

Exhibit No.: _____
Issue(s): Net Operating Loss (NOL)
Witness/Type of Exhibit: Riley/Rebuttal
Sponsoring Party: Public Counsel
Case No.: WO-2020-0190

**AMENDMENT TO
REBUTTAL TESTIMONY**

OF

JOHN S. RILEY

Submitted on Behalf of the Office of the Public Counsel

MISSOURI-AMERICAN WATER COMPANY

CASE NO. WO-2020-0190

May 29, 2020

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


In the Matter of the Petition of Missouri-American)
Water Company for Approval to Change an) Case No. WO-2020-0190
Infrastructure System Replacement Surcharge)
(ISRS))

VERIFICATION OF JOHN S. RILEY

John S. Riley, under penalty of perjury, states:

1. Attached hereto and made a part hereof for all purposes is my amendment to rebuttal testimony in the above-captioned case.

3. My answer to each question in the attached amendment to rebuttal testimony is true and correct to the best of my knowledge, information, and belief.



John S. Riley, C.P.A.
Public Utility Accountant III
Office of the Public Counsel

AMENDMENT TO REBUTTAL TESTIMONY
OF
JOHN S. RILEY
MISSOURI-AMERICAN WATER COMPANY
CASE NO. WO-2020-0190

1 **Q. What is your name and what is your business address.**

2 A. John S. Riley, PO Box 2230, Jefferson City, Missouri 65102

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

4 A. I am employed by the Missouri Office of the Public Counsel (“OPC”) as a Public Utility
5 Accountant III.

6 **Q. Are you the same John S. Riley that filed rebuttal direct testimony in this case?**

7 A. Yes.

8 **Q. What is the purpose of this amendment to your rebuttal testimony?**

9 A. First, in my rebuttal testimony I made an argument that CIAC should be included as taxable
10 income when considering the NOL; however, I only included the CIAC schedule and NOL
11 amounts for ISRS WO-2018-0373. The purpose of my testimony is to include the CIAC and
12 NOL figures for ISRS WO-2019-0184, ISRS WO-2019-0389, and WO-2020-0190.

13 Second, as I was juggling workpapers to adjust Staff and MAWC calculations for this ISRS,
14 I inadvertently made adjustments to a different schedule than the one agreed upon by the two
15 other parties. Consequently, the \$8,872,475 found on page 8 line 15 of my previous filed rebuttal
16 testimony is incorrect. I have recalculated that number, using the correct work paper, and am
17 including the schedule that MAWC and Staff agreed upon with my adjustment.

1 **Q. How did you calculate these additional CIAC and NOL values?**

2 A. These are not independent calculations of my own. These were provided in MAWC's answer
3 to OPC data request 1301. The complete set is attached as Schedule JSR-AR-1.

4 **Q. What is the amount of CIAC and NOL for each ISRS in question?**

5 A. For the ISRS WO-2018-0373, the CIAC for the period was 1,052,050 with an NOL of
6 \$325,351¹. For the ISRS WO-2019-0184, the CIAC for the period was \$298,250 and the
7 NOL was \$327,667. For the ISRS WO-2019-0389, the CIAC for the period was \$227,477
8 and the NOL was \$190,285. For the current case, WO-2020-0190 the CIAC for the period
9 was \$235,642 and the NOL was \$280,011.

10 **Q. How did you recalculate the schedule that MAWC and Staff agree with?**

11 A. I consulted the Tax tab from the current ISRS most current workpapers to obtain the NOL
12 and calculated deferred tax asset amounts that were deducted from the ADIT balance. This
13 was \$280,011. Converted by the effective tax rate creates a Deferred Tax Asset of \$66,755.
14 This is the amount to be added back into line number 7 in the Revenue Requirement. The
15 other adjustment is to remove the Corrected Normalization from Prior Cases amount of
16 \$35,328 from line 51. The end results reduces revenue requirement from \$9,725,687 to
17 \$9,684,158; a reduction of \$41,529. This \$9,684,158 should replace the \$8,872,475 found on
18 page 8, line 15 of my previous rebuttal testimony.

