511	247	104	16	81	62	0	2
Land & Ld Rights TD	7	142,406	52,790	19,809	2,250	15,337	12,930	4,272	35,003
Land & Land Rights AG	15	2,222	1,246	291	32	200	124	23	305
Struct & Imp SS	2	36,246	17,514	7,387	1,102	5,727	4,379	14	116
Struct & Imp P	6	228,732	110,340	46,501	6,931	36,071	27,562	137	1,167
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	819,039	395,760	166,920	24,899	129,408	98,940	328	2,621
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	196,828	72,964	27,379	3,110	21,198	17,872	5,905	48,380
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	133,680	74,981	17,512	1,952	12,031	7,459	1,390	18,341
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	849,776	410,612	173,184	25,833	134,265	102,653	340	2,719
Supply Mains	2	182,694	88,278	37,233	5,554	28,866	22,069	73	585
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	5,325	2,569	1,083	161	840	642	3	27
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	265,696	128,172	54,016	8,051	41,900	32,016	159	1,355
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	12,673	6,113	2,576	384	1,999	1,527	8	65
WT Equip Non-Media	2	3,433,628	1,659,129	699,773	104,382	542,513	414,782	1,373	10,988

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Private	Public
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	0	0	0	0	0	0	0	0
Dist Reservoirs & Standpipe	5	529,958	162,485	60,945	6,889	47,219	39,800	23,159	189,407
Elevated Tanks & Standpipes	5	58,162	17,832	6,689	756	5,182	4,368	2,542	20,787
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	3,073,928	1,139,505	427,583	48,568	331,062	279,113	92,218	755,572
TD Mains 4 & Less "	4	95,930	35,561	13,344	1,516	10,332	8,710	2,878	23,580
TD Mains 6 to 8" "	4	2,064,178	765,191	287,127	32,614	222,312	187,427	61,925	507,375
TD Mains 10 to 16" "	3	1,200,756	547,545	231,025	34,462	179,033	136,886	7,805	64,000
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL)	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	115,174	0	0	0	0	0	0	115,174
Services	10	2,113,656	1,753,066	207,772	7,186	66,157	845	78,628	0
Meters Bronze Case	9	418,151	314,157	52,353	5,561	44,533	1,547	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	131,677	98,929	16,486	1,751	14,024	487	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	946,004	710,733	118,440	12,582	100,749	3,500	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	870,044	0	0	0	0	0	0	870,044
Other P/E Intangible	15	6,121	3,433	802	89	551	342	64	840
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	21,417	12,013	2,806	313	1,928	1,195	223	2,938
Comp & Periph Equip	15	83,986	47,108	11,002	1,226	7,559	4,686	873	11,523
Computer Software	15	77,229	43,318	10,117	1,128	6,951	4,309	803	10,596
Comp Software Personal	15	1,498	840	196	22	135	84	16	205
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	181	101	24	3	16	10	2	25
Trans Equip Lt Duty Trks	15	90,153	50,567	11,810	1,316	8,114	5,031	938	12,369
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	1,902	1,067	249	28	171	106	20	261

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection Private	Fire Protection Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	0	0	0	0	0	0	0	0
Tools,Shop,Garage Equip	15	13,159	7,381	1,724	192	1,184	734	137	1,805
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	57,112	27,597	11,639	1,736	9,024	6,899	23	183
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	62,688	35,162	8,212	915	5,642	3,498	652	8,601
Comm Equip Non-Telephone	15	12,407	6,959	1,625	181	1,117	692	129	1,702
Comm Equip Telephone	15	2,483	1,393	325	36	223	139	26	341
Misc Equipment	15	67,456	37,836	8,837	985	6,071	3,764	702	9,255
Other Tangible Property	17	6,726	3,226	1,002	126	745	525	105	995
Total Utility Plant in Service		<u>18,448,957</u>	<u>8,852,084</u>	<u>2,749,038</u>	<u>345,280</u>	<u>2,042,863</u>	<u>1,439,498</u>	<u>288,011</u>	<u>2,730,376</u>
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	(13,261)	(7,438)	(1,737)	(194)	(1,193)	(740)	(138)	(1,819)
Materials and Supplies	15	26,686	14,968	3,496	390	2,402	1,489	278	3,661
Prepayments	15	8,707	4,884	1,141	127	784	486	91	1,195
OPEB's Contributed to External Fund	16	52,902	27,440	6,258	677	4,412	2,508	624	10,988
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(1,189,311)	(570,513)	(177,207)	(22,240)	(131,657)	(92,766)	(18,553)	(176,018)
Pensions	16	(126,678)	(65,708)	(14,986)	(1,621)	(10,565)	(6,005)	(1,495)	(26,311)
Total Other Rate Base Elements		<u>(1,240,955)</u>	<u>(596,366)</u>	<u>(183,036)</u>	<u>(22,861)</u>	<u>(135,818)</u>	<u>(95,028)</u>	<u>(19,194)</u>	<u>(188,305)</u>
Total Original Cost Measure of Value		<u><u>\$ 17,208,002</u></u>	<u><u>\$ 8,255,718</u></u>	<u><u>\$ 2,566,002</u></u>	<u><u>\$ 322,418</u></u>	<u><u>\$ 1,907,045</u></u>	<u><u>\$ 1,344,470</u></u>	<u><u>\$ 268,818</u></u>	<u><u>\$ 2,542,071</u></u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

PSC STAFF STUDY

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)	
T&D OP BASIS FOR FACTOR 11		101,084	47,696	13,629	1,509	10,684	6,866	2,325	18,368	(7.5)
FACTOR 11			0.4719	0.1348	0.0149	0.1057	0.0679	0.0230	0.1817	0.9999
T&D Mnt BASIS FOR FACTOR 12		18,650	7,885	1,150	93	764	24	152	8,581	0.0
FACTOR 12			0.4228	0.0617	0.0050	0.0410	0.0013	0.0082	0.4600	1.0000
A&G BASIS FOR FACTOR 15		539,415	302,635	70,687	7,855	48,528	30,079	5,596	74,000	(34.9)
FACTOR 15			0.5609	0.1310	0.0146	0.0900	0.0558	0.0104	0.1372	0.9999
LABOR BASIS FOR FACTOR 16		335,536	174,001	39,699	4,283	27,990	15,900	3,956	69,685	(21.7)
FACTOR 16			0.5187	0.1183	0.0128	0.0834	0.0474	0.0118	0.2077	1.0001
UPIS BASIS FOR FACTOR 17		18,434,844	8,845,314	2,746,935	345,016	2,041,301	1,438,397	287,791	2,728,287	(1,802.8)
FACTOR 17			0.4797	0.1490	0.0187	0.1107	0.0780	0.0156	0.1480	0.9997
RATE BASE BASIS FOR FACTOR 18		17,208,002	8,255,718	2,566,002	322,418	1,907,045	1,344,470	268,818	2,542,071	(1,459.9)
FACTOR 18			0.4799	0.1491	0.0187	0.1108	0.0781	0.0156	0.1477	0.9999
TOTAL COS BASIS FOR FACTOR 19		2,680,709	1,408,606	377,418	45,070	269,372	178,693	34,428	366,927	(195.6)
FACTOR 19			0.5256	0.1408	0.0168	0.1005	0.0667	0.0128	0.1369	1.0001
COS w/o Fire Factor 20		2,115,514	1,418,756	380,095 #	45,388 #	271,275 #	0			2,115,514
FACTOR 20			0.6706	0.1797	0.0215	0.1282	0.0000			1.0000

Table of Factors - Table Name "FACTORS"

