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Witness:

Case No.:

Sponsoring Party:

Date Testimony Prepared:

Type of Exhibit:

District Allocation of Costs, Business Transformation, Service Company Costs Kimberly K. Bolin MoPSC Staff Surrebuttal Testimony WR-2015-0301 March 4, 2016

MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

AUDITING

SURREBUTTAL TESTIMONY

OF

KIMBERLY K. BOLIN

Staff Exhibit No. 8 Date 3-21-14 Reporter File No WR-2015-0301

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MISSOURI-AMERICAN WATER COMPANY

CASE NO. WR-2015-0301

Stall Ex 8

Jefferson City, Missouri March 2016

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1		SURREBUTTAL TESTIMONY
2		OF
3		KIMBERLY K. BOLIN
4		MISSOURI-AMERICAN WATER COMPANY
5		CASE NO. WR-2015-0301
6	Q.	Please state your name and business address.
7	Α.	Kimberly K. Bolin, 200 Madison Street, Suite 440, Jefferson City, MO 65102.
8	Q.	By whom are you employed and in what capacity?
9	А.	I am employed by the Missouri Public Service Commission ("Commission")
10	as a Utility R	egulatory Auditor V.
11	Q.	Are you the same Kimberly K. Bolin who has filed portions of the
12	Commission S	Staff's ("Staff") Cost of Service Report and Rebuttal Testimony in this case?
13	А.	Yes.
14	Q.	What is the purpose of your surrebuttal testimony?
15	А.	The purpose of my surrebuttal testimony is to respond to the rebuttal testimony
16	of Missouri-A	American Water Company's (MAWC) witness Jeanne M. Tinsley concerning
17	MAWC's pro	posed \$20 per year per customer "cap" on corporate administrative and general
18	("A&G") and	service company costs allocated to small water and sewer districts. I also
19	address MAW	C's Business Transformation costs and the study provided by MAWC in the
20	rebuttal testim	ony of Mr. Patrick Baryenbruch concerning service company costs.
21	DISTRICT A	LLOCATION OF COSTS
22	Q.	On page 27, lines 17-19, of MAWC witness Jeanne M. Tinsley's rebuttal
23	testimony she	states that the average cost per customer of corporate A&G/service company

Page 1

Surrebuttal Testimony of Kimberly K. Bolin

expenses for the districts with less than 3,000 customers would be in the range of \$50 per
customer to over \$300 per customer compared to less than \$20 per customer for the larger
districts. Is Ms. Tinsley referring to monthly or annual amounts?

A. The range cited in Ms. Tinsley's rebuttal testimony is a monthly per
customer range. The Company has proposed to allocate only \$20 per year per customer of
corporate and service company costs to its small water and sewer districts with less than
3,000 customers.

8

Q. Is Ms. Tinsley analysis of the allocations per customer correct?

9 Α. No, Ms. Tinsley's analysis contains several errors. The Company incorrectly 10 calculated the Net Utility Plant allocation factor and the Hybrid Massachusetts allocation 11 factor. The Company used plant values for the larger districts rounded to omit the last three 12 numerical digits and did not do the same for the smaller district plant values. For example, 13 the Company's calculation shows the St. Louis district having net utility plant of \$1,019,526 14 when the correct net utility plant is approximately \$1,019,526,000. However, MAWC 15 correctly uses net utility plant of \$2,518,975 for Brunswick. This error resulted in MAWC 16 allocating fewer costs to larger water districts, and more costs to smaller districts. This error 17 also caused an incorrect calculation of the Hybrid Massachusetts allocation since it uses an 18 average of the allocation percentages of number of customers, number of employees, and net 19 utility plant. This allocation factor is used for service company costs and a majority of 20 corporate A&G costs.

21

Q.

What results do the correct allocation factors produce?

A. Attached is Schedule KKB-s1 which shows that range referred to in witness
Tinsley's rebuttal testimony, using the correct allocation factors. The small district monthly

Surrebuttal Testimony of Kimberly K. Bolin

range is \$9.11 to \$57.44 per customer and the large district monthly range is \$7.89 to \$15.15 1 2 per customer.

3 Q. What would the monthly allocated costs per customer be under the Company's 4 proposal to allocate \$20 annually to the small districts?

5 A. Under MAWC's proposal, the monthly allocated costs for customers in small 6 districts would be \$1.67 per customer per month, while the monthly allocated costs for 7 customers in large districts would range from \$8.05 to \$15.42. MAWC's proposal would 8 unjustly assign a disproportion share of these costs to the large districts.

9

In your Schedules KKB-r1 and KKB-r2 attached to your rebuttal, you show Q. 10 higher allocated costs to the MAWC districts than what you have calculated here. Why are 11 the allocated amounts higher in your rebuttal testimony?

12 Α. The calculations used in my rebuttal testimony included income tax expense as 13 an allocated cost. For ratemaking purposes, Staff does not allocate income taxes like other 14 expenses, but instead performs an annualization of the income taxes for each district based 15 upon the revenue received during the test year and the amount of increased revenue that the 16 district will receive after new rates set by this rate case go into effect. Attached to this 17 testimony is Schedule KKB-s2, which shows Staff's allocation of costs without income taxes.

18 0. On page 27, lines 30-31, Ms. Tinsley states in her rebuttal testimony that "Staff 19 gave no reason but only stated that it did not assign an annual per customer limit for corporate 20 allocation to small districts." Why does Staff believe an annual per customer limit is not needed for corporate and service company allocated costs? 21

22 A. Staff allocated the test year costs to each district using the appropriate 23 allocation factor for each cost to determine whether the smaller districts were receiving more Surrebuttal Testimony of Kimberly K. Bolin

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1	allocated costs on a per customer basis than the larger districts. Staff found that the
2	Parkville Water District had the most per customer allocated costs among the larger districts,
3	with \$181.81 annually per customer, while ten of the smaller water and sewer districts
4	had less than \$181.81 annually allocated to their district. In general, the Schedules KKB-s1
5	and KKB-s2 do not show that a disproportionate amount of corporate A&G and service
6	company costs would be allocated to the small districts under Staff's proposal of allocating
7	costs to all districts.
8	Q. What percentage of Service Company and corporate costs would the larger
9	districts be allocated under Staff's proposed method?
10	A. The larger districts would be allocated 97.8% of total service company and
11	corporate costs while the smaller districts would be allocated approximately 2.2%.
12	Q. What percentage of Service Company and corporate costs would be allocated
13	to the districts under MAWC's proposal?
14	A. MAWC would allocate 99.7% of the total service company and corporate costs
15	to the larger districts, and only 0.3% of those costs to the smaller districts.
16	BUSINESS TRANSFORMATION
17	Q. In your rebuttal testimony, you mention that Staff is concerned about the
18	allocation of Business Transformation costs to Missouri. Is this still true?
19	A. Yes. Based upon inconsistent responses by MAWC to two Staff data requests,
20	Staff cannot determine the actual cost of the Business Transformation program, and
21	therefore is unable to determine if the amount allocated to Missouri is correct. Attached as
22	Schedule KKB-s3 is MAWC's response to Staff Data Request No. 401, which states,
23	"The amount of Business Transformation Project costs allocated between regulated entities,
I	

Surrebuttal Testimony of Kimberly K. Bolin

through Service Company, was \$289.5M of which MAWC received \$41.7M." The response also refers to Staff Data Request No. 182, which is attached as Schedule KKB-s4. MAWC's response to Staff Data Request No. 182, includes an eight page document showing the total costs of the Business Transformation project as \$327,747,028 (page 1 of the document) with \$46,739,196 (page 5 of the document) being allocated to Missouri. Staff has issued another data request concerning this discrepancy.