19 **Q. Does this conclude the amendment to your rebuttal testimony?**

20 A. Yes.

¹ The \$325, 351 should replace the \$326,427 in lines 2 and 6 of page 6 of my rebuttal testimony

| | Jan-18 - Jul-18 | Aug-18 - Sep-18 | Total |
|---|----------------------|-----------------|----------------------|
| Mains, Valves and Hydrant Replacements | | | |
| Reimbursements | (\$2,337) | \$0 | (\$2,337) |
| Amortization | \$19 | \$0 | \$19 |
| Net CIAC | (\$2,318) | \$0 | (\$2,318) |
| Relocations | | | |
| Reimbursements | (\$1,059,928) | \$0 | (\$1,059,928) |
| Amortization | \$7,878 | \$0 | \$7,878 |
| Net CIAC | (\$1,052,050) | \$0 | (\$1,052,050) |

| Book/Tax Depreciation Temporary Difference | | | | | | | | |
|---|--|---------------------|--------------|------------------|-----------|---------------------|--------------|--|
| | | Replacements | | Relocations | | Total All Property | | |
| | | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | |
| Plant Additions | | | | | | | | |
| Plant Additions | | 62,895,855 | - | 1,263,074 | - | 64,158,929 | - | |
| Contributions | | (2,337) | - | (1,059,928) | - | (1,062,265) | - | |
| Net Plant Additions | | 62,893,518 | - | 203,146 | - | 63,096,664 | - | |
| Total Tax Depreciation Items | | | | | | | | |
| Repairs Deduction | | | | | | | | |
| Net Plant Additions | | 62,893,518 | - | 203,146 | - | 63,096,664 | - | |
| Repairs % | | 55.4% | | 55.4% | | | | |
| Total Repairs Deduction | | 34,849,591 | - | 112,564 | - | 34,962,156 | - | |
| Bonus Depreciation | | | | | | | | |
| Net Plant Additions After Repairs | | 28,043,927 | - | 90,582 | - | 28,134,509 | - | |
| Bonus Depreciation % | | 0.0% | | 0.0% | 0.0% | | | |
| Total Bonus Depreciation | | - | - | - | - | - | - | |
| Regular Depreciation | | | | | | | | |
| Net Plant Additions After Repairs and Bonus | | 28,043,927 | - | 90,582 | - | 28,134,509 | - | |
| Year 1 Depreciation Rate | | 2.0% | 2.0% | 2.0% | 2.0% | | | |
| Months Included | | 11.0 | | 11.0 | | | | |
| Total Regular Depreciation | | 514,139 | - | 1,661 | - | 515,799 | - | |
| Total Tax Deductions | | 35,363,730 | - | 114,225 | - | 35,477,955 | - | |
| Total Book Depreciation Items | | | | | | | | |
| Net Book Depreciation | | | | | | | | |
| Book Depreciation | | 425,978 | - | 6,622 | - | 432,599 | - | |
| Book Amortization | | (19) | - | (7,878) | - | (7,897) | - | |
| Total Net Book Depreciation | | 425,959 | - | (1,257) | - | 424,702 | - | |
| Book/Tax Depreciation Temporary Difference | | (34,937,771) | - | (115,481) | - | (35,053,253) | - | |
| Total per Type of Property | | | (34,937,771) | | (115,481) | | (35,053,253) | |
| % per Type of Property | | | 99.671% | | 0.329% | | 100.000% | |
| Net Operating Loss | | | | | | | | |
| | | 2018 | 2019 | | | | | |
| Net Plant Additions | | 63,096,664 | 0 | | | | | |
| Repairs Tax Basis | | 34,962,156 | 0 | | | | | |
| Method Life Basis | | 28,134,509 | 0 | | | | | |
| Book Depreciation Allocated to Repairs | | 235,329 | 0 | | | | | |
| Book Depreciation Allocated to Method Life | | 189,373 | 0 | | | | | |
| Total Book Depreciation | | 424,702 | 0 | | | | | |
| Repairs Related NOL | | | | | | | | |
| Repairs Book Depreciation | | 235,329 | 0 | | | | | |
| Repairs Tax Deduction | | 34,962,156 | 0 | | | | | |
| NOL Related to Repairs | | (34,726,826) | 0 | | | | | |
| Method Life Related NOL | | | | | | | | |
| Method Life Book Depreciation | | 189,373 | 0 | | | | | |
| Accelerated Tax Depreciation | | 515,799 | 0 | | | | | |
| NOL Related to Method Life | | (326,427) | 0 | | | | | |
| Total NOL for ISRS Purposes | | | | Include? | | | | |
| Repairs Related | | | | No | 0 | 0 | | |
| Method Life Related | | | | Yes | (326,427) | 0 | | |

