

# APPENDIX A

## STAFF PARTICIPANT AFFIDAVITS AND DISPOSITION AGREEMENT & ATTACHMENTS

CASE NO. WR-2010-0345

Note: To browse through this document by item, click on the "Bookmark" tab at the top of the menu bar to the left of the screen and then click on the item that you want to see.

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## Staff Participant Affidavits

James M. Russo – Water & Sewer Department

Roberta Grissum – Auditing Department

John Robinett – Engineering & Management Services Department

Deborah Bernsen – Engineering & Management Services Department

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

**AFFIDAVIT OF JAMES M. RUSSO**

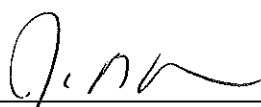
STATE OF MISSOURI     )

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CASE NO. WR-2010-0345

COUNTY OF COLE        )

COMES NOW James M. Russo, being of lawful age, and on his oath states the following: (1) that he is the Rate and Tariff Examination Supervisor of the Missouri Public Service Commission's Water & Sewer Department; (2) that he participated in the Staff's investigation of the small company rate increase request that is the subject of the instant case; (3) that he has knowledge of the foregoing *Company/Staff Agreement Regarding Disposition of Small Water Company Rate Increase Request ("Disposition Agreement")*; (4) that he was responsible for the preparation of Attachments, A, C, D, E, and I to the Disposition Agreement; (5) that he has knowledge of the matters set forth in the Disposition Agreement and the above-referenced attachments thereto; and (6) that the matters set forth in the Disposition Agreement and the above-referenced attachments thereto are true and correct to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
James M. Russo  
Rate & Tariff Examination Supervisor  
Water and Sewer Department

Subscribed and sworn to before me this 18<sup>th</sup> day of October, 2010.

  
\_\_\_\_\_  
Notary Public

|   |
|---|
| NIKKI SENN<br>Notary Public - Notary Seal<br>State of Missouri<br>Commissioned for Osage County<br>My Commission Expires: October 01, 2011<br>Commission Number: 07287016 |
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**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

**AFFIDAVIT OF ROBERTA A. GRISSUM**

STATE OF MISSOURI

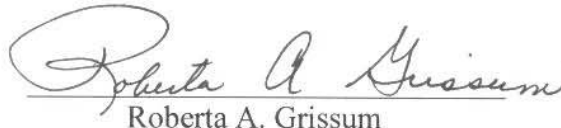
COUNTY OF St. Louis

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Case No. WR-2010-0345

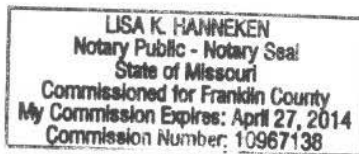
**COMES NOW** Roberta A. Grissum, being of lawful age, and on her oath states the following: (1) that she is a(n) Utility Regulatory Auditor in the Missouri Public Service Commission's Auditing Department; (2) that she participated in the Staff's investigation of the small company rate increase request that is the subject of the instant case; (3) that she has knowledge of the foregoing *Company/Staff Agreement Regarding Disposition of Small Water Company Rate Increase Request* ("Disposition Agreement"); (4) that she was responsible for the preparation of Attachments B and G to the Disposition Agreement; (5) that she has knowledge of the matters set forth in Attachments B and G to the Disposition Agreement; and (6) that the matters set forth in Attachments B and G to the Disposition Agreement are true and correct to the best of her knowledge, information, and belief.



Roberta A. Grissum

Utility Regulatory Auditor IV  
Auditing Department

Subscribed and sworn to before me this 6<sup>th</sup> day of October, 2010.



Notary Public

**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

**AFFIDAVIT OF JOHN A. ROBINETT**

STATE OF MISSOURI

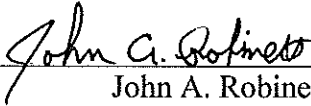
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COUNTY OF COLE

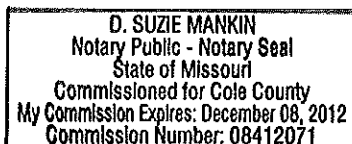
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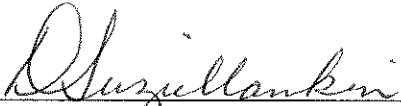
Case No. WR-2010-0345

**COMES NOW** John A. Robinett, being of lawful age, and on his oath states the following: (1) that he is a(n) ) Utility Regulatory Specialist in the Missouri Public Service Commission's Engineering & Management Services Department; (2) that he participated in the Staff's investigation of the small company rate increase request that is the subject of the instant case; (3) that he has knowledge of the foregoing *Company/Staff Agreement Regarding Disposition of Small Water Company Rate Increase Request* ("Disposition Agreement"); (4) that he was responsible for the preparation of Attachment F to the Disposition Agreement; (5) that he has knowledge of the matters set forth in Attachment F to the Disposition Agreement; and (6) that the matters set forth in Attachment F to the Disposition Agreement are true and correct to the best of his knowledge, information, and belief.

  
\_\_\_\_\_  
John A. Robinett  
Utility Regulatory Specialist  
Engineering & Management  
Services Department

Subscribed and sworn to before me this 8<sup>th</sup> day of October, 2010.



  
\_\_\_\_\_  
Notary Public

**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

**AFFIDAVIT OF DEBORAH A. BERNSEN**

STATE OF MISSOURI

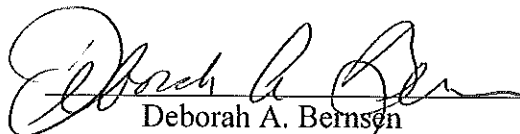
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COUNTY OF COLE

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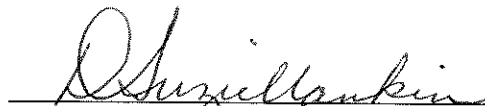
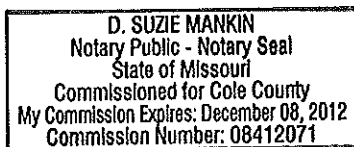
Case No. WR-2010-0345

**COMES NOW** Deborah A. Bernsen, being of lawful age, and on her oath states the following: (1) that she is a Utility Management Analyst III in the Missouri Public Service Commission's Engineering & Management Services Department; (2) that she participated in the Staff's investigation of the small company rate increase request that is the subject of the instant case; (3) that she has knowledge of the foregoing *Company/Staff Agreement Regarding Disposition of Small Water Company Rate Increase Request* ("Disposition Agreement"); (4) that she was responsible for the preparation of Attachment H to the Disposition Agreement; (5) that she has knowledge of the matters set forth in Attachment H to the Disposition Agreement; and (6) that the matters set forth in Attachment H to the Disposition Agreement are true and correct to the best of her knowledge, information, and belief.



Deborah A. Bernsen  
Utility Management Analyst III  
Engineering & Management  
Services Department

Subscribed and sworn to before me this 8th day of October, 2010.



Notary Public

# Company/Staff Disposition Agreement

**COMPANY/STAFF AGREEMENT REGARDING DISPOSITION  
OF SMALL WATER COMPANY REVENUE INCREASE REQUEST**

**KMB UTILITY CORPORATION**

**MO PSC CASE NO. WR-2010-0345**

**BACKGROUND**

KMB Utility Corporation ("KMB or Company") initiated the small company revenue increase request ("Request") for water service that is the subject of the above-referenced Missouri Public Service Commission ("Commission") Case Number by submitting a letter to the Secretary of the Commission in accordance with the provisions of Commission Rule 4 CSR 240-3.050, Small Utility Rate Case Procedure ("Small Company Procedure"). In its request letter, which was received at the Commission's offices on May 21, 2010, the Company set forth its request for an aggregate increase of \$18,500 in its total annual water service operating revenues. In its request letter, the Company also acknowledged that the design of its customer rates, its service charges, its customer service practices, its general business practices and its general tariff provisions would be reviewed during the Commission Staff's ("Staff") review of the revenue increase request, and could thus be the subject of Staff recommendations. The Company provides service to approximately 539 customers, the vast majority of which are residential customers. The Company provides water service in Jefferson and Franklin Counties in Missouri.

Pursuant to the provisions of the Small Company Procedure and related internal operating procedures, Staff initiated an audit of the Company's books and records, a review of the Company's customer service and general business practices, a review of the Company's existing tariff, an inspection of the Company's facilities and a review of the Company's operation of its facilities. (These activities are collectively referred to hereinafter as Staff's "investigation" of the Company's Request.)

Upon completion of Staff's investigation of the Company's Request, Staff provided the Company and the Office of the Public Counsel ("OPC") with the results of the investigation, with Staff's initial recommendations for the resolution of the Company's Request, and with other information regarding Staff's investigation.

### **RESOLUTION OF THE COMPANY'S RATE INCREASE REQUEST**

Pursuant to negotiations held subsequent to the Company's and OPC's receipt of the above-referenced information regarding Staff's investigation of the Company's Request, Staff and the Company hereby state the following agreements:

- (1) For the purpose of implementing the agreements set out herein, the Company will file with the Commission proposed tariff revisions containing the rates, charges and language set out in the example tariff sheets attached hereto as Attachment A and incorporated by reference herein, with those proposed tariff revisions bearing an effective date of December 8, 2010;
- (2) Except as otherwise noted in the agreements below, both the Exhibit Modeling System ("EMS"), attached hereto as Attachment B and incorporated by reference herein, and the ratemaking income statement attached hereto as Attachment C and incorporated by reference herein, accurately reflect the Company's annualized revenues generated by its current customer rates, the agreed-upon total annualized cost of service for the Company, and the resulting agreed-upon annualized operating revenue an aggregate increase of \$25,293 is just and reasonable and designed to recover the Company's cost of service;
- (3) The audit workpapers attached hereto as Attachment B and incorporated by reference herein, which include consideration of a capital structure of 100% equity for the Company and a return on that equity of 9.02%, accurately reflect the agreed-upon total annualized cost of service for the Company and provide the basis for the ratemaking income statement referenced in item (2) above;
- (4) The rates set out in the attached example tariff sheets, the development of which is shown on the rate design worksheet attached hereto as Attachment D and incorporated by reference herein, are designed to generate revenues sufficient to recover the agreed-upon total annualized cost of service for the Company;
- (5) The rates included in the attached example tariff sheets will result in the residential customer impacts shown on the billing comparison worksheet attached hereto as Attachment E and incorporated by reference herein;
- (6) The rates included in the attached example tariff sheets are just and reasonable, and that the provisions of the attached example tariff sheets also properly reflect all other agreements set out herein, where necessary;
- (7) The schedule of depreciation rates attached hereto as Attachment F and incorporated herein, which includes the depreciation rates used by Staff in its revenue requirement analysis, shall be the prescribed schedule of water plant depreciation rates for the Company;
- (8) The Commission's Auditing Department conducted an audit of the Company's books and records using a test year consisting of the 12-month period ending May 31, 2010 as the period to base the revenue requirement calculation.

All revenues, expenses, and rate base investment were reviewed through this period. The audit findings and recommendations are identified hereto as Attachment G and incorporated by reference herein.

Staff provided the Company and OPC its initial recommendations of the revenue increase for the resolution of the Company's request and Staff's EMS run. The work papers supporting the revenue requirement calculation were also provided to the Company and OPC with the results of its investigation regarding the proposed rate increase;

(9) Within thirty (30) days of the effective date of an order approving this Company/Staff Disposition Agreement, the Company shall implement the following recommendations as a result of the Water and Sewer Department's investigation:

- a. The Company shall perform two (2) additional well visits per week to Cedar Hill Estates, Crestview Acres, High Ridge Manor, Hillshine Acres and Lakewood subdivision (visit to main well in service) or amend the contract with Franklin County Lab, LLC to have Franklin County Lab, LLC perform the services;
- b. A master reading, electric reading and monthly gallons per minute test shall be performed during these site visits and documented on the well logs. Other tests or observations, including but not limited to, checking system pressure, amp readings, draw downs or special visits for inspections with regulatory agencies or well pump service provider should also be documented on the well logs;
- c. Maintenance performed on the system during these visits, including but not limited to investigating complaints, performing leak detection, locates, disconnects and other service issues shall also be documented on service orders or bills from contract or outside services; and
- d. The Company shall contact the Water and Sewer Department on how these additional operations will be performed or provide an amended contract with Franklin County Lab, LLC for Staff's review;

(10) Within sixty (60) days of the effective date of an order approving this Company/Staff Disposition Agreement, the Company shall implement the following recommendations contained in the Engineering & Management Services Department ("EMSD") Report attached hereto as Attachment H and incorporated by reference herein:

- a. The Company shall implement a method that documents and records the number of all estimates used for customer bills for each service address; and

- b. The Company shall implement procedures to contact customers receiving at least three consecutively estimated bills and schedule an appointment to obtain access to the customer's meter;

(11) Within ninety (90) days of the effective date of an order approving this Company/Staff Disposition Agreement, the Company shall implement the following recommendations from the Auditing Department and the Depreciation Staff associated with EMSD:

- a. The Company shall maintain and retain proper plant and Contribution in Aid of Construction ("CIAC") records;
- b. The Company shall adjust its books and records to reflect the plant and reserve account balances shown in the Staff EMS exhibit, attached hereto as Attachment B and incorporated by reference herein;
- c. The Company shall on a going forward basis maintain the plant and reserve balances for accounts 345, 346 and 347 separately;
- d. The Company shall adjust its books and records to reflect the Contributions in Aid of Construction ("CIAC") and the amortized CIAC account balances shown in the Staff EMS exhibit, attached hereto as Attachment B and incorporated by reference herein;
- e. The Company shall implement a work order system to track material cost, labor cost, overhead cost, and record cost of removal and gross salvage for all new, replaced or retired plant; and
- f. The Company shall follow National Association of Regulatory Utility Commissioners' ("NARUC") Uniform System of Accounts ("USOA") guidelines for the recording of cost of removal and gross salvage in the Company ledger as adjustments to plant and reserves;

(12) Within six (6) months of the effective date of an order approving this Company/Staff Disposition Agreement, the Company shall implement the recommendations contained in the Auditing Department Recommendation Memorandum identified hereto as Attachment G and incorporated by reference herein. The recommendation is the Company shall obtain assistance from Staff in preparing the Company's 2010 PSC Annual Report;

(13) The Company shall mail its customers a final written notice of the rates and charges included in its proposed tariff revisions prior to or with its next billing cycle after issuance of the Commission Order approving the terms of this Company/Staff Disposition Agreement. The notice shall include a summary of the impact of the proposed rates on an average residential customer's bill. When the Company mails the notice to its customers, it shall also send a copy to Staff Case Coordinator who will file a copy in this case;

- (14) Staff may conduct follow-up reviews of the Company's operations to ensure that the Company has complied with the provisions of this Company/Staff Disposition Agreement;
- (15) Staff may file a formal complaint against the Company, if the Company does not comply with the provisions of this Disposition Agreement;
- (16) The Company agrees that it has read the foregoing Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase Request; that facts stated therein are true and accurate to the best of the Company's knowledge and belief; that the foregoing conditions accurately reflect the agreement reached between the Company and Staff; and that the Company freely and voluntarily enters into this agreement; and
- (17) The above agreements satisfactorily resolve all issues identified by Staff and the Company regarding the Company's Request, except as otherwise specifically stated herein.

#### **ADDITIONAL MATTERS**

Other than the specific conditions agreed upon and expressly set out herein, the terms of this Company/Staff Disposition Agreement reflect compromises between Staff and the Company. In arriving at the amount of the annual operating revenue increase specified herein neither party has agreed to any particular ratemaking principle.

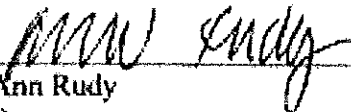
Staff has completed a Summary of Case Events and has included that summary as Attachment I to this Company/Staff Disposition Agreement.

The Company acknowledges that the Staff will be filing this Company/Staff Disposition Agreement and the attachments hereto. The Company also acknowledges that Staff may make other filings in this case.


Additionally, the Company agrees that subject to the rules governing practice before the Commission that Staff shall have the right to provide whatever oral explanation the Commission may request regarding this Company/Staff Disposition Agreement at any agenda meeting at which this case is noticed to be considered by the Commission. Subject to the rules governing practice before the Commission, Staff will be available to answer Commission questions regarding this Company/Staff Disposition Agreement. To the extent reasonably practicable, Staff shall provide the Company with advanced notice of any such agenda meeting so that they may have the opportunity to be present and/or represented at the meeting.

**SIGNATURES**

Agreement Signed and Dated:

  
\_\_\_\_\_  
Ann Rudy  
Owner  
KMB Utility Corporation

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
James Busch  
Manager  
Water & Sewer Department  
Missouri Public Service Commission Staff

  
\_\_\_\_\_  
Date

**List of Attachments**

- Attachment A - Example Tariff Sheets
- Attachment B - EMS
- Attachment C - Ratemaking Income Statement
- Attachment D - Rate Design Worksheet
- Attachment E - Billing Comparison Worksheet
- Attachment F - Schedule of Depreciation Rates
- Attachment G - Auditing Department Recommendation Memorandum
- Attachment H - EMSD Report
- Attachment I - Summary of Events

## Agreement Attachment A

### Example Tariff Sheets

P.S.C. MO No. 1  
Canceling P.S.C. MO No. 1

KMB Utility Corporation  
Name of Issuing Company

4th Revised Sheet No. 6A

3rd Revised Sheet No. 6A

For: Crestview Acres (Jefferson County)  
Certificated Service Area

**Rules & Regulations**  
**Rendering of Water Service**

**SCHEDULE OF WATER RATES**

Availability:

The following rate is applicable to all customers located in the Company's Crestview Acres certificated service area that are adjacent to the Company's distribution mains using standard water service.

Rate Schedule:

|                  |                           |   |
|------------------|---------------------------|---|
| Customer Charge  | \$12.83 per month         | + |
| Commodity Charge | \$ 3.79 per 1,000 gallons | + |

The Customer Charge will be billed each customer monthly regardless of actual usage.

Taxes:

Any applicable Federal, State or local taxes shall be in addition to above charges.

Late Charges:

Billings will be made and distributed at monthly intervals. Bills will be rendered net, bearing the last date on which payment will then be considered delinquent. The period after which payment will then be considered delinquent is 21 days after rendition of the bill. A charge of \$5.00 or three percent (3%) per month times the unpaid balance, whichever is more, will be added to delinquent amounts.

Returned Check Charge

A returned check charge of \$20 per check will be paid on all checks returned from the bank for insufficient funds.

\* Indicates New Rate or Text

+ Indicates Changed Rate or Text

Issue Date: October 22, 2010  
Month/Day/Year

Effective Date: December 8, 2010  
Month/Day/Year

Issued By: Ann Rudy President  
Name & Title of Issuing Officer

510 Dulin Creek Road House Springs MO 63501  
Company Mailing Address

P.S.C. MO No. 1  
Canceling P.S.C. MO No. 1

KMB Utility Corporation  
Name of Issuing Company

6th Revised Sheet No. 6B  
5th Revised Sheet No. 6B  
For: Lakewood Hills (Jefferson County)  
Certificated Service Area

**Rules & Regulations**  
**Rendering of Water Service**

**SCHEDULE OF WATER RATES**

Availability:

The following rate is applicable to all customers located in the Company's Lakeview Hills certificated service area that are adjacent to the Company's distribution mains using standard water service.

Rate Schedule:

|  |                           |   |
|--|---------------------------|---|
| Customer Charge  | \$13.66 per month         | + |
| Commodity Charge   | \$ 3.55 per 1,000 gallons | + |
| The Customer Charge will be billed each customer monthly regardless of actual usage. |                           |   |

Taxes:

Any applicable Federal, State or local taxes shall be in addition to above charges.

Late Charges:

Billings will be made and distributed at monthly intervals. Bills will be rendered net, bearing the last date on which payment will then be considered delinquent. The period after which payment will then be considered delinquent is 21 days after rendition of the bill. A charge of \$5.00 or three percent (3%) per month times the unpaid balance, whichever is more, will be added to delinquent amounts.

Returned Check Charge

A returned check charge of \$20 per check will be paid on all checks returned from the bank for insufficient funds.

\* Indicates New Rate or Text

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Issue Date: October 22, 2010  
Month/Day/Year

Effective Date: December 8, 2010  
Month/Day/Year

Issued By: Ann Rudy President  
Name & Title of Issuing Officer

510 Dulin Creek Road House Springs MO 63501  
Company Mailing Address

|   |   |                 |                   |   |                  |                           |   |
|---|---|-----------------|-------------------|---|------------------|---------------------------|---|
| <p style="text-align: center;">P.S.C. MO No. 1</p> <p>Canceling P.S.C. MO No. 1</p> <p><u>KMB Utility Corporation</u><br/>Name of Issuing Company</p>   | <p style="text-align: center;">5th Revised Sheet No. <u>6C</u></p> <p style="text-align: center;">4th Revised Sheet No. <u>6C</u></p> <p>For: <u>Hillshine Community (Jefferson County)</u><br/>Certificated Service Area</p> |                 |                   |   |                  |                           |   |
| <p><b>Rules &amp; Regulations</b><br/><b>Rendering of Water Service</b></p>   |   |                 |                   |   |                  |                           |   |
| <p style="text-align: center;"><b><u>SCHEDULE OF WATER RATES</u></b></p> <p><u>Availability:</u><br/>The following rate is applicable to all customers located in the Company's Hillshine Manor certificated service area that are adjacent to the Company's distribution mains using standard water service.</p> <p><u>Rate Schedule:</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Customer Charge</td> <td style="width: 20%; text-align: right;">\$14.69 per month</td> <td style="width: 20%; text-align: right;">+</td> </tr> <tr> <td>Commodity Charge</td> <td style="text-align: right;">\$ 2.85 per 1,000 gallons</td> <td style="text-align: right;">+</td> </tr> </table> <p>The Customer Charge will be billed each customer monthly regardless of actual usage.</p> <p><u>Taxes:</u><br/>Any applicable Federal, State or local taxes shall be in addition to above charges.</p> <p><u>Late Charges:</u><br/>Billings will be made and distributed at monthly intervals. Bills will be rendered net, bearing the last date on which payment will then be considered delinquent. The period after which payment will then be considered delinquent is 21 days after rendition of the bill. A charge of \$5.00 or three percent (3%) per month times the unpaid balance, whichever is more, will be added to delinquent amounts.</p> <p><u>Returned Check Charge</u><br/>A returned check charge of \$20 per check will be paid on all checks returned from the bank for insufficient funds.</p> <p style="margin-top: 20px;">* Indicates New Rate or Text<br/>+ Indicates Changed Rate or Text</p> |   | Customer Charge | \$14.69 per month | + | Commodity Charge | \$ 2.85 per 1,000 gallons | + |
| Customer Charge   | \$14.69 per month   | +               |                   |   |                  |                           |   |
| Commodity Charge  | \$ 2.85 per 1,000 gallons   | +               |                   |   |                  |                           |   |

Issue Date: October 22, 2010  
Month/Day/Year

Effective Date: December 8, 2010  
Month/Day/Year

Issued By: Ann Rudy President  
Name & Title of Issuing Officer

510 Dulin Creek Road House Springs MO 63501  
Company Mailing Address

P.S.C. MO No. 1

5th Revised Sheet No. 6D

Canceling P.S.C. MO No. 1

4th Revised Sheet No. 6D

KMB Utility Corporation  
Name of Issuing Company

For: Town of Scotsdale (Jefferson County)  
Certificated Service Area

**Rules & Regulations**  
**Rendering of Water Service**

**SCHEDULE OF WATER RATES**

Availability:

The following rate is applicable to all customers located in the Company's Town of Scotsdale certificated service area that are adjacent to the Company's distribution mains using standard water service.

Rate Schedule:

|                     |                             |   |
|---------------------|-----------------------------|---|
| Customer Charge     |                             |   |
| Residential Service | \$43.70 per month           | + |
| Commercial Service  | \$53.03 per month           | + |
| Commodity Charge    | \$5.68 per 1,000 gallons    | + |
|                     | in excess of 10,000 a month |   |

The Customer Charge will be billed each customer monthly regardless of actual usage.

Taxes:

Any applicable Federal, State or local taxes shall be in addition to above charges.

Late Charges:

Billings will be made and distributed at monthly intervals. Bills will be rendered net, bearing the last date on which payment will then be considered delinquent. The period after which payment will then be considered delinquent is 21 days after rendition of the bill. A charge of \$5.00 or three percent (3%) per month times the unpaid balance, whichever is more, will be added to delinquent amounts.

Returned Check Charge

A returned check charge of \$20 per check will be paid on all checks returned from the bank for insufficient funds.

\* Indicates New Rate or Text

+ Indicates Changed Rate or Text

Issue Date: October 22, 2010  
Month/Day/Year

Effective Date: December 8, 2010  
Month/Day/Year

Issued By: Ann Rudy President  
Name & Title of Issuing Officer

510 Dulin Creek Road House Springs MO 63501  
Company Mailing Address

|  |  |                 |                   |   |                  |                           |   |
|--|--|-----------------|-------------------|---|------------------|---------------------------|---|
| P.S.C. MO No. 1<br><br>Canceling P.S.C. MO No. 1<br><br><u>KMB Utility Corporation</u><br>Name of Issuing Company  | 4th Revised Sheet No. <u>6E</u><br><br>3rd Revised Sheet No. <u>6E</u><br><br>For: <u>Warren Woods Subdivision (Jefferson County)</u><br>Certificated Service Area |                 |                   |   |                  |                           |   |
| <b>Rules &amp; Regulations</b><br><b>Rendering of Water Service</b>  |  |                 |                   |   |                  |                           |   |
| <b><u>SCHEDULE OF WATER RATES</u></b>  |  |                 |                   |   |                  |                           |   |
| <p><u>Availability:</u><br/>         The following rate is applicable to all customers located in the Company's Warren Woods Subdivision certificated service area that are adjacent to the Company's distribution mains using standard water service.</p> <p><u>Rate Schedule:</u></p> <p><u>Metered Rate (when available)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 30%;">Customer Charge</td> <td style="width: 40%;">\$24.44 per month</td> <td style="width: 30%; text-align: right;">+</td> </tr> <tr> <td>Commodity Charge</td> <td>\$ 5.52 per 1,000 gallons</td> <td style="text-align: right;">+</td> </tr> </table> <p><u>Taxes:</u><br/>         Any applicable Federal, State or local taxes shall be in addition to above charges.</p> <p><u>Late Charges:</u><br/>         Billings will be made and distributed at monthly intervals. Bills will be rendered net, bearing the last date on which payment will then be considered delinquent. The period after which payment will then be considered delinquent is 21 days after rendition of the bill. A charge of \$5.00 or three percent (3%) per month times the unpaid balance, whichever is more, will be added to delinquent amounts.</p> <p><u>Returned Check Charge</u><br/>         A returned check charge of \$20 per check will be paid on all checks returned from the bank for insufficient funds.</p> <p>* Indicates New Rate or Text<br/>         + Indicates Changed Rate or Text</p> |  | Customer Charge | \$24.44 per month | + | Commodity Charge | \$ 5.52 per 1,000 gallons | + |
| Customer Charge  | \$24.44 per month  | +               |                   |   |                  |                           |   |
| Commodity Charge   | \$ 5.52 per 1,000 gallons  | +               |                   |   |                  |                           |   |

Issue Date: October 22, 2010  
 Month/Day/Year

Effective Date: December 8, 2010  
 Month/Day/Year

Issued By: Ann Rudy President  
 Name & Title of Issuing Officer

510 Dulin Creek Road House Springs MO 63501  
 Company Mailing Address

P.S.C. MO No. 1

1<sup>st</sup> Revised Sheet No. 6F

Canceling

Original Sheet No. 6F

KMB Utility Corporation

For:

Service Areas in Tariff Language

Name of Issuing Company

Certificated Service Area

**Rules & Regulations  
Rendering of Water Service**

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\* Indicates New Rate or Text

+ Indicates Changed Rate or Text

Issue Date: October 22, 2010  
Month/Day/Year

Effective Date: December 8, 2010  
Month/Day/Year

Issued By: Ann Rudy President  
Name & Title of Issuing Officer

510 Dulin Creek Road House Springs MO 63501  
Company Mailing Address

P.S.C. MO No. 1

5<sup>th</sup> Revised Sheet No. 7

Canceling P.S.C. MO No. 1

4<sup>th</sup> Revised Sheet No. 7

KMB Utility Corporation

For:

Franchised Areas

Name of Issuing Company

Certificated Service Area

## **SCHEDULE OS SERVICE CHARGES**

These charges are applicable to the Company's services provide for in the corresponding rules:

### Service Fee:

Service fee shall be charged to any customer for which service was requested or discontinued when there is a Company owned meter setting or lockable valve located outside the customers dwelling.