Q. Does Staff believe the Business Transformation costs have been properly
allocated to American Water's 'non-regulated' or 'market based' affiliates?

A. Staff is unsure at this time. Staff's position is that it is reasonable to allocate a
portion of the Business Transformation costs to American Water's non-regulated operations.
Based on the responses to Staff Data Request Nos. 401 and 182, Staff is not certain what the
total Business Transformation cost is and if the correct total includes the costs allocated to the
non-regulated affiliates. MAWC has not provided Staff with the information necessary to
determine if the costs were properly allocated between regulated and non-regulated entities.

15

SERVICE COMPANY COSTS

Q. Have you reviewed MAWC witness Patrick L. Baryenbruch's rebuttal
testimony and attached Schedule PLB-1?

A. Yes, however to evaluate all of the information contained within
Mr. Baryenbruch's rebuttal testimony at this stage of the rate case is not feasible.
Mr. Baryenbruch's testimony and study should have been introduced at the direct testimony
filing to provide an opportunity for proper review and analysis.

Surrebuttal Testimony of Kimberly K. Bolin

Q. Has Staff reviewed the workpapers supporting Mr. Baryenbruch's study?
 A. No. MAWC has not provided the workpapers supporting Mr. Baryenbruch's
 study. Staff tried to analyze several FERC Form 60s that Mr. Baryenburch said he used in
 developing comparison costs for the service company, but was unable to produce the same
 results as Mr. Baryenburch. Staff has not been able to verify that the information used in this
 study was correct.

Q. Is Staff concerned that the information Mr. Baryenburch uses to
compare Service Company costs may not be accurate comparisons to the service company
costs for MAWC?

A. Yes. Mr. Baryenburch included electric and natural gas service company costs
in his comparison. Staff is not convinced that this is an appropriate "apples to apples"
comparison since Staff has not been able to analyze the data.

Q. Does this conclude your surrebuttal testimony?

14 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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In the Matter of Missouri-American Water Company's Request for Authority to Implement a General Rate Increase for Water and Sewer Service Provided in Missouri Service Areas

Case No. WR-2015-0301

AFFIDAVIT OF KIMBERLY K. BOLIN

STATE OF MISSOURI)	
)	ss.
COUNTY OF COLE)	

COMES NOW KIMBERLY K. BOLIN and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing SURREBUTTAL TESTIMONY; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 3rd day of March, 2016.

D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: December 12, 2016 Commission Number: 12412070

Notary Public

MISSOURI-AMERICAN WATER COMPANY CASE NO. WR-2015-0301

Monthly Customer Costs Based upon Test Year Corporate and Service Company Costs

LARGE WATER DISTRICTS

	St	. Louis	St. Joseph			Joplin	Je	fferson City	Wa	irrensburg	Parkville			Mexico	Tri	-States
Staff Proposal Annual Per Customer Cost Monthly Per Customer Cost	\$ \$	126.98 10.58	\$ \$	134.97 11.25	\$ \$	165.62 13.80	\$ \$	165.62 13.80	\$ \$	115 <i>.</i> 05 9.59	\$ \$	181.81 15.15		153.05 12.75	\$ \$	94.69 7.89
Company Proposal Annual Per Customer Cost Monthly Per Customer Cost	\$ \$	129.48 10.79	\$ \$	137.57 11.46	\$ \$	168.82 14.07	•	146.27 12.19	\$ \$	117.20 9.77	\$ \$	185.03 15.42	\$ \$	155.92 12.99	\$ \$	96.64 8.05

SMALL WATER DISTRICTS

	Maple/River/ Stonebridge	Ozark Mtn/LTA	Brunswick	Emerald Pointe	Whitebranch	Spring Vailey/LWM	Saddlebrooke	Rankin Acres	Anna Meadows
Staff Proposal Annual Per Customer Cost Monthly Per Customer Cost		\$ 114.11 \$ 9.51	\$	\$ \$ 9.11		\$ 179.21 \$ 14.93		\$ 224.01 \$ 18.67	•
Company Proposal Annual Per Customer Cost Monthly Per Customer Cost	\$ 20.00 \$ 1.67	\$ 20.00 \$ 1.67				•		\$ 20.00 \$ 1.67	•

SEWER DISTRICTS

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	Jeffe	erson City WW	Ce	dar Hill WW	Sto	nebridge WW	I	Merame WW	20		Warren County WW	Emi	erald Pointe WW	м	laplewood WW	P	arkville WW	Sad	idlebrooke WW		Anna leadows WW	Me)zark adows WW
Staff Proposal Annual Per Customer Cost Monthly Per Customer Cost	\$ \$	208.63 17.39		153.91 12.83	1	128.34 10.70			2.67 0.22	- C	204.64 17.05		127.88 10.66		123.78 10.32	\$ \$	331.63 27.64	•	526.34 43.86	\$ \$	245.94 20.50		114.11 9.51
Company Proposal Annual Per Customer Cost Monthly Per Customer Cost	\$ \$	20.00 1.67		20.00 1.67	\$ \$	20.00 1.57			0.00 1.67		20.00 1.67	\$ \$	20.00 1.67	- C	20.00 1.67	\$ \$	20.00 1.67	\$ \$	20.00 1.67	\$ \$	20.00 1.67	\$ \$	20.00 1.67

Highest per customer charge for large districts Under highest per customer charge for large districts

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MISSOURI-AMERICAN WATER COMPANY

CASE NO. WR-2015-0301

Allocation of Staff's Adjusted Corporate and Service Company Costs (without income taxes)

LARGE WATER DISTRICTS

	St. Louis	5	st. Joseph	Joplin	Je	fferson City	w	/arrensburg	Parkville	Mexico	Tri-States	Total Large Districts
Company Proposal												
Allocated with \$20 cap (Company	\$ 37,537,331	\$	3,561,021	\$ 3,251,002	\$	1,245,948	\$	710,234	\$ 905,932	\$ 635,063	\$ 297,934	\$ 48,145,466
Annual Per Customer Cost	\$ 102.59	\$	111.27	\$ 136.75	\$	114.82	\$	94.01	\$ 152.45	\$ 128.92	\$ 89.69	
Percentage of Total Aliocated Costs Staff Proposal	77.48%		7.35%	6.71%		2.57%		1.47%	1.87%	1.31%	0.61%	99.38%
Allocated without \$20 cap (Staff)	\$ 36,578,360	\$	3,444,790	\$ 3,122,697	\$	1,249,771	\$	689,690	\$ 860,507	\$ 599,934	\$ 247,947	\$ 46,793,695
Annual Per Customer Cost	\$ 99.97	\$	107.64	\$ 131.35	\$	115.18	\$	91.29	\$ 144.65	\$ 121.79	\$ 74.64	
Percentage of Total Allocated Costs	75,51%		7.11%	6.45%		2.58%		1.42%	1.78%	1.24%	0.51%	96.59%