| | Oct-18 - Mar-19 | Apr-19 - May-19 | Total |
|---|--------------------|-------------------|--------------------|
| Mains, Valves and Hydrant Replacements | | | |
| Reimbursements | (\$11,011) | \$0 | (\$11,011) |
| Amortization | \$83 | \$0 | \$83 |
| Net CIAC | (\$10,928) | \$0 | (\$10,928) |
| Relocations | | | |
| Reimbursements | (\$238,478) | (\$61,650) | (\$300,128) |
| Amortization | \$1,664 | \$214 | \$1,878 |
| Net CIAC | (\$236,814) | (\$61,436) | (\$298,250) |

| Book/Tax Depreciation Temporary Difference | | | | | | |
|---|--------------------|---------------------|------------------|----------------|--------------------|---------------------|
| | Replacements | | Relocations | | Total All Property | |
| | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 |
| Plant Additions | | | | | | |
| Plant Additions | 17,018,563 | 48,138,244 | 749,363 | 261,471 | 17,767,926 | 48,399,714 |
| Net Plant Additions | 17,018,563 | 48,138,244 | 749,363 | 261,471 | 17,767,926 | 48,399,714 |
| Total Tax Items | | | | | | |
| Repairs Deduction | | | | | | |
| Net Plant Additions | 17,018,563 | 48,138,244 | 749,363 | 261,471 | 17,767,926 | 48,399,714 |
| Repairs % | 55.4% | 55.4% | 55.4% | 55.4% | | |
| Total Repairs Deduction | 9,430,065 | 26,673,625 | 415,226 | 144,882 | 9,845,291 | 26,818,507 |
| Bonus Depreciation | | | | | | |
| Net Plant Additions After Repairs | 7,588,498 | 21,464,619 | 334,138 | 116,588 | 7,922,636 | 21,581,207 |
| Bonus Depreciation % | 0.0% | 0.0% | 0.0% | 0.0% | | |
| Total Bonus Depreciation | - | - | - | - | - | - |
| Regular Depreciation | | | | | | |
| Net Plant Additions After Repairs and Bonus | 7,588,498 | 21,464,619 | 334,138 | 116,588 | 7,922,636 | 21,581,207 |
| Year 1 Depreciation Rate | 2.0% | 2.0% | 2.0% | 2.0% | | |
| Months Included | 12.0 | 5.0 | 12.0 | 5.0 | | |
| Year 2 Depreciation Rate | 4.0% | 4.0% | 4.0% | 4.0% | | |
| Months Included | 5.0 | | 5.0 | | | |
| Total Regular Depreciation | 278,245 | 178,872 | 12,252 | 972 | 290,497 | 179,843 |
| Taxable Income - Contributions | (11,011) | - | (153,828) | (146,300) | (164,839) | (146,300) |
| Total Tax Deductions | 9,697,299 | 26,852,497 | 273,650 | (447) | 9,970,949 | 26,852,050 |
| Total Book Items | | | | | | |
| Net Book Depreciation | | | | | | |
| Book Depreciation | 121,248 | 187,773 | 5,967 | 1,516 | 127,215 | 189,289 |
| Book Amortization | (83) | - | (1,173) | (705) | (1,257) | (705) |
| Total Net Book Depreciation | 121,165 | 187,773 | 4,794 | 812 | 125,958 | 188,585 |
| Book/Tax Depreciation Temporary Difference | (9,576,134) | (26,664,724) | (268,856) | 1,258 | (9,844,990) | (26,663,465) |
| Net Operating Loss | | | | | | |
| | | | | | 2018 | 2019 |
| Net Plant Additions | | | | | 17,767,926 | 48,399,714 |
| Repairs Tax Basis | | | | | 9,845,291 | 26,818,507 |
| Method Life Basis | | | | | 7,922,636 | 21,581,207 |
| Book Depreciation Allocated to Repairs | | | | | 69,794 | 104,496 |
| Book Depreciation Allocated to Method Life | | | | | 56,164 | 84,089 |
| Total Book Depreciation | | | | | 125,958 | 188,585 |
| Repairs Related NOL | | | | | | |
| Repairs Book Depreciation | | | | | 69,794 | 104,496 |
| Repairs Tax Deduction | | | | | 9,845,291 | 26,818,507 |
| NOL Related to Repairs | | | | | (9,775,497) | (26,714,011) |
| Method Life Related NOL | | | | | | |
| Method Life Book Depreciation | | | | | 56,164 | 84,089 |
| Accelerated Tax Depreciation | | | | | 290,497 | 179,843 |
| NOL Related to Method Life | | | | | (234,332) | (95,754) |
| Total NOL for ISRS Purposes | | | | | | |
| | | | | | Include? | |
| Repairs Related | | | | | No | 0 |
| Method Life Related | | | | | Yes | (234,332) |
| Total Net Operating Loss | | | | | (\$234,332) | (\$95,754) |
| Net Deferred Income Taxes | | | | | | |