	2 Residential	4 Commercial	6 Industrial	8 Public	10 Resale	12 Private Fire	14 Public Fire	20 Total
1	0.4580	0.2146	0.0360	0.1664	0.1193	0.0006	0.0050	0.9999
2	0.4832	0.2038	0.0304	0.1580	0.1208	0.0004	0.0032	0.9998
3	0.4560	0.1924	0.0287	0.1491	0.1140	0.0065	0.0533	1.0000
4	0.3707	0.1391	0.0158	0.1077	0.0908	0.0300	0.2458	0.9999
5	0.3066	0.1150	0.0130	0.0891	0.0751	0.0437	0.3574	0.9999
6	0.4824	0.2033	0.0303	0.1577	0.1205	0.0006	0.0051	0.9999
7	0.3707	0.1391	0.0158	0.1077	0.0908	0.0300	0.2458	0.9999
8	-	-	-	-	-	-	1.0000	1.0000
9	0.7513	0.1252	0.0133	0.1065	0.0037	-	-	1.0000
10	0.8294	0.0983	0.0034	0.0313	0.0004	0.0372	-	1.0000
11	0.4719	0.1348	0.0149	0.1057	0.0679	0.0230	0.1817	0.9999
12	0.4228	0.0617	0.0050	0.0410	0.0013	0.0082	0.4600	1.0000
13	0.8790	0.0885	0.0019	0.0217	0.0002	0.0088	-	1.0001
14	0.8868	0.0892	0.0019	0.0219	0.0002	-	-	1.0000
15	0.5609	0.1310	0.0146	0.0900	0.0558	0.0104	0.1372	0.9999
16	0.5187	0.1183	0.0128	0.0834	0.0474	0.0118	0.2077	1.0001
17	0.4797	0.1490	0.0187	0.1107	0.0780	0.0156	0.1480	0.9997
18	0.4799	0.1491	0.0187	0.1108	0.0781	0.0156	0.1477	0.9999
19	0.5256	0.1408	0.0168	0.1005	0.0667	0.0128	0.1369	1.0001
20	0.6706	0.1797	0.0215	0.1282	-	-	-	1.0000

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	4,517	2,842	1,658	0	0	0	0	16
Labor & Exp Oper SS	2	1,769	1,113	649	0	0	0	0	6
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		6,286	3,956	2,308	0	0	0	0	23
Misc Exp Oper SS	2	59,277	37,303	21,761	0	0	0	0	213
Misc Exp Oper SS	2	2	1	1	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	313	197	115	0	0	0	0	1
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	655	412	241	0	0	0	0	2
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infilt Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	7	5	3	0	0	0	0	0
Misc Plant Maint SS	2	1,192	750	437	0	0	0	0	4
TOTAL SS EXPENSE - MAINTENANCE		61,447	38,668	22,557	0	0	0	0	221
TOTAL SS EXPENSE		67,733	42,624	24,865	0	0	0	0	244
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	1,183	741	431	5	0	0	0	7
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	17,219	17,123	0	0	0	0	0	96
Labor & Exp Oper Pump	6	67	42	24	0	0	0	0	0
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	0	0	0	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		18,469	17,905	455	5	0	0	0	104

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	3,870	2,423	1,409	15	0	0	0	22
TOTAL PUMPING EXPENSES - MAINTENANCE		3,870	2,423	1,409	15	0	0	0	22
TOTAL PUMPING EXPENSES		22,339	20,329	1,865	20	0	0	0	126
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	29,393	29,228	0	0	0	0	0	165
Labor & Exp Oper WT	2	27,050	17,022	9,930	0	0	0	0	97
Labor & Exp Oper WT	2	8,044	5,062	2,953	0	0	0	0	29
Misc Exp Oper WT	2	27,482	17,294	10,089	0	0	0	0	99
Misc Exp Oper WT	1	598	595	0	0	0	0	0	3
Misc Exp Oper WT	2	1,871	1,177	687	0	0	0	0	7
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		94,437	70,379	23,658	0	0	0	0	400
Super & Eng Maint WT	2	883	556	324	0	0	0	0	3
Struct & Improve Maint WT	2	285	179	105	0	0	0	0	1
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	9,422	5,929	3,459	0	0	0	0	34
WT Equip Maint WT	2	3,245	2,042	1,191	0	0	0	0	12
TOTAL WT EXPENSE - MAINTENANCE		13,836	8,707	5,079	0	0	0	0	50
TOTAL WT EXPENSE		108,272	79,085	28,737	0	0	0	0	450
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	0	0	0	0	0	0	0	0
Storage Facility Exp	5	178	36	0	71	0	0	0	72
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	72,900	17,554	0	35,247	0	0	0	20,106
TD Lines Exp	7	1,568	378	0	758	0	0	0	432
Meter Expense	9	24,150	0	0	0	24,150	0	0	0
Meter Expense	9	63	0	0	0	63	0	0	0
Customer Install Exp	10	2,224	0	0	0	0	2,142	0	83
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	15,513	2,757	0	5,537	3,715	329	0	3,176

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Misc Exp Oper TD	11	39,859	7,083	0	14,226	9,546	845	0	8,159
Misc Exp Oper TD	11	15,526	2,759	0	5,541	3,718	329	0	3,178
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		171,982	30,566	0	61,380	41,193	3,645	0	35,205
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	0	0	0	0	0	0	0	0
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	4,095	0	0	0	0	3,942	0	152
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	5,974	0	0	0	5,974	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	8,581	0	0	0	0	0	0	8,581
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	73,207	0	0	0	23,448	15,483	0	34,276
Mat and Sup Maint TD	12	0	0	0	0	0	0	0	0
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		91,857	0	0	0	29,423	19,426	0	43,009
TOTAL T & D EXPENSE		263,840	30,566	0	61,380	70,616	23,070	0	78,215
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	30,279	0	0	0	0	0	30,279	0
Meter Reading Exp CA	14	212	0	0	0	0	0	212	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	2,562	0	0	0	0	0	2,539	23
Cust Rec & Collection CA	13	49,561	0	0	0	0	0	49,125	436
Uncollectible Accts	13	26,529	0	0	0	0	0	26,295	233
Misc Cust Accts Exp CA	13	4,238	0	0	0	0	0	4,200	37
Misc Cust Accts Exp CA	13	1,475	0	0	0	0	0	1,462	13
Misc Cust Accts Exp CA	13	9,588	0	0	0	0	0	9,503	84
Cust Serv & Info Exp CA	13	(1)	0	0	0	0	0	(1)	(0)
TOTAL CUSTOMER ACCOUNTING EXPENSE		124,441	0	0	0	0	0	123,614	827

