

RESPONSE TO ORDER ADDING
PARTY AND DIRECTING FILING

CASE NO. WO-2005-0086

APPENDIX A

Ratemaking Income Statement
and Revenue Annualizations

Osage Water Company & Environmental Utilities

Ratemaking Income Statement - Combined COS

	OWC/EU As Filed	OWC/EU Staff	MAWC Staff
Revenue at Current Rates	228,317	\$ 228,212	\$ 236,888
Cost of Service			
Item	Amount	Amount	Amount
1 Salaries - O & M	\$ 27,040	\$ 27,040	\$ 31,200
2 Salaries - Supervision	\$ 36,000	\$ 15,600	\$ -
3 Salaries - Secretary	\$ 16,640	\$ 3,328	\$ -
4 Payroll Taxes	\$ 8,263	\$ 3,787	\$ 2,657
5 Employee Pension & Benefits	\$ -	\$ -	\$ 6,945
6 Transportation Expense	\$ 4,313	\$ 3,220	\$ 4,895
7 Accounting (customer)	\$ 1,960	\$ 1,800	\$ 4,524
8 Legal	\$ -	\$ 1,000	\$ -
9 Insurance	\$ 10,937	\$ 10,335	\$ 2,899
10 Telephone - Operator Cell	\$ -	\$ -	\$ 600
11 Rents & Utilities	\$ 6,000	\$ 3,000	\$ -
12 Water/Effluent Testing	\$ 1,516	\$ 2,830	\$ -
13 Materials & Supplies	\$ 4,630	\$ 4,479	\$ 4,479
14 Electric Expense	\$ 16,368	\$ 15,349	\$ 15,349
15 PSC Assessment	\$ 5,495	\$ 7,267	\$ 7,267
16 DNR Fees	\$ 4,250	\$ 4,250	\$ 4,250
17 Hancock Debenture Payment	\$ -	\$ 12,000	\$ -
18 Sludge Removal	\$ 4,029	\$ 1,628	\$ 2,760
19 Miscellaneous Expense	\$ 6,193	\$ 2,848	\$ 2,600
20 Taxes Other Than Income Taxes	\$ 385	\$ -	\$ -
21 Outside Services/Contracts	\$ -	\$ 850	\$ -
22 Equipment Rental	\$ 2,210	\$ 210	\$ -
23 System Repairs	\$ 11,687	\$ 5,635	\$ 5,635
24 Bank Service Charges	\$ 798	\$ 450	\$ -
25 System Operating Expenses	\$ 2,947	\$ -	\$ -
26 Chemicals	\$ -	\$ -	\$ 1,200
27 Sales Tax (water sales only)	\$ 2,663	\$ -	\$ -
28 Sub-Total	\$ 174,324	\$ 126,906	\$ 97,261
29 Property Tax	\$ -	\$ 122	\$ 10,495
30 Sub-Total	\$ 174,324	\$ 127,028	\$ 107,756
31 Depreciation Expense	\$ 36,052	\$ 20,905	\$ 25,710
32 Sub-Total	\$ 210,376	\$ 147,811	\$ 133,466
33 Long-Term Debt (interest expense)	\$ -	\$ 19,702	\$ 32,154
34 Return on Rate Base (equity)	\$ 100,082	\$ 24,918	\$ 40,666
35 Sub-Total	\$ 310,458	\$ 192,431	\$ 206,286
36 Income Taxes	\$ 24,338	\$ 15,352	\$ 25,054
37 Total Cost of Service	\$ 334,796	\$ 207,783	\$ 231,340
38 Overall Revenue Change Needed	\$ 106,479	\$ (20,429)	\$ (5,548)
39 Percent Revenue Change	46.64%	-8.95%	-2.34%

Osage Water Company & Environmental Utilities
Annualized Operating Revenues at OWC Rates

Sewer Rate Revenues

System	Customers	Revenues
KK	35	\$ 10,513
F-12	26	\$ 7,809
SB-5	79	\$ 23,728
Cedar Glen	206	\$ 61,874
TOTALS	346	\$ 103,925

Sewer Legal Fee Revenues

System	Customers	Revenues
KK	35	\$ 420
F-12	26	\$ 312
SB-5	79	\$ 948
Cedar Glen	206	\$ 2,472
TOTALS	346	\$ 4,152

Total Sewer Revenues	\$ 108,077
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Water Rate Revenues

Service Area	Metered Customers	Non-Metered Customers	Total Customers	Mo. Min. Revenue	Commodity Revenue	Total Revenue
Super 8	1	0	1	\$ 184	\$ 4,968	\$ 5,152
F-12	29	0	29	\$ 5,345	\$ 2,928	\$ 8,273
SB-5	14	64	78	\$ 14,377	\$ 5,025	\$ 19,402
OBN	24	0	24	\$ 4,424	\$ 35,175	\$ 39,599
OBS	3	0	3	\$ 553	\$ 812	\$ 1,365
KK	20	15	35	\$ 6,451	\$ 2,585	\$ 9,036
Cedar Glen	165	42	207	\$ 38,154	\$ 3,306	\$ 41,460
TOTALS	256	121	377	\$ 69,489	\$ 54,799	\$ 124,288

Note: Commodity revenues include estimated revenues for non-metered customers.

Water Legal Fee Revenues

System	Customers	Revenues
Super 8	1	\$ 12
F-12	29	\$ 348
SB-5	78	\$ 936
OBN	24	\$ 288
OBS	3	\$ 36
KK	35	\$ 420
Cedar Glen	207	\$ 2,484
TOTALS	377	\$ 4,524

Total Water Revenues	\$ 128,812
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Total Operating Revenues

System	Sewer	Water	Total
Super 8	\$ -	\$ 5,164	\$ 5,164
F-12	\$ 8,121	\$ 8,621	\$ 16,743
SB-5	\$ 24,676	\$ 20,338	\$ 45,015
OBN	\$ -	\$ 39,887	\$ 39,887
OBS	\$ -	\$ 1,401	\$ 1,401
KK	\$ 10,933	\$ 9,456	\$ 20,389
Cedar Glen	\$ 64,346	\$ 43,944	\$ 108,290
TOTALS	\$ 108,077	\$ 128,812	\$ 236,888