| | Apr-19 - Sep-19 | Oct-19 - Nov-19 | Total |
|---|--------------------|-----------------|--------------------|
| Mains, Valves and Hydrant Replacements | | | |
| Reimbursements | (\$1,023) | \$0 | (\$1,023) |
| Amortization | \$4 | \$0 | \$4 |
| Net CIAC | (\$1,019) | \$0 | (\$1,019) |
| Relocations | | | |
| Reimbursements | (\$228,509) | \$0 | (\$228,509) |
| Amortization | \$1,031 | \$0 | \$1,031 |
| Net CIAC | (\$227,477) | \$0 | (\$227,477) |

| 1 Book/Tax Depreciation Temporary Difference | | | | | | |
|--|---|---------------------|-------------|------------------|--------------------|-----------------------|
| 2 | | | | | | |
| 3 | | | | | | |
| | | Replacements | | Relocations | | Total All Property |
| | | 2019 | 2020 | 2019 | 2020 | 2019 2020 |
| 4 | | | | | | |
| 5 Plant Additions | | | | | | |
| 6 | Plant Additions | 54,279,919 | - | 169,239 | - | 54,449,158 - |
| 7 | | | | | | |
| 8 | Net Plant Additions | 54,279,919 | - | 169,239 | - | 54,449,158 - |
| 9 | | | | | | |
| 10 Total Tax Items | | | | | | |
| 11 | | | | | | |
| 12 Repairs Deduction | | | | | | |
| 13 | Net Plant Additions | 54,279,919 | - | 169,239 | - | 54,449,158 - |
| 14 | Repairs % | 55.4% | 55.4% | 55.4% | 55.4% | |
| 15 | Total Repairs Deduction | 30,076,756 | - | 93,776 | - | 30,170,532 - |
| 16 | | | | | | |
| 17 Bonus Depreciation | | | | | | |
| 18 | Net Plant Additions After Repairs | 24,203,163 | - | 75,463 | - | 24,278,626 - |
| 19 | Bonus Depreciation % | 0.0% | 0.0% | 0.0% | 0.0% | |
| 20 | Total Bonus Depreciation | - | - | - | - | - - |
| 21 | | | | | | |
| 22 Regular Depreciation | | | | | | |
| 23 | Net Plant Additions After Repairs and Bonus | 24,203,163 | - | 75,463 | - | 24,278,626 - |
| 24 | Year 1 Depreciation Rate | 2.0% | 2.0% | 2.0% | 2.0% | |
| 25 | Months Included | 8.0 | 0.0 | 8.0 | 0.0 | |
| 26 | Year 2 Depreciation Rate | 4.0% | 4.0% | 4.0% | 4.0% | |
| 27 | Months Included | 0.0 | | 0.0 | | |
| 28 | Total Regular Depreciation | 322,709 | - | 1,006 | - | 323,715 - |
| 29 | | | | | | |
| 30 | Taxable Income - Contributions | (1,023) | - | (228,509) | - | (229,532) - |
| 31 | | | | | | |
| 32 | Total Tax Deductions | 30,398,442 | - | (133,726) | - | 30,264,716 - |
| 33 | | | | | | |