		SMALL WATER DISTRICTS																	
	Ma	pie/River/		Ozark				Emerald				Spring				Rankin	Аппа	Te	otal Small
	Sto	Stonebridge Mtn/LTA		/ltn/LTA	В	runswick		Pointe	W	hitebranch	Valley/LWM		Saddlebrooke			Acres	Meadows		Districts
Company Proposal																			
Allocated with \$20 cap (Company	\$	27,440	\$	9,860	\$	8,200	\$	6,520	\$	2,720	\$	2,680	\$	1,780	\$	1,720	\$ 1,600	\$	62,520
Annual per Customer Cost	\$	20.00	\$	20.00	\$	20.00	\$	20.00	\$	20.00	\$	20.00	\$	20.00	\$	20.00	\$ 20.00		
Percentage of Total Allocated Costs		0.06%		0.02%		0.02%		0.01%		0.006%		0.006%		0.004%		0.004%	0.003%		0.13%
Staff Proposal																			
Allocated without \$20 cap (Staff)	\$	119,703	\$	45,715	\$	87,576	\$	28,262	\$	19,713	\$	19,021	\$	15,827	\$	15,043	\$ 15,866	\$	366,727
Annual Per Customer Cost	\$	87.25	\$	92.73	\$	213.60	\$	86.69	\$	144.95	\$	141.95	\$	177.84	\$	174.92	\$ 198.32		
Percentage of Total Allocated Costs		0.25%		0.09%		0.18%		0.05%		0.04%		0.04%		0.03%		0.03%	0.03%		0.76%

								SEWE	R DI	STRICTS											
							Warren	Emerald	ł						Anna		Ozark				
	Jef	ferson City	Cedar Hill	Sto	onebridge	Meramec	County	Pointe	2	Maplewood	p	arkville	Saddlebrook	t :	Meadows	M	eadows	1	Arnold	T	otal Sewer
•		ww	WW		ww	ww	ww	WW	/	ww		ww	ŴŴ	/	ww		₩₩		ww		Districts
Company Proposal																					
Allocated with \$20 cap (Company		27,160	14,600		13,760	12,200	8,280	7,520		7,320		2,020	1,780		1,600		460	14	0,000		236,700
Annuai per Customer Cost	\$	20.00	\$ 20.00	\$	20.00	\$ 20,00	\$ 20.00 \$	20.00	\$	20.00	\$	20.00	\$ 20.00	\$	20.00	\$	20.00	\$ 3	21.91		
Percentage of Total Allocated Costs		0.06%	0.03%		0.03%	0.03%	0.02%	0.02%	6	0.02%		0.004%	0.0049	6	0.003%		0.001%		0.29%		0.49%
Staff Proposal																					
Allocated without \$20 cap (Staff)	\$	221,781	\$ 90,516	\$	69,773	\$ 58,629	\$ 66,509 \$	38,072	\$	35,743	\$	25,892	\$ 35,424	\$	14,955	\$	12,141	\$ 61	4,498	\$	1,283,934
Annual per Customer Cost	\$	163.31	\$ 124.00	\$	101.41	\$ 95.11	\$ 160.65 \$	101.26	\$	97.66	\$	256.36	\$ 402.54	\$	186.94	\$	527.87	\$	96.17		-
Percentage of Total Allocated Costs		0.45%	0.19%		0.14%	0.12%	0.14%	0.08%	6	0.07%		0.05%	0.079	6	0.03%		0.03%		1.27%		2.65%

Total Costs

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48,444,686

Missouri Public Service Commission

Respond Data Request

Data Request No.	0401
Company Name	Missouri-American Water Company-(Water)
Case/Tracking No.	WR-2015-0301
Date Requested	1/29/2016
Issue	Expense - A&G - Information Technology
Requested From	Jeanne Tinsley
Requested By	Kevin Thompson
Brief Description	Allocation of Business Transformation Costs
Description	Please provide the following: 1) The total cost of the Business Transformation Project as of December 31, 2015 and updated to the most current date. 2) The amount of Business Transformation costs allocated to American Water's regulated affiliates. 3) The amount of Business Transformation costs allocated to American Water's non-regulated affiliates 4) If none of the Business Transformation Project costs were allocated to non-regulated affiliates, please provide the reasoning as to why the non-regulated affiliates should not be allocated a portion of the Business Transformation Project costs. DR Requested by: Kim Bolin - Kim.Bolin@psc.mo.gov
Response	1) Please refer to data request MoPSC W0182. No additional project costs for Business Transformation have been incurred since the September 2015 update of the referenced data request. 2) The amount of Business Transformation Project costs allocated between regulated entities, through Service Company, was \$289.5M, of which MAWC received \$41.7M. 3) Please refer to the response to OPC 5012 for further detail. 4) Please refer to the response to OPC 5012 for further detail.
Objections	NA

The attached information provided to Missouri Public Service Commission Staff in response to the above data information request is accurate and complete, and contains no material misrepresentations or omissions, based upon present facts of which the undersigned has knowledge, information or belief. The undersigned agrees to immediately inform the Missouri Public Service Commission if, during the pendency of Case No. WR-2015-0301 before the Commission, any matters are discovered which would materially affect the accuracy or completeness of the attached information. If these data are voluminous, please (1) identify the relevant documents and their location (2) make arrangements with requestor to have documents available for inspection in the Missouri-American Water Company-(Water) office, or other location mutually agreeable. Where identification of a document is requested, briefly describe the document (e.g. book, letter, memorandum, report) and state the following information as applicable for the particular document: name, title number, author, date of publication and publisher, addresses, date written, and the name and address of the person(s) having possession of the document. As used in this data request the term "document(s)" includes publication of any format, workpapers, letters, memoranda, notes, reports, analyses, computer analyses, test results, studies or data, recordings, transcriptions and printed, typed or written materials of every kind in your possession, custody or control or within your knowledge. The pronoun "you" or "your" refers to Missouri-American Water Company-(Water) and its employees, contractors, agents or others employed by or acting in its behalf.

Security : Public Rationale : NA

Schedule KKB-s3

Missouri Public Service Commission

Respond Data Request

Data Request No.	0182
Company Name	Missouri-American Water Company-(Water)
Case/Tracking No.	WR-2015-0301
Date Requested	9/1/2015
lssue	General Information & Miscellaneous - Other General Info & Misc.
Requested From	Jeanne Tinsley
Requested By	Kevin Thompson
Brief Description	Business Transformation Program related amounts
Description	For each of the following, please provide the information on an American Water and Missouri American basis separately: 1) provide, by month, by FERC account all amounts expended on the Business Transformation Program from the beginning of the project through current. Update by month through January 31, 2016 as information becomes available. Summarize all capital and expense items separately. Also identify amounts for hardware costs, software costs, training costs, and all other categories of cost that exist in regards to this project; 2) provide a categorization of the costs expended to date on the Business Transformation Program by type, such as consulting fees, upfront licensing, internal labor, overhead, taxes and interest that was capitalized and for all other categorizations that exist. Provide a copy of all supporting summary work order authorizations that summarize all of these costs; 3) for all cost categories identified in item 2 above, provide a detailed description of what these costs represent; 4) provide a categorization of all costs incurred to date, broken down between capital and expense, by vendor, by month; 5) for each vendor identified in item 4 above, describe what goods or services were provided in regards to the program. Requested by: Lisa Hanneken (lisa.hanneken@psc.mo.gov)
Response	Please refer to MoPSC W0182_Attachment_201509 for a summarization of costs through 9/2015. Due to the project's closure at the end of 2014, only minimal adjustments should be expected going forward.
Objections	NA