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	43,382	10,108	4,460	4,937	5,679	1,857	9,943	6,403
Other Supplies & Exp AG	15	2,466	575	254	281	323	106	565	364
Other Supplies & Exp AG	15	0	0	0	0	0	0	0	0
Other Supplies & Exp AG	15	27,525	6,413	2,830	3,132	3,603	1,178	6,309	4,063
Mgmt Fees-Coporate/Shared Service Center	15	104,878	24,437	10,781	11,935	13,729	4,489	24,038	15,480
Mgmt Fees-Call Center	13	70,734	0	0	0	0	0	70,112	622
Mgmt Fees-Belleville Lab	2	31,037	19,532	11,394	0	0	0	0	112
Mgmt Fees- Financial ITS	15	0	0	0	0	0	0	0	0
Mgmt Fees- Customer Billings ITS	13	0	0	0	0	0	0	0	0
Mgmt Fees-Other ITS	15	113,300	26,399	11,647	12,894	14,831	4,849	25,968	16,723
Outside Services AG	15	7,876	1,835	810	896	1,031	337	1,805	1,163
Outside Services AG	15	4,977	1,160	512	566	651	213	1,141	735
Property Insurance	15	(463)	(108)	(48)	(53)	(61)	(20)	(106)	(68)
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	0	0	0	0	0	0	0	0
Ins Other Oper AG	15	0	0	0	0	0	0	0	0
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	49,341	8,714	3,108	6,799	9,335	3,523	7,036	10,830
Employee Pension & Benefits	16	87,696	15,487	5,525	12,084	16,592	6,261	12,505	19,249
Employee Pension & Benefits	16	36,624	6,468	2,307	5,047	6,929	2,615	5,223	8,039
Employee Pension & Benefits	16	13,014	2,298	820	1,793	2,462	929	1,856	2,857
Reg Commision Exp	15	2,165	504	223	246	283	93	496	320
Rents AG	15	4,897	1,141	503	557	641	210	1,122	723
Goodwill Advertising Exp	15	0	0	0	0	0	0	0	0
Misc Exp AG	15	25,318	5,899	2,603	2,881	3,314	1,084	5,803	3,737
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		624,768	130,861	57,728	63,997	79,343	27,723	173,817	91,350
General Plant Maint AG	15	3,869	902	398	440	506	166	887	571
General Plant Maint AG	15	(520)	(121)	(53)	(59)	(68)	(22)	(119)	(77)
TOTAL A & G EXPENSE - MAINTENANCE		3,349	780	344	381	438	143	768	494
TOTAL A & G EXPENSE		628,117	131,642	58,072	64,378	79,782	27,866	174,584	91,845
Total Operation & Maintenance Expenses		1,214,741	304,246	113,539	125,778	150,398	50,937	298,198	171,706

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
DEPRECIATION EXPENSE									
Struct & Imp SS	2	888	559	326	0	0	0	0	3
Struct & Imp P	6	3,957	2,478	1,441	15	0	0	0	23
Struct & Imp WT	2	13,350	8,401	4,901	0	0	0	0	48
Struct & Imp TD	7	5,255	1,265	0	2,541	0	0	0	1,449
Struct & Imp Offices	15	3,208	748	330	365	420	137	735	474
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	14,191	8,931	5,210	0	0	0	0	51
Supply Mains	2	2,923	1,840	1,073	0	0	0	0	11
Power Generation Equip Othe	6	107	67	39	0	0	0	0	1
Pump Equip Electric	6	6,483	4,060	2,361	25	0	0	0	37
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	95,455	60,070	35,041	0	0	0	0	344
Dist Reservoirs & Standpipe	5	11,924	2,374	0	4,767	0	0	0	4,783
Elevated Tanks & Standpipes	5	1,309	261	0	523	0	0	0	525
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	46,109	11,103	0	22,294	0	0	0	12,717
TD Mains 4 & Less "	4	1,439	346	0	696	0	0	0	397
TD Mains 6 to 8" "	4	30,963	7,456	0	14,970	0	0	0	8,540
TD Mains 10 to 16" "	3	18,011	10,695	6,239	0	0	0	0	1,077
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
Fire Mains	8	1,728	0	0	0	0	0	0	1,728
Services	10	65,101	0	0	0	0	62,679	0	2,422
Meters Bronze Case	9	10,161	0	0	0	10,161	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	3,200	0	0	0	3,200	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	22,988	0	0	0	22,988	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	16,705	0	0	0	0	0	0	16,705
Other P/E Intangible	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	857	200	88	97	112	37	196	126
Comp & Periph Equip	15	12,002	2,796	1,234	1,366	1,571	514	2,751	1,771
Computer Software	15	11,036	2,571	1,134	1,256	1,445	472	2,529	1,629
Comp Software Personal	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	12	3	1	1	2	1	3	2
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	0	0	0	0	0	0	0	0

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	0	0	0	0	0	0	0	0
Tools,Shop,Garage Equip	15	658	153	68	75	86	28	151	97
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	2,284	1,438	839	0	0	0	0	8
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	4,275	996	440	487	560	183	980	631
Comm Equip Non-Telephone	15	620	145	64	71	81	27	142	92
Comm Equip Telephone	15	166	39	17	19	22	7	38	24
Misc Equipment	15	3,373	786	347	384	441	144	773	498
Other Tangible Property	15	336	78	35	38	44	14	77	50
Total Depreciation Expense		<u>411,073</u>	<u>129,857</u>	<u>61,226</u>	<u>49,990</u>	<u>41,132</u>	<u>64,243</u>	<u>8,376</u>	<u>56,261</u>
Amort-Other UP	18	1,657	542	238	269	141	185	11	271
Taxes Other Than Income									
Utility Reg Assessment Fee	19	17,002	4,920	2,057	2,198	1,797	1,472	2,011	2,547
Property Taxes	18	157,066	51,345	22,539	25,539	13,335	17,560	1,084	25,665
FUTA	16	317	56	20	44	60	23	45	70
FICA	16	19,556	3,454	1,232	2,695	3,700	1,396	2,789	4,292
SUTA	16	815	144	51	112	154	58	116	179
Other Taxes & Licenses	15	4,542	1,058	467	517	595	194	1,041	670
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>199,298</u>	<u>60,977</u>	<u>26,366</u>	<u>31,105</u>	<u>19,641</u>	<u>20,704</u>	<u>7,086</u>	<u>33,423</u>
Income Taxes	18	216,640	70,820	31,088	35,226	18,393	24,220	1,495	35,399
Utility Income Available for Return	18	656,467	214,599	94,203	106,742	55,734	73,393	4,530	107,267
Total Cost of Service		<u>2,699,876</u>	<u>781,040</u>	<u>326,660</u>	<u>349,110</u>	<u>285,438</u>	<u>233,682</u>	<u>319,696</u>	<u>404,326</u>
Less: Other Water Revenues	19	0	0	0	0	0	0	0	0
Billing and Collecting Services	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Cost of Service Related to Sales of Water		<u>2,699,876</u>	<u>781,040</u>	<u>326,660</u>	<u>349,110</u>	<u>285,438</u>	<u>233,682</u>	<u>319,696</u>	<u>404,326</u>
Reallocation of Public Fire	20	0	198,128	82,864	88,559	0	0	0	(369,552)
Total		<u>\$ 2,699,876</u>	<u>\$ 979,168</u>	<u>\$ 409,525</u>	<u>\$ 437,669</u>	<u>\$ 285,438</u>	<u>\$ 233,682</u>	<u>\$ 319,696</u>	<u>\$ 34,774</u>
			840,538			8,162	7,097	83,361	
			1.165			34.97	32.93		
Other Water Revenues		(54,043)	(54,043)			2.91	2.74	3.84	
		<u>\$ 2,645,833</u>	<u>\$ 925,125</u>					9.49	

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
RATE BASE									
Organization	17	2,304	752	330	375	196	257	17	377
Franchises	17	5,083	1,660	728	826	433	568	37	832
Land & Ld Rights SS	2	9,981	6,281	3,664	0	0	0	0	36
Land & Ld Rights P	6	0	0	0	0	0	0	0	0
Land & Ld Rights WT	2	511	322	188	0	0	0	0	2
Land & Ld Rights TD	7	142,406	34,291	0	68,853	0	0	0	39,276
Land & Land Rights AG	15	2,222	518	228	253	291	95	509	328
Struct & Imp SS	2	36,246	22,810	13,306	0	0	0	0	130
Struct & Imp P	6	228,732	143,233	83,304	874	0	0	0	1,322
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	819,039	515,421	300,669	0	0	0	0	2,949
Struct & Imp WT Nth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Plt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Plt (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	196,828	47,396	0	95,166	0	0	0	54,285
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	133,680	31,147	13,742	15,213	17,499	5,722	30,639	19,731
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	849,776	534,764	311,953	0	0	0	0	3,059
Supply Mains	2	182,694	114,969	67,067	0	0	0	0	658
Supply Mains Nth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Plt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Plt (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	5,325	3,335	1,939	20	0	0	0	31
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	265,696	166,379	96,766	1,015	0	0	0	1,535
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	12,673	7,936	4,616	48	0	0	0	73
WT Equip Non-Media	2	3,433,628	2,160,782	1,260,485	0	0	0	0	12,361