| 34 Total Book Items | | | | | | |
| 35 | | | | | | |
| 36 Net Book Depreciation | | | | | | |
| 37 | Book Depreciation | 301,535 | - | 631 | - | 302,166 - |
| 38 | Book Amortization | (4) | | (1,031) | - | (1,035) - |
| 39 | Total Net Book Depreciation | 301,531 | - | (400) | - | 301,131 - |
| 40 | | | | | | |
| 41 | Book/Tax Depreciation Temporary Difference | (30,096,910) | - | 133,326 | - | (29,963,584) - |
| 42 | | | | | | |
| 43 Net Operating Loss | | | | | | |
| 44 | | | | | | |
| | | 2019 | 2020 | | | |
| 45 | | | | | | |
| 46 | | | | | | |
| 47 | Net Plant Additions | 54,449,158 | - | | | |
| 48 | | | | | | |
| 49 | Repairs Tax Basis | 30,170,532 | 0 | | | |
| 50 | Method Life Basis | 24,278,626 | 0 | | | |
| 51 | | | | | | |
| 52 | Book Depreciation Allocated to Repairs | 166,858 | 0 | | | |
| 53 | Book Depreciation Allocated to Method Life | 134,273 | 0 | | | |
| 54 | Total Book Depreciation | 301,131 | 0 | | | |
| 55 | | | | | | |
| 56 Repairs Related NOL | | | | | | |
| 57 | Repairs Book Depreciation | 166,858 | 0 | | | |
| 58 | Repairs Tax Deduction | 30,170,532 | 0 | | | |
| 59 | NOL Related to Repairs | (30,003,674) | 0 | | | |
| 60 | | | | | | |
| 61 Method Life Related NOL | | | | | | |
| 62 | Method Life Book Depreciation | 134,273 | 0 | | | |
| 63 | Accelerated Tax Depreciation | 323,715 | 0 | | | |
| 64 | NOL Related to Method Life | (189,442) | 0 | | | |
| 65 | | | | | | |
| 66 Total NOL for ISRS Purposes | | | | | | |
| | | | | Include? | | |
| 67 | Repairs Related | | | No | 0 | 0 |
| 68 | Method Life Related | | | Yes | (189,442) | 0 |
| 69 | | | | | | |
| Taxable Income | | | | | (\$189,442) | \$0 |

| | Oct-19 - Mar-20 | Apr-20 - May-20 | Total |
|---|------------------|-----------------|------------------|
| Mains, Valves and Hydrant Replacements | | | |
| Reimbursements | (\$4,731) | \$0 | (\$4,731) |
| Amortization | \$33 | \$0 | \$33 |
| Net CIAC | (\$4,698) | \$0 | (\$4,698) |

| | Oct-19 - Mar-20 | Apr-20 - May-20 | Total |
|--------------------|--------------------|-----------------|--------------------|
| Relocations | | | |
| Reimbursements | (\$236,732) | \$0 | (\$236,732) |
| Amortization | \$1,089 | \$0 | \$1,089 |
| Net CIAC | (\$235,642) | \$0 | (\$235,642) |