The attached information provided to **Missouri Public Service Commission** Staff in response to the above data information request is accurate and complete, and contains no material misrepresentations or omissions, based upon present facts of which the undersigned has knowledge, information or belief. The undersigned agrees to immediately inform the **Missouri Public Service Commission** if, during the pendency of Case No. **WR-2015-0301** before the Commission, any matters are discovered which would materially affect the accuracy or completeness of the attached information. If these data are voluminous, please (1) identify the relevant documents and their location (2) make arrangements with requestor to have documents available for inspection in the **Missouri-American Water Company-(Water)** office, or other location mutually agreeable. Where identification of a document is requested, briefly describe the document (e.g. book, letter, memorandum, report) and state the following information as applicable for the particular document: name, title number, author, date of publication and publisher, addresses, date written, and the name and address of the person(s) having possession of the document. As used in this data request the term

"document(s)" includes publication of any format, workpapers, letters, memoranda, notes, reports, analyses, computer analyses, test results, studies or data, recordings, transcriptions and printed, typed or written materials of every kind in your possession, custody or control or within your knowledge. The pronoun "you" or "your" refers to **Missouri-American Water Company-(Water)** and its employees, contractors, agents or others employed by or acting in its behalf.

Security : Rationale : Public NA

Schedule KKB-s4, Page 2 of 10

Missouri American Water Company Response to MoPSC W0182 **Business Transformation Project Expenditures** As of 09/30/2015

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Consolidated Totals (ERP, EAM, and CIS In Total)

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					Year				
Line			Actual	Actual	Actual	Actual	Actual	Actual	Actual
Number	Description	Total	2009	2010	2011	2012	2013	2014	2015
1									
2	Labor								
3	Internal - Business	\$72,576,966	\$0	\$3,759,263	\$16,764,163	\$26,608,303	\$20,896,461	\$4,547,380	\$1,396
4	External - Other	149,526,366	0	9,118,324	57,483,972	54,148,156	26,123,614	2,652,812	(511)
\$	Labor Subtotal (Total of Lines 2 3.):	222,103,333	0	12,877,587	74,248,135	80,756,459	47,020,075	7,200,192	885
6									
7	Employee Expenses	7,912,030	0	901,902	1,772,878	1,887,205	3,219,999	130,045	0
8	Hardware	13,228,102	0	0	6,615,361	5,430,598	1,182,143	0	0
9	Software	25,721,977	0	12,087,247	8,263,718	3,667,286	1,448,258	255,468	0
10	Program Operations	7,974,216	0	711,166	946,883	2,089,145	3,276,207	948,198	2,617
11	Comprehensive Planning Study	6,361,764	5,719,850	641,914	0	0	0	0	0
12	BT Subtotal (Lines 4. + Lines 5 10.):	283,301,421	5,719,850	27,219,817	91,846,974	93,830,693	56,146,682	8,533,904	3,502
13		·	<u>.</u>			· · · · · · · · · · · · · · · · · · ·		<i></i>	
14	Other								
15	AFUDC - BT	18,333,281	111,091	995,150	4,050,839	7,236,895	4,388,017	133,174	1,418,115
16	Total 8T (Line 11. + Line 13.):	301,634,702	5,830,941	28,214,967	95,897,813	101,067,588	60,534,700	8,667,078	1,421,616
17		anneos an initial anno far sinned	alational inspection and the Constitution of the		<u></u>	annan di si a difakti sa Saban dan s	المتعادية والمتعادية والمتعادية والمتعادية والمتعادية والمتعادية والمتعادية والمتعادية والمتعادية والمتعادية و		
18	BT Controls/Organizational Integration	25,146,325	0	o	7,964,697	13,599,314	3,580,804	1,446	65
19	BT Controls/Organizational Integration - AFUDC	966,000	0	0	30.042	618,940	317.019	0	0
20	Total BT Controls/Organizational integration (Line 15. + Line 16.):	26,112,325		0	7,994,738	14,218,253	3,897,823	1,446	65
21					. ,				
21	BT Grand Total - American Water (Une 14, + Line 17.);	\$327,747,028	\$5,830,941	\$28,214,967	\$103,892,551	\$115,285,841	\$64,432,522	\$8,668,524	\$1,421,682
23	- or the room remaining the trace (and the fille trap		(0,000) (1	<i>420,223,307</i>					
10									

Missouri American Water Company Response to MoPSC W0182 Business Transformation Project Expenditures

As of 09/30/2015

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Enterprise Resource Planning ("ERP")