Turn-On Charge after service discontinuance by Company for violation of the Company's Rules and Regulations (see Rule 7). \$50.00

Turn-Off or Turn-On Charges applicable to customers requesting temporary disconnection of services (see Rule 8). \$25.00

### Discontinuance/Reconnection Fee:

Discontinuance/Reconnection fee with meter installed \$900.00 +

(Applicable for metered Customer what does not have Company owned meter)

Discontinuance/Reconnection fee with meter idler installed \$865.00 +

Discontinuance/Reconnection fee shall be charged to any existing customer for which service was discontinued for non-payment of water bill or other Rules violation, and there is no Company owned meter, meter setting or lockable valve located outside the customers dwelling. The fee may be collected by the Company a single time for each service. To avoid being charged the Discontinuance/Reconnection Fee, payment in full for delinquent water service must be made, or remediation of the specified rule violation must be made and demonstrated prior to Company's work crew arriving at the customers service location to begin discontinuance work. If payment is rendered or rule violation remediation is shown at the time the Company's work crew arrives to begin discontinuation work, the Company will complete the meter setting installation and the customer must pay the delinquent bill in addition to the Discontinuance/Reconnection fee.

### New Service Connection:

Charge for new service connection with meter installed (Metered Customer):

Actual cost not to exceed \$900.00

Charge for new service connection with meter idler installed (Flat Rate Customer):

Actual cost not to exceed \$865.00

Includes materials: Corporation stop, saddle, pipe couplings, up to 50' of 3/4" service pipe, 5/8" x 3/4" meter yoke, meter or meter idler, meter box and lid.

Actual cost of extra pipe required over 50 feet, or cost due to larger pipe size, parts, or meter as may be required to provide service shall be an additional charge. Any rock excavation or road crossing shall be billed to the customer at Company's cost, including supervision and overhead.

\* Indicates New Rate or Text

+ Indicates Changed Rate or Text

Issue Date: October 22, 2010  
Month/Day/Year

Effective Date: December 8, 2010  
Month/Day/Year

Issued By: Ann Rudy President  
Name & Title of Issuing Officer

510 Dulin Creek Road House Springs MO 63501  
Company Mailing Address

## Agreement Attachment B

### EMS Run

**Exhibit No.:**  
**Issue:** Accounting Schedules  
**Witness:** Roberta Grissum  
**Sponsoring Party:** MO PSC Staff  
**Case No:** WR-2010-0345  
**Date Prepared:** 7/19/2010



**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY SERVICES DIVISION**

**STAFF ACCOUNTING SCHEDULES**

**UTILITY CORPORATION - CONSOLIDATED WATER SY**

**CASE NO. WR-2010-0345**

**Jefferson City, Missouri**

**July 2010**

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Design Schedule - Water

| Line<br>Number | A<br>Description                               | B<br>Account<br>Number<br>(Optional) | C<br>Staff<br>Annualized | D<br>Customer<br>Charge | E<br>Commodity | F<br>Percentage<br>Rate |
|----------------|--|--------------------------------------|--------------------------|-------------------------|----------------|-------------------------|
| Rev-1          | ANNUALIZED REVENUES                            |                                      |                          |                         |                |                         |
| Rev-2          | Annualized Rate Revenues                       | (1)                                  | \$130,791                |                         |                |                         |
| Rev-3          | Miscellaneous Revenues                         | (1)                                  | \$10,011                 |                         |                |                         |
| Rev-4          | TOTAL ANNUALIZED REVENUES                      |                                      | \$140,802                |                         |                |                         |
| 1              | OPERATIONS EXPENSES                            | (2)                                  |                          |                         |                |                         |
| 2              | Management Salary (1)                          |                                      | \$8,163                  | \$0                     | \$8,163        | 0.00%                   |
| 3              | Hourly Employees - Carolyn Highley             |                                      | \$5,315                  | \$0                     | \$5,315        | 0.00%                   |
| 4              | Operators Salary/Contract Services (1)         |                                      | \$44,960                 | \$0                     | \$44,960       | 0.00%                   |
| 5              | Electricity-(Pumping)                          |                                      | \$9,440                  | \$0                     | \$9,440        | 0.00%                   |
| 6              | Chemicals-(Chlorine)                           |                                      | \$1,037                  | \$0                     | \$1,037        | 0.00%                   |
| 7              | TOTAL OPERATIONS EXPENSE                       |                                      | \$68,915                 | \$0                     | \$68,915       |                         |
| 8              | MAINTENANCE EXPENSES                           |                                      |                          |                         |                |                         |
| 9              | Outside Services Employed - Flynn Drilling (1) |                                      | \$1,750                  | \$0                     | \$1,750        | 0.00%                   |
|                |  |                                      | \$180                    | \$0                     | \$180          | 0.00%                   |
| 10             | Misc. Supplies                                 |                                      | \$14,917                 | \$0                     | \$14,917       | 0.00%                   |
| 11             | System Maintenance                             |                                      | \$16,847                 | \$0                     | \$16,847       | 0.00%                   |
| 12             | TOTAL MAINTENANCE EXPENSE                      |                                      |                          |                         |                |                         |
| 13             | CUSTOMER ACCOUNT EXPENSE                       |                                      |                          |                         |                |                         |
| 14             | Meter Reading                                  |                                      | \$0                      | \$0                     | \$0            | 0.00%                   |
| 15             | Legal and Accounting Fees                      |                                      | \$4,457                  | \$0                     | \$4,457        | 0.00%                   |
| 16             | Billing & Collections                          |                                      | \$885                    | \$0                     | \$885          | 0.00%                   |
| 17             | Office Supplies                                |                                      | \$671                    | \$0                     | \$671          | 0.00%                   |
| 18             | Postage  |                                      | \$3,092                  | \$0                     | \$3,092        | 0.00%                   |
| 19             | Uncollectible Accounts                         |                                      | \$805                    | \$0                     | \$805          | 0.00%                   |
| 20             | TOTAL CUSTOMER ACCOUNT EXPENSE                 |                                      | \$9,910                  | \$0                     | \$9,910        |                         |
| 21             | ADMINISTRATIVE & GENERAL EXPENSES              |                                      |                          |                         |                |                         |
| 22             | Administration & General Salary (1)            |                                      | \$0                      | \$0                     | \$0            | 0.00%                   |
| 23             | Office Utilities                               |                                      | \$1,109                  | \$0                     | \$1,109        | 0.00%                   |
| 24             | Telephone & Pagers                             |                                      | \$1,642                  | \$0                     | \$1,642        | 0.00%                   |
| 25             | Vehicle Insurance                              |                                      | \$0                      | \$0                     | \$0            | 0.00%                   |
| 26             | Vehicle Expense                                |                                      | \$1,835                  | \$0                     | \$1,835        | 0.00%                   |
| 27             | Medical Insurance                              |                                      | \$0                      | \$0                     | \$0            | 0.00%                   |
| 28             | Property & Liability Insurance                 |                                      | \$6,662                  | \$0                     | \$6,662        | 0.00%                   |
| 29             | Building Rent                                  |                                      | \$1,769                  | \$0                     | \$1,769        | 0.00%                   |
| 30             | Other Misc. Expenses                           |                                      | \$279                    | \$0                     | \$279          | 0.00%                   |
| 31             | TOTAL ADMINISTRATIVE AND GENERAL               |                                      | \$13,296                 | \$0                     | \$13,296       |                         |
| 32             | OTHER OPERATING EXPENSES                       |                                      |                          |                         |                |                         |
| 33             | Registration Fees & Lab Sampling               |                                      | \$283                    | \$0                     | \$283          | 0.00%                   |
| 34             | PSC Assessment                                 |                                      | \$2,742                  | \$0                     | \$2,742        | 0.00%                   |
| 35             | Corporate Registration                         |                                      | \$0                      | \$0                     | \$0            | 0.00%                   |
| 36             | Amortization Expense                           |                                      | \$0                      | \$0                     | \$0            | 0.00%                   |
| 37             | Depreciation                                   |                                      | \$24,155                 | \$0                     | \$24,155       | 0.00%                   |
| 38             | TOTAL OTHER OPERATING EXPENSES                 |                                      | \$27,180                 | \$0                     | \$27,180       |                         |
| 39             | TAXES OTHER THAN INCOME                        |                                      |                          |                         |                |                         |
| 40             | Real & Personal Property Taxes                 |                                      | \$2,548                  | \$0                     | \$2,548        | 0.00%                   |
| 41             | Payroll Taxes                                  |                                      | \$2,663                  | \$0                     | \$2,663        | 0.00%                   |
| 42             | TOTAL TAXES OTHER THAN INCOME                  |                                      | \$5,211                  | \$0                     | \$5,211        |                         |
| 43             | TOTAL OPERATING EXPENSES                       |                                      | \$141,359                | \$0                     | \$141,359      |                         |
| 44             | Interest Expense                               | (3)                                  | \$0                      | \$0                     | \$0            | 0.00%                   |
| 45             | Return on Equity                               | (3)                                  | \$19,804                 | \$0                     | \$19,804       | 0.00%                   |
| 46             | Income Taxes                                   | (3)                                  | \$4,932                  | \$0                     | \$4,932        | 0.00%                   |

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Design Schedule - Water

| Line<br>Number | A<br>Description                      | B<br>Account<br>Number<br>(Optional) | C                   | D                  | E         | F                  |
|----------------|---------------------------------------|--------------------------------------|---------------------|--------------------|-----------|--------------------|
|                |                                       |                                      | Staff<br>Annualized | Customer<br>Charge | Commodity | Percentage<br>Rate |
| 47             | TOTAL INTEREST RETURN & TAXES         |                                      | \$24,736            | \$0                | \$24,736  |                    |
| 48             | TOTAL COST OF SERVICE                 |                                      | \$166,095           | \$0                | \$166,095 |                    |
| 49             | Less: Miscellaneous Revenues          |                                      | \$10,011            | \$0                | \$10,011  | 0.00%              |
| 50             | COST TO RECOVER IN RATES              |                                      | \$156,084           | \$0                | \$156,084 |                    |
| 51             | INCREMENTAL INCREASE IN RATE REVENUES |                                      | <u>\$25,293</u>     |                    |           |                    |
| 52             | PERCENTAGE OF INCREASE                |                                      | <u>17.96%</u>       |                    |           |                    |
| 53             | REQUESTED INCREASE IN REVENUES        |                                      | \$0                 |                    |           |                    |

- (1) From Revenue Schedule  
(2) From Expense Schedule  
(3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

KMB Utility Corporation - Consolidated Water System  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Base Required Return on Investment Schedule - Water

| Line<br>Number | A<br>Rate Base Description                            | B<br>Dollar<br>Amount |                                     |
|----------------|---|-----------------------|-------------------------------------|
| 1              | Plant In Service                                      | \$634,144             | From Plant Schedule                 |
| 2              | Less Accumulated Depreciation Reserve                 | \$405,314             | From Depreciation Reserve Schedule  |
| 3              | Net Plant In Service                                  | \$228,830             |                                     |
| 4              | Other Rate Base Items:                                | \$0                   |                                     |
|                | Contribution In Aid of Construction                   | -\$18,483             |                                     |
|                | CIAC Depreciation                                     | \$9,210               |                                     |
| 5              | Total Rate Base                                       | \$219,557             |                                     |
| 6              | Total Weighted Rate of Return<br>Including Income Tax | 11.27%                | From PreTax Return & Taxes Schedule |
| 7              | Required Return & Income Tax                          | \$24,736              |                                     |

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate of Return Including Income Tax - Water

|  | A                | B      | formulas                         |
|--|------------------|--------|----------------------------------|
| 1 State Income Tax Rate Statutory / Effective                            | 6.25% (2)        | 5.81%  | $(1 - (B2 \times .5)) \times A1$ |
| 2 Federal Income Tax Rate Statutory / Effective                          | 15.00% (1) & (2) | 14.13% | $(1 - B1) \times A2$             |
| 3 Composite Effective Income Tax Rate                                    |                  | 19.94% | $B1 + B2$                        |
| 4 Equity Tax Factor  |                  | 1.2490 | $1 / (1 - B3)$                   |
| 5 Recommended Weighted Rate of Return on Equity - Common and Preferred   |                  | 9.02%  | From Capital Structure Schedule  |
| 6 Weighted Rate of Return on Equity Including Income Tax                 |                  | 11.27% | $B4 \times B5$                   |
| 7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term |                  | 0.00%  | From Capital Structure Schedule  |
| 8 Total Weighted Rate of Return Including Income Tax                     |                  | 11.27% | $B6 + B7$                        |

To Rate Base Schedule

(1) If Sub-Chapter S Corporation, Enter Y:

N

Equity Income Required      \$23,299  
& Preliminary Federal Tax

Tax Rate Table

| Net Income Range       |                 |          |                 |              |
|------------------------|-----------------|----------|-----------------|--------------|
| Start                  | End             | Tax Rate | Amount In Range | Tax on Range |
| \$0                    | \$50,000        | 15.00%   | \$23,299        | \$3,495      |
| \$50,001               | \$75,000        | 25.00%   | \$0             | \$0          |
| \$75,001               | \$100,000       | 34.00%   | \$0             | \$0          |
| \$100,001              | \$335,000       | 39.00%   | \$0             | \$0          |
| \$335,001              | \$9,999,999,999 | 34.00%   | \$0             | \$0          |
|                        |                 |          | \$23,299        | \$3,495      |
| Consolidated Tax Rate: |                 |          |                 |              |
| Average Tax Rate:      |                 |          |                 | 0.15         |

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Capital Structure Schedule - Water

| Line<br>Number | A<br>Description                     | B<br>Dollar<br>Amount | C<br>Percentage<br>of Total<br>Capital<br>Structure | D<br>Embedded<br>Cost of<br>Capital | E<br>Weighted<br>Cost of<br>Capital |
|----------------|--------------------------------------|-----------------------|---|-------------------------------------|-------------------------------------|
| 1              | Common Stock                         | \$219,557             | 100.00%   | 9.02%                               | 9.020%                              |
| 2              | Other Security-Non Tax<br>Deductible | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 3              | Preferred Stock                      | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 4              | Long Term Debt                       | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 5              | Short Term Debt                      | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 6              | Other Security-Tax<br>Deductible     | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 7              | TOTAL CAPITALIZATION                 | <u>\$219,557</u>      | <u>100.00%</u>                                      |                                     | <u>9.020%</u>                       |

To PreTax Return Rate Schedule

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Plant In Service - Water

| Line Number | A<br>Account #<br>(Optional) | B<br>Plant Account Description            | C<br>Total<br>Plant | D<br>Adjustment<br>Number | E<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|-------------|------------------------------|---|---------------------|---------------------------|------------------|-----------------------------------|---------------------------------|
| 1           |                              | INTANGIBLE PLANT                          |                     |                           |                  |                                   |                                 |
| 2           | 301.000                      | Organization                              | \$35,409            |                           |                  | 100.00%                           | \$35,409                        |
| 3           | 302.000                      | Franchises                                | \$4,109             |                           |                  | 100.00%                           | \$4,109                         |
| 4           | 303.000                      | Miscellaneous Intangible Plant            | \$11,160            |                           |                  | 100.00%                           | \$11,160                        |
| 5           |                              | TOTAL INTANGIBLE PLANT                    | \$50,678            |                           | \$0              |                                   | \$50,678                        |
| 6           |                              | SOURCE OF SUPPLY PLANT                    |                     |                           |                  |                                   |                                 |
| 7           | 310.000                      | Land & Land Rights SP                     | \$2,025             |                           |                  | 100.00%                           | \$2,025                         |
| 8           | 311.000                      | Structures & Improvements - SSP           | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 9           | 312.000                      | Collection & Impounding Reservoirs        | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 10          | 313.000                      | Lake, River & Other Intakes               | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 11          | 314.000                      | Wells & Springs                           | \$12,979            |                           |                  | 100.00%                           | \$12,979                        |
| 12          | 315.000                      | Infiltration Galleries & Tunnels          | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 13          | 316.000                      | Supply Mains                              | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 14          |                              | TOTAL SOURCE OF SUPPLY PLANT              | \$15,004            |                           | \$0              |                                   | \$15,004                        |
| 15          |                              | PUMPING PLANT                             |                     |                           |                  |                                   |                                 |
| 16          | 321.000                      | Structures & Improvements - PP            | \$43,958            |                           |                  | 100.00%                           | \$43,958                        |
| 17          | 325.000                      | Electric Pumping Equipment                | \$120,558           |                           |                  | 100.00%                           | \$120,558                       |
| 18          | 326.000                      | Diesel Pumping Equipment                  | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 19          | 328.000                      | Other Pumping Equipment                   | \$22,847            |                           |                  | 100.00%                           | \$22,847                        |
| 20          |                              | TOTAL PUMPING PLANT                       | \$187,363           |                           | \$0              |                                   | \$187,363                       |
| 21          |                              | WATER TREATMENT PLANT                     |                     |                           |                  |                                   |                                 |
| 22          | 330.000                      | Land & Land Rights-WTP                    | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 23          | 331.000                      | Structures & Improvements - WTP           | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 24          | 332.000                      | Water Treatment Equipment                 | \$1,926             |                           |                  | 100.00%                           | \$1,926                         |
| 25          |                              | TOTAL WATER TREATMENT PLANT               | \$1,926             |                           | \$0              |                                   | \$1,926                         |
| 26          |                              | TRANSMISSION & DISTRIBUTION PLANT         |                     |                           |                  |                                   |                                 |
| 27          | 340.000                      | Land & Land Rights-T&D                    | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 28          | 341.000                      | Structures & Improvements - T&D           | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 29          | 342.000                      | Distribution Reservoirs & Standpipes      | \$32,618            |                           |                  | 100.00%                           | \$32,618                        |
| 30          | 343.000                      | Transmission and Distribution Mains       | \$167,173           |                           |                  | 100.00%                           | \$167,173                       |
| 31          | 344.000                      | Fire Mains                                | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 32          | 345.000                      | Services                                  | \$8,707             |                           |                  | 100.00%                           | \$8,707                         |
| 33          | 346.000                      | Meters                                    | \$114,623           |                           |                  | 100.00%                           | \$114,623                       |
| 34          | 347.000                      | Meter Installations- Bronze               | \$26,466            |                           |                  | 100.00%                           | \$26,466                        |
| 35          | 347.000                      | Meter Installations- Plastic              | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 36          | 348.000                      | Hydrants                                  | \$12,030            |                           |                  | 100.00%                           | \$12,030                        |
| 37          | 349.000                      | Other Transmission and Distribution Plant | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 38          |                              | TOTAL TRANS. & DISTRIBUTION PLANT         | \$361,617           |                           | \$0              |                                   | \$361,617                       |
| 39          |                              | GENERAL PLANT                             |                     |                           |                  |                                   |                                 |
| 40          | 370.000                      | Land & Land Rights-GP                     | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 41          | 371.000                      | Structures & Improvements - GP            | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 42          | 372.000                      | Office Furniture & Equipment              | \$0                 |                           |                  | 100.00%                           | \$0                             |
| 43          | 391.100                      | Office Computer Equipment                 | \$3,607             |                           |                  | 100.00%                           | \$3,607                         |
| 44          | 392.000                      | Transportation Equipment                  | \$8,568             |                           |                  | 100.00%                           | \$8,568                         |
| 45          | 394.000                      | Other General Equipment                   | \$5,296             |                           |                  | 100.00%                           | \$5,296                         |
| 46          | 397.000                      | Communications Equipment                  | \$85                |                           |                  | 100.00%                           | \$85                            |
| 47          |                              | TOTAL GENERAL PLANT                       | \$17,556            |                           | \$0              |                                   | \$17,556                        |
| 48          |                              | TOTAL PLANT IN SERVICE                    | \$634,144           |                           | \$0              |                                   | \$634,144                       |

To Rate Base & Depreciation Schedules

KMB Utility Corporation - Consolidated Water System  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Schedule of Adjustments for Plant in Service - Water

| <u>A</u>                      | <u>B</u>                                | <u>C</u>          | <u>D</u>             | <u>E</u>            |
|-------------------------------|---|-------------------|----------------------|---------------------|
| Plant<br>Adjustment<br>Number | Plant In Service Adjustment Description | Account<br>Number | Adjustment<br>Amount | Total<br>Adjustment |
| Total Plant Adjustments       |   |                   |                      | \$0                 |

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Depreciation Expense - Water

| Line Number | A<br>Account Number | B<br>Plant Account Description            | C<br>Adjusted Jurisdictional | D<br>Depreciation Rate | E<br>Depreciation Expense |
|-------------|---------------------|---|------------------------------|------------------------|---------------------------|
| 1           |                     | INTANGIBLE PLANT                          |                              |                        |                           |
| 2           | 301.000             | Organization                              | \$35,409                     | 0.00%                  | \$0                       |
| 3           | 302.000             | Franchises                                | \$4,109                      | 0.00%                  | \$0                       |
| 4           | 303.000             | Miscellaneous Intangible Plant            | \$11,160                     | 0.00%                  | \$0                       |
| 5           |                     | TOTAL INTANGIBLE PLANT                    | \$50,678                     |                        | \$0                       |
| 6           |                     | SOURCE OF SUPPLY PLANT                    |                              |                        |                           |
| 7           | 310.000             | Land & Land Rights SP                     | \$2,025                      | 0.00%                  | \$0                       |
| 8           | 311.000             | Structures & Improvements - SSP           | \$0                          | 0.00%                  | \$0                       |
| 9           | 312.000             | Collection & Impounding Reservoirs        | \$0                          | 0.00%                  | \$0                       |
| 10          | 313.000             | Lake, River & Other Intakes               | \$0                          | 0.00%                  | \$0                       |
| 11          | 314.000             | Wells & Springs                           | \$12,979                     | 2.00%                  | \$260                     |
| 12          | 315.000             | Infiltration Galleries & Tunnels          | \$0                          | 0.00%                  | \$0                       |
| 13          | 316.000             | Supply Mains                              | \$0                          | 0.00%                  | \$0                       |
| 14          |                     | TOTAL SOURCE OF SUPPLY PLANT              | \$15,004                     |                        | \$260                     |
| 15          |                     | PUMPING PLANT                             |                              |                        |                           |
| 16          | 321.000             | Structures & Improvements - PP            | \$43,958                     | 2.50%                  | \$1,099                   |
| 17          | 325.000             | Electric Pumping Equipment                | \$120,558                    | 5.00%                  | \$6,028                   |
| 18          | 326.000             | Diesel Pumping Equipment                  | \$0                          | 0.00%                  | \$0                       |
| 19          | 328.000             | Other Pumping Equipment                   | \$22,847                     | 4.00%                  | \$914                     |
| 20          |                     | TOTAL PUMPING PLANT                       | \$187,363                    |                        | \$8,041                   |
| 21          |                     | WATER TREATMENT PLANT                     |                              |                        |                           |
| 22          | 330.000             | Land & Land Rights-WTP                    | \$0                          | 0.00%                  | \$0                       |
| 23          | 331.000             | Structures & Improvements - WTP           | \$0                          | 0.00%                  | \$0                       |
| 24          | 332.000             | Water Treatment Equipment                 | \$1,926                      | 2.90%                  | \$56                      |
| 25          |                     | TOTAL WATER TREATMENT PLANT               | \$1,926                      |                        | \$56                      |
| 26          |                     | TRANSMISSION & DISTRIBUTION PLANT         |                              |                        |                           |
| 27          | 340.000             | Land & Land Rights-T&D                    | \$0                          | 0.00%                  | \$0                       |
| 28          | 341.000             | Structures & Improvements - T&D           | \$0                          | 0.00%                  | \$0                       |
| 29          | 342.000             | Distribution Reservoirs & Standpipes      | \$32,618                     | 2.50%                  | \$815                     |
| 30          | 343.000             | Transmission and Distribution Mains       | \$167,173                    | 2.00%                  | \$3,343                   |
| 31          | 344.000             | Fire Mains                                | \$0                          | 0.00%                  | \$0                       |
| 32          | 345.000             | Services                                  | \$8,707                      | 2.50%                  | \$218                     |
| 33          | 346.000             | Meters                                    | \$114,623                    | 10.00%                 | \$11,462                  |
| 34          | 347.000             | Meter Installations- Bronze               | \$26,466                     | 2.50%                  | \$662                     |
| 35          | 347.000             | Meter Installations- Plastic              | \$0                          | 2.50%                  | \$0                       |
| 36          | 348.000             | Hydrants                                  | \$12,030                     | 2.00%                  | \$241                     |
| 37          | 349.000             | Other Transmission and Distribution Plant | \$0                          | 0.00%                  | \$0                       |
| 38          |                     | TOTAL TRANS. & DISTRIBUTION PLANT         | \$361,617                    |                        | \$16,741                  |
| 39          |                     | GENERAL PLANT                             |                              |                        |                           |
| 40          | 370.000             | Land & Land Rights-GP                     | \$0                          | 0.00%                  | \$0                       |

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Depreciation Expense - Water

| Line Number | A<br>Account Number | B<br>Plant Account Description | C<br>Adjusted Jurisdictional | D<br>Depreciation Rate | E<br>Depreciation Expense |
|-------------|---------------------|--------------------------------|------------------------------|------------------------|---------------------------|
| 41          | 371.000             | Structures & Improvements - GP | \$0                          | 0.00%                  | \$0                       |
| 42          | 372.000             | Office Furniture & Equipment   | \$0                          | 0.00%                  | \$0                       |
| 43          | 391.100             | Office Computer Equipment      | \$3,607                      | 1.00%                  | \$36                      |
| 44          | 392.000             | Transportation Equipment       | \$8,568                      | 7.00%                  | \$600                     |
| 45          | 394.000             | Other General Equipment        | \$5,296                      | 5.00%                  | \$265                     |
| 46          | 397.000             | Communications Equipment       | \$85                         | 6.70%                  | \$6                       |
| 47          |                     | TOTAL GENERAL PLANT            | <u>\$17,556</u>              |                        | <u>\$907</u>              |
| 48          |                     | Total Depreciation             | <u>\$634,144</u>             |                        | <u>\$26,005</u>           |