| Book/Tax Depreciation Temporary Difference | | | | | | |
|---|--------------------|---------------------|------------------|-----------------|--------------------|---------------------|
| | Replacements | | Relocations | | Total All Property | |
| | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 |
| Plant Additions | | | | | | |
| Plant Additions | 13,030,643 | 52,276,522 | 1,234,578 | 598,267 | 14,265,220 | 52,874,788 |
| Net Plant Additions | 13,030,643 | 52,276,522 | 1,234,578 | 598,267 | 14,265,220 | 52,874,788 |
| Total Tax Items | | | | | | |
| Repairs Deduction | | | | | | |
| Net Plant Additions | 13,030,643 | 52,276,522 | 1,234,578 | 598,267 | 14,265,220 | 52,874,788 |
| Repairs % | 55.4% | 55.4% | 55.4% | 55.4% | | |
| Total Repairs Deduction | 7,220,340 | 28,966,664 | 684,085 | 331,502 | 7,904,425 | 29,298,167 |
| Bonus Depreciation | | | | | | |
| Net Plant Additions After Repairs | 5,810,303 | 23,309,857 | 550,492 | 266,764 | 6,360,795 | 23,576,622 |
| Bonus Depreciation % | 0.0% | 0.0% | 0.0% | 0.0% | | |
| Total Bonus Depreciation | - | - | - | - | - | - |
| Regular Depreciation | | | | | | |
| Net Plant Additions After Repairs and Bonus | 5,810,303 | 23,309,857 | 550,492 | 266,764 | 6,360,795 | 23,576,622 |
| Year 1 Depreciation Rate | 2.0% | 2.0% | 2.0% | 2.0% | | |
| Months Included | 12.0 | 5.0 | 12.0 | 5.0 | | |
| Year 2 Depreciation Rate | 4.0% | 4.0% | 4.0% | 4.0% | | |
| Months Included | 5.0 | | | | | |
| Total Regular Depreciation | 213,044 | 194,249 | 20,185 | 2,223 | 233,229 | 196,472 |
| Taxable Income - Contributions | (4,731) | - | 22,660 | (259,392) | 17,930 | (259,392) |
| Total Tax Deductions | 7,428,653 | 29,160,913 | 726,930 | 74,333 | 8,155,584 | 29,235,247 |
| Total Book Items | | | | | | |
| Net Book Depreciation | | | | | | |
| Book Depreciation | 111,398 | 198,940 | 9,951 | 2,874 | 121,350 | 201,814 |
| Book Amortization | (33) | - | 184 | (1,273) | 151 | (1,273) |
| Total Net Book Depreciation | 111,365 | 198,940 | 10,135 | 1,601 | 121,501 | 200,541 |
| Book/Tax Depreciation Temporary Difference | (7,317,288) | (28,961,973) | (716,795) | (72,733) | (8,034,083) | (29,034,706) |
| Net Operating Loss | | | | | | |
| | | | | | 2019 | 2020 |
| Net Plant Additions | | | | | 14,265,220 | 52,874,788 |
| Repairs Tax Basis | | | | | 7,904,425 | 29,298,167 |
| Method Life Basis | | | | | 6,360,795 | 23,576,622 |
| Book Depreciation Allocated to Repairs | | | | | 67,324 | 111,121 |
| Book Depreciation Allocated to Method Life | | | | | 54,177 | 89,420 |
| Total Book Depreciation | | | | | 121,501 | 200,541 |
| Repairs Related NOL | | | | | | |
| Repairs Book Depreciation | | | | | 67,324 | 111,121 |
| Repairs Tax Deduction | | | | | 7,904,425 | 29,298,167 |
| NOL Related to Repairs | | | | | (7,837,101) | (29,187,046) |
| Method Life Related NOL | | | | | | |
| Method Life Book Depreciation | | | | | 54,177 | 89,420 |
| Accelerated Tax Depreciation | | | | | 233,229 | 196,472 |
| NOL Related to Method Life | | | | | (179,053) | (107,052) |
| Total NOL for ISRS Purposes | | | | | | |
| | | | | | Include? | |
| Repairs Related | | | | | No | 0 |
| Method Life Related | | | | | Yes | (179,053) |
| Taxable Income | | | | | (\$179,053) | (\$107,052) |
| Net Deferred Income Taxes | | | | | | |
| | | | | | | |
| | | | | | 2019 | 2020 |
| Book/Tax Depreciation Temporary Difference | (7,317,288) | (28,961,973) | (716,795) | (72,733) | (8,034,083) | (29,034,706) |
| Effective Tax Rate | 23.8% | 23.8% | 23.8% | 23.8% | 23.8% | 23.8% |
| Deferred Tax Liability | (1,744,451) | (6,904,572) | (170,885) | (17,340) | (1,915,336) | (6,921,911) |
| NOL | 175,239 | 104,772 | 3,814 | 2,280 | 179,053 | 107,052 |
| Effective Tax Rate | 23.8% | 23.8% | 23.8% | 23.8% | 23.8% | 23.8% |
| Deferred Tax Asset | 41,777 | 24,978 | 909 | 544 | 42,686 | 25,521 |
| Net Deferred Income Taxes | (1,702,674) | (6,879,594) | (169,976) | (16,796) | (1,872,649) | (6,896,390) |