				Year				
		Actual	Actual	Actual	Actual	Actual	Actual	Actual
Description	Total	2009	2010	2011	2012	2013	2014	2015
<u>abor</u>								
Internal - Business	\$28,616,388	\$0	\$2,127,866	\$9,948,295	\$15,001,111	\$1,522,326	\$16,791	\$3,155
External - Other	69,429,417	٥	3,636,740	31,350,026	30,676,199	2,726,006	1,040,446	32
Labor Subtotal (Total of Lines 2 3.):	98,045,805	0	5,764,606	41,298,321	45,677,310	4,248,331	1,057,237	3,188
Employee Expenses	2,320,268	0	448,491	782,737	620,958	467,615	467	0
Hardware	11,092,306	0	0	6,487,873	4,318,172	286,260	0	Ó
Software	10,156,459	0	3,796,425	4,139,233	1,505,689	459,642	255,468	٥
Program Operations	2,910,209	0	403,215	528,086	1,419,674	490,073	69,160	352
Comprehensive Planning Study	3,178,893	2,905,721	273,173	0	0	0	0	0
BT Subtotal (Lines 4. + Lines 5 10.):	127,703,941	2,905,721	10,685,910	53,236,250	53,541,804	5,951,922	1,382,333	3,539
<u>Other</u>								
AFUDC - BT	5,669,815	55,634	387,985	1,918,569	2,761,227	413,417	132,983	646,397
Total BT (Line 11. + Line 13.):	133,373,756	2,961,355	11,073,895	55,154,819	56,303,031	6,365,339	1,515,316	649,936
					<u></u> .			
BT Controls/Organizational Integration	15,102,519	0	D	4,612,514	9,268,900	1,232,117	(11,012)	43
BT Controls/Organizational Integration - AFUDC	305,967	Ó	0	20,132	280,964	4,871	0	0
otal BT Controls/Organizational Integration (Line 15. + Line 16.):	15,408,486	0	0	4,632,647	9,549,865	1,236,987	(11,012)	43
			Harita					
BT Grand Total - American Water (Line 14, + Line 17.):	\$148,782,242	\$2,961,355	\$11,073,895	\$59,787,466	\$65,852,896	\$7,602,327	\$1,504,304	\$649,979
	and the second se			Name of Concession, Name of Street, or Stree	Entrance of the second s	in in the state of the second se		
	abor Internal - Business External - Other Labor Subtotal (Total of Lines 2 3.); mployee Expenses lardware oftware rogram Operations comprehensive Planning Study BT Subtotal (Lines 4. + Lines 5 10.); Dther IFUDC - BT Total BT (Line 11. + Line 13.); IT Controls/Organizational Integration IT Controls/Organizational Integration IT Controls/Organizational Integration (Line 15. + Line 16.);	abor S28,616,388 Internal - Business \$28,616,388 External - Other Babor Subtotal (Total of Lines 2, - 3.): Internal - Other 98,045,805 Internal - Other 98,045,805 Imployee Expenses 2,320,268 lardware 11,092,306 oftware 10,156,459 rogram Operations 2,910,209 somprehensive Planning Study 3,178,893 BT Subtotal (Lines 4. + Lines 5 10.): 127,703,941 Other S,669,815 FUDC - BT 5,669,815 Total BT (Line 11. + Line 13.): 133,373,756 DT Controls/Organizational Integration 15,102,519 DT Controls/Organizational Integration - AFUDC 305,967 otal BT Controls/Organizational Integration (Line 15. + Line 16.): 15,408,486	Description Total 2009 abor Internal - Business \$28,616,388 \$0 External - Other \$28,616,388 \$0 Labor Subtotal (Total of Lines 2 3.): 98,045,805 0 mployee Expenses 2,320,268 0 lardware 11,092,306 0 oftware 10,156,459 0 oppression 2,910,209 0 opmprehensive Planning Study 3,178,893 2,905,721 BT Subtotal (Lines 4. + Lines 5 10.): 127,703,941 2,905,721 Dther F/FUDC - BT 5,669,815 55,634 F/FUDC - BT Total BT (Line 11. + Line 13.): 133,373,756 2,961,355 DT Controls/Organizational Integration 15,102,519 0 0 DT Controls/Organizational Integration - AFUDC 305,967 0 0 otal BT Controls/Organizational Integration (Line 15. + Line 16.): 15,408,486 0 0	Description Total 2009 2010 abor Internal - Business \$28,616,388 \$0 \$2,127,866 External - Other Labor Subtotal (Total of Lines 2, -3.): 98,045,805 0 3,636,740 Internal - Business 2,320,268 0 448,491 Interval - Other 2,320,268 0 448,491 Interval - Control Subtotal (Total of Lines 2, -3.): 98,045,805 0 5,764,606 mployee Expenses 2,320,268 0 448,491 lardware 11,092,306 0 0 oftware 10,156,459 0 3,796,425 rogram Operations 2,910,209 0 403,215 omprehensive Planning Study 3,178,893 2,905,721 273,173 BT Subtotal (Lines 4. + Lines 5 10.): 127,703,941 2,905,721 10,585,910 Other	Description Total 2009 2010 2011 abor Internal - Business \$28,616,388 \$0 \$2,127,866 \$9,948,295 External - Other 69,429,417 0 3,636,740 31,350,026 Labor Subtotal (Total of Lines 2 3.): 98,045,805 0 5,764,606 41,298,321 mployee Expenses 2,320,268 0 448,491 782,737 lardware 10,156,459 0 3,796,425 4,139,233 oftware 10,156,459 0 3,796,425 4,139,233 opgram Operations 2,910,209 0 403,215 528,086 omprehensive Planning Study 3,178,893 2,905,721 273,173 0 BT Subtotal (Lines 4. + Lines 5 10.): 127,703,941 2,905,721 10,585,910 53,236,250 Pher Total BT (Line 11. + Line 13.): 133,373,756 2,961,355 11,073,895 55,154,819 DT Controls/Organizational Integration 15,102,519 0 0 4,612,514 DT Controls/Organizational Integration - AFUDC	Description Total 2009 2010 2011 2012 abor Internal - Business \$28,616,388 \$0 \$2,127,866 \$9,948,295 \$15,001,111 External - Other 69,429,417 0 3,636,740 31,350,026 30,676,199 Labor Subtotal (Total of Lines 2 3.): 98,045,805 0 5,764,606 41,298,321 45,677,310 mployee Expenses 2,320,268 0 448,491 782,737 620,958 ardware 11,092,306 0 0 6,487,873 4,318,172 oftware 10,156,459 0 3,796,425 4,139,233 1,505,689 rogram Operations 2,910,209 0 403,215 528,086 1,419,674 omprehensive Planning Study 3,178,893 2,905,721 273,173 0 0 BT Subtotal (Lines 4. + Lines 5 10.): 127,703,941 2,905,721 10,685,910 53,236,250 53,541,804 FUDC - BT 5,669,815 55,634 387,985 1,918,569 2,761,227 T	Description Total 2009 2010 2011 2012 2013 abor Internal - Business \$28,616,388 \$0 \$2,127,866 \$9,948,295 \$15,001,111 \$1,522,326 External - Other 69,429,417 0 3,636,740 31,350,026 30,676,199 2,726,006 Labor Subtotal (Total of Lines 2, - 3.): 98,045,805 0 5,764,606 41,298,321 45,677,310 4,248,331 mployee Expenses 2,320,268 0 448,491 782,737 620,958 467,615 ardware 11,092,306 0 0 6,487,873 4,318,172 286,260 oftware 10,156,459 0 3,796,425 4,139,233 1,505,689 459,642 orgram Operations 2,910,209 0 403,215 528,086 1,415,674 490,073 omprehensive Planning Study 3,178,893 2,905,721 273,173 0 0 0 0 FUDC - BT 5,669,815 55,634 387,985 1,918,569 2,761,227	Description Total 2009 2010 2011 2012 2013 2014 abor Internal - Business \$28,615,388 \$0 \$2,127,866 \$9,948,295 \$15,001,111 \$1,522,326 \$16,791 Labor Subtotal (Total of Lines 2 3.); \$98,045,805 0 \$5,764,606 41,298,321 45,677,310 4,248,331 1,040,446 ardware 2,320,268 0 448,491 782,737 620,958 467,615 467 ardware 11,092,306 0 0 6487,873 4,318,172 286,260 0 ottware 10,055,459 0 3,796,425 4,139,233 1,505,689 459,642 255,468 rogram Operations 2,910,209 0 403,215 528,086 1,419,674 490,073 69,160 omprehensive Planning Study 3,178,893 2,905,721 273,173 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 <t< td=""></t<>

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Schedule KKB-s4, Page 4 of 10

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MoPSC W0182 Attachment_201509 Case No. WR-2015-0301 Page 3 of 8

Missouri American Water Company Response to MoPSC W00182 Business Transformation Project Expenditures As of 09/30/2015

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Customer Information Systems ("CIS")