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Accumulated Depreciation Reserve - Water

| Line Number | A<br>Account Number | B<br>Depreciation Reserve Description     | C<br>Total Reserve | D<br>Adjustment Number | E<br>Adjustments | F<br>Jurisdictional Allocation | G<br>Adjusted Jurisdictional |
|-------------|---------------------|---|--------------------|------------------------|------------------|--------------------------------|------------------------------|
| 1           |                     | INTANGIBLE PLANT                          |                    |                        |                  |                                |                              |
| 2           | 301.000             | Organization                              | \$35,515           |                        |                  | 100.00%                        | \$35,515                     |
| 3           | 302.000             | Franchises                                | \$4,109            |                        |                  | 100.00%                        | \$4,109                      |
| 4           | 303.000             | Miscellaneous Intangible Plant            | \$11,160           |                        |                  | 100.00%                        | \$11,160                     |
| 5           |                     | TOTAL INTANGIBLE PLANT                    | \$50,784           |                        | \$0              |                                | \$50,784                     |
| 6           |                     | SOURCE OF SUPPLY PLANT                    |                    |                        |                  |                                |                              |
| 7           | 310.000             | Land & Land Rights SP                     | \$0                |                        |                  | 100.00%                        | \$0                          |
| 8           | 311.000             | Structures & Improvements - SSP           | \$0                |                        |                  | 100.00%                        | \$0                          |
| 9           | 312.000             | Collection & Impounding Reservoirs        | \$0                |                        |                  | 100.00%                        | \$0                          |
| 10          | 313.000             | Lake, River & Other Intakes               | \$0                |                        |                  | 100.00%                        | \$0                          |
| 11          | 314.000             | Wells & Springs                           | \$10,345           |                        |                  | 100.00%                        | \$10,345                     |
| 12          | 315.000             | Infiltration Galleries & Tunnels          | \$0                |                        |                  | 100.00%                        | \$0                          |
| 13          | 316.000             | Supply Mains                              | \$0                |                        |                  | 100.00%                        | \$0                          |
| 14          |                     | TOTAL SOURCE OF SUPPLY PLANT              | \$10,345           |                        | \$0              |                                | \$10,345                     |
| 15          |                     | PUMPING PLANT                             |                    |                        |                  |                                |                              |
| 16          | 321.000             | Structures & Improvements - PP            | \$8,051            |                        |                  | 100.00%                        | \$8,051                      |
| 17          | 325.000             | Electric Pumping Equipment                | \$97,170           |                        |                  | 100.00%                        | \$97,170                     |
| 18          | 326.000             | Diesel Pumping Equipment                  | \$0                |                        |                  | 100.00%                        | \$0                          |
| 19          | 328.000             | Other Pumping Equipment                   | \$26,439           |                        |                  | 100.00%                        | \$26,439                     |
| 20          |                     | TOTAL PUMPING PLANT                       | \$131,660          |                        | \$0              |                                | \$131,660                    |
| 21          |                     | WATER TREATMENT PLANT                     |                    |                        |                  |                                |                              |
| 22          | 330.000             | Land & Land Rights-WTP                    | \$0                |                        |                  | 100.00%                        | \$0                          |
| 23          | 331.000             | Structures & Improvements - WTP           | \$0                |                        |                  | 100.00%                        | \$0                          |
| 24          | 332.000             | Water Treatment Equipment                 | \$1,344            |                        |                  | 100.00%                        | \$1,344                      |
| 25          |                     | TOTAL WATER TREATMENT PLANT               | \$1,344            |                        | \$0              |                                | \$1,344                      |
| 26          |                     | TRANSMISSION & DISTRIBUTION PLANT         |                    |                        |                  |                                |                              |
| 27          | 340.000             | Land & Land Rights-T&D                    | \$0                |                        |                  | 100.00%                        | \$0                          |
| 28          | 341.000             | Structures & Improvements - T&D           | \$0                |                        |                  | 100.00%                        | \$0                          |
| 29          | 342.000             | Distribution Reservoirs & Standpipes      | \$19,849           |                        |                  | 100.00%                        | \$19,849                     |
| 30          | 343.000             | Transmission and Distribution Mains       | \$72,636           |                        |                  | 100.00%                        | \$72,636                     |
| 31          | 344.000             | Fire Mains                                | \$0                |                        |                  | 100.00%                        | \$0                          |
| 32          | 345.000             | Services                                  | \$71               |                        |                  | 100.00%                        | \$71                         |
| 33          | 346.000             | Meters                                    | \$85,655           | R-33                   | -\$15,804        | 100.00%                        | \$69,851                     |
| 34          | 347.000             | Meter Installations- Bronze               | \$15,882           |                        |                  | 100.00%                        | \$15,882                     |
| 35          | 347.000             | Meter Installations- Plastic              | \$0                | R-35                   | \$15,804         | 100.00%                        | \$15,804                     |
| 36          | 348.000             | Hydrants                                  | \$1,946            |                        |                  | 100.00%                        | \$1,946                      |
| 37          | 349.000             | Other Transmission and Distribution Plant | \$0                |                        |                  | 100.00%                        | \$0                          |
| 38          |                     | TOTAL TRANS. & DISTRIBUTION PLANT         | \$196,039          |                        | \$0              |                                | \$196,039                    |
| 39          |                     | GENERAL PLANT                             |                    |                        |                  |                                |                              |
| 40          | 370.000             | Land & Land Rights-GP                     | \$0                |                        |                  | 100.00%                        | \$0                          |
| 41          | 371.000             | Structures & Improvements - GP            | \$0                |                        |                  | 100.00%                        | \$0                          |
| 42          | 372.000             | Office Furniture & Equipment              | \$0                |                        |                  | 100.00%                        | \$0                          |
| 43          | 391.100             | Office Computer Equipment                 | \$4,221            |                        |                  | 100.00%                        | \$4,221                      |
| 44          | 392.000             | Transportation Equipment                  | \$7,975            |                        |                  | 100.00%                        | \$7,975                      |
| 45          | 394.000             | Other General Equipment                   | \$2,895            |                        |                  | 100.00%                        | \$2,895                      |
| 46          | 397.000             | Communications Equipment                  | \$51               |                        |                  | 100.00%                        | \$51                         |
| 47          |                     | TOTAL GENERAL PLANT                       | \$15,142           |                        | \$0              |                                | \$15,142                     |
| 48          |                     | TOTAL DEPRECIATION RESERVE                | \$405,314          |                        | \$0              |                                | \$405,314                    |

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Accumulated Depreciation Reserve - Water

| <u>A</u> | <u>B</u> | <u>C</u>                         | <u>D</u> | <u>E</u>   | <u>F</u>    | <u>G</u>       |
|----------|----------|----------------------------------|----------|------------|-------------|----------------|
| Line     | Account  |                                  | Total    | Adjustment |             | Jurisdictional |
| Number   | Number   | Depreciation Reserve Description | Reserve  | Number     | Adjustments | Allocation     |
|          |          |                                  |          |            |             | Adjusted       |
|          |          |                                  |          |            |             | Jurisdictional |

To Rate Base Schedule

**KMB Utility Corporation - Consolidated Water System**  
**Informal Rate Case**  
**Case No. WR-2010-0345**  
**Test Year Ending 5/31/2010**  
**Schedule of Adjustments for Accumulated Depreciation Reserve - Water**

| <u>A</u><br>Reserve<br>Adjustment<br>Number | <u>B</u><br>Accumulated Depreciation Reserve<br>Adjustments Description                              | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment<br>Amount |
|---|--|-------------------------------|----------------------------------|---|
| <b>R-33</b>                                 | <b>Meters</b>  | <b>346.000</b>                |                                  | <b>-\$15,804</b>                          |
|   | 1. To Reflect Accumulated Depreciation<br>Related to Plant Adjustment (Grissum)                      |                               | \$0                              |   |
|   | 2. To Reflect Accumulated Depreciation<br>Related to Meter Replacement Surcharge<br>(CIAC) (Grissum) |                               | \$0                              |   |
|   | 3. To Reclassify Depreciation Reserve<br>Associated with Reclassified Plant (Robinett)               |                               | -\$15,804                        |   |
| <b>R-35</b>                                 | <b>Meter Installations- Plastic</b>  | <b>347.000</b>                |                                  | <b>\$15,804</b>                           |
|   | 1. To Reclassify Depreciation Reserve<br>Associated with Reclassified Plant (Robinett)               |                               | \$15,804                         |   |
| <b>Total Reserve Adjustments</b>            |  |                               |                                  | <b>\$0</b>                                |

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | Residential<br>3/4" - Cedar Hill Estates |                 | Residential<br>3/4" - Crestview Acres |                 |
|----------------|--|--|-----------------|---------------------------------------|-----------------|
|                |  | B<br>Amount                              | C<br>Amount     | D<br>Amount                           | E<br>Amount     |
| 1              | <u>Customer Charge Revenues:</u>               |  |                 |                                       |                 |
| 2              | Customer Number                                | 191                                      |                 | 55                                    |                 |
| 3              | Bills Per Year                                 | 12                                       |                 | 12                                    |                 |
| 4              | Customer Bills Per year                        | 2,292                                    |                 | 660                                   |                 |
| 5              | Current Customer Charge                        | <u>\$8.68</u>                            |                 | <u>\$8.81</u>                         |                 |
| 6              | Annualized Customer Charge Revenues            |  | \$19,895        |                                       | \$5,815         |
| 7              | <u>Commodity Charge Revenues:</u>              |  |                 |                                       |                 |
| 8              | Total Gallons Sold                             | 7,807,343                                |                 | 2,145,378                             |                 |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>                                 |                 | <u>0</u>                              |                 |
| 10             | Commodity Gallons                              | 7,807,343                                |                 | 2,145,378                             |                 |
| 11             | Block 1, Commodity Gallons per Block           | 7,807,343                                |                 | 2,145,378                             |                 |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>1,000</u>                             |                 | <u>1,000</u>                          |                 |
| 13             | Block 1, Commodity Billing Units               | 7,807.34                                 |                 | 2,145.38                              |                 |
| 14             | Block 1, Existing Commodity Charge             | <u>\$1.84</u>                            |                 | <u>\$2.60</u>                         |                 |
| 15             | Block 1, Annualized Commodity Charge Rev.      |  | \$14,366        |                                       | \$5,578         |
| 16             | FFFFF, Commodity Gallons per Block             | 0  |                 | 0                                     |                 |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>                                 |                 | <u>0</u>                              |                 |
| 18             | FFFFF, Commodity Billing Units                 | 0.00                                     |                 | 0.00                                  |                 |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u>                            |                 | <u>\$0.00</u>                         |                 |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |  | \$0             |                                       | \$0             |
| 21             | VVV, Commodity Gallons per Block               | 0  |                 | 0                                     |                 |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>                                 |                 | <u>0</u>                              |                 |
| 23             | VVV, Commodity Billing Units                   | 0.00                                     |                 | 0.00                                  |                 |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u>                            |                 | <u>\$0.00</u>                         |                 |
| 25             | VVV, Annualized Commodity Charge Rev.          |  | \$0             |                                       | \$0             |
| 26             | FADF, Commodity Gallons per Block              | 0  |                 | 0                                     |                 |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>                                 |                 | <u>0</u>                              |                 |
| 28             | FADF, Commodity Billing Units                  | 0.00                                     |                 | 0.00                                  |                 |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u>                            |                 | <u>\$0.00</u>                         |                 |
| 30             | FADF, Annualized Commodity Charge Rev.         |  | \$0             |                                       | \$0             |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |  | <b>\$34,261</b> |                                       | <b>\$11,393</b> |

**KMB Utility Corporation - Consolidated Water System**  
**Informal Rate Case**  
**Case No. WR-2010-0345**  
**Test Year Ending 5/31/2010**  
**Rate Revenue Feeder Schedule - Water**

| Line<br>Number | A<br>Description | Residential<br>3/4" - Cedar Hill Estates |             | Residential<br>3/4" - Crestview Acres |             |
|----------------|------------------|--|-------------|---------------------------------------|-------------|
|                |                  | B<br>Amount                              | C<br>Amount | D<br>Amount                           | E<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | Residential<br>3/4" - High Ridge Manor |                 | Residential<br>3/4" - Hillshine Acres |                |
|----------------|--|--|-----------------|---------------------------------------|----------------|
|                |  | E<br>Amount                            | G<br>Amount     | H<br>Amount                           | I<br>Amount    |
| 1              | <u>Customer Charge Revenues:</u>               |  |                 |                                       |                |
| 2              | Customer Number                                | 84                                     |                 | 33                                    |                |
| 3              | Bills Per Year                                 | 12                                     |                 | 12                                    |                |
| 4              | Customer Bills Per year                        | 1,008                                  |                 | 396                                   |                |
| 5              | Current Customer Charge                        | \$6.54                                 |                 | \$10.32                               |                |
| 6              | Annualized Customer Charge Revenues            |  | \$6,592         |                                       | \$4,087        |
| 7              | <u>Commodity Charge Revenues:</u>              |  |                 |                                       |                |
| 8              | Total Gallons Sold                             | 4,644,839                              |                 | 2,218,918                             |                |
| 9              | Less: Base Gallons Included In Customer Charge | 0                                      |                 | 0                                     |                |
| 10             | Commodity Gallons                              | 4,644,839                              |                 | 2,218,918                             |                |
| 11             | Block 1, Commodity Gallons per Block           | 4,644,839                              |                 | 2,218,918                             |                |
| 12             | Block 1, Number of Commodity Gallons per Unit  | 1,000                                  |                 | 1,000                                 |                |
| 13             | Block 1, Commodity Billing Units               | 4,644.84                               |                 | 2,218.92                              |                |
| 14             | Block 1, Existing Commodity Charge             | \$2.44                                 |                 | \$2.00                                |                |
| 15             | Block 1, Annualized Commodity Charge Rev.      |  | \$11,333        |                                       | \$4,438        |
| 16             | FFFFF, Commodity Gallons per Block             | 0                                      |                 | 0                                     |                |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | 0                                      |                 | 0                                     |                |
| 18             | FFFFF, Commodity Billing Units                 | 0.00                                   |                 | 0.00                                  |                |
| 19             | FFFFF, Existing Commodity Charge               | \$0.00                                 |                 | \$0.00                                |                |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |  | \$0             |                                       | \$0            |
| 21             | VVV, Commodity Gallons per Block               | 0                                      |                 | 0                                     |                |
| 22             | VVV, Number of Commodity Gallons per Unit      | 0                                      |                 | 0                                     |                |
| 23             | VVV, Commodity Billing Units                   | 0.00                                   |                 | 0.00                                  |                |
| 24             | VVV, Existing Commodity Charge                 | \$0.00                                 |                 | \$0.00                                |                |
| 25             | VVV, Annualized Commodity Charge Rev.          |  | \$0             |                                       | \$0            |
| 26             | FADF, Commodity Gallons per Block              | 0                                      |                 | 0                                     |                |
| 27             | FADF, Number of Commodity Gallons per Unit     | 0                                      |                 | 0                                     |                |
| 28             | FADF, Commodity Billing Units                  | 0.00                                   |                 | 0.00                                  |                |
| 29             | FADF, Existing Commodity Charge                | \$0.00                                 |                 | \$0.00                                |                |
| 30             | FADF, Annualized Commodity Charge Rev.         |  | \$0             |                                       | \$0            |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |  | <b>\$17,925</b> |                                       | <b>\$8,525</b> |

**KMB Utility Corporation - Consolidated Water System**  
**Informal Rate Case**  
**Case No. WR-2010-0345**  
**Test Year Ending 5/31/2010**  
**Rate Revenue Feeder Schedule - Water**

| Line<br>Number | A<br>Description | Residential<br>3/4" - High Ridge Manor |             | Residential<br>3/4" - Hillshine Acres |             |
|----------------|------------------|--|-------------|---------------------------------------|-------------|
|                |                  | F<br>Amount                            | G<br>Amount | H<br>Amount                           | I<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | Residential<br>3/4" - Lakewood Hills |                        | Residential<br>3/4" - Scottdale |                        |
|----------------|--|--------------------------------------|------------------------|---------------------------------|------------------------|
|                |  | J<br>Amount                          | K<br>Amount            | L<br>Amount                     | M<br>Amount            |
| 1              | <u>Customer Charge Revenues:</u>               |                                      |                        |                                 |                        |
| 2              | Customer Number                                | 116                                  |                        | 34                              |                        |
| 3              | Bills Per Year                                 | 12                                   |                        | 12                              |                        |
| 4              | Customer Bills Per year                        | 1,392                                |                        | 408                             |                        |
| 5              | Current Customer Charge                        | <u>\$12.32</u>                       |                        | <u>\$30.22</u>                  |                        |
| 6              | Annualized Customer Charge Revenues            |                                      | \$17,149               |                                 | \$12,330               |
| 7              | <u>Commodity Charge Revenues:</u>              |                                      |                        |                                 |                        |
| 8              | Total Gallons Sold                             | 6,995,045                            |                        | 0                               |                        |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>                             |                        | <u>0</u>                        |                        |
| 10             | Commodity Gallons                              | 6,995,045                            |                        | 0                               |                        |
| 11             | Block 1, Commodity Gallons per Block           | 6,995,045                            |                        | 0                               |                        |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>1,000</u>                         |                        | <u>0</u>                        |                        |
| 13             | Block 1, Commodity Billing Units               | 6,995.05                             |                        | 0.00                            |                        |
| 14             | Block 1, Existing Commodity Charge             | <u>\$3.20</u>                        |                        | <u>\$0.00</u>                   |                        |
| 15             | Block 1, Annualized Commodity Charge Rev.      |                                      | \$22,384               |                                 | \$0                    |
| 16             | FFFFF, Commodity Gallons per Block             | 0                                    |                        | 0                               |                        |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>                             |                        | <u>0</u>                        |                        |
| 18             | FFFFF, Commodity Billing Units                 | 0.00                                 |                        | 0.00                            |                        |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u>                        |                        | <u>\$0.00</u>                   |                        |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |                                      | \$0                    |                                 | \$0                    |
| 21             | VVV, Commodity Gallons per Block               | 0                                    |                        | 0                               |                        |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>                             |                        | <u>0</u>                        |                        |
| 23             | VVV, Commodity Billing Units                   | 0.00                                 |                        | 0.00                            |                        |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u>                        |                        | <u>\$0.00</u>                   |                        |
| 25             | VVV, Annualized Commodity Charge Rev.          |                                      | \$0                    |                                 | \$0                    |
| 26             | FADF, Commodity Gallons per Block              | 0                                    |                        | 0                               |                        |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>                             |                        | <u>0</u>                        |                        |
| 28             | FADF, Commodity Billing Units                  | 0.00                                 |                        | 0.00                            |                        |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u>                        |                        | <u>\$0.00</u>                   |                        |
| 30             | FADF, Annualized Commodity Charge Rev.         |                                      | \$0                    |                                 | \$0                    |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |                                      | <u><b>\$39,533</b></u> |                                 | <u><b>\$12,330</b></u> |

**KMB Utility Corporation - Consolidated Water System**  
**Informal Rate Case**  
**Case No. WR-2010-0345**  
**Test Year Ending 5/31/2010**  
**Rate Revenue Feeder Schedule - Water**

| Line<br>Number | A<br>Description | Residential<br>3/4" - Lakewood Hills |             | Residential<br>3/4" - Scotsdale |             |
|----------------|------------------|--------------------------------------|-------------|---------------------------------|-------------|
|                |                  | J<br>Amount                          | K<br>Amount | L<br>Amount                     | M<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | Residential<br>3/4" Warren Woods |                       | Total       |                         |
|----------------|--|----------------------------------|-----------------------|-------------|-------------------------|
|                |  | N<br>Amount                      | Q<br>Amount           | P<br>Amount | Q<br>Amount             |
| 1              | <u>Customer Charge Revenues:</u>               |                                  |                       |             |                         |
| 2              | Customer Number                                | 21                               |                       | 534         |                         |
| 3              | Bills Per Year                                 | 12                               |                       |             |                         |
| 4              | Customer Bills Per year                        | 252                              |                       | 6,408       |                         |
| 5              | Current Customer Charge                        | <u>\$12.92</u>                   |                       |             |                         |
| 6              | Annualized Customer Charge Revenues            |                                  | \$3,256               |             | \$69,124                |
| 7              | <u>Commodity Charge Revenues:</u>              |                                  |                       |             |                         |
| 8              | Total Gallons Sold                             | 1,221,827                        |                       | 25,033,350  |                         |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>                         |                       | 0           |                         |
| 10             | Commodity Gallons                              | 1,221,827                        |                       | 25,033,350  |                         |
| 11             | Block 1, Commodity Gallons per Block           | 1,221,827                        |                       |             |                         |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>1,000</u>                     |                       |             |                         |
| 13             | Block 1, Commodity Billing Units               | 1,221.83                         |                       |             |                         |
| 14             | Block 1, Existing Commodity Charge             | <u>\$2.92</u>                    |                       |             |                         |
| 15             | Block 1, Annualized Commodity Charge Rev.      |                                  | \$3,568               |             | \$61,667                |
| 16             | FFFFF, Commodity Gallons per Block             | 0                                |                       |             |                         |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>                         |                       |             |                         |
| 18             | FFFFF, Commodity Billing Units                 | 0.00                             |                       |             |                         |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u>                    |                       |             |                         |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |                                  | \$0                   |             | \$0                     |
| 21             | VVV, Commodity Gallons per Block               | 0                                |                       |             |                         |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>                         |                       |             |                         |
| 23             | VVV, Commodity Billing Units                   | 0.00                             |                       |             |                         |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u>                    |                       |             |                         |
| 25             | VVV, Annualized Commodity Charge Rev.          |                                  | \$0                   |             | \$0                     |
| 26             | FADF, Commodity Gallons per Block              | 0                                |                       |             |                         |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>                         |                       |             |                         |
| 28             | FADF, Commodity Billing Units                  | 0.00                             |                       |             |                         |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u>                    |                       |             |                         |
| 30             | FADF, Annualized Commodity Charge Rev.         |                                  | \$0                   |             | \$0                     |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |                                  | <u><b>\$6,824</b></u> |             | <u><b>\$130,791</b></u> |

**KMB Utility Corporation - Consolidated Water System**  
**Informal Rate Case**  
**Case No. WR-2010-0345**  
**Test Year Ending 5/31/2010**  
**Rate Revenue Feeder Schedule - Water**

| Line<br>Number | A<br>Description | Residential<br>3/4" Warren Woods |             | Total       |             |
|----------------|------------------|----------------------------------|-------------|-------------|-------------|
|                |                  | N<br>Amount                      | Q<br>Amount | P<br>Amount | Q<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Schedule - Water

| Line Number | A<br>Account Number<br>(Optional) | B<br>Expense Description                       | C<br>Company/<br>Test Year<br>Amount | D<br>Adjustment<br>Number | E<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|-------------|-----------------------------------|--|--------------------------------------|---------------------------|------------------|-----------------------------------|---------------------------------|
| 1           |                                   | OPERATIONS EXPENSES                            |                                      |                           |                  |                                   |                                 |
| 2           |                                   | Management Salary (1)                          | \$8,163                              |                           |                  | 100.00%                           | \$8,163                         |
| 3           |                                   | Hourly Employees - Carolyn Highley             | \$5,315                              |                           |                  | 100.00%                           | \$5,315                         |
| 4           |                                   | Operators Salary/Contract Services (1)         | \$44,960                             |                           |                  | 100.00%                           | \$44,960                        |
| 5           |                                   | Electricity-(Pumping)                          | \$9,440                              |                           |                  | 100.00%                           | \$9,440                         |
| 6           |                                   | Chemicals-(Chlorine)                           | \$1,037                              |                           |                  | 100.00%                           | \$1,037                         |
| 7           |                                   | TOTAL OPERATIONS EXPENSE                       | \$68,915                             |                           | \$0              |                                   | \$68,915                        |
| 8           |                                   | MAINTENANCE EXPENSES                           |                                      |                           |                  |                                   |                                 |
| 9           |                                   | Outside Services Employed - Flynn Drilling (1) | \$0                                  | W-9                       | \$1,750          | 100.00%                           | \$1,750                         |
| 10          |                                   | Misc. Supplies                                 | \$180                                |                           |                  | 100.00%                           | \$180                           |
| 11          |                                   | System Maintenance                             | \$14,917                             |                           |                  | 100.00%                           | \$14,917                        |
| 12          |                                   | TOTAL MAINTENANCE EXPENSE                      | \$15,097                             |                           | \$1,750          |                                   | \$16,847                        |
| 13          |                                   | CUSTOMER ACCOUNT EXPENSE                       |                                      |                           |                  |                                   |                                 |
| 14          |                                   | Meter Reading                                  | \$0                                  |                           |                  | 100.00%                           | \$0                             |
| 15          |                                   | Legal and Accounting Fees                      | \$4,457                              |                           |                  | 100.00%                           | \$4,457                         |
| 16          |                                   | Billing & Collections                          | \$885                                |                           |                  | 100.00%                           | \$885                           |
| 17          |                                   | Office Supplies                                | \$671                                |                           |                  | 100.00%                           | \$671                           |
| 18          |                                   | Postage  | \$3,092                              |                           |                  | 100.00%                           | \$3,092                         |
| 19          |                                   | Uncollectible Accounts                         | \$805                                |                           |                  | 100.00%                           | \$805                           |
| 20          |                                   | TOTAL CUSTOMER ACCOUNT EXPENSE                 | \$9,910                              |                           | \$0              |                                   | \$9,910                         |
| 21          |                                   | ADMINISTRATIVE & GENERAL EXPENSES              |                                      |                           |                  |                                   |                                 |
| 22          |                                   | Administration & General Salary (1)            | \$0                                  |                           |                  | 100.00%                           | \$0                             |
| 23          |                                   | Office Utilities                               | \$1,109                              |                           |                  | 100.00%                           | \$1,109                         |
| 24          |                                   | Telephone & Pagers                             | \$1,642                              |                           |                  | 100.00%                           | \$1,642                         |
| 25          |                                   | Vehicle Insurance                              | \$0                                  |                           |                  | 100.00%                           | \$0                             |
| 26          |                                   | Vehicle Expense                                | \$1,835                              |                           |                  | 100.00%                           | \$1,835                         |
| 27          |                                   | Medical Insurance                              | \$0                                  |                           |                  | 100.00%                           | \$0                             |
| 28          |                                   | Property & Liability Insurance                 | \$6,662                              |                           |                  | 100.00%                           | \$6,662                         |
| 29          |                                   | Building Rent                                  | \$1,769                              |                           |                  | 100.00%                           | \$1,769                         |
| 30          |                                   | Other Misc. Expenses                           | \$279                                |                           |                  | 100.00%                           | \$279                           |
| 31          |                                   | TOTAL ADMINISTRATIVE AND GENERAL               | \$13,296                             |                           | \$0              |                                   | \$13,296                        |
| 32          |                                   | OTHER OPERATING EXPENSES                       |                                      |                           |                  |                                   |                                 |
| 33          |                                   | Registration Fees & Lab Sampling               | \$283                                |                           |                  | 100.00%                           | \$283                           |
| 34          |                                   | PSC Assessment                                 | \$2,742                              |                           |                  | 100.00%                           | \$2,742                         |
| 35          |                                   | Corporate Registration                         | \$0                                  |                           |                  | 100.00%                           | \$0                             |
| 36          |                                   | Amortization Expense                           | \$0                                  |                           |                  | 100.00%                           | \$0                             |
| 37          |                                   | Depreciation                                   | \$0                                  | W-37                      | \$24,155         | 100.00%                           | \$24,155                        |
| 38          |                                   | TOTAL OTHER OPERATING EXPENSES                 | \$3,025                              |                           | \$24,155         |                                   | \$27,180                        |
| 39          |                                   | TAXES OTHER THAN INCOME                        |                                      |                           |                  |                                   |                                 |
| 40          |                                   | Real & Personal Property Taxes                 | \$2,548                              |                           |                  | 100.00%                           | \$2,548                         |
| 41          |                                   | Payroll Taxes                                  | \$2,663                              |                           |                  | 100.00%                           | \$2,663                         |
| 42          |                                   | TOTAL TAXES OTHER THAN INCOME                  | \$5,211                              |                           | \$0              |                                   | \$5,211                         |
| 43          |                                   | TOTAL OPERATING EXPENSES                       | \$115,454                            |                           | \$25,905         |                                   | \$141,359                       |