| | | |
|----|---|---------------------|
| 1 | Infrastructure System Replacement Surcharge Revenue Requirement | |
| 2 | | |
| 3 | Water Utility Plant Projects--Replacement Mains, and Associated Valves and Hydrants (RM) RSMo 393.1000 (8a): | |
| 4 | <u>Task Orders Placed in Service (TOPS):</u> | |
| 5 | STLC-Replacement Mains and Associated Valves and Hydrants | \$65,307,164 |
| 6 | Net Contributions in Aid of Construction | (4,698) |
| 7 | Deferred Taxes | (8,582,268) |
| 8 | Accumulated Depreciation | (310,338) |
| 9 | | |
| 10 | Total Net 393.1000 (8a) | \$56,409,860 |
| 11 | | |
| 12 | Water Utility Plant Projects--Main Cleanings and Relinings (RM) RSMo 393.1000 (8b): | |
| 13 | <u>Task Orders Placed in Service (TOPS):</u> | |
| 14 | STLC-Main Cleanings and Relinings | \$0 |
| 15 | Net Contributions in Aid of Construction | 0 |
| 16 | Deferred Taxes | 0 |
| 17 | Accumulated Depreciation | 0 |
| 18 | | |
| 19 | Total Net 393.1000 (8b) | \$0 |
| 20 | | |
| 21 | Water Utility Plant Projects--Facilities Relocations (FR) RSMo 393.1000 (8c): | |
| 22 | <u>Task Orders Placed in Service (TOPS):</u> | |
| 23 | STLC-Relocated Facilities | \$1,832,844 |
| 24 | Net Contributions in Aid of Construction | (235,642) |
| 25 | Deferred Taxes | (186,772) |
| 26 | Accumulated Depreciation | (12,825) |
| 27 | | |
| 28 | Total Net 393.1000 (8c) | \$1,397,605 |
| 29 | | |
| 30 | Accumulated Depreciation and Deferred Taxes on Investment in Current ISRS | |
| 31 | Accumulated Depreciation - Prior ISRS | (\$1,285,421) |
| 32 | Deferred Taxes - Prior ISRS | (63,486) |
| 33 | Deferred Taxes - Prior ISRS - Tax Rate Adjustment | 1,634,341 |
| 34 | | |
| 35 | Total | \$285,434 |
| 36 | | |
| 37 | Total ISRS Rate Base | \$58,092,900 |
| 38 | | |
| 39 | Overall Pre-Tax Rate Of Return per Last Order | 9.29% |
| 40 | | |
| 41 | Revenue Requirement on Capital | \$5,396,830 |
| 42 | Depreciation Expense | 777,132 |
| 43 | Property Taxes | 3,748,783 |
| 44 | Revenue Cap Adjustment | 0 |
| 45 | | |
| 46 | Total Revenue Requirement | \$9,922,745 |
| 47 | | |
| 48 | Adjustments: | |
| 49 | Undercollection from ISRS reconciliation | - |
| 50 | Change in MO Corporate Tax Rate on Prior ISRS | (232,386) |
| 51 | Corrected Normalization from Prior ISRS Cases | 35,328 |
| 52 | Adjusted Total Revenue Requirement | \$9,725,687 |
| 53 | | |
| 54 | Allocation of Revenue by Class | |
| 55 | Rate A | \$9,712,135 |
| 56 | Rate B | 3,853 |
| 57 | Rate J | 9,699 |
| 58 | | |
| 59 | Grand Total Revenues Collected in Proposed ISRS | \$9,725,687 |