					Year				
Une	•		Actual	Actual	Actual	Actual	Actual	Actual	Actual
Number	Description	Total	2009	2010	2011	2012	2013	2014	2015
1						·			
2	<u>Labor</u>								
3	Internal .	\$27,281,848	\$0	\$1,120,864	\$3,779,215	\$6,424,265	\$11,969,601	\$3,987,903	\$650
4	External	47,790,059	0	3,438,558	13,643,264	12,978,799	16,110,610	1,618,828	(543)
5	Labor Subtotal (Total of Lines 2 3.):	75,071,907	0	4,559,422	17,422,479	19,403,064	28,080,211	5,606,730	<u>۱07</u>
6		·····	,						
7	Employee Expenses	3,316,501	0	261,074	634,634	894,529	1,465,363	60,901	0
8	Hardware	161,248	0	0	· 0	160,876	372	0	0
9	Software	9,934,874	0	6,064,822	2,281,016	1,179,115	409,921	0	0
10	Program Operations	3,441,755	0	211,249	222,901	494,596	1,854,421	658,588	1,089
11	Comprehensive Planning Study	1,081,022	841,598	239,424	0	0	0	0	0
12	BT Subtotal (Lines 4, + Lines 5, - 10.):	93,007,308	841,598	11,335,991	20,561,031	22,132,181	31,810,288	6,326,219	1,196
13									
14	<u>Other</u>								
15	AFUDC - BT	6,594,892	17,881	397,298	1,347,590	2,560,021	2,272,053	49	447,162
16	Total BT (Line 11. + Line 13.):	99,602,200	859,480	11,733,289	21,908,621	24,692,201	34,082,341	6,326,268	448,358
17			Sitter		an an 1770. Anna an ann an 1110 a 1986 a' Ann Albha Mark Stada			<u>in de la company de la comp</u>	
18	BT Controls/Organizational Integration	5,332,886	0	0	1,731,895	2,206,713	1,389,211	5,067	22
19	BT Controls/Organizational Integration - AFUDC	340,381	0	0	5,309	172,281	162,792	, 0	0
20	Total BT Controls/Organizational Integration (Line 15. + Line 16.):	5,673,267	0	0	1,737,204	2,378,994	1,552,002	5,067	22
21									
22	BT Grand Total - American Water (Line 14. + Line 17.):	\$105,275,467	\$859,480	\$11,733,289	\$23,645,825	\$27,071,195	\$35,634,344	\$6,331,335	\$448,380
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Missouri American Water Company Response to MoPSC W00182 **Business Transformation Project Expenditures** As of 09/30/2015

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Enterprise Asset Management ("EAM")

				Year				
		Actual	Actual	Actual	Actual	Actual	Actual	Actual
Description	Total	2009	2010	2011	2012	2013	2014	2015
Labor								
Internal - Business	\$16,677,335	\$0	\$510,533	\$3,036,653	\$5,182,928	\$7,404,535	\$542,686	(\$2,410)
External - Other	32,307,400	0	2,043,025	12,490,682	10,493,157	7,286,998	(6,462)	0
Labor Subtotal (Total of Lines 2 3.):	48,984,735	0	2,553,558	15,527,335	15,676,085	14,691,532	536,225	(2,410)
			·····	·····			<u></u>	
Employee Expenses	2,275,261	0	192,338	355,506	371,719	1,287,021	68,677	D
Hardware	1,974,547	0	D	127,487	951,549	895,511	0	0
Software	5,630,644	0	2,226,000	1,843,468	982,481	578,695	0	D
Program Operations	1,619,635	0	96,702	195,896	174,874	931,712	220,450	1,176
Comprehensive Planning Study	2,101,848	1,972,531	129,318	0	0	0	0	0
BT Subtotal (Lines 4. + Lines 5 10.):	62,586,670	1,972,531	S,197,916	18,049,693	18,156,708	18,384,472	825,351	(1,234)
	·····		· · · · · · · · · · · · · · · · · · ·	<u>, </u>				
Other								
AFUDC - BT	4,650,459	37,576	209,867	784,680	1,915,648	1,702,547	142	324,556
Total BT (Line 11. + Line 13.):	67,237,129	2,010,107	5,407,782	18,834,372	20,072,356	20,087,019	825,493	323,322
		· · · · · · · · · · · · · · · · · · ·	And a construction of the second second second second	and the second se				
BT Controls/Organizational Integration	4,710,855	0	0	1.620.287	2,123,700	959,476	7.392	0
	319,653	0	0			•	0	0
Total BT Controls/Organizational Integration (Line 15, + Line 16.):		0	0	1,624,888		1,108,833	7,392	0
BT Grand Total - American Water (Line 14, + Line 17.):	\$72.267.637	\$2.010.107	\$5,407,782	\$20,459,261	\$22,361,750	\$21,195,852	\$832.885	\$323,322
		(100)					the second s	
	Labor Internal - Business External - Other Labor Subtotal (Total of Lines 2 3.): Employee Expenses Hardware Software Program Operations Comprehensive Planning Study BT Subtotal (Lines 4. + Lines 5 10.): <u>Other</u> AFUDC - BT Total BT (Line 11. + Line 13.): BT Controls/Organizational Integration BT Controls/Organizational Integration - AFUDC Total BT Controls/Organizational Integration (Line 15. + Line 16.):	LaborInternal - Business\$16,677,335External - Other32,307,400Labor Subtotal (Total of Lines 2 3.):48,984,735Employee Expenses2,275,261Hardware1,974,547Software5,630,644Program Operations1,619,635Comprehensive Planning Study2,101,848BT Subtotal (Lines 4. + Lines 5 10.):62,586,670Other4,650,459AFUDC - BT4,650,459BT Controls/Organizational Integration4,710,855BT Controls/Organizational Integration4,710,855BT Controls/Organizational Integration (Line 15. + Line 16.):5,030,507	Description Total 2009 Labor Internal - Business \$16,677,335 \$0 External - Other 32,307,400 0 0 Labor Subtotal (Total of Lines 2 3.): 48,984,735 0 Employee Expenses 2,275,261 0 Hardware 1,974,547 0 Software 5,630,644 0 Program Operations 1,619,635 0 Comprehensive Planning Study 2,101,848 1,972,531 BT Subtotal (Lines 4. + Lines 5 10.): 62,586,670 1,972,531 Other AFUDC - BT 4,650,459 37,576 Total BT (Line 11. + Line 13.): 67,237,129 2,010,107 BT Controls/Organizational Integration 4,710,855 0 BT Controls/Organizational Integration (Line 15. + Line 16.): 5,030,507 0	Description Total 2009 2010 Labor Internal - Business \$16,677,335 \$0 \$510,533 External - Other Labor Subtotal (Total of Lines 2 3.): 32,307,400 0 2,043,025 Labor Subtotal (Total of Lines 2 3.): 48,984,735 0 2,553,558 Employee Expenses 2,275,261 0 192,338 Hardware 1,974,547 0 0 Software 5,630,644 0 2,226,000 Program Operations 1,619,635 0 96,702 Comprehensive Planning Study 2,101,848 1,972,531 129,318 BT Subtotal (Lines 4. + Lines 5 10.): 62,586,670 1,972,531 5,197,916 Other AFUDC - BT 4,650,459 37,576 209,867 AFUDC - BT Total BT (Line 11. + Line 13.): 67,237,129 2,010,107 5,407,782 BT Controls/Organizational Integration 4,710,855 0 0 0 BT Controls/Organizational Integration (Line 15. + Line 16.): 5,030,507 0 0	Description Actual Actual Actual Actual Labor Total 2009 2010 2011 Labor Internal - Business \$16,677,335 \$0 \$510,533 \$3,036,653 External - Other 2009 2.043,025 12,490,682 12,490,682 Labor Subtotal (Total of Lines 2 3.): 48,984,735 0 2,553,558 15,527,335 Employee Expenses 2,275,261 0 192,338 355,506 Hardware 1,974,547 0 0 127,487 Software 5,630,644 0 2,226,000 1,843,468 Program Operations 1,619,635 0 96,702 195,896 Comprehensive Planning Study 2,101,848 1,972,531 129,318 0 BT Subtotal (Lines 4. + Lines 5 10.): 62,586,670 1,972,531 5,197,916 18,049,693 Other AFUDC - BT 4,650,459 37,576 209,867 784,680 BT Controls/Organizational Integration 4,710,855 0 0 1,620,2	Description Actual Total Actual 2009 Actual 2010 Actual 2011 Actual 2012 Labor Internal - Business \$16,677,335 \$0 \$510,533 \$3,036,653 \$5,182,928 External - Other 32,307,400 0 2,043,025 12,490,682 10,493,157 Labor Subtotal (Total of Lines 2, -3.): 48,984,735 0 2,553,558 15,527,335 15,676,085 Employee Expenses 2,275,261 0 192,338 355,506 371,719 Hardware 1,974,547 0 0 127,487 951,549 Software 5,630,644 0 2,226,000 1,843,468 982,481 Program Operations 1,619,635 0 96,702 195,896 174,874 Comprehensive Planning Study 2,101,848 1,972,531 129,318 0 0 BT Subtotal (Lines 4. + Lines 5 10.): 62,586,670 1,972,531 5,197,916 18,049,693 18,156,708 Other AFUDC - BT 4,650,459 37,575 209,867 784,680 1,915,648	Actual Actual<	Actual Actual<