KMB Utility Corporation - Consolidated Water System  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Expense Adjustment Schedule - Water

| <u>A</u><br>Expense Adj<br>Number | <u>B</u><br>Adjustment Description  | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment |
|-----------------------------------|---|-------------------------------|----------------------------------|---------------------------------|
| <b>W-9</b>                        | <b>Outside Services Employed - Flynn Drilling (1)</b>   |                               |                                  | <b>\$1,750</b>                  |
|                                   | 1. To Reflect Annual Inspections to be Performed<br>by Flynn Drilling on Well Pumps (Grissum) |                               | \$1,750                          |                                 |
| <b>W-37</b>                       | <b>Depreciation</b>   |                               |                                  | <b>\$24,155</b>                 |
|                                   | 1. To Annualize Depreciation  |                               | \$26,005                         |                                 |
|                                   | 2. To Remove Depreciation Expense related to<br>CIAC (Grissum)                                |                               | -\$1,850                         |                                 |
| <b>Total Expense Adjustments</b>  |   |                               |                                  | <b>\$25,905</b>                 |

KMB Utility Corporation - Consolidated Water System  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Revenue Schedule - Water

| Line<br>Number | A<br>Account<br>Number<br>(Optional) | B<br>Revenue Description  | C<br>Company/<br>Test Year<br>Amount | D<br>Adjustment<br>Number | E<br>Jurisdictional<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|----------------|--------------------------------------|---------------------------|--------------------------------------|---------------------------|------------------------------------|-----------------------------------|---------------------------------|
| Rev-1          |                                      | ANNUALIZED REVENUES       |                                      |                           |                                    |                                   |                                 |
| Rev-2          |                                      | Annualized Rate Revenues  | \$132,097                            | Rev-2                     | -\$1,308                           | 100.00%                           | \$130,791                       |
| Rev-3          |                                      | Miscellaneous Revenues    | \$200                                | Rev-3                     | \$9,811                            | 100.00%                           | \$10,011                        |
| Rev-4          |                                      | TOTAL ANNUALIZED REVENUES | \$132,297                            |                           | \$8,505                            |                                   | \$140,802                       |

KMB Utility Corporation - Consolidated Water System  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Revenue Adjustment Schedule - Water

| <b>A</b><br>Revenue Adj<br>Number | <b>B</b><br>Adjustment Description     | <b>C</b><br>Account<br>Number | <b>D</b><br>Adjustment<br>Amount | <b>E</b><br>Total<br>Adjustment |
|-----------------------------------|--|-------------------------------|----------------------------------|---------------------------------|
| Rev-2                             | Annualized Rate Revenues               |                               |                                  | -\$1,306                        |
|                                   | 1. To Annualize Rate Revenues          |                               | -\$1,306                         |                                 |
| Rev-3                             | Miscellaneous Revenues                 |                               |                                  | \$9,811                         |
|                                   | 1. To Annualize Miscellaneous Revenues |                               | \$9,811                          |                                 |
|                                   | 2. Description                         |                               | \$0                              |                                 |
| Total Revenue Adjustments         |  |                               |                                  | <u>\$8,505</u>                  |

**KMB Utility Corporation - Consolidated Water System**  
**Informal Rate Case**  
**Case No. WR-2010-0345**  
**Test Year Ending 5/31/2010**  
**Miscellaneous Revenues Feeder - Water**

| <b>Line<br/>Number</b> | <b><u>A</u><br/>Description</b>                                   | <b><u>B</u><br/>Amount</b> |
|------------------------|---|----------------------------|
| 1                      | Reconnection Fee  | \$200                      |
| 2                      | Annualized Revenues for Scottsdale Commercial<br>Customers - 3/4" | \$1,320                    |
| 3                      | Annualized Revenues for Cedar Hill Residential<br>Customers - 1"  | \$347                      |
| 4                      | Other Revenues - Late Fees  | <u>\$8,144</u>             |
| 5                      | Total Miscellaneous Revenues                                      | <u><u>\$10,011</u></u>     |



**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY SERVICES DIVISION**

**STAFF ACCOUNTING SCHEDULES**

**CEDAR HILL ESTATES WATER**

**CASE NO. WR-2010-0345**

**Jefferson City, Missouri**

**July 2010**

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Design Schedule - Water

| Line<br>Number | Description                                    | Account<br>Number<br>(Optional) | Staff<br>Annualized | Customer<br>Charge | Commodity | Percentage<br>Rate |
|----------------|--|---------------------------------|---------------------|--------------------|-----------|--------------------|
| Rev-1          | ANNUALIZED REVENUES                            |                                 |                     |                    |           |                    |
| Rev-2          | Annualized Rate Revenues                       | (1)                             | \$34,608            |                    |           |                    |
| Rev-3          | Miscellaneous Revenues                         | (1)                             | \$4,644             |                    |           |                    |
| Rev-4          | TOTAL ANNUALIZED REVENUES                      |                                 | \$39,252            |                    |           |                    |
| 1              | OPERATIONS EXPENSES                            | (2)                             |                     |                    |           |                    |
| 2              | Management Salary (1)                          |                                 | \$2,231             | \$0                | \$2,231   | 0.00%              |
| 3              | Hourly Employees                               |                                 | \$1,971             | \$0                | \$1,971   | 0.00%              |
| 4              | Contract Operator - Franklin County Lab        |                                 | \$7,540             | \$0                | \$7,540   | 0.00%              |
| 5              | Electricity-(Pumping)                          |                                 | \$1,479             | \$0                | \$1,479   | 0.00%              |
| 6              | TOTAL OPERATIONS EXPENSE                       |                                 | \$13,221            | \$0                | \$13,221  |                    |
| 7              | MAINTENANCE EXPENSES                           |                                 |                     |                    |           |                    |
| 8              | Outside Services Employed - Flynn Drilling (1) |                                 | \$250               | \$0                | \$250     | 0.00%              |
| 9              | System Maintenance                             |                                 | \$1,573             | \$0                | \$1,573   | 0.00%              |
| 10             | TOTAL MAINTENANCE EXPENSE                      |                                 | \$1,823             | \$0                | \$1,823   |                    |
| 11             | CUSTOMER ACCOUNT EXPENSE                       |                                 |                     |                    |           |                    |
| 12             | Legal and Accounting Fees                      |                                 | \$887               | \$0                | \$887     | 0.00%              |
| 13             | Billing & Collections                          |                                 | \$320               | \$0                | \$320     | 0.00%              |
| 14             | Office Supplies                                |                                 | \$238               | \$0                | \$238     | 0.00%              |
| 15             | Postage  |                                 | \$1,112             | \$0                | \$1,112   | 0.00%              |
| 16             | Uncollectible Accounts                         |                                 | \$855               | \$0                | \$855     | 0.00%              |
| 17             | TOTAL CUSTOMER ACCOUNT EXPENSE                 |                                 | \$3,412             | \$0                | \$3,412   |                    |
| 18             | ADMINISTRATIVE & GENERAL EXPENSES              |                                 |                     |                    |           |                    |
| 19             | Telephone & Pagers                             |                                 | \$591               | \$0                | \$591     | 0.00%              |
| 20             | Vehicle Expense                                |                                 | \$657               | \$0                | \$657     | 0.00%              |
| 21             | Medical Insurance                              |                                 | \$0                 | \$0                | \$0       | 0.00%              |
| 22             | Property & Liability Insurance                 |                                 | \$2,409             | \$0                | \$2,409   | 0.00%              |
| 23             | Building Rent                                  |                                 | \$640               | \$0                | \$640     | 0.00%              |
| 24             | Other Misc. Expenses                           |                                 | \$100               | \$0                | \$100     | 0.00%              |
| 25             | TOTAL ADMINISTRATIVE AND GENERAL               |                                 | \$4,397             | \$0                | \$4,397   |                    |
| 26             | OTHER OPERATING EXPENSES                       |                                 |                     |                    |           |                    |
| 27             | Registration Fees & Lab Sampling               |                                 | \$22                | \$0                | \$22      | 0.00%              |
| 28             | PSC Assessment                                 |                                 | \$657               | \$0                | \$657     | 0.00%              |
| 29             | Depreciation                                   |                                 | \$7,931             | \$0                | \$7,931   | 0.00%              |
| 30             | TOTAL OTHER OPERATING EXPENSES                 |                                 | \$8,610             | \$0                | \$8,610   |                    |
| 31             | TAXES OTHER THAN INCOME                        |                                 |                     |                    |           |                    |
| 32             | Real & Personal Property Taxes                 |                                 | \$1,033             | \$0                | \$1,033   | 0.00%              |
| 33             | Payroll Taxes                                  |                                 | \$897               | \$0                | \$897     | 0.00%              |
| 34             | TOTAL TAXES OTHER THAN INCOME                  |                                 | \$1,930             | \$0                | \$1,930   |                    |
| 35             | TOTAL OPERATING EXPENSES                       |                                 | \$33,393            | \$0                | \$33,393  |                    |
| 36             | Interest Expense                               | (3)                             | \$0                 | \$0                | \$0       | 0.00%              |
| 37             | Return on Equity                               | (3)                             | \$1,900             | \$0                | \$1,900   | 0.00%              |
| 38             | Income Taxes                                   | (3)                             | \$473               | \$0                | \$473     | 0.00%              |
| 39             | TOTAL INTEREST RETURN & TAXES                  |                                 | \$2,373             | \$0                | \$2,373   |                    |
| 40             | TOTAL COST OF SERVICE                          |                                 | \$35,766            | \$0                | \$35,766  |                    |
| 41             | Less: Miscellaneous Revenues                   |                                 | \$4,644             | \$0                | \$4,644   | 0.00%              |
| 42             | COST TO RECOVER IN RATES                       |                                 | \$31,122            | \$0                | \$31,122  |                    |
| 43             | INCREMENTAL INCREASE IN RATE REVENUES          |                                 | -\$3,486            |                    |           |                    |

Cedar Hill Estates Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Design Schedule - Water

|                | <u>A</u>                       | <u>B</u>                        | <u>C</u>            | <u>D</u>           | <u>E</u>  | <u>F</u>           |
|----------------|--------------------------------|---------------------------------|---------------------|--------------------|-----------|--------------------|
| Line<br>Number | Description                    | Account<br>Number<br>(Optional) | Staff<br>Annualized | Customer<br>Charge | Commodity | Percentage<br>Rate |
| 44             | PERCENTAGE OF INCREASE         |                                 | <u>-8.88%</u>       |                    |           |                    |
| 45             | REQUESTED INCREASE IN REVENUES |                                 | \$0                 |                    |           |                    |

- (1) From Revenue Schedule
- (2) From Expense Schedule
- (3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Base Required Return on Investment Schedule - Water

| Line<br>Number | A<br>Rate Base Description                            | B<br>Dollar<br>Amount |                                     |
|----------------|---|-----------------------|-------------------------------------|
| 1              | Plant In Service                                      | \$157,724             | From Plant Schedule                 |
| 2              | Less Accumulated Depreciation Reserve                 | \$136,356             | From Depreciation Reserve Schedule  |
| 3              | Net Plant In Service                                  | \$21,368              |                                     |
| 4              | Other Rate Base Items:                                | \$0                   |                                     |
|                | Contribution in Aid of Construction                   | -\$763                |                                     |
|                | CIAC Depreciation                                     | \$462                 |                                     |
| 5              | Total Rate Base                                       | \$21,067              |                                     |
| 6              | Total Weighted Rate of Return<br>Including Income Tax | 11.26%                | From PreTax Return & Taxes Schedule |
| 7              | Required Return & Income Tax                          | \$2,373               |                                     |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate of Return Including Income Tax - Water

|  | A                | B      | formulas                         |
|--|------------------|--------|----------------------------------|
| 1 State Income Tax Rate Statutory / Effective                            | 6.25% (2)        | 5.81%  | $(1 - (B2 \times .5)) \times A1$ |
| 2 Federal Income Tax Rate Statutory / Effective                          | 14.99% (1) & (2) | 14.12% | $(1 - B1) \times A2$             |
| 3 Composite Effective Income Tax Rate                                    |                  | 19.93% | $B1 + B2$                        |
| 4 Equity Tax Factor  |                  | 1.2489 | $1 / (1 - B3)$                   |
| 5 Recommended Weighted Rate of Return on Equity - Common and Preferred   |                  | 9.02%  | From Capital Structure Schedule  |
| 6 Weighted Rate of Return on Equity Including Income Tax                 |                  | 11.26% | $B4 \times B5$                   |
| 7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term |                  | 0.00%  | From Capital Structure Schedule  |
| 8 Total Weighted Rate of Return Including Income Tax                     |                  | 11.26% | $B6 + B7$                        |

To Rate Base Schedule

(1) If Sub-Chapter S Corporation, Enter Y:

N

Equity Income Required      \$2,235  
& Preliminary Federal Tax

Tax Rate Table

| Net Income Range |                 | Tax Rate | Amount in Range        | Tax on Range |
|------------------|-----------------|----------|------------------------|--------------|
| Start            | End             |          |                        |              |
| \$0              | \$50,000        | 15.00%   | \$2,235                | \$335        |
| \$50,001         | \$75,000        | 25.00%   | \$0                    | \$0          |
| \$75,001         | \$100,000       | 34.00%   | \$0                    | \$0          |
| \$100,001        | \$335,000       | 39.00%   | \$0                    | \$0          |
| \$335,001        | \$9,999,999,999 | 34.00%   | \$0                    | \$0          |
|                  |                 |          | \$2,235                | \$335        |
|                  |                 |          | Consolidated Tax Rate: |              |
|                  |                 |          | Average Tax Rate:      | 0.1499       |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Capital Structure Schedule - Water

| Line<br>Number | A<br>Description                     | B<br>Dollar<br>Amount | C<br>Percentage<br>of Total<br>Capital<br>Structure | D<br>Embedded<br>Cost of<br>Capital | E<br>Weighted<br>Cost of<br>Capital |
|----------------|--------------------------------------|-----------------------|---|-------------------------------------|-------------------------------------|
| 1              | Common Stock                         | \$21,067              | 100.00%   | 9.02%                               | 9.020%                              |
| 2              | Other Security-Non Tax<br>Deductible | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 3              | Preferred Stock                      | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 4              | Long Term Debt                       | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 5              | Short Term Debt                      | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 6              | Other Security-Tax<br>Deductible     | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 7              | TOTAL CAPITALIZATION                 | <u>\$21,067</u>       | <u>100.00%</u>                                      |                                     | <u>9.020%</u>                       |

To PreTax Return Rate Schedule

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Plant In Service - Water

| Line Number | A<br>Account #<br>(Optional) | B<br>Plant Account Description       | C<br>Total<br>Plant | D<br>Adjustment<br>Number | E<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|-------------|------------------------------|--------------------------------------|---------------------|---------------------------|------------------|-----------------------------------|---------------------------------|
| 1           |                              | INTANGIBLE PLANT                     |                     |                           |                  |                                   |                                 |
| 2           | 301.000                      | Organization                         | \$20,076            |                           |                  | 100.00%                           | \$20,076                        |
| 3           | 321.000                      | Structures & Improvements            | \$0                 | P-3                       | \$563            | 100.00%                           | \$563                           |
| 4           |                              | TOTAL INTANGIBLE PLANT               | \$20,076            |                           | \$563            |                                   | \$20,639                        |
| 5           |                              | SOURCE OF SUPPLY PLANT               |                     |                           |                  |                                   |                                 |
| 6           | 314.000                      | Wells & Springs                      | \$9,704             |                           |                  | 100.00%                           | \$9,704                         |
| 7           |                              | TOTAL SOURCE OF SUPPLY PLANT         | \$9,704             |                           | \$0              |                                   | \$9,704                         |
| 8           |                              | PUMPING PLANT                        |                     |                           |                  |                                   |                                 |
| 9           | 325.000                      | Electric Pumping Equipment           | \$9,883             |                           |                  | 100.00%                           | \$9,883                         |
| 10          |                              | TOTAL PUMPING PLANT                  | \$9,883             |                           | \$0              |                                   | \$9,883                         |
| 11          |                              | WATER TREATMENT PLANT                |                     |                           |                  |                                   |                                 |
| 12          |                              | TOTAL WATER TREATMENT PLANT          | \$0                 |                           | \$0              |                                   | \$0                             |
| 13          |                              | TRANSMISSION & DISTRIBUTION PLANT    |                     |                           |                  |                                   |                                 |
| 14          | 342.000                      | Distribution Reservoirs & Standpipes | \$14,884            |                           |                  | 100.00%                           | \$14,884                        |
| 15          | 343.000                      | Transmission and Distribution Mains  | \$24,417            |                           |                  | 100.00%                           | \$24,417                        |
| 16          | 345.000                      | Customer Services                    | \$0                 | P-16                      | \$2,275          | 100.00%                           | \$2,275                         |
| 17          | 346.000                      | Meters                               | \$63,194            | P-17                      | -\$5,043         | 100.00%                           | \$58,151                        |
| 18          | 347.000                      | Meter Installation                   | \$0                 | P-18                      | \$12,407         | 100.00%                           | \$12,407                        |
| 19          |                              | TOTAL TRANS. & DISTRIBUTION PLANT    | \$102,495           |                           | \$9,639          |                                   | \$112,134                       |
| 20          |                              | GENERAL PLANT                        |                     |                           |                  |                                   |                                 |
| 21          | 391.100                      | Office Computer Equipment            | \$1,289             |                           |                  | 100.00%                           | \$1,289                         |
| 22          | 392.000                      | Transportation Equipment             | \$3,186             | P-22                      | -\$118           | 100.00%                           | \$3,068                         |
| 23          | 394.000                      | Other General Equipment              | \$1,007             |                           |                  | 100.00%                           | \$1,007                         |
| 24          |                              | TOTAL GENERAL PLANT                  | \$5,482             |                           | -\$118           |                                   | \$5,364                         |
| 25          |                              | TOTAL PLANT IN SERVICE               | \$147,640           |                           | \$10,084         |                                   | \$157,724                       |

To Rate Base & Depreciation Schedules

Cedar Hill Estates Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Schedule of Adjustments for Plant in Service - Water

| <b>A</b>                               | <b>B</b>   | <b>C</b>                  | <b>D</b>                     | <b>E</b>                    |
|--|--|---------------------------|------------------------------|-----------------------------|
| <b>Plant<br/>Adjustment<br/>Number</b> | <b>Plant In Service Adjustment Description</b>   | <b>Account<br/>Number</b> | <b>Adjustment<br/>Amount</b> | <b>Total<br/>Adjustment</b> |
| <b>P-3</b>                             | <b>Structures &amp; Improvements</b>   | <b>321.000</b>            |                              | <b>\$563</b>                |
|  | 1. To Capitalize Maintenance Expense Proven to be Plant in Service on 10/15/2010 (Grissum)   |                           | \$563                        |                             |
| <b>P-16</b>                            | <b>Customer Services</b>   | <b>345.000</b>            |                              | <b>\$2,275</b>              |
|  | 1. To Reflect Plant Additions related to Meter Replacements or Installations per R&O in Case No. WR-2006-0286 (Grissum)            |                           | \$626                        |                             |
|  | 1. To Capitalize Maintenance Expense Proven to be Plant in Service on 10/15/2010 (Grissum)   |                           | \$1,649                      |                             |
| <b>P-17</b>                            | <b>Meters</b>  | <b>346.000</b>            |                              | <b>-\$5,043</b>             |
|  | 1. To Reflect Plant Additions Related to Unpaid Invoices (Grissum)   |                           | \$1,085                      |                             |
|  | 2. To Reflect Meter Replacement Surcharge (CIAC)   |                           | \$288                        |                             |
|  | 3. To Reclassify Meter Installations to Appropriate FERC Acct. 347 (Robinett)  |                           | -\$11,237                    |                             |
|  | 4. To Reflect Plant Additions related to Meter Replacements or Installations per R&O in Case No. WR-2006-0286 (Grissum)            |                           | \$2,555                      |                             |
|  | 5. To Reflect Plant Retirements associated with Capitalized Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum) |                           | -\$369                       |                             |
|  | 6. To Capitalize Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum)  |                           | \$2,635                      |                             |
| <b>P-18</b>                            | <b>Meter Installation</b>  | <b>347.000</b>            |                              | <b>\$12,407</b>             |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Schedule of Adjustments for Plant in Service - Water

| <u>A</u>                      | <u>B</u>  | <u>C</u>          | <u>D</u>             | <u>E</u>               |
|-------------------------------|---|-------------------|----------------------|------------------------|
| Plant<br>Adjustment<br>Number | Plant In Service Adjustment Description   | Account<br>Number | Adjustment<br>Amount | Total<br>Adjustment    |
|                               | 1. To Reclassify Meter Installations to<br>Appropriate FERC Acct. 347 (Robinett)  |                   | \$11,237             |                        |
|                               | 2. To Reflect Plant Additions related to Meter<br>Replacements or Installations per R&O in Case<br>No. WR-2006-0286 (Grissum) |                   | \$329                |                        |
|                               | 3. To Capitalize Maintenance Expense Proven<br>to be Plant in Service 10/15/2010 (Grissum)                                    |                   | \$841                |                        |
| P-22                          | Transportation Equipment  | 392.000           |                      | -\$118                 |
|                               | 1. To Reallocate Ford F-150 PU based upon<br>usage of truck by each system (Grissum)  |                   | -\$118               |                        |
| Total Plant Adjustments       |   |                   |                      | <u><u>\$10,084</u></u> |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Depreciation Expense - Water

| Line Number | A<br>Account Number | B<br>Plant Account Description       | C<br>Adjusted Jurisdictional | D<br>Depreciation Rate | E<br>Depreciation Expense |
|-------------|---------------------|--------------------------------------|------------------------------|------------------------|---------------------------|
| 1           |                     | INTANGIBLE PLANT                     |                              |                        |                           |
| 2           | 301.000             | Organization                         | \$20,076                     | 0.00%                  | \$0                       |
| 3           | 321.000             | Structures & Improvements            | \$563                        | 0.00%                  | \$0                       |
| 4           |                     | TOTAL INTANGIBLE PLANT               | \$20,639                     |                        | \$0                       |
| 5           |                     | SOURCE OF SUPPLY PLANT               |                              |                        |                           |
| 6           | 314.000             | Wells & Springs                      | \$9,704                      | 2.00%                  | \$194                     |
| 7           |                     | TOTAL SOURCE OF SUPPLY PLANT         | \$9,704                      |                        | \$194                     |
| 8           |                     | PUMPING PLANT                        |                              |                        |                           |
| 9           | 325.000             | Electric Pumping Equipment           | \$9,883                      | 5.00%                  | \$494                     |
| 10          |                     | TOTAL PUMPING PLANT                  | \$9,883                      |                        | \$494                     |
| 11          |                     | WATER TREATMENT PLANT                |                              |                        |                           |
| 12          |                     | TOTAL WATER TREATMENT PLANT          | \$0                          |                        | \$0                       |
| 13          |                     | TRANSMISSION & DISTRIBUTION PLANT    |                              |                        |                           |
| 14          | 342.000             | Distribution Reservoirs & Standpipes | \$14,884                     | 2.50%                  | \$372                     |
| 15          | 343.000             | Transmission and Distribution Mains  | \$24,417                     | 2.00%                  | \$488                     |
| 16          | 345.000             | Customer Services                    | \$2,275                      | 2.50%                  | \$57                      |
| 17          | 346.000             | Meters                               | \$58,151                     | 10.00%                 | \$5,815                   |
| 18          | 347.000             | Meter Installation                   | \$12,407                     | 2.50%                  | \$310                     |
| 19          |                     | TOTAL TRANS. & DISTRIBUTION PLANT    | \$112,134                    |                        | \$7,042                   |
| 20          |                     | GENERAL PLANT                        |                              |                        |                           |
| 21          | 391.100             | Office Computer Equipment            | \$1,289                      | 1.00%                  | \$13                      |
| 22          | 392.000             | Transportation Equipment             | \$3,068                      | 7.00%                  | \$215                     |
| 23          | 394.000             | Other General Equipment              | \$1,007                      | 5.00%                  | \$50                      |
| 24          |                     | TOTAL GENERAL PLANT                  | \$5,364                      |                        | \$278                     |
| 25          |                     | Total Depreciation                   | \$157,724                    |                        | \$8,008                   |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Accumulated Depreciation Reserve - Water

| Line Number | A<br>Account Number | B<br>Depreciation Reserve Description | C<br>Total Reserve | D<br>Adjustment Number | E<br>Adjustments | F<br>Jurisdictional Allocation | G<br>Adjusted Jurisdictional |
|-------------|---------------------|---------------------------------------|--------------------|------------------------|------------------|--------------------------------|------------------------------|
| 1           |                     | INTANGIBLE PLANT                      |                    |                        |                  |                                |                              |
| 2           | 301.000             | Organization                          | \$20,076           |                        |                  | 100.00%                        | \$20,076                     |
| 3           | 321.000             | Structures & Improvements             | \$0                |                        |                  | 100.00%                        | \$0                          |
| 4           |                     | TOTAL INTANGIBLE PLANT                | \$20,076           |                        | \$0              |                                | \$20,076                     |
| 5           |                     | SOURCE OF SUPPLY PLANT                |                    |                        |                  |                                |                              |
| 6           | 314.000             | Wells & Springs                       | \$10,181           |                        |                  | 100.00%                        | \$10,181                     |
| 7           |                     | TOTAL SOURCE OF SUPPLY PLANT          | \$10,181           |                        | \$0              |                                | \$10,181                     |
| 8           |                     | PUMPING PLANT                         |                    |                        |                  |                                |                              |
| 9           | 325.000             | Electric Pumping Equipment            | \$4,475            |                        |                  | 100.00%                        | \$4,475                      |
| 10          |                     | TOTAL PUMPING PLANT                   | \$4,475            |                        | \$0              |                                | \$4,475                      |
| 11          |                     | WATER TREATMENT PLANT                 |                    |                        |                  |                                |                              |
| 12          |                     | TOTAL WATER TREATMENT PLANT           | \$0                |                        | \$0              |                                | \$0                          |
| 13          |                     | TRANSMISSION & DISTRIBUTION PLANT     |                    |                        |                  |                                |                              |
| 14          | 342.000             | Distribution Reservoirs & Standpipes  | \$15,970           |                        |                  | 100.00%                        | \$15,970                     |
| 15          | 343.000             | Transmission and Distribution Mains   | \$28,859           |                        |                  | 100.00%                        | \$28,859                     |
| 16          | 345.000             | Customer Services                     | \$0                |                        |                  | 100.00%                        | \$0                          |
| 17          | 346.000             | Meters                                | \$50,835           | R-17                   | -\$7,125         | 100.00%                        | \$43,710                     |
| 18          | 347.000             | Meter Installation                    | \$0                | R-18                   | \$8,304          | 100.00%                        | \$8,304                      |
| 19          |                     | TOTAL TRANS. & DISTRIBUTION PLANT     | \$95,664           |                        | \$1,179          |                                | \$96,843                     |
| 20          |                     | GENERAL PLANT                         |                    |                        |                  |                                |                              |
| 21          | 391.100             | Office Computer Equipment             | \$1,517            |                        |                  | 100.00%                        | \$1,517                      |
| 22          | 392.000             | Transportation Equipment              | \$2,965            | R-22                   | -\$109           | 100.00%                        | \$2,856                      |
| 23          | 394.000             | Other General Equipment               | \$408              |                        |                  | 100.00%                        | \$408                        |
| 24          |                     | TOTAL GENERAL PLANT                   | \$4,890            |                        | -\$109           |                                | \$4,781                      |
| 25          |                     | TOTAL DEPRECIATION RESERVE            | \$135,286          |                        | \$1,070          |                                | \$136,356                    |