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
WT Equip Non-Med North (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	0	0	0	0	0	0	0	0
Dist Reservoirs & Standpipe	5	529,958	105,515	0	211,877	0	0	0	212,566
Elevated Tanks & Standpipes	5	58,162	11,580	0	23,253	0	0	0	23,329
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	3,073,928	740,202	0	1,486,244	0	0	0	847,789
TD Mains 4 & Less "	4	95,930	23,100	0	46,382	0	0	0	26,457
TD Mains 6 to 8" "	4	2,064,178	497,054	0	998,030	0	0	0	569,300
TD Mains 10 to 16" "	3	1,200,756	713,009	415,942	0	0	0	0	71,805
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL)	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	115,174	0	0	0	0	0	0	115,174
Services	10	2,113,656	0	0	0	0	2,035,028	0	78,628
Meters Bronze Case	9	418,151	0	0	0	418,151	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	131,677	0	0	0	131,677	0	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	946,004	0	0	0	946,004	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	870,044	0	0	0	0	0	0	870,044
Other P/E Intangible	15	6,121	1,426	629	697	801	262	1,403	903
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	21,417	4,990	2,202	2,437	2,803	917	4,909	3,161
Comp & Periph Equip	15	83,986	19,569	8,634	9,558	10,994	3,595	19,250	12,396
Computer Software	15	77,229	17,994	7,939	8,789	10,109	3,305	17,701	11,399
Comp Software Personal	15	1,498	349	154	170	196	64	343	221
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	181	42	19	21	24	8	41	27
Trans Equip Lt Duty Trks	15	90,153	21,006	9,268	10,259	11,801	3,859	20,663	13,307
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	1,902	443	196	216	249	81	436	281

			Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	0	0	0	0	0	0	0	0
Tools,Shop,Garage Equip	15	13,159	3,066	1,353	1,498	1,723	563	3,016	1,942
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	57,112	35,941	20,966	0	0	0	0	206
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	62,688	14,606	6,444	7,134	8,206	2,683	14,368	9,253
Comm Equip Non-Telephone	15	12,407	2,891	1,275	1,412	1,624	531	2,844	1,831
Comm Equip Telephone	15	2,483	578	255	283	325	106	569	366
Misc Equipment	15	67,456	15,717	6,934	7,676	8,830	2,887	15,461	9,956
Other Tangible Property	17	6,726	2,196	963	1,094	573	751	48	1,100
Total Utility Plant in Service		<u>18,448,957</u>	<u>6,023,270</u>	<u>2,642,158</u>	<u>2,999,673</u>	<u>1,572,509</u>	<u>2,061,282</u>	<u>132,254</u>	<u>3,018,427</u>
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	(13,261)	(3,090)	(1,363)	(1,509)	(1,736)	(568)	(3,039)	(1,957)
Materials and Supplies	15	26,686	6,218	2,743	3,037	3,493	1,142	6,116	3,939
Prepayments	15	8,707	2,029	895	991	1,140	373	1,996	1,285
OPEB's Contributed to External Fund	16	52,902	9,343	3,333	7,290	10,009	3,777	7,544	11,612
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(1,189,311)	(388,310)	(170,309)	(193,382)	(101,329)	(132,846)	(8,563)	(194,571)
Pensions	16	(126,678)	(22,371)	(7,981)	(17,456)	(23,968)	(9,045)	(18,064)	(27,806)
Total Other Rate Base Elements		<u>(1,240,955)</u>	<u>(396,182)</u>	<u>(172,682)</u>	<u>(201,030)</u>	<u>(112,391)</u>	<u>(137,166)</u>	<u>(14,011)</u>	<u>(207,498)</u>
Total Original Cost Measure of Value		<u><u>\$ 17,208,002</u></u>	<u><u>\$ 5,627,087</u></u>	<u><u>\$ 2,469,476</u></u>	<u><u>\$ 2,798,643</u></u>	<u><u>\$ 1,460,118</u></u>	<u><u>\$ 1,924,116</u></u>	<u><u>\$ 118,243</u></u>	<u><u>\$ 2,810,929</u></u>

		Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
T&D OP BASIS FOR FACTOR 11	101,084	17,967	0	36,077	24,213	2,142	0	20,693
FACTOR 11		0.1777	0.0000	0.3570	0.2395	0.0212	0.0000	0.2047
T&D Mnt BASIS FOR FACTOR 12	18,650	0	0	0	5,974	3,942	0	8,733
FACTOR 12		0.0000	0.0000	0.0000	0.3203	0.2115	0.0000	0.4683
A&G BASIS FOR FACTOR 15	539,415	125,659	55,467	61,400	70,616	23,070	123,614	79,597
FACTOR 15		0.2330	0.1028	0.1138	0.1309	0.0428	0.2292	0.1476
LABOR BASIS FOR FACTOR 16	335,536	59,283	21,147	46,237	63,473	23,919	47,848	73,641
FACTOR 16		0.1767	0.0630	0.1378	0.1892	0.0714	0.1426	0.2195
UPIS BASIS FOR FACTOR 17	18,434,844	6,018,662	2,640,137	2,997,378	1,571,306	2,059,706	132,152	3,016,119
FACTOR 17		0.3265	0.1432	0.1626	0.0852	0.1117	0.0072	0.1636
RATE BASE BASIS FOR FACTOR 18	17,208,002	5,627,087	2,469,476	2,798,643	1,460,118	1,924,116	118,243	2,810,929
FACTOR 18		0.3269	0.1435	0.1626	0.0849	0.1118	0.0069	0.1634
TOTAL COS BASIS FOR FACTOR 19	2,680,709	775,616	324,381	346,665	283,357	232,117	317,188	401,459
FACTOR 19		0.2894	0.1210	0.1293	0.1057	0.0866	0.1183	0.1498
COS w/o Fire Factor 20	1,456,811	781,040	326,660	349,110				
FACTOR 20		0.5361	0.2242	0.2396				

	2	4	6	8	10	12	14
	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
1	0.9944	-	-	-	-	-	0.0056
2	0.6293	0.3671	-	-	-	-	0.0036
3	0.5938	0.3464	-	-	-	-	0.0598
4	0.2408	-	0.4835	-	-	-	0.2758
5	0.1991	-	0.3998	-	-	-	0.4011
6	0.6262	0.3642	0.0038	-	-	-	0.0058
7	0.2408	-	0.4835	-	-	-	0.2758
8	-	-	-	-	-	-	1.0000
9	-	-	-	1.0000	-	-	-
10	-	-	-	-	0.9628	-	0.0372
11	0.1777	-	0.3569	0.2395	0.0212	-	0.2047
12	-	-	-	0.3203	0.2115	-	0.4682
13	-	-	-	-	-	0.9912	0.0088
14	-	-	-	-	-	1.0000	-
15	0.2330	0.1028	0.1138	0.1309	0.0428	0.2292	0.1476
16	0.1766	0.0630	0.1378	0.1892	0.0714	0.1426	0.2195
17	0.3265	0.1432	0.1626	0.0852	0.1117	0.0072	0.1636
18	0.3269	0.1435	0.1626	0.0849	0.1118	0.0069	0.1634
19	0.2894	0.1210	0.1293	0.1057	0.0866	0.1183	0.1498
20	0.5361	0.2242	0.2396				

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.

ALLOCATION OF COSTS THAT VARY WITH THE AMT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	1,060.7	0.4580
Commercial	497.1	0.2146
Industrial	83.3	0.0360
Other Public Authority	385.4	0.1664
Sales for Resale	276.2	0.1193
Private Fire Protection	1.4	0.0006
Public Fire Protection	11.6	0.0050
Total	2,315.8	0.9999

FACTOR 2.

**ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.**

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.6329	(4)	(5)=(4)x 0.3671	(6)=(3)+(5)
Residential	0.4580	0.2898	0.5270	0.1934	0.4832
Commercial	0.2146	0.1358	0.1852	0.0680	0.2038
Industrial	0.0360	0.0228	0.0207	0.0076	0.0304
Other Public Authority	0.1664	0.1053	0.1436	0.0527	0.1580
Sales for Resale	0.1193	0.0755	0.1235	0.0453	0.1208
Private Fire Protection	0.0006	0.0004			0.0004
Public Fire Protection	0.0050	0.0032			0.0032
Total	0.9999	0.6328	1.0000	0.3670	0.9998

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

**FACTOR 2. MAX DAY CLASS ALLOCATION AND MAX DAY TO AVERAGE DAY
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.**

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	1,061	1.00	1,061	0.5270
Commercial	497	0.75	373	0.1852
Industrial	83	0.50	42	0.0207
Other Public Authority	385	0.75	289	0.1436
Sales for Resale	276	0.90	249	0.1235
Total	2,303		2,013	1.0000

The weighting of the factors is based on the maximum day ratio of 1.58, based on a review of maximum day ratios experienced during the period 1990 through 2006 (see Schedule D and DR#110).

	Maximum Day Ratio	Weight
Average Day	1.00	0.6329
Maximum Day Extra Capacity	0.58	0.3671
Total	1.58	1.0000

* Ratio of maximum day to average day minus 1.0.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.5972	(4)	(5)=(4) X 0.3464	(6)	(7)=(6) X 0.0564	(8)=(3)+(5)+(7)
Residential	0.4580	0.2734	0.5270	0.1826			0.4560
Commercial	0.2146	0.1282	0.1852	0.0642			0.1924
Industrial	0.0360	0.0215	0.0207	0.0072			0.0287
Other Public Authority	0.1664	0.0994	0.1436	0.0497			0.1491
Sales for Resale	0.1193	0.0712	0.1235	0.0428			0.1140
Private Fire Protection	0.0006	0.0004			0.1089	0.0061	0.0065
Public Fire Protection	0.0050	0.0030			0.8911	0.0503	0.0533
Total	<u>0.9999</u>	<u>0.5971</u>	<u>1.0000</u>	<u>0.3465</u>	<u>1.0000</u>	<u>0.0564</u>	<u>1.0000</u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.

**ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.58 and the average daily system sendout for 2006 of 2.54 MGD. The system demand for fire protection is 300 Gallons per minute for 2 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	2,540,000	0.5972
Maximum Day Extra Capacity	<u>0.58</u>	<u>1,473,200</u>	<u>0.3464</u>
Subtotal	<u>1.58</u>	4,013,200	0.9436
Fire Protection		<u>240,000</u>	<u>0.0564</u>
Total		<u>4,253,200</u>	<u>1.0000</u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2421	(5)	(6)=(5) X 0.4835	(7)	(8)=(7) X 0.2745	(9)=(4)+(6)+(8)
Residential	44.2	0.4580	0.1108	0.5378	0.2599			0.3707
Commercial	20.7	0.2146	0.0520	0.1801	0.0871			0.1391
Industrial	3.5	0.0360	0.0087	0.0146	0.0071			0.0158
Other Public Authority	16.1	0.1664	0.0403	0.1394	0.0674			0.1077
Sales for Resale	11.5	0.1193	0.0289	0.1280	0.0619			0.0908
Private Fire Protection	0.1	0.0006	0.0001			0.1089	0.0299	0.0300
Public Fire Protection	0.5	0.0050	0.0012			0.8911	0.2446	0.2458
Total	96.5	0.9999	0.2420	0.9999	0.4834	1.0000	0.2745	0.9999

The maximum hour extra capacity factors in column 5 are determined as follows:

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.

ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 3.00 and the average daily system sendout for 2006 of 2.70 MGD. The system demand for fire protection is 2000 gallons per minute.

	<u>Ratio</u>	<u>Rate of Flow, (GPM)</u>	<u>Weight</u>
Average Hour	1.00	1,764	0.2421
Maximum Hour			
Extra Capacity	<u>2.00</u>	<u>3,523</u>	<u>0.4835</u>
Subtotal	<u>3.00</u>	<u>5,287</u>	<u>0.7256</u>
Fire Protection		<u>2,000</u>	<u>0.2745</u>
Total		<u>7,287</u>	<u>1.0001</u>

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

<u>Customer Classification</u> (1)	<u>Average Hourly Consumption Thousand Gal.</u> (2)	<u>Maximum Hour Extra Capacity</u>		
		<u>Factor*</u> (3)	<u>1,000 Gallons Per Hour (4)=(2)x(3)</u>	<u>Allocation Factor (5)</u>
Residential	44.2	3.5	154.7	0.5378
Commercial	20.7	2.5	51.8	0.1801
Industrial	3.5	1.2	4.2	0.0146
Other Public Authority	16.1	2.5	40.1	0.1394
Sales for Resale	<u>11.5</u>	<u>3.2</u>	<u>36.8</u>	<u>0.1280</u>
Total	<u>96.0</u>		<u>287.6</u>	<u>0.9999</u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2002	(5)	(6)=(5) X 0.3998	(7)	(8)=(7) X 0.4000	(9)=(4)+(6)+(8)
Residential	44.2	0.4580	0.0917	0.5378	0.2149			0.3066
Commercial	20.7	0.2146	0.0430	0.1801	0.0720			0.1150
Industrial	3.5	0.0360	0.0072	0.0146	0.0058			0.0130
Other Public Authority	16.1	0.1664	0.0334	0.1394	0.0557			0.0891
Sales for Resale	11.5	0.1193	0.0239	0.1280	0.0512			0.0751
Private Fire Protection	0.1	0.0006	0.0001			0.1089	0.0436	0.0437
Public Fire Protection	0.5	0.0050	0.0010			0.8911	0.3564	0.3574
Total	96.5	0.9999	0.2003	0.9999	0.3996	1.0000	0.4000	0.9999

The weighting of the factors is based on the ratio of the capacity required for a 10 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. Continued

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 2 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{2,000 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{600,000 \text{ Gallons}} = 0.4000$$

$$\text{General Service Weight : } 1.0000 - 0.4000 = 0.6000$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	33.36	0.2002
Extra Capacity Maximum Hour	<u>2.00</u>	<u>66.64</u>	<u>0.3998</u>
Total	<u><u>3.00</u></u>	<u><u>100.00</u></u>	<u><u>0.6000</u></u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.9921	(4)	(5)=(4)X 0.0000	(6)	(7)=(6)X 0.0079	(8)=(3)+ (5)+(7)
Residential	0.4832	0.4793	0.4559	0.0000	0.3706	0.0030	0.4823
Commercial	0.2038	0.2022	0.1924	0.0000	0.1391	0.0011	0.2033
Industrial	0.0304	0.0302	0.0287	0.0000	0.0158	0.0001	0.0303
Other Public Authority	0.1580	0.1568	0.1491	0.0000	0.1077	0.0009	0.1577
Sales for Resale	0.1208	0.1198	0.1140	0.0000	0.0908	0.0007	0.1205
Private Fire Protection	0.0004	0.0004	0.0065	0.0000	0.0300	0.0002	0.0006
Public Fire Protection	0.0032	0.0032	0.0533	0.0000	0.2458	0.0019	0.0051
Total	0.9998	0.9919	0.9999	0.0000	0.9998	0.0079	0.9998

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	<u>Horsepower of Pumps</u>	<u>Weight</u>
Associated with Maximum Day	1,010	0.9921
Associated with Maximum Day and Fire	0	0.0000
Associated with Maximum Hour	8	0.0079
Total	1,018	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.

ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0000	(4)	(5)=(4)X 1.0000	(6)=(3)+(5)
Residential	0.4560	0.0000	0.3707	0.3707	0.3707
Commercial	0.1924	0.0000	0.1391	0.1391	0.1391
Industrial	0.0287	0.0000	0.0158	0.0158	0.0158
Other Public Authority	0.1491	0.0000	0.1077	0.1077	0.1077
Sales for Resale	0.1140	0.0000	0.0908	0.0908	0.0908
Private Fire Protection	0.0065	0.0000	0.0300	0.0300	0.0300
Public Fire Protection	0.0533	0.0000	0.2458	0.2458	0.2458
Total	1.0000	0.0000	0.9999	0.9999	0.9999

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains	95,346	0.0000
Distribution Mains	404,280	1.0000
Total	499,626	1.0000

**ALL ASSIGNED TO MAX HOUR
NO FUNCTIONALIZATION OF MAINS**

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.

ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

Customer Classification (1)	Allocation Factor (3)
Public Fire Protection	1.0000
Total	1.0000

FACTOR 9.

ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

Customer Classification (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential	6,132	0.7513
Commercial	1,022	0.1252
Industrial	109	0.0133
Other Public Authority	869	0.1065
Sales for Resale	30	0.0037
Private Fire	0	0.0000
Total	8,162	1.0000

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.

ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	6,113	0.8294
Commercial	724	0.0983
Industrial	25	0.0034
Other Public Authority	231	0.0313
Sales for Resale	3	0.0004
Private Fire Protection	<u>274</u>	<u>0.0372</u>
Total	<u><u>7,371</u></u>	<u><u>1.0000</u></u>

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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.

**ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION
SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.**

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 47,696	0.4719
Commercial	13,629	0.1348
Industrial	1,509	0.0149
Other Public Authority	10,684	0.1057
Sales for Resale	6,866	0.0679
Private Fire Protection	2,325	0.0230
Public Fire Protection	18,368	0.1817
Total	101,077	1.0000

FACTOR 12.

**ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.**

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 7,885	0.4228
Commercial	1,150	0.0617
Industrial	93	0.0050
Other Public Authority	764	0.0410
Sales for Resale	24	0.0013
Private Fire Protection	152	0.0082
Public Fire Protection	8,581	0.4601
Total	\$18,650	1.0000

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.

ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	6,107	0.8790
Commercial	614	0.0885
Industrial	13	0.0019
Other Public Authority	151	0.0217
Sales for Resale	1	0.0002
Private Fire Protection	61	0.0088
Public Fire Protection	0	0.0000
Total	6,947	1.0001

FACTOR 14.

ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	6,107	0.8868
Commercial	614	0.0892
Industrial	13	0.0019
Other Public Authority	151	0.0219
Sales for Resale	1	0.0002
Total	6,886	1.0000

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.

**ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$302,635	0.5611
Commercial	70,687	0.1311
Industrial	7,855	0.0146
Other Public Authority	48,528	0.0900
Sales for Resale	30,079	0.0558
Private Fire Protection	5,596	0.0104
Public Fire Protection	74,000	0.1372
Total	<u>\$539,380</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.

ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$174,001	0.5186
Commercial	39,699	0.1183
Industrial	4,283	0.0128
Other Public Authority	27,990	0.0834
Sales for Resale	15,900	0.0474
Private Fire Protection	3,956	0.0118
Public Fire Protection	69,685	0.2077
Total	<u>\$335,514</u>	<u>1.0000</u>

FACTOR 17.

**ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$8,845,314	0.4799
Commercial	2,746,935	0.1490
Industrial	345,016	0.0187
Other Public Authority	2,041,301	0.1107
Sales for Resale	1,438,397	0.0780
Private Fire Protection	287,791	0.0156
Public Fire Protection	2,728,287	0.1480
Total	<u>\$18,433,041</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT
PSC STAFF STUDY

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.

ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$8,255,718	0.4798
Commercial	2,566,002	0.1491
Industrial	322,418	0.0187
Other Public Authority	1,907,045	0.1108
Sales for Resale	1,344,470	0.0781
Private Fire Protection	268,818	0.0156
Public Fire Protection	2,542,071	0.1477
Total	<u>\$17,206,542</u>	<u>1.0000</u>

FACTOR 19.

**ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND
OTHER WATER REVENUES.**

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$1,408,606	0.5255
Commercial	377,418	0.1408
Industrial	45,070	0.0168
Other Public Authority	269,372	0.1005
Sales for Resale	178,693	0.0667
Private Fire Protection	34,428	0.0128
Public Fire Protection	366,927	0.1369
Total	<u>\$2,680,513</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	6,082.84	6,082.84	424.53	424.53	1.00	1.00	83.20	83.20	0.00	0.00	6,591.57	6,591.57
3/4	1.3	0.01	0.02	7.13	9.26	0.00	0.00	2.00	2.60	0.00	0.00	9.13	11.88
1	1.7	20.33	34.55	78.83	134.00	2.99	5.08	6.00	10.20	0.00	0.00	108.14	183.83
1-1/2	3.5	0.00	0.00	28.52	99.81	1.00	3.50	5.00	17.50	0.00	0.00	34.52	120.81
2	4.3	3.36	14.44	73.46	315.87	5.00	21.50	34.33	147.63	0.17	0.72	116.32	500.16
3	19.0	0.00	0.00	2.03	38.63	1.00	19.00	6.00	114.00	0.00	0.00	9.03	171.63
4	29.3	0.00	0.00	0.00	0.00	2.00	58.60	13.00	380.90	1.00	29.30	16.00	468.80
6	48.4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	112.9	0.00	0.00	0.00	0.00	0.00	0.00	1.00	112.90	0.00	0.00	1.00	112.90
Total		<u>6,106.54</u>	<u>6,131.85</u>	<u>614.49</u>	<u>1,022.11</u>	<u>12.99</u>	<u>108.68</u>	<u>150.53</u>	<u>868.93</u>	<u>1.17</u>	<u>30.02</u>	<u>6,885.71</u>	<u>8,161.58</u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT
PSC STAFF STUDY

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services	Weighting (4)=(2)X(3)	Number of Services	Weighting (6)=(2)X(5)	Number of Services	Weighting (8)=(2)X(7)	Number of Services	Weighting (10)=(2)X(9)	Number of Services	Weighting (12)=(2)X(11)	Number of Services	Weighting (14)=(2)X(11)	Number of Services	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	6,082.85	6,082.85	431.66	431.66	1.00	1.00	85.19	85.19	0.00	0.00	0.00	0.00	6,600.71	6,600.71
1	1.17	20.33	23.78	78.83	92.23	2.99	3.49	6.00	7.02	0.00	0.00	0.00	0.00	108.14	126.52
1-1/2	1.58	0.00	0.00	28.52	45.06	1.00	1.58	5.00	7.90	0.00	0.00	0.00	0.00	34.52	54.54
2	2.04	3.36	6.85	73.46	149.86	5.00	10.20	34.33	70.04	0.17	0.34	2.00	4.08	118.32	241.37
3	2.73	0.00	0.00	2.03	5.55	1.00	2.73	6.00	16.38	0.00	0.00	1.00	2.73	10.03	27.39
4	2.88	0.00	0.00	0.00	0.00	2.00	5.76	13.00	37.44	1.00	2.88	11.00	31.68	27.00	77.76
6	4.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.00	114.48	27.00	114.48
8	6.98	0.00	0.00	0.00	0.00	0.00	0.00	1.00	6.98	0.00	0.00	16.00	111.68	17.00	118.66
10	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	9.50	1.00	9.50
12	12.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		<u>6,106.54</u>	<u>6,113.49</u>	<u>614.49</u>	<u>724.35</u>	<u>12.99</u>	<u>24.76</u>	<u>150.53</u>	<u>230.95</u>	<u>1.17</u>	<u>3.22</u>	<u>58.00</u>	<u>274.15</u>	<u>6,943.71</u>	<u>7,370.92</u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT
PSC STAFF STUDY