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Missouri American Water Company Response to MoPSC W00182 **Business Transformation Project Expenditures**

As of 09/30/2015

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Consolidated Totals By AW Subsidiary and Account

Line		Sub		1010-Indiana	1011-iowa American	1012-Kentucky	1013-Maryland	1015-California	1016-Michigan	1017-Missouri
Number	Account	Account	Account Description	American Water Co	Water Co	American Water Co	American Water Co	American Water Co	American Water Co	American Woter Co
1	10700000		CWIP	\$467,391	\$117,509	\$228,809	\$9,438	\$238,576	\$4,754	\$706,017
2	12130003.	121298	Capital Lease 3 Year							
з	12130004	121299	Capital Lease 4 Year							
4	12130005	121300	Capital Lease 5 Year							
5	12130007	121301	Capital Lease 7 Year							
6	18689900		Reg Asset - Other	7,170,944						
7	18713000		LT Asset - Prelim Survey & Investigation							
8	10133910/10533910	339600	Other P/E-CPS	59	122,100		10,021		6,952	63,759
9	10134010/10634010	340100	Office Furniture & Egulp							
10	10134010/10634010	340200	Comp & Periph Equip							1,636
11	10134010/10634010	340300	Computer Software	20,971,932	6,035,582	112,429	489,934			
12	10134010/10534010	340310	Comp Software Mainframe					17,543,310	143,133	46,409,870
13	10134010/10634010	340315	Computer Software Special			11,944,407				
14	10139000/10539000	390300	WW Computer Software							
15	10134010/10634010	3403XX	Capitalized Overhead Credit		(59,664)		(4,907)	(166,876)		(442,086)
15	52501600		Misc Oper - Admin & General					408,332	•	
17	53409999		AWWSC Services - Conversion							
18	59011000		Gains/Losses Non-Utility Property Disposals							
19	59011500		Gains/Losses Non-Utility Property Seles							
20			Total Project Costs	\$28,610,326	\$6,215,527	\$12,285,645	\$504,486	\$18,023,342	\$154,839	\$46,739,196
21			2							

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Missouri American Water Company Response to MoPSC W00182 Business Transformation Project Expenditures

As of 09/30/2015

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Consolidated Totals By AW Subsidiary and Account

	Sub		1018-New Jersey	1024-Pennsylvania	1025-Illinois	1026-Tennessee	1027-Virginia	1028-West Virginia	1030-Hawaii
Account	Account	Account Description	American Water Co	American Water Co	American Water Co	American Water Co	American Water Co	American WaterCo	American Water Co
10700000		CWIP	\$929,343	\$901,734	\$395,204	\$141,132	\$81,962	\$310,460	\$16,743
12130003	121298	Capital Lease 3 Year							
12130004	121299	Capital Lease 4 Year							
12130005	121300	Capital Lease 5 Year							•
12130007	121301	Capital Lease 7 Year							
18689900		Reg Asset - Other							
18713000		LT Asset - Prelim Survey & Investigation						0	0
10133910/10633910	339600	Other P/E-CPS	1,282,786	1,258,915	588,301	149,654	108,761		
10134010/10634010	340100	Office Furniture & Equip			5,318				
10134010/10634010	340200	Comp & Periph Equip							
10134010/10634010	340300	Computer Software	64,652,777		29,270,494				
10134010/10634010	340310	Comp Software Mainframe		62,009,210			5,306,162	17,240,684	
10134010/10634010	340315	Computer Software Special				7,304,155			
10139000/10639000	390300	WW Computer Software							992,983
10134010/10634010	3403XX	Capitalized Overhead Credit	(631,424)	(635,801)	(296,530)				(9,730)
52501600		Misc Oper - Admin & General							
53409999		AWWSC Services - Conversion			93,611				
59011000		Gains/Losses Non-Utility Property Disposals							
59011500		Gains/Losses Non-Utility Property Sales							
		Total Project Costs	\$65,233,482	\$63,534,059	\$30,056,398	\$7,594,941	\$5,496,886	\$17,551,144	\$999,997
			<u></u>						
	10700000 12130003 12130004 12130005 12130005 12130007 18689900 10133910/10633910 10134010/10634010 10134010/10634010 10134010/10634010 10134010/10634010 10134010/10634010 10134010/10634010 52501600 52409999 59011000	Account Account 10700000 12120003 12130003 121298 12130004 121299 12130005 121300 12130005 121300 12130007 121301 18689900 18713000 10133910/10633910 339600 10134010/10634010 340100 10134010/10634010 340200 10134010/10634010 340300 10134010/10634010 340315 1013800/10634010 340315 1013800/10634010 340305 10134010/10634010 340315 10138000/10634010 340315 10138000/10634010 340320 52501600 53403995 53011000 59011000	Account Account Account Description 1070000 CWIP 12130003 121298 Capital Lease 3 Year 12130004 121299 Capital Lease 4 Year 12130005 121300 Capital Lease 5 Year 12130007 121301 Capital Lease 5 Year 12130007 121301 Capital Lease 7 Year 18689900 Reg Asset - Other L 18713000 LT Asset - Prolim Survey & Investigation 10133910/10633910 10133910/10633910 339600 Other P/E-CPS 10134010/10634010 340100 Office Furniture & Equip 10134010/10634010 340310 Comp & Periph Equip 10134010/10634010 340310 Computer Software 10134010/10634010 340315 Computer Software 10134010/10634010 340315 Computer Software 10134010/10634010 340310 Computer Software 10134010/10634010 340315 Computer Software 10134010/10634010 340315 Computer Software 10134010/10634010 340315 <t< td=""><td>Account Account Account Description American Water Co 1070000 CWIP \$929,343 12130003 121298 Capital Lease 3 Year \$929,343 12130004 121299 Capital Lease 4 Year \$10000 12130005 121300 Capital Lease 5 Year \$10000 12130007 121301 Capital Lease 5 Year \$10000 12130007 121301 Capital Lease 7 Year \$10000 18689900 Reg Asset - Other \$10134010/10634010 340100 10133910/10634010 340200 Comp & Perlph Equip \$10134010/10634010 340300 10134010/10634010 340300 Comp & Perlph Equip \$10134010/10634010 340310 10134010/10634010 340310 Comp Software Mainframe \$10134010/10634010 340315 10134010/10634010 340310 Computer Software Special \$10134010/10634010 340315 10134010/10634010 340315 Computer Software \$10134010/10634010 \$40315 10134010/10634010 340315 Computer Software \$10134010/106340</td><td>Account Account Description American Water Co American Water Co 1070000 CWIP \$929,343 \$901,734 12130003 121298 Capital Lease 3 Year \$929,343 \$901,734 12130004 121299 Capital Lease 3 Year \$91,734 12130005 121300 Capital Lease 4 Year \$91,734 12130007 121301 Capital Lease 7 Year \$91,734 18689900 Reg Asset - Other \$91,734 18713000 LT Asset - Prolim Survey & Investigation \$91,282,786 \$1,258,915 10134010/10634010 340100 Office Furniture & Equip \$91,3403 \$909,910 10134010/10634010 340300 Comp & Periph Equip \$91,3403 \$929,277 10134010/10634010 340310 Comp Software Mainframe \$62,009,210 \$23,009 10134010/10634010 340310 Comp Software Special \$23,009 \$210 10134010/10634010 340310 Comp Software Special \$23,009,210 \$23,009,210 10134010/10634010 340310 Comp User Software Speci</td><td>Account Account Description American Water Co American Water Co American Water Co 1070000 CWIP \$929,343 \$901,734 \$395,204 12130003 121298 Capital Lease 3 Year \$395,204 \$395,204 12130004 121299 Capital Lease 4 Year \$395,004 \$395,004 12130005 121300 Capital Lease 5 Year \$395,004 \$395,004 12130007 121301 Capital Lease 5 Year \$395,004 \$395,004 18689900 Reg Asset - 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Missouri American Water Company Response to MoPSC W00182 **Business Transformation Project Expenditures** As of 09/30/2015