To Rate Base Schedule

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Schedule of Adjustments for Accumulated Depreciation Reserve - Water

| <b>A</b><br>Reserve<br>Adjustment<br>Number | <b>B</b><br>Accumulated Depreciation Reserve<br>Adjustments Description  | <b>C</b><br>Account<br>Number | <b>D</b><br>Adjustment<br>Amount | <b>E</b><br>Total<br>Adjustment<br>Amount |
|---|--|-------------------------------|----------------------------------|---|
| <b>R-17</b>                                 | <b>Meters</b>  | <b>346.000</b>                |                                  | <b>-\$7,125</b>                           |
|   | 1. To Reflect Accumulated Depreciation<br>Related to Plant Adjustment (Grissum)  |                               | \$88                             |   |
|   | 2. To Reflect Accumulated Depreciation<br>Related to Meter Replacement Surcharge<br>(CIAC) (Grissum)                                   |                               | \$117                            |   |
|   | 3. To Reclassify Depreciation Reserve<br>Associated with Reclassified Plant (Robinett)   |                               | -\$8,304                         |   |
|   | 4. To Reflect Accumulated Depreciation related<br>to Meter Replacements or Installations per R&O<br>in Case No. WR-2006-0286 (Grissum) |                               | \$769                            |   |
|   | 5. To Reflect Plant Retirements associated with<br>Maintenance Expense Proven to be Plant in<br>Service 10/15/2010 (Grissum)           |                               | -\$369                           |   |
|   | 6. To Reflect Depreciation Reserve associated<br>with Maintenance Expense Proven to be Plant<br>in Service 10/15/2010 (Grissum)        |                               | \$574                            |   |
| <b>R-18</b>                                 | <b>Meter Installation</b>  | <b>347.000</b>                |                                  | <b>\$8,304</b>                            |
|   | 1. To Reclassify Depreciation Reserve<br>Associated with Reclassified Plant (Robinett)   |                               | \$8,304                          |   |
| <b>R-22</b>                                 | <b>Transportation Equipment</b>  | <b>392.000</b>                |                                  | <b>-\$109</b>                             |
|   | 1. To Reallocated Ford F-150 PU based upon<br>usage by each system (Grissum)   |                               | -\$109                           |   |

Cedar Hill Estates Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Schedule of Adjustments for Accumulated Depreciation Reserve - Water

| <u>A</u>                        | <u>B</u>  | <u>C</u>          | <u>D</u>             | <u>E</u>                      |
|---------------------------------|---|-------------------|----------------------|-------------------------------|
| Reserve<br>Adjustment<br>Number | Accumulated Depreciation Reserve<br>Adjustments Description | Account<br>Number | Adjustment<br>Amount | Total<br>Adjustment<br>Amount |
|                                 | Total Reserve Adjustments                                   |                   |                      | <u>\$1,070</u>                |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | Residential<br>3/4" |                        | Residential<br>1" |                     |
|----------------|--|---------------------|------------------------|-------------------|---------------------|
|                |  | B<br>Amount         | C<br>Amount            | D<br>Amount       | E<br>Amount         |
| 1              | <u>Customer Charge Revenues:</u>               |                     |                        |                   |                     |
| 2              | Customer Number                                | 191                 |                        | 2                 |                     |
| 3              | Bills Per Year                                 | 12                  |                        | 12                |                     |
| 4              | Customer Bills Per year                        | 2,292               |                        | 24                |                     |
| 5              | Current Customer Charge                        | <u>\$8.68</u>       |                        | <u>\$14.47</u>    |                     |
| 6              | Annualized Customer Charge Revenues            |                     | \$19,895               |                   | \$347               |
| 7              | <u>Commodity Charge Revenues:</u>              |                     |                        |                   |                     |
| 8              | Total Gallons Sold                             | 7,807,343           |                        | 180,400           |                     |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>            |                        | <u>0</u>          |                     |
| 10             | Commodity Gallons                              | 7,807,343           |                        | 180,400           |                     |
| 11             | Block 1, Commodity Gallons per Block           | 7,807,343           |                        | 0                 |                     |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>1,000</u>        |                        | <u>0</u>          |                     |
| 13             | Block 1, Commodity Billing Units               | 7,807.34            |                        | 0.00              |                     |
| 14             | Block 1, Existing Commodity Charge             | <u>\$1.84</u>       |                        | <u>\$1.84</u>     |                     |
| 15             | Block 1, Annualized Commodity Charge Rev.      |                     | \$14,366               |                   | \$0                 |
| 16             | FFFFF, Commodity Gallons per Block             | 0                   |                        | 0                 |                     |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>            |                        | <u>0</u>          |                     |
| 18             | FFFFF, Commodity Billing Units                 | 0.00                |                        | 0.00              |                     |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u>       |                        | <u>\$0.00</u>     |                     |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |                     | \$0                    |                   | \$0                 |
| 21             | VVV, Commodity Gallons per Block               | 0                   |                        | 0                 |                     |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>            |                        | <u>0</u>          |                     |
| 23             | VVV, Commodity Billing Units                   | 0.00                |                        | 0.00              |                     |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u>       |                        | <u>\$0.00</u>     |                     |
| 25             | VVV, Annualized Commodity Charge Rev.          |                     | \$0                    |                   | \$0                 |
| 26             | FADF, Commodity Gallons per Block              | 0                   |                        | 0                 |                     |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>            |                        | <u>0</u>          |                     |
| 28             | FADF, Commodity Billing Units                  | 0.00                |                        | 0.00              |                     |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u>       |                        | <u>\$0.00</u>     |                     |
| 30             | FADF, Annualized Commodity Charge Rev.         |                     | \$0                    |                   | \$0                 |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |                     | <b><u>\$34,261</u></b> |                   | <b><u>\$347</u></b> |

Cedar Hill Estates Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description | Residential<br>3/4" |             | Residential<br>1" |             |
|----------------|------------------|---------------------|-------------|-------------------|-------------|
|                |                  | B<br>Amount         | C<br>Amount | D<br>Amount       | E<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | GGGG<br>5/8"  |                   | GGGG<br>5/8"  |                   |
|----------------|--|---------------|-------------------|---------------|-------------------|
|                |  | F<br>Amount   | G<br>Amount       | H<br>Amount   | I<br>Amount       |
| 1              | <u>Customer Charge Revenues:</u>               |               |                   |               |                   |
| 2              | Customer Number                                | 0             |                   | 0             |                   |
| 3              | Bills Per Year                                 | 12            |                   | 12            |                   |
| 4              | Customer Bills Per year                        | 0             |                   | 0             |                   |
| 5              | Current Customer Charge                        | <u>\$0.00</u> |                   | <u>\$0.00</u> |                   |
| 6              | Annualized Customer Charge Revenues            |               | \$0               |               | \$0               |
| 7              | <u>Commodity Charge Revenues:</u>              |               |                   |               |                   |
| 8              | Total Gallons Sold                             | 0             |                   | 0             |                   |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>      |                   | <u>0</u>      |                   |
| 10             | Commodity Gallons                              | 0             |                   | 0             |                   |
| 11             | Block 1, Commodity Gallons per Block           | 0             |                   | 0             |                   |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>0</u>      |                   | <u>0</u>      |                   |
| 13             | Block 1, Commodity Billing Units               | 0.00          |                   | 0.00          |                   |
| 14             | Block 1, Existing Commodity Charge             | <u>\$0.00</u> |                   | <u>\$0.00</u> |                   |
| 15             | Block 1, Annualized Commodity Charge Rev.      |               | \$0               |               | \$0               |
| 16             | FFFFF, Commodity Gallons per Block             | 0             |                   | 0             |                   |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>      |                   | <u>0</u>      |                   |
| 18             | FFFFF, Commodity Billing Units                 | 0.00          |                   | 0.00          |                   |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u> |                   | <u>\$0.00</u> |                   |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |               | \$0               |               | \$0               |
| 21             | VVV, Commodity Gallons per Block               | 0             |                   | 0             |                   |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>      |                   | <u>0</u>      |                   |
| 23             | VVV, Commodity Billing Units                   | 0.00          |                   | 0.00          |                   |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u> |                   | <u>\$0.00</u> |                   |
| 25             | VVV, Annualized Commodity Charge Rev.          |               | \$0               |               | \$0               |
| 26             | FADF, Commodity Gallons per Block              | 0             |                   | 0             |                   |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>      |                   | <u>0</u>      |                   |
| 28             | FADF, Commodity Billing Units                  | 0.00          |                   | 0.00          |                   |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u> |                   | <u>\$0.00</u> |                   |
| 30             | FADF, Annualized Commodity Charge Rev.         |               | \$0               |               | \$0               |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |               | <u><b>\$0</b></u> |               | <u><b>\$0</b></u> |

Cedar Hill Estates Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description | GGGG<br>5/8" |             | GGGG<br>5/8" |             |
|----------------|------------------|--------------|-------------|--------------|-------------|
|                |                  | F<br>Amount  | G<br>Amount | H<br>Amount  | I<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | AAAA<br>5/8"  |             | FFFF<br>5/8"  |             |
|----------------|--|---------------|-------------|---------------|-------------|
|                |  | J<br>Amount   | K<br>Amount | L<br>Amount   | M<br>Amount |
| 1              | <u>Customer Charge Revenues:</u>               |               |             |               |             |
| 2              | Customer Number                                | 0             |             | 0             |             |
| 3              | Bills Per Year                                 | 12            |             | 12            |             |
| 4              | Customer Bills Per year                        | 0             |             | 0             |             |
| 5              | Current Customer Charge                        | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 6              | Annualized Customer Charge Revenues            |               | \$0         |               | \$0         |
| 7              | <u>Commodity Charge Revenues:</u>              |               |             |               |             |
| 8              | Total Gallons Sold                             | 0             |             | 0             |             |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>      |             | <u>0</u>      |             |
| 10             | Commodity Gallons                              | 0             |             | 0             |             |
| 11             | Block 1, Commodity Gallons per Block           | 0             |             | 0             |             |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>0</u>      |             | <u>0</u>      |             |
| 13             | Block 1, Commodity Billing Units               | 0.00          |             | 0.00          |             |
| 14             | Block 1, Existing Commodity Charge             | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 15             | Block 1, Annualized Commodity Charge Rev.      |               | \$0         |               | \$0         |
| 16             | FFFFF, Commodity Gallons per Block             | 0             |             | 0             |             |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>      |             | <u>0</u>      |             |
| 18             | FFFFF, Commodity Billing Units                 | 0.00          |             | 0.00          |             |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |               | \$0         |               | \$0         |
| 21             | VVV, Commodity Gallons per Block               | 0             |             | 0             |             |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>      |             | <u>0</u>      |             |
| 23             | VVV, Commodity Billing Units                   | 0.00          |             | 0.00          |             |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 25             | VVV, Annualized Commodity Charge Rev.          |               | \$0         |               | \$0         |
| 26             | FADF, Commodity Gallons per Block              | 0             |             | 0             |             |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>      |             | <u>0</u>      |             |
| 28             | FADF, Commodity Billing Units                  | 0.00          |             | 0.00          |             |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 30             | FADF, Annualized Commodity Charge Rev.         |               | \$0         |               | \$0         |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |               | <u>\$0</u>  |               | <u>\$0</u>  |

Cedar Hill Estates Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description | AAAA<br>5/8" |             | FFFF<br>5/8" |             |
|----------------|------------------|--------------|-------------|--------------|-------------|
|                |                  | J<br>Amount  | K<br>Amount | L<br>Amount  | M<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units).

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | Commercial<br>2" |             | Total       |                 |
|----------------|--|------------------|-------------|-------------|-----------------|
|                |  | N<br>Amount      | O<br>Amount | P<br>Amount | Q<br>Amount     |
| 1              | <u>Customer Charge Revenues:</u>               |                  |             |             |                 |
| 2              | Customer Number                                | 0                |             | 193         |                 |
| 3              | Bills Per Year                                 | 12               |             |             |                 |
| 4              | Customer Bills Per year                        | 0                |             | 2,316       |                 |
| 5              | Current Customer Charge                        | <u>\$0.00</u>    |             |             |                 |
| 6              | Annualized Customer Charge Revenues            |                  | \$0         |             | \$20,242        |
| 7              | <u>Commodity Charge Revenues:</u>              |                  |             |             |                 |
| 8              | Total Gallons Sold                             | 0                |             | 7,987,743   |                 |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>         |             | 0           |                 |
| 10             | Commodity Gallons                              | 0                |             | 7,987,743   |                 |
| 11             | Block 1, Commodity Gallons per Block           | 0                |             |             |                 |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>0</u>         |             |             |                 |
| 13             | Block 1, Commodity Billing Units               | 0.00             |             |             |                 |
| 14             | Block 1, Existing Commodity Charge             | <u>\$0.00</u>    |             |             |                 |
| 15             | Block 1, Annualized Commodity Charge Rev.      |                  | \$0         |             | \$14,366        |
| 16             | FFFFF, Commodity Gallons per Block             | 0                |             |             |                 |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>         |             |             |                 |
| 18             | FFFFF, Commodity Billing Units                 | 0.00             |             |             |                 |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u>    |             |             |                 |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |                  | \$0         |             | \$0             |
| 21             | VVV, Commodity Gallons per Block               | 0                |             |             |                 |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>         |             |             |                 |
| 23             | VVV, Commodity Billing Units                   | 0.00             |             |             |                 |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u>    |             |             |                 |
| 25             | VVV, Annualized Commodity Charge Rev.          |                  | \$0         |             | \$0             |
| 26             | FADF, Commodity Gallons per Block              | 0                |             |             |                 |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>         |             |             |                 |
| 28             | FADF, Commodity Billing Units                  | 0.00             |             |             |                 |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u>    |             |             |                 |
| 30             | FADF, Annualized Commodity Charge Rev.         |                  | \$0         |             | \$0             |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |                  | <u>\$0</u>  |             | <u>\$34,608</u> |

Cedar Hill Estates Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description | Commercial<br>2" |             | Total       |             |
|----------------|------------------|------------------|-------------|-------------|-------------|
|                |                  | N<br>Amount      | O<br>Amount | P<br>Amount | Q<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Schedule - Water

| Line Number | A<br>Account Number (Optional) | B<br>Expense Description                       | C<br>Company/<br>Test Year<br>Amount | D<br>Adjustment<br>Number | E<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|-------------|--------------------------------|--|--------------------------------------|---------------------------|------------------|-----------------------------------|---------------------------------|
| 1           |                                | OPERATIONS EXPENSES                            |                                      |                           |                  |                                   |                                 |
| 2           |                                | Management Salary (1)                          | \$3,600                              | W-2                       | -\$1,369         | 100.00%                           | \$2,231                         |
| 3           |                                | Hourly Employees                               | \$5,939                              | W-3                       | -\$3,968         | 100.00%                           | \$1,971                         |
| 4           |                                | Contract Operator - Franklin County Lab        | \$660                                | W-4                       | \$6,880          | 100.00%                           | \$7,540                         |
| 5           |                                | Electricity-(Pumping)                          | \$1,808                              | W-5                       | -\$329           | 100.00%                           | \$1,479                         |
| 6           |                                | TOTAL OPERATIONS EXPENSE                       | \$12,007                             |                           | \$1,214          |                                   | \$13,221                        |
| 7           |                                | MAINTENANCE EXPENSES                           |                                      |                           |                  |                                   |                                 |
| 8           |                                | Outside Services Employed - Flynn Drilling (1) | \$0                                  | W-8                       | \$250            | 100.00%                           | \$250                           |
| 9           |                                | System Maintenance                             | \$25,486                             | W-9                       | -\$23,913        | 100.00%                           | \$1,573                         |
| 10          |                                | TOTAL MAINTENANCE EXPENSE                      | \$25,486                             |                           | -\$23,663        |                                   | \$1,823                         |
| 11          |                                | CUSTOMER ACCOUNT EXPENSE                       |                                      |                           |                  |                                   |                                 |
| 12          |                                | Legal and Accounting Fees                      | \$940                                | W-12                      | -\$53            | 100.00%                           | \$887                           |
| 13          |                                | Billing & Collections                          | \$320                                |                           |                  | 100.00%                           | \$320                           |
| 14          |                                | Office Supplies                                | \$238                                |                           |                  | 100.00%                           | \$238                           |
| 15          |                                | Postage  | \$1,242                              | W-15                      | -\$130           | 100.00%                           | \$1,112                         |
| 16          |                                | Uncollectible Accounts                         | \$855                                |                           |                  | 100.00%                           | \$855                           |
| 17          |                                | TOTAL CUSTOMER ACCOUNT EXPENSE                 | \$3,595                              |                           | -\$183           |                                   | \$3,412                         |
| 18          |                                | ADMINISTRATIVE & GENERAL EXPENSES              |                                      |                           |                  |                                   |                                 |
| 19          |                                | Telephone & Pagers                             | \$894                                | W-19                      | -\$303           | 100.00%                           | \$591                           |
| 20          |                                | Vehicle Expense                                | \$905                                | W-20                      | -\$248           | 100.00%                           | \$657                           |
| 21          |                                | Medical Insurance                              | \$1,853                              | W-21                      | -\$1,853         | 100.00%                           | \$0                             |
| 22          |                                | Property & Liability Insurance                 | \$2,409                              |                           |                  | 100.00%                           | \$2,409                         |
| 23          |                                | Building Rent                                  | \$640                                |                           |                  | 100.00%                           | \$640                           |
| 24          |                                | Other Misc. Expenses                           | \$127                                | W-24                      | -\$27            | 100.00%                           | \$100                           |
| 25          |                                | TOTAL ADMINISTRATIVE AND GENERAL               | \$6,828                              |                           | -\$2,431         |                                   | \$4,397                         |
| 26          |                                | OTHER OPERATING EXPENSES                       |                                      |                           |                  |                                   |                                 |
| 27          |                                | Registration Fees & Lab Sampling               | \$634                                | W-27                      | -\$612           | 100.00%                           | \$22                            |
| 28          |                                | PSC Assessment                                 | \$2,649                              | W-28                      | -\$1,992         | 100.00%                           | \$657                           |
| 29          |                                | Depreciation                                   | \$0                                  | W-29                      | \$7,931          | 100.00%                           | \$7,931                         |
| 30          |                                | TOTAL OTHER OPERATING EXPENSES                 | \$3,283                              |                           | \$5,327          |                                   | \$8,610                         |
| 31          |                                | TAXES OTHER THAN INCOME                        |                                      |                           |                  |                                   |                                 |
| 32          |                                | Real & Personal Property Taxes                 | \$1,009                              | W-32                      | \$24             | 100.00%                           | \$1,033                         |
| 33          |                                | Payroll Taxes                                  | \$1,527                              | W-33                      | -\$630           | 100.00%                           | \$897                           |
| 34          |                                | TOTAL TAXES OTHER THAN INCOME                  | \$2,536                              |                           | -\$606           |                                   | \$1,930                         |
| 35          |                                | TOTAL OPERATING EXPENSES                       | \$53,735                             |                           | -\$20,342        |                                   | \$33,393                        |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Adjustment Schedule - Water

| <b>A</b><br>Expense Adj<br>Number | <b>B</b><br>Adjustment Description   | <b>C</b><br>Account<br>Number | <b>D</b><br>Adjustment<br>Amount | <b>E</b><br>Total<br>Adjustment |
|-----------------------------------|--|-------------------------------|----------------------------------|---------------------------------|
| <b>W-2</b>                        | <b>Management Salary (1)</b>   |                               |                                  | <b>-\$1,369</b>                 |
|                                   | 1. To Annualize Payroll - Salaried Employee (Grissum)  |                               | <b>-\$1,369</b>                  |                                 |
| <b>W-3</b>                        | <b>Hourly Employees</b>  |                               |                                  | <b>-\$3,968</b>                 |
|                                   | 1. To Annualize Payroll - Hourly Employees (Grissum)   |                               | <b>-\$3,968</b>                  |                                 |
| <b>W-4</b>                        | <b>Contract Operator - Franklin County Lab</b>   |                               |                                  | <b>\$6,880</b>                  |
|                                   | 1. To Annualize Services Provided by Contract Operator   |                               | <b>\$3,000</b>                   |                                 |
|                                   | 2. To Reflect Staff Adjustment for Contract Operator to make additional site visits, take additional system reads and provide additional labor to all water svtems (Loethen/Grissum) |                               | <b>\$3,880</b>                   |                                 |
| <b>W-5</b>                        | <b>Electricity-(Pumping)</b>   |                               |                                  | <b>-\$329</b>                   |
|                                   | 1. Disallowance for Electricity Expense related to Water Losses (Ferguson)   |                               | <b>-\$329</b>                    |                                 |
| <b>W-8</b>                        | <b>Outside Services Employed - Flynn Drilling (1)</b>  |                               |                                  | <b>\$250</b>                    |
|                                   | 1. To Reflect Annual Inspections to be Performed on Well Pumps by Flynn Drilling (Grissum)   |                               | <b>\$250</b>                     |                                 |
| <b>W-9</b>                        | <b>System Maintenance</b>  |                               |                                  | <b>-\$23,913</b>                |
|                                   | 1. To Capitalize Maintenance Expense (Grissum)   |                               | <b>-\$5,942</b>                  |                                 |
|                                   | 2. To Remove Maintenance Expense related to Prior Periods (Grissum)  |                               | <b>-\$20,545</b>                 |                                 |
|                                   | 3. To Reflect Maintenance Expense incurred during the Test Year Not Yet Paid (Grissum)   |                               | <b>\$2,520</b>                   |                                 |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Adjustment Schedule - Water

| <b>A</b><br>Expense Adj<br>Number | <b>B</b><br>Adjustment Description  | <b>C</b><br>Account<br>Number | <b>D</b><br>Adjustment<br>Amount | <b>E</b><br>Total<br>Adjustment |
|-----------------------------------|---|-------------------------------|----------------------------------|---------------------------------|
|                                   | 4. To Amortize Tank Painting Completed in 2002<br>(see Case No. WR-2006-0286)                         |                               | \$1,870                          |                                 |
|                                   | 5. To Remove cost for work now included in<br>Contract Operator fees (Grissum)                        |                               | -\$713                           |                                 |
|                                   | 6. To Capitalize Additional Maintenance Expense<br>proven to be Plant in Service 10/15/2010 (Grissum) |                               | -\$1,103                         |                                 |
| <b>W-12</b>                       | <b>Legal and Accounting Fees</b>  |                               |                                  | <b>-\$53</b>                    |
|                                   | 1. Disallowance for Accounting Fee incurred<br>outside of Test Year                                   |                               | -\$53                            |                                 |
| <b>W-15</b>                       | <b>Postage</b>  |                               |                                  | <b>-\$130</b>                   |
|                                   | 1. To Annualize Postage Expense   |                               | -\$130                           |                                 |
| <b>W-19</b>                       | <b>Telephone &amp; Pagers</b>   |                               |                                  | <b>-\$303</b>                   |
|                                   | 1. To Remove AT&T Charges Associated with<br>National Search Directory Inc.                           |                               | -\$85                            |                                 |
|                                   | 2. To Reallocate Pager Expense from Sewer System<br>to Water System                                   |                               | \$33                             |                                 |
|                                   | 3. To Remove Cell Phone No Longer Used by Ann<br>Rudy (Grissum)                                       |                               | -\$251                           |                                 |
| <b>W-20</b>                       | <b>Vehicle Expense</b>  |                               |                                  | <b>-\$248</b>                   |
|                                   | 1. To Annualize Vehicle Fuel Expense  |                               | \$74                             |                                 |
|                                   | 2. To Reallocate Ford F-150 PU based upon usage<br>of truck by each system (Grissum)                  |                               | -\$322                           |                                 |
| <b>W-21</b>                       | <b>Medical Insurance</b>  |                               |                                  | <b>-\$1,853</b>                 |
|                                   | 1. To Annualize Employee Healthcare (Grissum)   |                               | -\$1,853                         |                                 |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Adjustment Schedule - Water

| <u>A</u><br>Expense Adj<br>Number | <u>B</u><br>Adjustment Description  | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment |
|-----------------------------------|---|-------------------------------|----------------------------------|---------------------------------|
| <b>W-24</b>                       | <b>Other Misc. Expenses</b>   |                               |                                  | <b>-\$27</b>                    |
|                                   | 1. To Remove Bank Charges Associated with Insufficient Checks                             |                               | -\$27                            |                                 |
| <b>W-27</b>                       | <b>Registration Fees &amp; Lab Sampling</b>   |                               |                                  | <b>-\$612</b>                   |
|                                   | 1. To Remove DNR Primacy Fees   |                               | -\$622                           |                                 |
|                                   | 2. Allowance for Lab Sampling utilizing DRN Drop Location (Grissum)                       |                               | \$10                             |                                 |
| <b>W-28</b>                       | <b>PSC Assessment</b>   |                               |                                  | <b>-\$1,992</b>                 |
|                                   | 1. To Reflect Current MoPSC Assessment  |                               | -\$1,992                         |                                 |
| <b>W-29</b>                       | <b>Depreciation</b>   |                               |                                  | <b>\$7,931</b>                  |
|                                   | 1. To Annualize Depreciation  |                               | \$8,008                          |                                 |
|                                   | 2. To Remove Depreciation Expense Related to Meter Replacement Surcharge (CIAC) (Grissum) |                               | -\$29                            |                                 |
|                                   | 3. To Remove Depreciation Expense Related to CIAC (Grissum)                               |                               | -\$48                            |                                 |
| <b>W-32</b>                       | <b>Real &amp; Personal Property Taxes</b>   |                               |                                  | <b>\$24</b>                     |
|                                   | 1. To Reflect Ford F-150 PU based upon usage of truck by each system (Grissum)            |                               | \$24                             |                                 |
| <b>W-33</b>                       | <b>Payroll Taxes</b>  |                               |                                  | <b>-\$630</b>                   |
|                                   | 1. To Annualize Payroll Tax - FICA (Grissum)  |                               | -\$552                           |                                 |
|                                   | 2. To Annualize Payroll Tax - SUTA (Grissum)  |                               | -\$78                            |                                 |
|                                   | <b>Total Expense Adjustments</b>  |                               |                                  | <b><u><u>-\$20,342</u></u></b>  |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Revenue Schedule - Water

| Line<br>Number | A<br>Account<br>Number<br>(Optional) | B<br>Revenue Description  | C<br>Company/<br>Test Year<br>Amount | D<br>Adjustment<br>Number | E<br>Jurisdictional<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|----------------|--------------------------------------|---------------------------|--------------------------------------|---------------------------|------------------------------------|-----------------------------------|---------------------------------|
| Rev-1          |                                      | ANNUALIZED REVENUES       |                                      |                           |                                    |                                   |                                 |
| Rev-2          |                                      | Annualized Rate Revenues  | \$32,264                             | Rev-2                     | \$2,344                            | 100.00%                           | \$34,608                        |
| Rev-3          |                                      | Miscellaneous Revenues    | \$4,664                              | Rev-3                     | -\$20                              | 100.00%                           | \$4,644                         |
| Rev-4          |                                      | TOTAL ANNUALIZED REVENUES | \$36,928                             |                           | \$2,324                            |                                   | \$39,252                        |