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	2	8	
3 -inch	9.00	0	0	
4 -inch	16.00	11	176	
6 -inch	36.00	27	972	
8 -inch	64.00	16	1,024	
10 -inch	100.00	1	100	
12 -inch	144.00	0	0	
Private Hydrants	32.75	4	131	
Total Private Fire Protection		61	2,411	0.1089
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	0	0
6" Valve	2- 2-1/2" & 1- 4"	28.50	692	19,722
Total Public Fire Protection		692	19,722	0.8911
Total Fire Protection		753	22,133	1.0000

Missouri-American Water Company
Rate Making Income Statement-Cedar Hill Sewer

Operating Revenues at Current Rates

1	Tariffed Rate Revenues *	\$	187,586
2	Other Operating Revenues *	\$	240
3	Total Operating Revenues	\$	187,826
4	* See "Revenues - Current Rates" for Details		

Cost of Service

Item	Amount
1 Operating Expense-Source of Supply	\$ 731
2 Operating Expense-Pumping	\$ 8,355
3 Operating Expense-Water & Treatment	\$ 20,454
4 Operating Expense-Transmission & Distribution	\$ 2,377
5 Customer Accounts	\$ 5,288
6 Administration & General - Salaries	\$ 184,273
7 Regulatory Commission Expense	\$ -
8 Miscellaneous General Expenses	\$ -
9 Sub-Total Operating Expenses	\$ 221,478
10 Taxes Other Than Income	\$ 4,245
11 State & Federal Income Taxes	\$ 5,887
12 Sub-Total Taxes	\$ 10,132
13 Depreciation Expense	\$ 17,233
14 Amortization Expense	\$ -
15 Sub-Total Depreciation/Amortization	\$ 17,233
16 Return on Rate Base	\$ (3,572)
17 Total Cost of Service	\$ 245,271
18 Overall Revenue Increase Needed	\$ 57,445

Missouri-American Water Company

Revenue Annualizations at Current Rates-Cedar Hill Sewer

Annualized Customer Counts and Customer Charge Revenues

Retail Metered Customers

Customer Type	Non-Metered Customers	Metered Customers	Total Customers	Rate *	Annual Revenue
Single Family Residence	566	33	600	\$ 18.00	\$ 129,510
Mobile Home in MH Park	102	0	102	\$ 16.20	\$ 19,764
Multi Family Residence	25	0	25	\$ 14.40	\$ 4,306
Commercial	21	0	21	\$ 18.00	\$ 4,441
Total					\$ 158,020

*monthly service charge includes 6,000 gallons

Annualized Commodity Sales - Volumes and Revenues

sales shown in M gallons

Customer Type	Gallons*	Rate	Annual Revenue
Single Family Residence	13,946.0	\$ 2.120	\$ 29,566
Mobile Home in MH Park	-	\$ 2.120	\$ -
Multi Family Residence	-	\$ 2.120	\$ -
Commercial	-	\$ 2.120	\$ -
Total			\$ 29,566

*Usage over 6,000 gallons

Other Operating Revenues

Miscellaneous Revenues	\$ 240
Total Other Revenues	\$ 240

Total Operating Revenues

Service Charges - Retail Customers	\$ 158,020
Commodity Revenues - Retail Customers	\$ 29,566
Sub-Total Tariffed Rate Revenues	\$ 187,586
Other Operating Revenues	\$ 240
Total Operating Revenues	\$ 187,826

Missouri-American Water Company

Development of Tariffed Rates-Cedar Hill Sewer

Revenues Generated by Current Tariffed Rates	\$ 187,586
Agreed-Upon Overall Revenue Increase	\$ 57,445
Percentage Increase Needed	30.623%

Metered Customer Rates

Customer Type	Current Service Charge	Proposed Service Charge	Current Usage Rate	Proposed Usage Rate
Single Family Residence	\$ 18.00	\$ 23.51	\$ 2.120	\$ 2.769
Mobile Home in MH Park	\$ 16.20	\$ 21.16	\$ 2.120	\$ 2.769
Multi Family Residence	\$ 14.40	\$ 18.81	\$ 2.120	\$ 2.769
Commercial	\$ 18.00	\$ 23.51	\$ 2.120	\$ 2.769

Missouri-American Water Company

Revenue Annualizations at Proposed Rates-Cedar Hill Sewer

Annualized Customer Counts and Customer Charge Revenues

Retail Metered Customers

Customer Type	Residential	Business	Total Meters	Rate *	Annual Revenue
Single Family Residence	566	33	600	\$ 23.51	\$ 169,170
Mobile Home in MH Park	102	0	102	\$ 21.16	\$ 25,816
Multi Family Residence	25	0	25	\$ 18.81	\$ 5,624
Commercial	21	0	21	\$ 23.51	\$ 5,800
Total	713	33	747		\$ 206,411

monthly service charge

Annualized Commodity Sales - Volumes and Revenues

sales shown in M gallons

Customer Type	Residential	Business	Total Sales	Rate	Annual Revenue
Single Family Residence	-	13,946.0	13,946.0	\$ 2.769	\$ 38,620
Mobile Home in MH Park	-	-	-	\$ 2.769	\$ -
Multi Family Residence	-	-	-	\$ 2.769	\$ -
Commercial	-	-	-	\$ 2.769	\$ -
Total	-	13,946.0	13,946.0		\$ 38,620

volumes adjusted as needed per net revenue annualization at current rates

Other Operating Revenues

Miscellaneous Revenues	\$ 240
Total Other Revenues	\$ 240

Total Operating Revenues

Service Charges - Retail Customers	\$ 206,411
Commodity Revenues - Retail Customers	\$ 38,620
Sub-Total Tariffed Rate Revenues	\$ 245,031
Other Operating Revenues	\$ 240
Total Revenues at Proposed Rates	\$ 245,271

Revenue Check - Proposed Rates vs. Current Rates

Total Revenues at Proposed Rates	\$ 245,271
Total Revenues at Current Rates	\$ 187,826
Increase In Revenues at Proposed Rates	\$ 57,445
Agreed-Upon Increase in Operating Revenues	\$ 57,445

Missouri-American Water Company

Residential Customer Bill Comparison-Cedar Hill Sewer

Rates for 5/8" Meter

<u>Current Base</u> <u>Customer Charge</u>	<u>Proposed Base</u> <u>Customer Charge</u>	<u>Current</u> <u>Usage Rate</u>	<u>Proposed</u> <u>Usage Rate</u>
\$18.00	\$23.51	\$2.120	\$2.769

current service charge is monthly charge

MONTHLY BILL COMPARISON

Current Rates

Customer Charge	\$ 18.00
Usage Charge	\$ 12.72
Total Bill	\$ 30.72

Proposed Rates

Customer Charge	\$ 23.51
Usage Charge	\$ 16.62
Total Bill	\$ 40.13

INCREASES

Customer Charge

\$ Increase	\$5.51
% Increase	30.62%

Usage Charge

\$ Increase	\$3.90
% Increase	30.62%

Total Bill

\$ Increase	\$9.41
% Increase	30.62%

Missouri-American Water Company

Rate Making Income Statement-Parkville Sewer

Operating Revenues at Current Rates

1	Tariffed Rate Revenues *	\$ 49,865
2	Other Operating Revenues *	\$ 44
3	Total Operating Revenues	\$ 49,909

4 * See "Revenues - Current Rates" for Details

Cost of Service

Item	Amount
1 Operating Expense-Source of Supply	\$ -
2 Operating Expense-Pumping	\$ (35)
3 Operating Expense-Water & Treatment	\$ 39,883
4 Operating Expense-Transmission & Distribution	\$ 703
5 Customer Accounts	\$ 914
6 Administration & General - Salaries	\$ 10,018
7 Regulatory Commission Expense	\$ -
8 Miscellaneous General Expenses	\$ -
9 Sub-Total Operating Expenses	\$ 51,483
10 Taxes Other Than Income	\$ 214
11 State & Federal Income Taxes	\$ 603
12 Sub-Total Taxes	\$ 817
13 Depreciation Expense	\$ 1,330
14 Amortization Expense	\$ 1,831
15 Sub-Total Depreciation/Amortization	\$ 3,161
16 Return on Rate Base	\$ 2,106
17 Total Cost of Service	\$ 57,567
18 Overall Revenue Increase Needed	\$ 7,658