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Consolidated Totals By AW Subsidiary and Account

Line		Sub		Water Works	1038-New York	2019-New Mexico	2022-Ohio American	2023-Arizona	2050-Texas American	
Number	Account	Account	Account Description	ServiceCo	American Water Co	American Water Co	Water Co	American Water Co	Water Co	Total Project Costs
1	10700000		CWIP		\$197,082					\$4,746,156
2	12130003	121298	Capital Lease 3 Year	2,833,362						2,833,362
з	12130004	121299	Capital Lease 4 Year	8,135,506						8,135,506
4	12130005	121300	Capital Lease 5 Year	64,338						64,338
5	12130007	121301	Capital Lease 7 Year	61,558						61,558
6	18689900		Reg Asset - Other							7,170,944
7	18713000		LT Asset - Preilm Survey & Investigation							0
8	10133910/10633910	339600	Other P/E-CPS		147,989					3,739,299
9	10134010/10634010	340100	Office Furniture & Equip							5,318
10	10134010/10634010	340200	Comp & Poriph Equip							1,636
11	10134010/10634010	340300	Computer Software		9,345,084			•		130,878,231
12	10134010/10634010	340310	Comp Software Mainframe				÷			148,652,369
13	10134010/10634010	340315	Computer Software Special							19,248,562
14	10139000/10639000	390300	WW Computer Software							992,983
15	10134010/10634010	3403XX	Capitalized Overhead Credit		(83,005)					(2,330,023)
16	52501600		Misc Oper - Admin & General							408,332
17	53409999		AWWSC Services - Conversion							93,611
18	59011000		Gains/Losses Non-Utility Property Disposals	444						444
19	59011500		Gains/Lossas Non-Utility Property Sales			176,969	1,242,142	1,614,467	10,824	3,044,402
20			Total Project Costs	\$11,095,209	\$9,607,150	\$176,969	\$1,242,142	\$1,614,467	\$10,824	\$327,747,028
21	1									

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Missouri American Water Company Response to MoPSC W00182 **Business Transformation Project Expenditures** As of 09/30/2015

External - Other By Vendor

Line Number	Vendor	Amount
1	Aasonn LLC	\$8,000
2	Accenture LLP	100,021,002
3	Accountants International	3,690
4 5	Accu Staffing Services Aerotek Inc	535,352 117,063
6	Anerinet	135,000
7	Applied Water Management Inc -	11,225
8	Aurionpro Solutions Inc	141,836
9 10	BackOffice Associates LLC	9,920,075 22,596
10	Basis Technologies Inc Career Concepts Inc	21,721
12	C8Team	2,550
13	Classic Graphics Inc	12,748
14	Communication Research Associates	814,722
15 16	Comptech Universal Inc Computer Finandal Consultants	7,000 3,416,435
17	Datamatic Ltd	5,300
18	Diamond Technologies Inc	202,228
19	DIB ERP Solutions LLC	175,106
20	Embark to Solutions Inc	289,448
21 22	Emerson Personnel Group Environmental Systems Research	22,505 978,772
23	Ernst & Young	3,627,699
24	Five Point Partners LLC	111,225
25	Gartner Inc	140,000
26 27	Goss, Darvas E Gotham Technology Group 11.C	. 178,524 8,430
28	Grom Associates Inc	1,051,858
29	Hackett Group	65,912
30	Hawthorne Associates Inc	770,957
31	IDModeling Inc	3,497
32 33	Impact Services Infor Global Solutions Inc	551,455 8,336
34	Insight	95,313
35	Kay Toon Design	2,226
36	KPMG LLP	71,614
37 38	Kronos Inc	2,143,901
38 39	Laurel Hill GIS Inc Liberty Contract Services	12,480 599,265
40	Littler Mendelson PC	29,291
41	Maŭkco LLC	475,382
42	Micro Enterprises NJ Inc	9,504
43 44	Moore, Karen G mPower Managed Services LLC	72,708 15,500
45	Ogletree Deakins Kash Smoak &	262,588
45	Orasi Software Inc	94,196
47	Pactera Technologies NA Inc	333,152
48 49	Partners Consulting Inc PowerPlan Consultants Inc	1,730,806 7,900
~3 50	Price WaterhouseCoopers LLP	83,554
51	Regulus Integrated Solutions L	13,810
52	Resources Global	50,077
53 54	Robert Half	16,938
54	SAP Scalfo Electric	11,331,429 5,442
56	SECURICON LLC	403,286
57	Six Sigma Academy	2,047,051
58	Speedy Apple Enterprises Inc	27,505
59 60	SuccessFactors Inc	173,196 1,001,083
60 61	Tek Systems Thompson & Knight LLP	193,633
62	Tom Baker Consulting LLC	49,300
63	Towers Watson PA Inc	481,439
64 65	Trintech Inc	79,653
65 66	Triviumsoft UC4 Software Inc	15,698 55,939
67	Various Adjustments	1,838,888
63	Versatile Systems Inc	7,259
69	Vibrant Fusion LLC	34,990
70	Visual Enterprise Architecture	136,079
71 72	Volt Management Corp Windrunner Advertising	53,568 160
73	Yoh Services LLC	2,023,175
74		
75		\$149,526,366
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