Cedar Hill Estates Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Revenue Adjustment Schedule - Water

| <u>A</u><br>Revenue Adj<br>Number | <u>B</u><br>Adjustment Description     | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment |
|-----------------------------------|--|-------------------------------|----------------------------------|---------------------------------|
| Rev-2                             | Annualized Rate Revenues               |                               |                                  | \$2,344                         |
|                                   | 1. To Annualize Rate Revenues          |                               | \$2,344                          |                                 |
| Rev-3                             | Miscellaneous Revenues                 |                               |                                  | -\$20                           |
|                                   | 1. To Annualize Miscellaneous Revenues |                               | -\$20                            |                                 |
|                                   | 2. Description                         |                               | \$0                              |                                 |
|                                   | Total Revenue Adjustments              |                               |                                  | <u>\$2,324</u>                  |

Cedar Hill Estates Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Miscellaneous Revenues Feeder - Water

| <b>A</b>               |                              | <b>B</b>       |
|------------------------|------------------------------|----------------|
| <b>Line<br/>Number</b> | <b>Description</b>           | <b>Amount</b>  |
| 1                      | Reconnection Fee             | \$100          |
| 2                      | Other Revenues - Late Fees   | \$4,544        |
| 3                      | Total Miscellaneous Revenues | <u>\$4,644</u> |

**Exhibit No.:**  
**Issue:** Accounting Schedules  
**Witness:** Roberta Grissum  
**Sponsoring Party:** MO PSC Staff  
**Case No:** WR-2010-0345  
**Date Prepared:** 7/19/2010



**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY SERVICES DIVISION**

**STAFF ACCOUNTING SCHEDULES**

**CRESTVIEW ACRES WATER**

**CASE NO. WR-2010-0345**

**Jefferson City, Missouri**

**July 2010**

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Design Schedule - Water

| Line<br>Number | A<br>Description                               | B<br>Account<br>Number<br>(Optional) | C<br>Staff<br>Annualized | D<br>Customer<br>Charge | E<br>Commodity | F<br>Percentage<br>Rate |
|----------------|--|--------------------------------------|--------------------------|-------------------------|----------------|-------------------------|
| Rev-1          | ANNUALIZED REVENUES                            |                                      |                          |                         |                |                         |
| Rev-2          | Annualized Rate Revenues                       | (1)                                  | \$11,393                 |                         |                |                         |
| Rev-3          | Miscellaneous Revenues                         | (1)                                  | \$840                    |                         |                |                         |
| Rev-4          | TOTAL ANNUALIZED REVENUES                      |                                      | \$12,233                 |                         |                |                         |
| 1              | OPERATIONS EXPENSES                            | (2)                                  |                          |                         |                |                         |
| 2              | Management Salary (1)                          |                                      | \$999                    | \$0                     | \$999          | 0.00%                   |
| 3              | Hourly Employees                               |                                      | \$563                    | \$0                     | \$563          | 0.00%                   |
| 4              | Contract Operator - Franklin County Lab        |                                      | \$5,500                  | \$0                     | \$5,500        | 0.00%                   |
| 5              | Electricity-(Pumping)                          |                                      | \$954                    | \$0                     | \$954          | 0.00%                   |
| 6              | TOTAL OPERATIONS EXPENSE                       |                                      | \$8,016                  | \$0                     | \$8,016        |                         |
| 7              | MAINTENANCE EXPENSES                           |                                      |                          |                         |                |                         |
| 8              | Outside Services Employed - Flynn Drilling (1) |                                      | \$250                    | \$0                     | \$250          | 0.00%                   |
| 9              | System Maintenance                             |                                      | \$1,615                  | \$0                     | \$1,615        | 0.00%                   |
| 10             | TOTAL MAINTENANCE EXPENSE                      |                                      | \$1,865                  | \$0                     | \$1,865        |                         |
| 11             | CUSTOMER ACCOUNT EXPENSE                       |                                      |                          |                         |                |                         |
| 12             | Legal and Accounting Fees                      |                                      | \$249                    | \$0                     | \$249          | 0.00%                   |
| 13             | Billing & Collections                          |                                      | \$90                     | \$0                     | \$90           | 0.00%                   |
| 14             | Office Supplies                                |                                      | \$67                     | \$0                     | \$67           | 0.00%                   |
| 15             | Postage  |                                      | \$315                    | \$0                     | \$315          | 0.00%                   |
| 16             | Uncollectible Accounts                         |                                      | \$60                     | \$0                     | \$60           | 0.00%                   |
| 17             | TOTAL CUSTOMER ACCOUNT EXPENSE                 |                                      | \$781                    | \$0                     | \$781          |                         |
| 18             | ADMINISTRATIVE & GENERAL EXPENSES              |                                      |                          |                         |                |                         |
| 19             | Telephone & Pagers                             |                                      | \$166                    | \$0                     | \$166          | 0.00%                   |
| 20             | Vehicle Expense                                |                                      | \$187                    | \$0                     | \$187          | 0.00%                   |
| 21             | Medical Insurance                              |                                      | \$0                      | \$0                     | \$0            | 0.00%                   |
| 22             | Property & Liability Insurance                 |                                      | \$678                    | \$0                     | \$678          | 0.00%                   |
| 23             | Building Rent                                  |                                      | \$180                    | \$0                     | \$180          | 0.00%                   |
| 24             | Other Misc. Expenses                           |                                      | \$28                     | \$0                     | \$28           | 0.00%                   |
| 25             | TOTAL ADMINISTRATIVE AND GENERAL               |                                      | \$1,239                  | \$0                     | \$1,239        |                         |
| 26             | OTHER OPERATING EXPENSES                       |                                      |                          |                         |                |                         |
| 27             | MO DNR Fees & Lab Sampling                     |                                      | \$13                     | \$0                     | \$13           | 0.00%                   |
| 28             | PSC Assessment                                 |                                      | \$329                    | \$0                     | \$329          | 0.00%                   |
| 29             | Depreciation                                   |                                      | \$2,043                  | \$0                     | \$2,043        | 0.00%                   |
| 30             | TOTAL OTHER OPERATING EXPENSES                 |                                      | \$2,385                  | \$0                     | \$2,385        |                         |
| 31             | TAXES OTHER THAN INCOME                        |                                      |                          |                         |                |                         |
| 32             | Real & Personal Property Taxes                 |                                      | \$30                     | \$0                     | \$30           | 0.00%                   |
| 33             | Payroll Taxes                                  |                                      | \$283                    | \$0                     | \$283          | 0.00%                   |
| 34             | TOTAL TAXES OTHER THAN INCOME                  |                                      | \$313                    | \$0                     | \$313          |                         |
| 35             | TOTAL OPERATING EXPENSES                       |                                      | \$14,599                 | \$0                     | \$14,599       |                         |
| 36             | Interest Expense                               | (3)                                  | \$0                      | \$0                     | \$0            | 0.00%                   |
| 37             | Return on Equity                               | (3)                                  | \$2,268                  | \$0                     | \$2,268        | 0.00%                   |
| 38             | Income Taxes                                   | (3)                                  | \$564                    | \$0                     | \$564          | 0.00%                   |
| 39             | TOTAL INTEREST RETURN & TAXES                  |                                      | \$2,832                  | \$0                     | \$2,832        |                         |
| 40             | TOTAL COST OF SERVICE                          |                                      | \$17,431                 | \$0                     | \$17,431       |                         |
| 41             | Less: Miscellaneous Revenues                   |                                      | \$840                    | \$0                     | \$840          | 0.00%                   |
| 42             | COST TO RECOVER IN RATES                       |                                      | \$16,591                 | \$0                     | \$16,591       |                         |
| 43             | INCREMENTAL INCREASE IN RATE REVENUES          |                                      | \$5,198                  |                         |                |                         |

Crestview Acres Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Design Schedule - Water

| Line<br>Number | Description                    | B<br>Account<br>Number<br>(Optional) | C<br>Staff<br>Annualized | D<br>Customer<br>Charge | E<br>Commodity | F<br>Percentage<br>Rate |
|----------------|--------------------------------|--------------------------------------|--------------------------|-------------------------|----------------|-------------------------|
| 44             | PERCENTAGE OF INCREASE         |                                      | <u>42.49%</u>            |                         |                |                         |
| 45             | REQUESTED INCREASE IN REVENUES |                                      | \$0                      |                         |                |                         |

- (1) From Revenue Schedule
- (2) From Expense Schedule
- (3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Base Required Return on Investment Schedule - Water

| Line<br>Number | A<br>Rate Base Description                            | B<br>Dollar<br>Amount |                                     |
|----------------|---|-----------------------|-------------------------------------|
| 1              | Plant In Service                                      | \$48,242              | From Plant Schedule                 |
| 2              | Less Accumulated Depreciation Reserve                 | \$22,973              | From Depreciation Reserve Schedule  |
| 3              | Net Plant In Service                                  | \$25,269              |                                     |
| 4              | Other Rate Base Items:                                | \$0                   |                                     |
|                | Contribution in Aid of Construction                   | -\$475                |                                     |
|                | CIAC Depreciation                                     | \$345                 |                                     |
| 5              | Total Rate Base                                       | \$25,139              |                                     |
| 6              | Total Weighted Rate of Return<br>Including Income Tax | 11.26%                | From PreTax Return & Taxes Schedule |
| 7              | Required Return & Income Tax                          | \$2,832               |                                     |

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate of Return Including Income Tax - Water

|  | A                | B      | formulas                         |
|--|------------------|--------|----------------------------------|
| 1 State Income Tax Rate Statutory / Effective                            | 6.25% (2)        | 5.81%  | $(1 - (B2 \times .5)) \times A1$ |
| 2 Federal Income Tax Rate Statutory / Effective                          | 14.99% (1) & (2) | 14.12% | $(1 - B1) \times A2$             |
| 3 Composite Effective Income Tax Rate                                    |                  | 19.93% | $B1 + B2$                        |
| 4 Equity Tax Factor  |                  | 1.2489 | $1 / (1 - B3)$                   |
| 5 Recommended Weighted Rate of Return on Equity - Common and Preferred   |                  | 9.02%  | From Capital Structure Schedule  |
| 6 Weighted Rate of Return on Equity Including Income Tax                 |                  | 11.26% | $B4 \times B5$                   |
| 7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term |                  | 0.00%  | From Capital Structure Schedule  |
| 8 Total Weighted Rate of Return Including Income Tax                     |                  | 11.26% | $B6 + B7$                        |

(1) If Sub-Chapter S Corporation, Enter Y:

N

To Rate Base Schedule

Equity Income Required \$2,668  
& Preliminary Federal Tax

Tax Rate Table

| Net Income Range |                 | Tax Rate | Amount in Range        | Tax on Range |
|------------------|-----------------|----------|------------------------|--------------|
| Start            | End             |          |                        |              |
| \$0              | \$50,000        | 15.00%   | \$2,668                | \$400        |
| \$50,001         | \$75,000        | 25.00%   | \$0                    | \$0          |
| \$75,001         | \$100,000       | 34.00%   | \$0                    | \$0          |
| \$100,001        | \$335,000       | 39.00%   | \$0                    | \$0          |
| \$335,001        | \$9,999,999,999 | 34.00%   | \$0                    | \$0          |
|                  |                 |          | \$2,668                | \$400        |
|                  |                 |          | Consolidated Tax Rate: |              |
|                  |                 |          | Average Tax Rate:      | 0.1499       |

Crestview Acres Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Capital Structure Schedule - Water

| Line<br>Number | A<br>Description                     | B<br>Dollar<br>Amount | C<br>Percentage<br>of Total<br>Capital<br>Structure | D<br>Embedded<br>Cost of<br>Capital | E<br>Weighted<br>Cost of<br>Capital |
|----------------|--------------------------------------|-----------------------|---|-------------------------------------|-------------------------------------|
| 1              | Common Stock                         | \$25,139              | 100.00%   | 9.02%                               | 9.020%                              |
| 2              | Other Security-Non Tax<br>Deductible | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 3              | Preferred Stock                      | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 4              | Long Term Debt                       | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 5              | Short Term Debt                      | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 6              | Other Security-Tax<br>Deductible     | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 7              | <b>TOTAL CAPITALIZATION</b>          | <b>\$25,139</b>       | <b>100.00%</b>                                      |                                     | <b>9.020%</b>                       |

To PreTax Return Rate Schedule

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Plant In Service - Water

| Line Number | A<br>Account #<br>(Optional) | B<br>Plant Account Description      | C<br>Total<br>Plant | D<br>Adjustment<br>Number | E<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|-------------|------------------------------|-------------------------------------|---------------------|---------------------------|------------------|-----------------------------------|---------------------------------|
| 1           |                              | INTANGIBLE PLANT                    |                     |                           |                  |                                   |                                 |
| 2           | 301.000                      | Organization                        | \$1,600             |                           |                  | 100.00%                           | \$1,600                         |
| 3           |                              | TOTAL INTANGIBLE PLANT              | \$1,600             |                           | \$0              |                                   | \$1,600                         |
| 4           |                              | SOURCE OF SUPPLY PLANT              |                     |                           |                  |                                   |                                 |
| 5           |                              | TOTAL SOURCE OF SUPPLY PLANT        | \$0                 |                           | \$0              |                                   | \$0                             |
| 6           |                              | PUMPING PLANT                       |                     |                           |                  |                                   |                                 |
| 7           | 321.000                      | Structures & Improvements - PP      | \$1,391             | P-7                       | \$170            | 100.00%                           | \$1,561                         |
| 8           | 325.000                      | Electric Pumping Equipment          | \$9,230             |                           |                  | 100.00%                           | \$9,230                         |
| 9           | 328.000                      | Other Pumping Equipment             | \$21,813            |                           |                  | 100.00%                           | \$21,813                        |
| 10          |                              | TOTAL PUMPING PLANT                 | \$32,434            |                           | \$170            |                                   | \$32,604                        |
| 11          |                              | WATER TREATMENT PLANT               |                     |                           |                  |                                   |                                 |
| 12          |                              | TOTAL WATER TREATMENT PLANT         | \$0                 |                           | \$0              |                                   | \$0                             |
| 13          |                              | TRANSMISSION & DISTRIBUTION PLANT   |                     |                           |                  |                                   |                                 |
| 14          | 343.000                      | Transmission and Distribution Mains | \$5,337             |                           |                  | 100.00%                           | \$5,337                         |
| 15          | 345.000                      | Customer Services                   | \$0                 | P-15                      | \$1,261          | 100.00%                           | \$1,261                         |
| 16          | 346.200                      | Meters                              | \$971               | P-16                      | \$3,575          | 100.00%                           | \$4,546                         |
| 17          | 347.000                      | Meter Installation                  | \$0                 | P-17                      | \$1,005          | 100.00%                           | \$1,005                         |
| 18          |                              | TOTAL TRANS. & DISTRIBUTION PLANT   | \$6,308             |                           | \$5,841          |                                   | \$12,149                        |
| 19          |                              | GENERAL PLANT                       |                     |                           |                  |                                   |                                 |
| 20          | 391.100                      | Computer & Software                 | \$370               |                           |                  | 100.00%                           | \$370                           |
| 21          | 392.000                      | Transportation Equipment            | \$1,470             | P-21                      | -\$596           | 100.00%                           | \$874                           |
| 22          | 394.000                      | Other General Equipment             | \$630               |                           |                  | 100.00%                           | \$630                           |
| 23          | 397.000                      | Communication Equipment             | \$15                |                           |                  | 100.00%                           | \$15                            |
| 24          |                              | TOTAL GENERAL PLANT                 | \$2,485             |                           | -\$596           |                                   | \$1,889                         |
| 25          |                              | TOTAL PLANT IN SERVICE              | \$42,827            |                           | \$5,415          |                                   | \$48,242                        |

To Rate Base & Depreciation Schedules

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Schedule of Adjustments for Plant in Service - Water

| <u>A</u><br>Plant<br>Adjustment<br>Number | <u>B</u><br>Plant In Service Adjustment Description   | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment |
|---|---|-------------------------------|----------------------------------|---------------------------------|
| <b>P-7</b>                                | <b>Structures &amp; Improvements - PP</b>   | <b>321.000</b>                |                                  | <b>\$170</b>                    |
|   | 1. To Capitalize Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum)                                 |                               | \$170                            |                                 |
| <b>P-15</b>                               | <b>Customer Services</b>  | <b>345.000</b>                |                                  | <b>\$1,261</b>                  |
|   | 1. To Reflect Plant Additions related to Meter Replacements or Installations per R&O in Case No. WR-2006-0286 (Grissum) |                               | \$561                            |                                 |
|   | 2. To Capitalize Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum)                                 |                               | \$700                            |                                 |
| <b>P-16</b>                               | <b>Meters</b>   | <b>346.200</b>                |                                  | <b>\$3,575</b>                  |
|   | 1. To Reflect Plant Additions Related to Unpaid Invoices (Grissum)  |                               | \$2,885                          |                                 |
|   | 2. To Reclassify Meter Installations to Appropriate FERC Acct. 347 (Robinett)   |                               | -\$420                           |                                 |
|   | 3. To Reflect Plant Additions related to Meter Replacements or Installations per R&O in Case No. WR-2006-0286 (Grissum) |                               | \$825                            |                                 |
|   | 4. To Capitalize Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum)                                 |                               | \$285                            |                                 |
| <b>P-17</b>                               | <b>Meter Installation</b>   | <b>347.000</b>                |                                  | <b>\$1,005</b>                  |
|   | 1. To Reclassify Meter Installations to Appropriate FERC Acct. 347 (Robinett)   |                               | \$420                            |                                 |
|   | 2. To Capitalize Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum)                                 |                               | \$585                            |                                 |

Crestview Acres Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Schedule of Adjustments for Plant in Service - Water

| <u>A</u>                      | <u>B</u>  | <u>C</u>          | <u>D</u>             | <u>E</u>            |
|-------------------------------|---|-------------------|----------------------|---------------------|
| Plant<br>Adjustment<br>Number | Plant In Service Adjustment Description   | Account<br>Number | Adjustment<br>Amount | Total<br>Adjustment |
| P-21                          | Transportation Equipment  | 392.000           |                      | -\$596              |
|                               | 1. To Reallocated Ford F-150 PU based upon<br>usage of truck by each system (Grissum) |                   | -\$596               |                     |
| Total Plant Adjustments       |   |                   |                      | <u>\$5,415</u>      |

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Depreciation Expense - Water

| Line Number | A<br>Account Number | B<br>Plant Account Description      | C<br>Adjusted Jurisdictional | D<br>Depreciation Rate | E<br>Depreciation Expense |
|-------------|---------------------|-------------------------------------|------------------------------|------------------------|---------------------------|
| 1           |                     | INTANGIBLE PLANT                    |                              |                        |                           |
| 2           | 301.000             | Organization                        | <u>\$1,600</u>               | 0.00%                  | <u>\$0</u>                |
| 3           |                     | TOTAL INTANGIBLE PLANT              | <u>\$1,600</u>               |                        | <u>\$0</u>                |
| 4           |                     | SOURCE OF SUPPLY PLANT              |                              |                        |                           |
| 5           |                     | TOTAL SOURCE OF SUPPLY PLANT        | <u>\$0</u>                   |                        | <u>\$0</u>                |
| 6           |                     | PUMPING PLANT                       |                              |                        |                           |
| 7           | 321.000             | Structures & Improvements - PP      | \$1,561                      | 2.50%                  | \$39                      |
| 8           | 325.000             | Electric Pumping Equipment          | \$9,230                      | 5.00%                  | \$462                     |
| 9           | 328.000             | Other Pumping Equipment             | <u>\$21,813</u>              | 4.00%                  | <u>\$873</u>              |
| 10          |                     | TOTAL PUMPING PLANT                 | <u>\$32,604</u>              |                        | <u>\$1,374</u>            |
| 11          |                     | WATER TREATMENT PLANT               |                              |                        |                           |
| 12          |                     | TOTAL WATER TREATMENT PLANT         | <u>\$0</u>                   |                        | <u>\$0</u>                |
| 13          |                     | TRANSMISSION & DISTRIBUTION PLANT   |                              |                        |                           |
| 14          | 343.000             | Transmission and Distribution Mains | \$5,337                      | 2.00%                  | \$107                     |
| 15          | 345.000             | Customer Services                   | \$1,261                      | 2.50%                  | \$32                      |
| 16          | 346.200             | Meters                              | \$4,546                      | 10.00%                 | \$455                     |
| 17          | 347.000             | Meter Installation                  | <u>\$1,005</u>               | 2.50%                  | <u>\$25</u>               |
| 18          |                     | TOTAL TRANS. & DISTRIBUTION PLANT   | <u>\$12,149</u>              |                        | <u>\$619</u>              |
| 19          |                     | GENERAL PLANT                       |                              |                        |                           |
| 20          | 391.100             | Computer & Software                 | \$370                        | 1.00%                  | \$4                       |
| 21          | 392.000             | Transportation Equipment            | \$874                        | 7.00%                  | \$61                      |
| 22          | 394.000             | Other General Equipment             | \$630                        | 5.00%                  | \$32                      |
| 23          | 397.000             | Communication Equipment             | <u>\$15</u>                  | 6.70%                  | <u>\$1</u>                |
| 24          |                     | TOTAL GENERAL PLANT                 | <u>\$1,889</u>               |                        | <u>\$98</u>               |
| 25          |                     | Total Depreciation                  | <u><u>\$48,242</u></u>       |                        | <u><u>\$2,091</u></u>     |

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Accumulated Depreciation Reserve - Water

| Line Number | A<br>Account Number | B<br>Depreciation Reserve Description | C<br>Total Reserve | D<br>Adjustment Number | E<br>Adjustments | F<br>Jurisdictional Allocation | G<br>Adjusted Jurisdictional |
|-------------|---------------------|---------------------------------------|--------------------|------------------------|------------------|--------------------------------|------------------------------|
| 1           |                     | INTANGIBLE PLANT                      |                    |                        |                  |                                |                              |
| 2           | 301.000             | Organization                          | \$1,614            |                        |                  | 100.00%                        | \$1,614                      |
| 3           |                     | TOTAL INTANGIBLE PLANT                | \$1,614            |                        | \$0              |                                | \$1,614                      |
| 4           |                     | SOURCE OF SUPPLY PLANT                |                    |                        |                  |                                |                              |
| 5           |                     | TOTAL SOURCE OF SUPPLY PLANT          | \$0                |                        | \$0              |                                | \$0                          |
| 6           |                     | PUMPING PLANT                         |                    |                        |                  |                                |                              |
| 7           | 321.000             | Structures & Improvements - PP        | \$1,116            |                        |                  | 100.00%                        | \$1,116                      |
| 8           | 325.000             | Electric Pumping Equipment            | -\$9,841           |                        |                  | 100.00%                        | -\$9,841                     |
| 9           | 328.000             | Other Pumping Equipment               | \$25,762           |                        |                  | 100.00%                        | \$25,762                     |
| 10          |                     | TOTAL PUMPING PLANT                   | \$17,037           |                        | \$0              |                                | \$17,037                     |
| 11          |                     | WATER TREATMENT PLANT                 |                    |                        |                  |                                |                              |
| 12          |                     | TOTAL WATER TREATMENT PLANT           | \$0                |                        | \$0              |                                | \$0                          |
| 13          |                     | TRANSMISSION & DISTRIBUTION PLANT     |                    |                        |                  |                                |                              |
| 14          | 343.000             | Transmission and Distribution Mains   | \$1,418            |                        |                  | 100.00%                        | \$1,418                      |
| 15          | 345.000             | Customer Services                     | \$0                |                        |                  | 100.00%                        | \$0                          |
| 16          | 346.200             | Meters                                | \$903              | R-16                   | \$69             | 100.00%                        | \$972                        |
| 17          | 347.000             | Meter Installation                    | \$0                | R-17                   | \$305            | 100.00%                        | \$305                        |
| 18          |                     | TOTAL TRANS. & DISTRIBUTION PLANT     | \$2,321            |                        | \$374            |                                | \$2,695                      |
| 19          |                     | GENERAL PLANT                         |                    |                        |                  |                                |                              |
| 20          | 391.100             | Computer & Software                   | \$437              |                        |                  | 100.00%                        | \$437                        |
| 21          | 392.000             | Transportation Equipment              | \$1,368            | R-21                   | -\$554           | 100.00%                        | \$814                        |
| 22          | 394.000             | Other General Equipment               | \$367              |                        |                  | 100.00%                        | \$367                        |
| 23          | 397.000             | Communication Equipment               | \$9                |                        |                  | 100.00%                        | \$9                          |
| 24          |                     | TOTAL GENERAL PLANT                   | \$2,181            |                        | -\$554           |                                | \$1,627                      |
| 25          |                     | TOTAL DEPRECIATION RESERVE            | \$23,153           |                        | -\$180           |                                | \$22,973                     |

To Rate Base Schedule

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Schedule of Adjustments for Accumulated Depreciation Reserve - Water

| <u>A</u><br>Reserve<br>Adjustment<br>Number | <u>B</u><br>Accumulated Depreciation Reserve<br>Adjustments Description   | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment<br>Amount |
|---|---|-------------------------------|----------------------------------|---|
| R-16  | Meters  | 346.200                       |                                  | \$69                                      |
|   | 1. To Reflect Accumulated Depreciation<br>Related to Plant Adjustments (Grissum)  |                               | \$295                            |   |
|   | 2. To Reclassify Depreciation Reserve<br>Associated with Reclassified Plant (Robinett)  |                               | -\$305                           |   |
|   | 3. To Reflect Depreciation Reserve related to<br>Meter Replacements or Installations per R&O in<br>Case No. WR-2006-0286 (Grissum)          |                               | \$65                             |   |
|   | 4. To Reflect Depreciation Reserve associated<br>with Capitalized Maintenance Expense Proven<br>to be Plant in Service 10/15/2010 (Grissum) |                               | \$14                             |   |
| R-17  | Meter Installation  | 347.000                       |                                  | \$305                                     |
|   | 1. To Reclassify Depreciation Reserve<br>Associated with Reclassified Plant (Robinett)  |                               | \$305                            |   |
| R-21  | Transportation Equipment  | 392.000                       |                                  | -\$554                                    |
|   | 1. To Reallocated Ford F-150 PU based upon<br>usage of truck by each system (Grissum)   |                               | -\$554                           |   |
| Total Reserve Adjustments                   |   |                               |                                  | <u><u>-\$180</u></u>                      |