| | | |
|----|---|---------------------|
| 1 | Infrastructure System Replacement Surcharge Revenue Requirement | |
| 2 | | |
| 3 | Water Utility Plant Projects--Replacement Mains, and Associated Valves and Hydrants (RM) RSMo 393.1000 (8a): | |
| 4 | <u>Task Orders Placed in Service (TOPS):</u> | |
| 5 | STLC-Replacement Mains and Associated Valves and Hydrants | \$65,307,164 |
| 6 | Net Contributions in Aid of Construction | (4,698) |
| 7 | Deferred Taxes | (8,649,023) |
| 8 | Accumulated Depreciation | (310,338) |
| 9 | | |
| 10 | Total Net 393.1000 (8a) | \$56,343,105 |
| 11 | | |
| 12 | Water Utility Plant Projects--Main Cleanings and Relinings (RM) RSMo 393.1000 (8b): | |
| 13 | <u>Task Orders Placed in Service (TOPS):</u> | |
| 14 | STLC-Main Cleanings and Relinings | \$0 |
| 15 | Net Contributions in Aid of Construction | 0 |
| 16 | Deferred Taxes | 0 |
| 17 | Accumulated Depreciation | 0 |
| 18 | | |
| 19 | Total Net 393.1000 (8b) | \$0 |
| 20 | | |
| 21 | Water Utility Plant Projects--Facilities Relocations (FR) RSMo 393.1000 (8c): | |
| 22 | <u>Task Orders Placed in Service (TOPS):</u> | |
| 23 | STLC-Relocated Facilities | \$1,832,844 |
| 24 | Net Contributions in Aid of Construction | (235,642) |
| 25 | Deferred Taxes | (186,772) |
| 26 | Accumulated Depreciation | (12,825) |
| 27 | | |
| 28 | Total Net 393.1000 (8c) | \$1,397,605 |
| 29 | | |
| 30 | Accumulated Depreciation and Deferred Taxes on Investment in Current ISRS | |
| 31 | Accumulated Depreciation - Prior ISRS | (\$1,285,421) |
| 32 | Deferred Taxes - Prior ISRS | (63,486) |
| 33 | Deferred Taxes - Prior ISRS - Tax Rate Adjustment | 1,634,341 |
| 34 | | |
| 35 | Total | \$285,434 |
| 36 | | |
| 37 | Total ISRS Rate Base | \$58,026,144 |
| 38 | | |
| 39 | Overall Pre-Tax Rate Of Return per Last Order | 9.29% |
| 40 | | |
| 41 | Revenue Requirement on Capital | \$5,390,629 |
| 42 | Depreciation Expense | 777,132 |
| 43 | Property Taxes | 3,748,783 |
| 44 | Revenue Cap Adjustment | 0 |
| 45 | | |
| 46 | Total Revenue Requirement | \$9,916,544 |
| 47 | | |
| 48 | Adjustments: | |
| 49 | Undercollection from ISRS reconciliation | - |
| 50 | Change in MO Corporate Tax Rate on Prior ISRS | (232,386) |
| 51 | Corrected Normalization from Prior ISRS Cases | 0 |
| 52 | Adjusted Total Revenue Requirement | \$9,684,158 |
| 53 | | |