Missouri-American Water Company

Revenue Annualizations at Current Rates-Parkville Sewer

Annualized Customer Counts and Customer Charge Revenues

Retail Metered Customers

Customer Type	Residential	Business	Total Meters	Rate *	Annual Revenue
Residential	102	0	102	\$ 40.94	\$ 49,865
Total	102	0	102		\$ 49,865

*monthly service charge

Other Operating Revenues

Miscellaneous Revenues	\$ 44
Total Other Revenues	\$ 44

Total Operating Revenues

Service Charges - Retail Customers	\$ 49,865
Sub-Total Tariffed Rate Revenues	\$ 49,865
Other Operating Revenues	\$ 44
Total Operating Revenues	\$ 49,909

Missouri-American Water Company

Development of Tariffed Rates-Parkville Sewer

Revenues Generated by Current Tariffed Rates	\$	49,865
Agreed-Upon Overall Revenue Increase	\$	7,658
Percentage Increase Needed		15.358%

Metered Customer Rates

Customer Type	Current Service Charge	Proposed Service Charge
Residential	\$ 40.94	\$ 47.23

Missouri-American Water Company

Revenue Annualizations at Proposed Rates-Parkville Sewer

Annualized Customer Counts and Customer Charge Revenues

Retail Metered Customers

Customer Type	Residential	Business	Total Meters	Rate *	Annual Revenue
Residential	102	0	102	\$ 47.23	\$ 57,523
Total	102	0	102		\$ 57,523

monthly service charge

Other Operating Revenues

Miscellaneous Revenues - Service Lines	\$ 44
Total Other Revenues	\$ 44

Total Operating Revenues

Service Charges - Retail Customers	\$ 57,523
Sub-Total Tariffed Rate Revenues	\$ 57,523
Other Operating Revenues	\$ 44
Total Revenues at Proposed Rates	\$ 57,567

Revenue Check - Proposed Rates vs. Current Rates

Total Revenues at Proposed Rates	\$ 57,567
Total Revenues at Current Rates	\$ 49,909
Increase In Revenues at Proposed Rates	\$ 7,658
Agreed-Upon Increase in Operating Revenues	\$ 7,658

Missouri-American Water Company

Residential Customer Bill Comparison-Parkville Sewer

Rates for 5/8" Meter

<u>Current Base</u>	<u>Proposed Base</u>
<u>Customer Charge</u>	<u>Customer Charge</u>
\$40.94	\$47.23

current service charge is monthly charge

MONTHLY BILL COMPARISON

Current Rates

Customer Charge \$ 40.94

Proposed Rates

Customer Charge \$ 47.23

INCREASES

Customer Charge

\$ Increase **\$6.29**

% Increase **15.36%**

Missouri-American Water Company

Rate Making Income Statement-Warren County Sewer

Operating Revenues at Current Rates

1	Tariffed Rate Revenues *	\$ 83,179
2	Other Operating Revenues *	\$ 159
3	Total Operating Revenues	\$ 83,338
4	* See "Revenues - Current Rates" for Details	

Cost of Service

Item	Amount
1 Operating Expense-Source of Supply	\$ -
2 Operating Expense-Pumping	\$ (127)
3 Operating Expense-Water & Treatment	\$ 10,203
4 Operating Expense-Transmission & Distribution	\$ 53,546
5 Customer Accounts	\$ 3,440
6 Administration & General - Salaries	\$ 107,148
7 Regulatory Commission Expense	\$ -
8 Miscellaneous General Expenses	\$ -
9 Sub-Total Operating Expenses	\$ 174,210
10 Taxes Other Than Income	\$ 3,570
11 State & Federal Income Taxes	\$ 30,826
12 Sub-Total Taxes	\$ 34,396
13 Depreciation Expense	\$ 44,140
14 Amortization Expense	\$ -
15 Sub-Total Depreciation/Amortization	\$ 44,140
16 Return on Rate Base	\$ 45,128
17 Total Cost of Service	\$ 297,874
18 Overall Revenue Increase Needed	\$ 214,536

Missouri-American Water Company

Revenue Annualizations at Current Rates-Warren County Sewer

Annualized Customer Counts and Customer Charge Revenues

Retail Metered Customers

Customer Type	Residential Customers	Commercial Customers	Total Customers	Rate *	Annual Revenue
Residential	380	2	382	\$ 18.14	\$ 83,179
Total					\$ 83,179

*monthly service charge

Other Operating Revenues

Miscellaneous Revenues - Service Lines	\$ 159
Total Other Revenues	\$ 159

Total Operating Revenues

Service Charges - Retail Customers	\$ 83,179
Sub-Total Tariffed Rate Revenues	\$ 83,179
Other Operating Revenues	\$ 159
Total Operating Revenues	\$ 83,338

Missouri-American Water Company

Development of Tariffed Rates-Warren County Sewer

Revenues Generated by Current Tariffed Rates	\$ 83,179
Agreed-Upon Overall Revenue Increase	\$ 214,536
Percentage Increase Needed	257.920%

Metered Customer Rates

Customer Type	Current Service Charge	Proposed Service Charge
Single Family Residence	\$ 18.14	\$ 64.93

Missouri-American Water Company

Revenue Annualizations at Proposed Rates-Warren County Sewer

Annualized Customer Counts and Customer Charge Revenues

Retail Metered Customers

Customer Type	Residential	Business	Total Meters	Rate *	Annual Revenue
Residential	380	2	382	\$ 64.93	\$ 297,715
Total	380	2	382		\$ 297,715

monthly service charge

Other Operating Revenues

Miscellaneous Revenues - Service Lines	\$ 159
Total Other Revenues	\$ 159

Total Operating Revenues

Service Charges - Retail Customers	\$ 297,715
Sub-Total Tariffed Rate Revenues	\$ 297,715
Other Operating Revenues	\$ 159
Total Revenues at Proposed Rates	\$ 297,874

Revenue Check - Proposed Rates vs. Current Rates

Total Revenues at Proposed Rates	\$ 297,874
Total Revenues at Current Rates	\$ 83,338
Increase In Revenues at Proposed Rates	\$ 214,536
Agreed-Upon Increase in Operating Revenues	\$ 214,536

Missouri-American Water Company

Residential Customer Bill Comparison-Warren County Sewer

Rates for 5/8" Meter

<u>Current Base</u>	<u>Proposed Base</u>
<u>Customer Charge</u>	<u>Customer Charge</u>
\$18.14	\$64.93

current service charge is monthly charge

MONTHLY BILL COMPARISON

Current Rates

Customer Charge \$ 18.14

Proposed Rates

Customer Charge \$ 64.93

INCREASES

Customer Charge

\$ Increase	\$46.79
% Increase	257.92%