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | Residential<br>3/4" |                 | MMMM<br>5/8"  |             |
|----------------|--|---------------------|-----------------|---------------|-------------|
|                |  | B<br>Amount         | C<br>Amount     | D<br>Amount   | E<br>Amount |
| 1              | Customer Charge Revenues:                      |                     |                 |               |             |
| 2              | Customer Number                                | 55                  |                 | 0             |             |
| 3              | Bills Per Year                                 | 12                  |                 | 0             |             |
| 4              | Customer Bills Per year                        | 660                 |                 | 0             |             |
| 5              | Current Customer Charge                        | <u>\$8.81</u>       |                 | <u>\$0.00</u> |             |
| 6              | Annualized Customer Charge Revenues            |                     | \$5,815         |               | \$0         |
| 7              | Commodity Charge Revenues:                     |                     |                 |               |             |
| 8              | Total Gallons Sold                             | 2,145,378           |                 | 0             |             |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>            |                 | <u>0</u>      |             |
| 10             | Commodity Gallons                              | 2,145,378           |                 | 0             |             |
| 11             | Block 1, Commodity Gallons per Block           | 2,145,378           |                 | 0             |             |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>1,000</u>        |                 | <u>0</u>      |             |
| 13             | Block 1, Commodity Billing Units               | 2,145.38            |                 | 0.00          |             |
| 14             | Block 1, Existing Commodity Charge             | <u>\$2.60</u>       |                 | <u>\$0.00</u> |             |
| 15             | Block 1, Annualized Commodity Charge Rev.      |                     | \$5,578         |               | \$0         |
| 16             | FFFFF, Commodity Gallons per Block             | 0                   |                 | 0             |             |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>            |                 | <u>0</u>      |             |
| 18             | FFFFF, Commodity Billing Units                 | 0.00                |                 | 0.00          |             |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u>       |                 | <u>\$0.00</u> |             |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |                     | \$0             |               | \$0         |
| 21             | VVV, Commodity Gallons per Block               | 0                   |                 | 0             |             |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>            |                 | <u>0</u>      |             |
| 23             | VVV, Commodity Billing Units                   | 0.00                |                 | 0.00          |             |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u>       |                 | <u>\$0.00</u> |             |
| 25             | VVV, Annualized Commodity Charge Rev.          |                     | \$0             |               | \$0         |
| 26             | FADF, Commodity Gallons per Block              | 0                   |                 | 0             |             |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>            |                 | <u>0</u>      |             |
| 28             | FADF, Commodity Billing Units                  | 0.00                |                 | 0.00          |             |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u>       |                 | <u>\$0.00</u> |             |
| 30             | FADF, Annualized Commodity Charge Rev.         |                     | \$0             |               | \$0         |
| 31             | Total Annualized Water Rate Revenues           |                     | <u>\$11,393</u> |               | <u>\$0</u>  |

**Crestview Acres Water**  
**Informal Rate Case**  
**Case No. WR-2010-0345**  
**Test Year Ending 5/31/2010**  
**Rate Revenue Feeder Schedule - Water**

| Line<br>Number | A<br>Description | Residential<br>3/4" |             | MMMM<br>5/8" |             |
|----------------|------------------|---------------------|-------------|--------------|-------------|
|                |                  | B<br>Amount         | C<br>Amount | D<br>Amount  | E<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | GGGG<br>5/8"  |                   | GGGG<br>5/8"  |                   |
|----------------|--|---------------|-------------------|---------------|-------------------|
|                |  | F<br>Amount   | G<br>Amount       | H<br>Amount   | I<br>Amount       |
| 1              | <u>Customer Charge Revenues:</u>               |               |                   |               |                   |
| 2              | Customer Number                                | 0             |                   | 0             |                   |
| 3              | Bills Per Year                                 | 0             |                   | 0             |                   |
| 4              | Customer Bills Per year                        | 0             |                   | 0             |                   |
| 5              | Current Customer Charge                        | <u>\$0.00</u> |                   | <u>\$0.00</u> |                   |
| 6              | Annualized Customer Charge Revenues            |               | \$0               |               | \$0               |
| 7              | <u>Commodity Charge Revenues:</u>              |               |                   |               |                   |
| 8              | Total Gallons Sold                             | 0             |                   | 0             |                   |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>      |                   | <u>0</u>      |                   |
| 10             | Commodity Gallons                              | 0             |                   | 0             |                   |
| 11             | Block 1, Commodity Gallons per Block           | 0             |                   | 0             |                   |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>0</u>      |                   | <u>0</u>      |                   |
| 13             | Block 1, Commodity Billing Units               | 0.00          |                   | 0.00          |                   |
| 14             | Block 1, Existing Commodity Charge             | <u>\$0.00</u> |                   | <u>\$0.00</u> |                   |
| 15             | Block 1, Annualized Commodity Charge Rev.      |               | \$0               |               | \$0               |
| 16             | FFFFF, Commodity Gallons per Block             | 0             |                   | 0             |                   |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>      |                   | <u>0</u>      |                   |
| 18             | FFFFF, Commodity Billing Units                 | 0.00          |                   | 0.00          |                   |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u> |                   | <u>\$0.00</u> |                   |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |               | \$0               |               | \$0               |
| 21             | VVV, Commodity Gallons per Block               | 0             |                   | 0             |                   |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>      |                   | <u>0</u>      |                   |
| 23             | VVV, Commodity Billing Units                   | 0.00          |                   | 0.00          |                   |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u> |                   | <u>\$0.00</u> |                   |
| 25             | VVV, Annualized Commodity Charge Rev.          |               | \$0               |               | \$0               |
| 26             | FADF, Commodity Gallons per Block              | 0             |                   | 0             |                   |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>      |                   | <u>0</u>      |                   |
| 28             | FADF, Commodity Billing Units                  | 0.00          |                   | 0.00          |                   |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u> |                   | <u>\$0.00</u> |                   |
| 30             | FADF, Annualized Commodity Charge Rev.         |               | \$0               |               | \$0               |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |               | <u><b>\$0</b></u> |               | <u><b>\$0</b></u> |

**Crestview Acres Water**  
**Informal Rate Case**  
**Case No. WR-2010-0345**  
**Test Year Ending 5/31/2010**  
**Rate Revenue Feeder Schedule - Water**

| Line<br>Number | A<br>Description | GGGG<br>5/8" |             | GGGG<br>5/8" |             |
|----------------|------------------|--------------|-------------|--------------|-------------|
|                |                  | F<br>Amount  | G<br>Amount | H<br>Amount  | I<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | AAAA<br>5/8"  |             | FFFF<br>5/8"  |             |
|----------------|--|---------------|-------------|---------------|-------------|
|                |  | J<br>Amount   | K<br>Amount | L<br>Amount   | M<br>Amount |
| 1              | <u>Customer Charge Revenues:</u>               |               |             |               |             |
| 2              | Customer Number                                | 0             |             | 0             |             |
| 3              | Bills Per Year                                 | 0             |             | 0             |             |
| 4              | Customer Bills Per year                        | 0             |             | 0             |             |
| 5              | Current Customer Charge                        | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 6              | Annualized Customer Charge Revenues            |               | \$0         |               | \$0         |
| 7              | <u>Commodity Charge Revenues:</u>              |               |             |               |             |
| 8              | Total Gallons Sold                             | 0             |             | 0             |             |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>      |             | <u>0</u>      |             |
| 10             | Commodity Gallons                              | 0             |             | 0             |             |
| 11             | Block 1, Commodity Gallons per Block           | 0             |             | 0             |             |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>0</u>      |             | <u>0</u>      |             |
| 13             | Block 1, Commodity Billing Units               | 0.00          |             | 0.00          |             |
| 14             | Block 1, Existing Commodity Charge             | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 15             | Block 1, Annualized Commodity Charge Rev.      |               | \$0         |               | \$0         |
| 16             | FFFFF, Commodity Gallons per Block             | 0             |             | 0             |             |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>      |             | <u>0</u>      |             |
| 18             | FFFFF, Commodity Billing Units                 | 0.00          |             | 0.00          |             |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |               | \$0         |               | \$0         |
| 21             | VVV, Commodity Gallons per Block               | 0             |             | 0             |             |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>      |             | <u>0</u>      |             |
| 23             | VVV, Commodity Billing Units                   | 0.00          |             | 0.00          |             |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 25             | VVV, Annualized Commodity Charge Rev.          |               | \$0         |               | \$0         |
| 26             | FADF, Commodity Gallons per Block              | 0             |             | 0             |             |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>      |             | <u>0</u>      |             |
| 28             | FADF, Commodity Billing Units                  | 0.00          |             | 0.00          |             |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 30             | FADF, Annualized Commodity Charge Rev.         |               | \$0         |               | \$0         |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |               | <u>\$0</u>  |               | <u>\$0</u>  |

Crestview Acres Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description | AAAA<br>5/8" |             | FFFF<br>5/8" |             |
|----------------|------------------|--------------|-------------|--------------|-------------|
|                |                  | J<br>Amount  | K<br>Amount | L<br>Amount  | M<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | Commercial<br>2" |             | Total       |                 |
|----------------|--|------------------|-------------|-------------|-----------------|
|                |  | N<br>Amount      | O<br>Amount | P<br>Amount | Q<br>Amount     |
| 1              | <u>Customer Charge Revenues:</u>               |                  |             |             |                 |
| 2              | Customer Number                                | 0                |             | 55          |                 |
| 3              | Bills Per Year                                 | 0                |             |             |                 |
| 4              | Customer Bills Per year                        | 0                |             | 660         |                 |
| 5              | Current Customer Charge                        | \$0.00           |             |             |                 |
| 6              | Annualized Customer Charge Revenues            |                  | \$0         |             | \$5,815         |
| 7              | <u>Commodity Charge Revenues:</u>              |                  |             |             |                 |
| 8              | Total Gallons Sold                             | 0                |             | 2,145,378   |                 |
| 9              | Less: Base Gallons Included In Customer Charge | 0                |             | 0           |                 |
| 10             | Commodity Gallons                              | 0                |             | 2,145,378   |                 |
| 11             | Block 1, Commodity Gallons per Block           | 0                |             |             |                 |
| 12             | Block 1, Number of Commodity Gallons per Unit  | 0                |             |             |                 |
| 13             | Block 1, Commodity Billing Units               | 0.00             |             |             |                 |
| 14             | Block 1, Existing Commodity Charge             | \$0.00           |             |             |                 |
| 15             | Block 1, Annualized Commodity Charge Rev.      |                  | \$0         |             | \$5,578         |
| 16             | FFFFF, Commodity Gallons per Block             | 0                |             |             |                 |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | 0                |             |             |                 |
| 18             | FFFFF, Commodity Billing Units                 | 0.00             |             |             |                 |
| 19             | FFFFF, Existing Commodity Charge               | \$0.00           |             |             |                 |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |                  | \$0         |             | \$0             |
| 21             | VVV, Commodity Gallons per Block               | 0                |             |             |                 |
| 22             | VVV, Number of Commodity Gallons per Unit      | 0                |             |             |                 |
| 23             | VVV, Commodity Billing Units                   | 0.00             |             |             |                 |
| 24             | VVV, Existing Commodity Charge                 | \$0.00           |             |             |                 |
| 25             | VVV, Annualized Commodity Charge Rev.          |                  | \$0         |             | \$0             |
| 26             | FADF, Commodity Gallons per Block              | 0                |             |             |                 |
| 27             | FADF, Number of Commodity Gallons per Unit     | 0                |             |             |                 |
| 28             | FADF, Commodity Billing Units                  | 0.00             |             |             |                 |
| 29             | FADF, Existing Commodity Charge                | \$0.00           |             |             |                 |
| 30             | FADF, Annualized Commodity Charge Rev.         |                  | \$0         |             | \$0             |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |                  | <b>\$0</b>  |             | <b>\$11,393</b> |

Crestview Acres Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description | Commercial<br>2" |             | Total       |             |
|----------------|------------------|------------------|-------------|-------------|-------------|
|                |                  | N<br>Amount      | O<br>Amount | P<br>Amount | Q<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Schedule - Water

| Line Number | A<br>Account Number<br>(Optional) | B<br>Expense Description                       | C<br>Company/<br>Test Year<br>Amount | D<br>Adjustment<br>Number | E<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|-------------|-----------------------------------|--|--------------------------------------|---------------------------|------------------|-----------------------------------|---------------------------------|
| 1           |                                   | OPERATIONS EXPENSES                            |                                      |                           |                  |                                   |                                 |
| 2           |                                   | Management Salary (1)                          | \$1,013                              | W-2                       | -\$14            | 100.00%                           | \$999                           |
| 3           |                                   | Hourly Employees                               | \$3,433                              | W-3                       | -\$2,870         | 100.00%                           | \$563                           |
| 4           |                                   | Contract Operator - Franklin County Lab        | \$460                                | W-4                       | \$5,040          | 100.00%                           | \$5,500                         |
| 5           |                                   | Electricity-(Pumping)                          | \$1,101                              | W-5                       | -\$147           | 100.00%                           | \$954                           |
| 6           |                                   | TOTAL OPERATIONS EXPENSE                       | \$6,007                              |                           | \$2,009          |                                   | \$8,016                         |
| 7           |                                   | MAINTENANCE EXPENSES                           |                                      |                           |                  |                                   |                                 |
| 8           |                                   | Outside Services Employed - Flynn Drilling (1) | \$0                                  | W-8                       | \$250            | 100.00%                           | \$250                           |
| 9           |                                   | System Maintenance                             | \$4,161                              | W-9                       | -\$2,546         | 100.00%                           | \$1,615                         |
| 10          |                                   | TOTAL MAINTENANCE EXPENSE                      | \$4,161                              |                           | -\$2,296         |                                   | \$1,865                         |
| 11          |                                   | CUSTOMER ACCOUNT EXPENSE                       |                                      |                           |                  |                                   |                                 |
| 12          |                                   | Legal and Accounting Fees                      | \$264                                | W-12                      | -\$15            | 100.00%                           | \$249                           |
| 13          |                                   | Billing & Collections                          | \$90                                 |                           |                  | 100.00%                           | \$90                            |
| 14          |                                   | Office Supplies                                | \$67                                 |                           |                  | 100.00%                           | \$67                            |
| 15          |                                   | Postage  | \$348                                | W-15                      | -\$33            | 100.00%                           | \$315                           |
| 16          |                                   | Uncollectible Accounts                         | \$60                                 |                           |                  | 100.00%                           | \$60                            |
| 17          |                                   | TOTAL CUSTOMER ACCOUNT EXPENSE                 | \$829                                |                           | -\$48            |                                   | \$781                           |
| 18          |                                   | ADMINISTRATIVE & GENERAL EXPENSES              |                                      |                           |                  |                                   |                                 |
| 19          |                                   | Telephone & Papers                             | \$252                                | W-19                      | -\$86            | 100.00%                           | \$166                           |
| 20          |                                   | Vehicle Expense                                | \$255                                | W-20                      | -\$68            | 100.00%                           | \$187                           |
| 21          |                                   | Medical Insurance                              | \$521                                | W-21                      | -\$521           | 100.00%                           | \$0                             |
| 22          |                                   | Property & Liability Insurance                 | \$678                                |                           |                  | 100.00%                           | \$678                           |
| 23          |                                   | Building Rent                                  | \$180                                |                           |                  | 100.00%                           | \$180                           |
| 24          |                                   | Other Misc. Expenses                           | \$36                                 | W-24                      | -\$8             | 100.00%                           | \$28                            |
| 25          |                                   | TOTAL ADMINISTRATIVE AND GENERAL               | \$1,922                              |                           | -\$683           |                                   | \$1,239                         |
| 26          |                                   | OTHER OPERATING EXPENSES                       |                                      |                           |                  |                                   |                                 |
| 27          |                                   | MO DNR Fees & Lab Sampling                     | \$3                                  | W-27                      | \$10             | 100.00%                           | \$13                            |
| 28          |                                   | PSC Assessment                                 | \$889                                | W-28                      | -\$560           | 100.00%                           | \$329                           |
| 29          |                                   | Depreciation                                   | \$0                                  | W-29                      | \$2,043          | 100.00%                           | \$2,043                         |
| 30          |                                   | TOTAL OTHER OPERATING EXPENSES                 | \$892                                |                           | \$1,493          |                                   | \$2,385                         |
| 31          |                                   | TAXES OTHER THAN INCOME                        |                                      |                           |                  |                                   |                                 |
| 32          |                                   | Real & Personal Property Taxes                 | \$23                                 | W-32                      | \$7              | 100.00%                           | \$30                            |
| 33          |                                   | Payroll Taxes                                  | \$429                                | W-33                      | -\$146           | 100.00%                           | \$283                           |
| 34          |                                   | TOTAL TAXES OTHER THAN INCOME                  | \$452                                |                           | -\$139           |                                   | \$313                           |
| 35          |                                   | TOTAL OPERATING EXPENSES                       | \$14,263                             |                           | \$336            |                                   | \$14,599                        |

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Adjustment Schedule - Water

| <b>A</b><br>Expense Adj<br>Number | <b>B</b><br>Adjustment Description   | <b>C</b><br>Account<br>Number | <b>D</b><br>Adjustment<br>Amount | <b>E</b><br>Total<br>Adjustment |
|-----------------------------------|--|-------------------------------|----------------------------------|---------------------------------|
| <b>W-2</b>                        | <b>Management Salary (1)</b>   |                               |                                  | <b>-\$14</b>                    |
|                                   | 1. To Annualize Payroll - Salaried Employee (Grissum)  |                               | <b>-\$14</b>                     |                                 |
| <b>W-3</b>                        | <b>Hourly Employees</b>  |                               |                                  | <b>-\$2,870</b>                 |
|                                   | 1. To Annualize Payroll - Hourly Employees (Grissum)   |                               | <b>-\$2,870</b>                  |                                 |
| <b>W-4</b>                        | <b>Contract Operator - Franklin County Lab</b>   |                               |                                  | <b>\$5,040</b>                  |
|                                   | 1. To Annualize Services Provided by Contract Operator   |                               | <b>\$2,000</b>                   |                                 |
|                                   | 2. To Reflect Staff Adjustment for Contract Operator to make additional site visits, take additional system reads, and provide additional labor to all water svstems (Loethen/Grissum) |                               | <b>\$3,040</b>                   |                                 |
| <b>W-5</b>                        | <b>Electricity-(Pumping)</b>   |                               |                                  | <b>-\$147</b>                   |
|                                   | 1. Disallowance for Electricity Expense related to Water Losses (Ferguson)   |                               | <b>-\$147</b>                    |                                 |
| <b>W-8</b>                        | <b>Outside Services Employed - Flynn Drilling (1)</b>  |                               |                                  | <b>\$250</b>                    |
|                                   | 1. To Reflect Annual Inspections to be Performed by Flynn Drilling on Well Pumps (Grissum)   |                               | <b>\$250</b>                     |                                 |
| <b>W-9</b>                        | <b>System Maintenance</b>  |                               |                                  | <b>-\$2,546</b>                 |
|                                   | 1. To Capitalize Maintenance Expense (Grissum)   |                               | <b>-\$3,131</b>                  |                                 |
|                                   | 2. To Reflect Maintenance Expense incurred during the Test Year Not Yet Paid (Grissum)   |                               | <b>\$1,345</b>                   |                                 |
|                                   | 3. To Capitalize Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum)  |                               | <b>-\$760</b>                    |                                 |

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Adjustment Schedule - Water

| <u>A</u><br>Expense Adj<br>Number | <u>B</u><br>Adjustment Description   | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment |
|-----------------------------------|--|-------------------------------|----------------------------------|---------------------------------|
| <b>W-12</b>                       | <b>Legal and Accounting Fees</b>   |                               |                                  | <b>-\$15</b>                    |
|                                   | 1. Disallowance for Accounting Fee incurred outside of the Test Year               |                               | -\$15                            |                                 |
| <b>W-15</b>                       | <b>Postage</b>   |                               |                                  | <b>-\$33</b>                    |
|                                   | 1. To Annualize Postage Expense  |                               | -\$33                            |                                 |
| <b>W-19</b>                       | <b>Telephone &amp; Pagers</b>  |                               |                                  | <b>-\$86</b>                    |
|                                   | 1. To Remove AT&T Charges Associated with National Search Directory Inc            |                               | -\$24                            |                                 |
|                                   | 2. To Reallocate Pager Expense from Sewer System to Water System                   |                               | \$9                              |                                 |
|                                   | 3. To Remove Cell Phone No Longer Used by Ann Rudy (Grissum)                       |                               | -\$71                            |                                 |
| <b>W-20</b>                       | <b>Vehicle Expense</b>   |                               |                                  | <b>-\$68</b>                    |
|                                   | 1. To Annualize Vehicle Fuel Expense   |                               | \$21                             |                                 |
|                                   | 2. To Reallocated Ford F-150 PU based upon usage of truck by each system (Grissum) |                               | -\$89                            |                                 |
| <b>W-21</b>                       | <b>Medical Insurance</b>   |                               |                                  | <b>-\$521</b>                   |
|                                   | 1. To Annualize Employee Healthcare (Grissum)                                      |                               | -\$521                           |                                 |
| <b>W-24</b>                       | <b>Other Misc. Expenses</b>  |                               |                                  | <b>-\$8</b>                     |
|                                   | 1. To Remove Bank Charges Associated with Insufficient Checks                      |                               | -\$8                             |                                 |
| <b>W-27</b>                       | <b>MO DNR Fees &amp; Lab Sampling</b>  |                               |                                  | <b>\$10</b>                     |

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Adjustment Schedule - Water

| <b>A</b><br>Expense Adj<br>Number | <b>B</b><br>Adjustment Description   | <b>C</b><br>Account<br>Number | <b>D</b><br>Adjustment<br>Amount | <b>E</b><br>Total<br>Adjustment |
|-----------------------------------|--|-------------------------------|----------------------------------|---------------------------------|
|                                   | 1. Allowance for Lab Sampling utilizing DNR Drop Location ( Grissum)           |                               | \$10                             |                                 |
| <b>W-28</b>                       | <b>PSC Assessment</b>  |                               |                                  | <b>-\$560</b>                   |
|                                   | 1. To Reflect Current MoPSC Assessment   |                               | -\$560                           |                                 |
| <b>W-29</b>                       | <b>Depreciation</b>  |                               |                                  | <b>\$2,043</b>                  |
|                                   | 1. To Annualize Depreciation   |                               | \$2,091                          |                                 |
|                                   | 2. To Remove Depreciation Expense related to CIAC (Grissum)                    |                               | -\$48                            |                                 |
| <b>W-32</b>                       | <b>Real &amp; Personal Property Taxes</b>                                      |                               |                                  | <b>\$7</b>                      |
|                                   | 1. To Reflect Ford F-150 PU based upon usage of truck by each system (Grissum) |                               | \$7                              |                                 |
| <b>W-33</b>                       | <b>Payroll Taxes</b>   |                               |                                  | <b>-\$146</b>                   |
|                                   | 1. To Annualize Payroll Tax - FICA (Grissum)                                   |                               | -\$124                           |                                 |
|                                   | 2. To Annualize Payroll Tax - SUTA (Grissum)                                   |                               | -\$22                            |                                 |
|                                   | <b>Total Expense Adjustments</b>   |                               |                                  | <b>\$336</b>                    |

Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Revenue Schedule - Water

| Line<br>Number | A<br>Account<br>Number<br>(Optional) | B<br>Revenue Description  | C<br>Company/<br>Test Year<br>Amount | D<br>Adjustment<br>Number | E<br>Jurisdictional<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|----------------|--------------------------------------|---------------------------|--------------------------------------|---------------------------|------------------------------------|-----------------------------------|---------------------------------|
| Rev-1          |                                      | ANNUALIZED REVENUES       |                                      |                           |                                    |                                   |                                 |
| Rev-2          |                                      | Annualized Rate Revenues  | \$10,716                             | Rev-2                     | \$677                              | 100.00%                           | \$11,393                        |
| Rev-3          |                                      | Miscellaneous Revenues    | \$840                                | Rev-3                     | \$0                                | 100.00%                           | \$840                           |
| Rev-4          |                                      | TOTAL ANNUALIZED REVENUES | \$11,556                             |                           | \$677                              |                                   | \$12,233                        |

Crestview Acres Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Revenue Adjustment Schedule - Water

| <u>A</u><br>Revenue Adj<br>Number | <u>B</u><br>Adjustment Description     | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment |
|-----------------------------------|--|-------------------------------|----------------------------------|---------------------------------|
| Rev-2                             | Annualized Rate Revenues               |                               |                                  | \$677                           |
|                                   | 1. To Annualize Rate Revenues          |                               | \$677                            |                                 |
| Rev-3                             | Miscellaneous Revenues                 |                               |                                  | \$0                             |
|                                   | 1. To Annualize Miscellaneous Revenues |                               | \$0                              |                                 |
|                                   | 2. Description                         |                               | \$0                              |                                 |
|                                   | Total Revenue Adjustments              |                               |                                  | <u>\$677</u>                    |

**Crestview Acres Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Miscellaneous Revenues Feeder - Water**

| <b>A</b>               |  | <b>B</b>      |
|------------------------|--|---------------|
| <b>Line<br/>Number</b> | <b>Description</b>                         | <b>Amount</b> |
| 1                      | Other Revenues - Late Fees                 | \$840         |
| 2                      | Description of Miscellaneous Revenue Item2 | \$0           |
| 3                      | Total Miscellaneous Revenues               | <u>\$840</u>  |



**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY SERVICES DIVISION**

**STAFF ACCOUNTING SCHEDULES**

**HIGH RIDGE MANOR WATER**

**CASE NO. WR-2010-0345**

**Jefferson City, Missouri**

**July 2010**

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Design Schedule - Water

| A           |  | B                         | C                | D               | E         | F               |
|-------------|--|---------------------------|------------------|-----------------|-----------|-----------------|
| Line Number | Description                                    | Account Number (Optional) | Staff Annualized | Customer Charge | Commodity | Percentage Rate |
| Rev-1       | ANNUALIZED REVENUES                            |                           |                  |                 |           |                 |
| Rev-2       | Annualized Rate Revenues                       | (1)                       | \$17,925         |                 |           |                 |
| Rev-3       | Miscellaneous Revenues                         | (1)                       | \$962            |                 |           |                 |
| Rev-4       | TOTAL ANNUALIZED REVENUES                      |                           | \$18,887         |                 |           |                 |
| 1           | OPERATIONS EXPENSES                            | (2)                       |                  |                 |           |                 |
| 2           | Management Salary (1)                          |                           | \$1,090          | \$0             | \$1,090   | 0.00%           |
| 3           | Hourly Employees                               |                           | \$858            | \$0             | \$858     | 0.00%           |
| 4           | Contract Operator - Franklin County Lab        |                           | \$4,150          | \$0             | \$4,150   | 0.00%           |
| 5           | Electricity-(Pumping)                          |                           | \$1,781          | \$0             | \$1,781   | 0.00%           |
| 6           | TOTAL OPERATIONS EXPENSE                       |                           | \$7,879          | \$0             | \$7,879   |                 |
| 7           | MAINTENANCE EXPENSES                           |                           |                  |                 |           |                 |
| 8           | Outside Services Employed - Flynn Drilling (1) |                           | \$250            | \$0             | \$250     | 0.00%           |
| 9           | System Maintenance                             |                           | \$2,479          | \$0             | \$2,479   | 0.00%           |
| 10          | TOTAL MAINTENANCE EXPENSE                      |                           | \$2,729          | \$0             | \$2,729   |                 |
| 11          | CUSTOMER ACCOUNT EXPENSE                       |                           |                  |                 |           |                 |
| 12          | Legal and Accounting Fees                      |                           | \$373            | \$0             | \$373     | 0.00%           |
| 13          | Billing & Collections                          |                           | \$135            | \$0             | \$135     | 0.00%           |
| 14          | Office Supplies                                |                           | \$101            | \$0             | \$101     | 0.00%           |
| 15          | Postage  |                           | \$478            | \$0             | \$478     | 0.00%           |
| 16          | Uncollectible Accounts                         |                           | \$11             | \$0             | \$11      | 0.00%           |
| 17          | TOTAL CUSTOMER ACCOUNT EXPENSE                 |                           | \$1,098          | \$0             | \$1,098   |                 |
| 18          | ADMINISTRATIVE & GENERAL EXPENSES              |                           |                  |                 |           |                 |
| 19          | Office Utilities                               |                           | \$1,067          | \$0             | \$1,067   | 0.00%           |
| 20          | Telephone & Pagers                             |                           | \$249            | \$0             | \$249     | 0.00%           |
| 21          | Vehicle Expense                                |                           | \$286            | \$0             | \$286     | 0.00%           |
| 22          | Medical Insurance                              |                           | \$0              | \$0             | \$0       | 0.00%           |
| 23          | Property & Liability Insurance                 |                           | \$1,016          | \$0             | \$1,016   | 0.00%           |
| 24          | Building Rent                                  |                           | \$270            | \$0             | \$270     | 0.00%           |
| 25          | Other Misc. Expenses                           |                           | \$44             | \$0             | \$44      | 0.00%           |
| 26          | TOTAL ADMINISTRATIVE AND GENERAL               |                           | \$2,932          | \$0             | \$2,932   |                 |
| 27          | OTHER OPERATING EXPENSES                       |                           |                  |                 |           |                 |
| 28          | Registration Fees & Lab Sampling               |                           | \$15             | \$0             | \$15      | 0.00%           |
| 29          | PSC Assessment                                 |                           | \$473            | \$0             | \$473     | 0.00%           |
| 30          | Depreciation                                   |                           | \$2,432          | \$0             | \$2,432   | 0.00%           |
| 31          | TOTAL OTHER OPERATING EXPENSES                 |                           | \$2,920          | \$0             | \$2,920   |                 |
| 32          | TAXES OTHER THAN INCOME                        |                           |                  |                 |           |                 |
| 33          | Real & Personal Property Taxes                 |                           | \$688            | \$0             | \$688     | 0.00%           |
| 34          | Payroll Taxes                                  |                           | \$392            | \$0             | \$392     | 0.00%           |
| 35          | TOTAL TAXES OTHER THAN INCOME                  |                           | \$1,080          | \$0             | \$1,080   |                 |
| 36          | TOTAL OPERATING EXPENSES                       |                           | \$18,638         | \$0             | \$18,638  |                 |
| 37          | Interest Expense                               | (3)                       | \$0              | \$0             | \$0       | 0.00%           |
| 38          | Return on Equity                               | (3)                       | -\$49            | \$0             | -\$49     | 0.00%           |
| 39          | Income Taxes                                   | (3)                       | -\$13            | \$0             | -\$13     | 0.00%           |
| 40          | TOTAL INTEREST RETURN & TAXES                  |                           | -\$62            | \$0             | -\$62     |                 |
| 41          | TOTAL COST OF SERVICE                          |                           | \$18,576         | \$0             | \$18,576  |                 |
| 42          | Less: Miscellaneous Revenues                   |                           | \$962            | \$0             | \$962     | 0.00%           |
| 43          | COST TO RECOVER IN RATES                       |                           | \$17,614         | \$0             | \$17,614  |                 |

High Ridge Manor Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Design Schedule - Water

| Line<br>Number | A<br>Description                      | B<br>Account<br>Number<br>(Optional) | C<br>Staff<br>Annualized | D<br>Customer<br>Charge | E<br>Commodity | F<br>Percentage<br>Rate |
|----------------|---------------------------------------|--------------------------------------|--------------------------|-------------------------|----------------|-------------------------|
| 44             | INCREMENTAL INCREASE IN RATE REVENUES |                                      | <u>-311</u>              |                         |                |                         |
| 45             | PERCENTAGE OF INCREASE                |                                      | <u>-1.65%</u>            |                         |                |                         |
| 46             | REQUESTED INCREASE IN REVENUES        |                                      | \$0                      |                         |                |                         |

- (1) From Revenue Schedule
- (2) From Expense Schedule
- (3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Base Required Return on Investment Schedule - Water

| Line<br>Number | A<br>Rate Base Description                            | B<br>Dollar<br>Amount |                                     |
|----------------|---|-----------------------|-------------------------------------|
| 1              | Plant In Service                                      | \$88,834              | From Plant Schedule                 |
| 2              | Less Accumulated Depreciation Reserve                 | \$83,112              | From Depreciation Reserve Schedule  |
| 3              | Net Plant In Service                                  | \$5,722               |                                     |
| 4              | Other Rate Base Items:                                | \$0                   |                                     |
|                | Contribution in Aid of Construction                   | -\$12,083             |                                     |
|                | CIAC Accumulated Depreciation                         | \$5,816               |                                     |
| 5              | Total Rate Base                                       | -\$545                |                                     |
| 6              | Total Weighted Rate of Return<br>Including Income Tax | 11.33%                | From PreTax Return & Taxes Schedule |
| 7              | Required Return & Income Tax                          | -\$62                 |                                     |

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate of Return Including Income Tax - Water

|  | A                | B      | formulas                         |
|--|------------------|--------|----------------------------------|
| 1 State Income Tax Rate Statutory / Effective                            | 6.25% (2)        | 5.79%  | $(1 - (B2 \times .5)) \times A1$ |
| 2 Federal Income Tax Rate Statutory / Effective                          | 15.52% (1) & (2) | 14.62% | $(1 - B1) \times A2$             |
| 3 Composite Effective Income Tax Rate                                    |                  | 20.41% | $B1 + B2$                        |
| 4 Equity Tax Factor  |                  | 1.2565 | $1 / (1 - B3)$                   |
| 5 Recommended Weighted Rate of Return on Equity - Common and Preferred   |                  | 9.02%  | From Capital Structure Schedule  |
| 6 Weighted Rate of Return on Equity Including Income Tax                 |                  | 11.33% | $B4 \times B5$                   |
| 7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term |                  | 0.00%  | From Capital Structure Schedule  |
| 8 Total Weighted Rate of Return Including Income Tax                     |                  | 11.33% | $B6 + B7$                        |

(1) If Sub-Chapter S Corporation, Enter Y:

N

To Rate Base Schedule

Equity Income Required                   -\$58  
& Preliminary Federal Tax

Tax Rate Table

| Net Income Range       |                 |          |                 |              |
|------------------------|-----------------|----------|-----------------|--------------|
| Start                  | End             | Tax Rate | Amount in Range | Tax on Range |
| \$0                    | \$50,000        | 15.00%   | -\$58           | -\$9         |
| \$50,001               | \$75,000        | 25.00%   | \$0             | \$0          |
| \$75,001               | \$100,000       | 34.00%   | \$0             | \$0          |
| \$100,001              | \$335,000       | 39.00%   | \$0             | \$0          |
| \$335,001              | \$9,999,999,999 | 34.00%   | \$0             | \$0          |
|                        |                 |          | -\$58           | -\$9         |
| Consolidated Tax Rate: |                 |          |                 |              |
| Average Tax Rate:      |                 |          |                 | 0.1552       |

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Capital Structure Schedule - Water

| Line<br>Number | A<br>Description                     | B<br>Dollar<br>Amount | C<br>Percentage<br>of Total<br>Capital<br>Structure | D<br>Embedded<br>Cost of<br>Capital | E<br>Weighted<br>Cost of<br>Capital |
|----------------|--------------------------------------|-----------------------|---|-------------------------------------|-------------------------------------|
| 1              | Common Stock                         | -\$545                | 100.00%   | 9.02%                               | 9.020%                              |
| 2              | Other Security-Non Tax<br>Deductible | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 3              | Preferred Stock                      | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 4              | Long Term Debt                       | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 5              | Short Term Debt                      | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 6              | Other Security-Tax<br>Deductible     | \$0                   | 0.00%   | 0.00%                               | 0.000%                              |
| 7              | TOTAL CAPITALIZATION                 | <u>-\$545</u>         | <u>100.00%</u>                                      |                                     | <u>9.020%</u>                       |

To PreTax Return Rate Schedule

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Plant In Service - Water

| Line Number | A<br>Account #<br>(Optional) | B<br>Plant Account Description       | C<br>Total<br>Plant | D<br>Adjustment<br>Number | E<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|-------------|------------------------------|--------------------------------------|---------------------|---------------------------|------------------|-----------------------------------|---------------------------------|
| 1           |                              | INTANGIBLE PLANT                     |                     |                           |                  |                                   |                                 |
| 2           | 301.000                      | Organization                         | \$1,600             |                           |                  | 100.00%                           | \$1,600                         |
| 3           | 303.000                      | Misc Intangible Plant                | \$11,160            |                           |                  | 100.00%                           | \$11,160                        |
| 4           |                              | TOTAL INTANGIBLE PLANT               | \$12,760            |                           | \$0              |                                   | \$12,760                        |
| 5           |                              | SOURCE OF SUPPLY PLANT               |                     |                           |                  |                                   |                                 |
| 6           |                              | TOTAL SOURCE OF SUPPLY PLANT         | \$0                 |                           | \$0              |                                   | \$0                             |
| 7           |                              | PUMPING PLANT                        |                     |                           |                  |                                   |                                 |
| 8           | 321.000                      | Structures & Improvements - PP       | \$2,830             | P-8                       | \$1,357          | 100.00%                           | \$4,187                         |
| 9           | 325.000                      | Electric Pumping Equipment           | \$25,789            |                           |                  | 100.00%                           | \$25,789                        |
| 10          |                              | TOTAL PUMPING PLANT                  | \$28,619            |                           | \$1,357          |                                   | \$29,976                        |
| 11          |                              | WATER TREATMENT PLANT                |                     |                           |                  |                                   |                                 |
| 12          |                              | TOTAL WATER TREATMENT PLANT          | \$0                 |                           | \$0              |                                   | \$0                             |
| 13          |                              | TRANSMISSION & DISTRIBUTION PLANT    |                     |                           |                  |                                   |                                 |
| 14          | 342.000                      | Distribution Reservoirs & Standpipes | \$322               |                           |                  | 100.00%                           | \$322                           |
| 15          | 343.000                      | Transmission and Distribution Mains  | \$22,531            |                           |                  | 100.00%                           | \$22,531                        |
| 16          | 345.000                      | Customer Services                    | \$0                 | P-16                      | \$391            | 100.00%                           | \$391                           |
| 17          | 346.000                      | Meters                               | \$17,562            | P-17                      | -\$2,300         | 100.00%                           | \$15,262                        |
| 18          | 347.000                      | Meter Installations                  | \$814               | P-18                      | \$4,118          | 100.00%                           | \$4,932                         |
| 19          |                              | TOTAL TRANS. & DISTRIBUTION PLANT    | \$41,229            |                           | \$2,209          |                                   | \$43,438                        |
| 20          |                              | GENERAL PLANT                        |                     |                           |                  |                                   |                                 |
| 21          | 391.100                      | Office Computer Equipment            | \$508               |                           |                  | 100.00%                           | \$508                           |
| 22          | 392.000                      | Transportation Equipment             | \$1,189             | P-22                      | \$146            | 100.00%                           | \$1,335                         |
| 23          | 394.000                      | Other General Equipment              | \$802               |                           |                  | 100.00%                           | \$802                           |
| 24          | 397.000                      | Communication Equipment              | \$15                |                           |                  | 100.00%                           | \$15                            |
| 25          |                              | TOTAL GENERAL PLANT                  | \$2,514             |                           | \$146            |                                   | \$2,660                         |
| 26          |                              | TOTAL PLANT IN SERVICE               | \$85,122            |                           | \$3,712          |                                   | \$88,834                        |

To Rate Base & Depreciation Schedules

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Schedule of Adjustments for Plant in Service - Water

| <u>A</u><br>Plant<br>Adjustment<br>Number | <u>B</u><br>Plant In Service Adjustment Description                                     | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment |
|---|---|-------------------------------|----------------------------------|---------------------------------|
| P-8                                       | Structures & Improvements - PP  | 321.000                       |                                  | \$1,357                         |
|   | 1. To Capitalize Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum) |                               | \$1,357                          |                                 |
| P-16                                      | Customer Services   | 345.000                       |                                  | \$391                           |
|   | 1. To Capitalize Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum) |                               | \$391                            |                                 |
| P-17                                      | Meters  | 346.000                       |                                  | -\$2,300                        |
|   | 1. To Reflect Plant Additions Related to Unpaid Invoices (Grissum)                      |                               | \$1,553                          |                                 |
|   | 2. To Reflect Meter Replacement Surcharge - CIAC (Grissum)                              |                               | \$8                              |                                 |
|   | 3. To Reclassify Meter Installations to Appropriate FERC Acct. 347 (Robinett)           |                               | -\$4,055                         |                                 |
|   | 4. To Capitalize Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum) |                               | \$194                            |                                 |
| P-18                                      | Meter Installations   | 347.000                       |                                  | \$4,118                         |
|   | 1. To Reclassify Meter Installations to Appropriate FERC Acct. 347 (Robinett)           |                               | \$4,055                          |                                 |
|   | 2. To Capitalize Maintenance Expense Proven to be Plant in Service 10/15/2010 (Grissum) |                               | \$63                             |                                 |
| P-22                                      | Transportation Equipment  | 392.000                       |                                  | \$146                           |

High Ridge Manor Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Schedule of Adjustments for Plant in Service - Water

| <u>A</u>                      | <u>B</u>  | <u>C</u>          | <u>D</u>             | <u>E</u>              |
|-------------------------------|---|-------------------|----------------------|-----------------------|
| Plant<br>Adjustment<br>Number | Plant In Service Adjustment Description   | Account<br>Number | Adjustment<br>Amount | Total<br>Adjustment   |
|                               | 1. To Reallocated Ford F-150 PU based upon<br>usage of truck by each system (Grissum) |                   | \$146                |                       |
| Total Plant Adjustments       |   |                   |                      | <u><u>\$3,712</u></u> |

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Depreciation Expense - Water

| Line Number | A<br>Account Number | B<br>Plant Account Description       | C<br>Adjusted Jurisdictional | D<br>Depreciation Rate | E<br>Depreciation Expense |
|-------------|---------------------|--------------------------------------|------------------------------|------------------------|---------------------------|
| 1           |                     | INTANGIBLE PLANT                     |                              |                        |                           |
| 2           | 301.000             | Organization                         | \$1,600                      | 0.00%                  | \$0                       |
| 3           | 303.000             | Misc Intangible Plant                | \$11,160                     | 0.00%                  | \$0                       |
| 4           |                     | TOTAL INTANGIBLE PLANT               | \$12,760                     |                        | \$0                       |
| 5           |                     | SOURCE OF SUPPLY PLANT               |                              |                        |                           |
| 6           |                     | TOTAL SOURCE OF SUPPLY PLANT         | \$0                          |                        | \$0                       |
| 7           |                     | PUMPING PLANT                        |                              |                        |                           |
| 8           | 321.000             | Structures & Improvements - PP       | \$4,187                      | 2.50%                  | \$105                     |
| 9           | 325.000             | Electric Pumping Equipment           | \$25,789                     | 5.00%                  | \$1,289                   |
| 10          |                     | TOTAL PUMPING PLANT                  | \$29,976                     |                        | \$1,394                   |
| 11          |                     | WATER TREATMENT PLANT                |                              |                        |                           |
| 12          |                     | TOTAL WATER TREATMENT PLANT          | \$0                          |                        | \$0                       |
| 13          |                     | TRANSMISSION & DISTRIBUTION PLANT    |                              |                        |                           |
| 14          | 342.000             | Distribution Reservoirs & Standpipes | \$322                        | 2.50%                  | \$8                       |
| 15          | 343.000             | Transmission and Distribution Mains  | \$22,531                     | 2.00%                  | \$451                     |
| 16          | 345.000             | Customer Services                    | \$391                        | 0.00%                  | \$0                       |
| 17          | 346.000             | Meters                               | \$15,262                     | 10.00%                 | \$1,526                   |
| 18          | 347.000             | Meter Installations                  | \$4,932                      | 2.50%                  | \$123                     |
| 19          |                     | TOTAL TRANS. & DISTRIBUTION PLANT    | \$43,438                     |                        | \$2,108                   |
| 20          |                     | GENERAL PLANT                        |                              |                        |                           |
| 21          | 391.100             | Office Computer Equipment            | \$508                        | 1.00%                  | \$5                       |
| 22          | 392.000             | Transportation Equipment             | \$1,335                      | 7.00%                  | \$93                      |
| 23          | 394.000             | Other General Equipment              | \$802                        | 5.00%                  | \$40                      |
| 24          | 397.000             | Communication Equipment              | \$15                         | 6.70%                  | \$1                       |
| 25          |                     | TOTAL GENERAL PLANT                  | \$2,660                      |                        | \$139                     |
| 26          |                     | Total Depreciation                   | \$88,834                     |                        | \$3,641                   |

High Ridge Manor Water  
Informal Rate Case  
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Test Year Ending 5/31/2010  
Accumulated Depreciation Reserve - Water

| Line Number | A<br>Account Number | B<br>Depreciation Reserve Description | C<br>Total Reserve | D<br>Adjustment Number | E<br>Adjustments | F<br>Jurisdictional Allocation | G<br>Adjusted Jurisdictional |
|-------------|---------------------|---------------------------------------|--------------------|------------------------|------------------|--------------------------------|------------------------------|
| 1           |                     | INTANGIBLE PLANT                      |                    |                        |                  |                                |                              |
| 2           | 301.000             | Organization                          | \$1,614            |                        |                  | 100.00%                        | \$1,614                      |
| 3           | 303.000             | Misc Intangible Plant                 | \$11,160           |                        |                  | 100.00%                        | \$11,160                     |
| 4           |                     | TOTAL INTANGIBLE PLANT                | \$12,774           |                        | \$0              |                                | \$12,774                     |
| 5           |                     | SOURCE OF SUPPLY PLANT                |                    |                        |                  |                                |                              |
| 6           |                     | TOTAL SOURCE OF SUPPLY PLANT          | \$0                |                        | \$0              |                                | \$0                          |
| 7           |                     | PUMPING PLANT                         |                    |                        |                  |                                |                              |
| 8           | 321.000             | Structures & Improvements - PP        | \$242              |                        |                  | 100.00%                        | \$242                        |
| 9           | 325.000             | Electric Pumping Equipment            | \$30,581           |                        |                  | 100.00%                        | \$30,581                     |
| 10          |                     | TOTAL PUMPING PLANT                   | \$30,823           |                        | \$0              |                                | \$30,823                     |
| 11          |                     | WATER TREATMENT PLANT                 |                    |                        |                  |                                |                              |
| 12          |                     | TOTAL WATER TREATMENT PLANT           | \$0                |                        | \$0              |                                | \$0                          |
| 13          |                     | TRANSMISSION & DISTRIBUTION PLANT     |                    |                        |                  |                                |                              |
| 14          | 342.000             | Distribution Reservoirs & Standpipes  | \$64               |                        |                  | 100.00%                        | \$64                         |
| 15          | 343.000             | Transmission and Distribution Mains   | \$24,930           |                        |                  | 100.00%                        | \$24,930                     |
| 16          | 345.000             | Customer Services                     | \$0                |                        |                  | 100.00%                        | \$0                          |
| 17          | 346.000             | Meters                                | \$12,017           | R-17                   | -\$2,715         | 100.00%                        | \$9,302                      |
| 18          | 347.000             | Meter Installations                   | \$78               | R-18                   | \$2,861          | 100.00%                        | \$2,939                      |
| 19          |                     | TOTAL TRANS. & DISTRIBUTION PLANT     | \$37,089           |                        | \$146            |                                | \$37,235                     |
| 20          |                     | GENERAL PLANT                         |                    |                        |                  |                                |                              |
| 21          | 391.100             | Office Computer Equipment             | \$574              |                        |                  | 100.00%                        | \$574                        |
| 22          | 392.000             | Transportation Equipment              | \$1,107            | R-22                   | \$136            | 100.00%                        | \$1,243                      |
| 23          | 394.000             | Other General Equipment               | \$454              |                        |                  | 100.00%                        | \$454                        |
| 24          | 397.000             | Communication Equipment               | \$9                |                        |                  | 100.00%                        | \$9                          |
| 25          |                     | TOTAL GENERAL PLANT                   | \$2,144            |                        | \$136            |                                | \$2,280                      |
| 26          |                     | TOTAL DEPRECIATION RESERVE            | \$82,830           |                        | \$282            |                                | \$83,112                     |

To Rate Base Schedule

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Schedule of Adjustments for Accumulated Depreciation Reserve - Water

| <u>A</u><br>Reserve<br>Adjustment<br>Number | <u>B</u><br>Accumulated Depreciation Reserve<br>Adjustments Description   | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment<br>Amount |
|---|---|-------------------------------|----------------------------------|---|
| R-17  | Meters  | 346.000                       |                                  | -\$2,715                                  |
|   | 1. To Reflect Accumulated Depreciation<br>Related to Plant Adjustments (Grissum)  |                               | \$56                             |   |
|   | 2. To Reclassify Depreciation Reserve<br>Associated with Reclassified Plant (Robinett)  |                               | -\$2,861                         |   |
|   | 3. To Reflect Depreciation Reserve associated<br>with Capitalized Maintenance Expense Proven<br>to be Plant in Service 10/15/2010 (Grissum) |                               | \$90                             |   |
| R-18  | Meter Installations   | 347.000                       |                                  | \$2,861                                   |
|   | 1. To Reclassify Depreciation Reserve<br>Associated with Reclassified Plant (Robinett)  |                               | \$2,861                          |   |
| R-22  | Transportation Equipment  | 392.000                       |                                  | \$136                                     |
|   | 1. To Reallocate Ford F-150 PU based upon<br>usage of truck by each system (Grissum)  |                               | \$136                            |   |
|   | Total Reserve Adjustments   |                               |                                  | <u><u>\$282</u></u>                       |

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | Residential<br>3/4" |                        | MMM<br>5/8"   |                   |
|----------------|--|---------------------|------------------------|---------------|-------------------|
|                |  | B<br>Amount         | C<br>Amount            | D<br>Amount   | E<br>Amount       |
| 1              | <u>Customer Charge Revenues:</u>               |                     |                        |               |                   |
| 2              | Customer Number                                | 84                  |                        | 0             |                   |
| 3              | Bills Per Year                                 | 12                  |                        | 0             |                   |
| 4              | Customer Bills Per year                        | 1,008               |                        | 0             |                   |
| 5              | Current Customer Charge                        | <u>\$6.54</u>       |                        | <u>\$0.00</u> |                   |
| 6              | Annualized Customer Charge Revenues            |                     | \$6,592                |               | \$0               |
| 7              | <u>Commodity Charge Revenues:</u>              |                     |                        |               |                   |
| 8              | Total Gallons Sold                             | 4,644,839           |                        | 0             |                   |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>            |                        | <u>0</u>      |                   |
| 10             | Commodity Gallons                              | 4,644,839           |                        | 0             |                   |
| 11             | Block 1, Commodity Gallons per Block           | 4,644,839           |                        | 0             |                   |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>1,000</u>        |                        | <u>0</u>      |                   |
| 13             | Block 1, Commodity Billing Units               | 4,644.84            |                        | 0.00          |                   |
| 14             | Block 1, Existing Commodity Charge             | <u>\$2.44</u>       |                        | <u>\$0.00</u> |                   |
| 15             | Block 1, Annualized Commodity Charge Rev.      |                     | \$11,333               |               | \$0               |
| 16             | FFFFF, Commodity Gallons per Block             | 0                   |                        | 0             |                   |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>            |                        | <u>0</u>      |                   |
| 18             | FFFFF, Commodity Billing Units                 | 0.00                |                        | 0.00          |                   |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u>       |                        | <u>\$0.00</u> |                   |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |                     | \$0                    |               | \$0               |
| 21             | VVV, Commodity Gallons per Block               | 0                   |                        | 0             |                   |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>            |                        | <u>0</u>      |                   |
| 23             | VVV, Commodity Billing Units                   | 0.00                |                        | 0.00          |                   |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u>       |                        | <u>\$0.00</u> |                   |
| 25             | VVV, Annualized Commodity Charge Rev.          |                     | \$0                    |               | \$0               |
| 26             | FADF, Commodity Gallons per Block              | 0                   |                        | 0             |                   |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>            |                        | <u>0</u>      |                   |
| 28             | FADF, Commodity Billing Units                  | 0.00                |                        | 0.00          |                   |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u>       |                        | <u>\$0.00</u> |                   |
| 30             | FADF, Annualized Commodity Charge Rev.         |                     | \$0                    |               | \$0               |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |                     | <u><b>\$17,925</b></u> |               | <u><b>\$0</b></u> |

**High Ridge Manor Water**  
**Informal Rate Case**  
**Case No. WR-2010-0345**  
**Test Year Ending 5/31/2010**  
**Rate Revenue Feeder Schedule - Water**

| Line<br>Number | A<br>Description | Residential<br>3/4" |             | MMMM<br>5/8" |             |
|----------------|------------------|---------------------|-------------|--------------|-------------|
|                |                  | B<br>Amount         | C<br>Amount | D<br>Amount  | E<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

High Ridge Manor Water  
Informal Rate Case  
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Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | GGGG<br>5/8"  |             | GGGG<br>5/8"  |             |
|----------------|--|---------------|-------------|---------------|-------------|
|                |  | F<br>Amount   | G<br>Amount | H<br>Amount   | I<br>Amount |
| 1              | <u>Customer Charge Revenues:</u>               |               |             |               |             |
| 2              | Customer Number                                | 0             |             | 0             |             |
| 3              | Bills Per Year                                 | 0             |             | 0             |             |
| 4              | Customer Bills Per year                        | 0             |             | 0             |             |
| 5              | Current Customer Charge                        | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 6              | Annualized Customer Charge Revenues            |               | \$0         |               | \$0         |
| 7              | <u>Commodity Charge Revenues:</u>              |               |             |               |             |
| 8              | Total Gallons Sold                             | 0             |             | 0             |             |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>      |             | <u>0</u>      |             |
| 10             | Commodity Gallons                              | 0             |             | 0             |             |
| 11             | Block 1, Commodity Gallons per Block           | 0             |             | 0             |             |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>0</u>      |             | <u>0</u>      |             |
| 13             | Block 1, Commodity Billing Units               | 0.00          |             | 0.00          |             |
| 14             | Block 1, Existing Commodity Charge             | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 15             | Block 1, Annualized Commodity Charge Rev.      |               | \$0         |               | \$0         |
| 16             | FFFFF, Commodity Gallons per Block             | 0             |             | 0             |             |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>      |             | <u>0</u>      |             |
| 18             | FFFFF, Commodity Billing Units                 | 0.00          |             | 0.00          |             |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |               | \$0         |               | \$0         |
| 21             | VVV, Commodity Gallons per Block               | 0             |             | 0             |             |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>      |             | <u>0</u>      |             |
| 23             | VVV, Commodity Billing Units                   | 0.00          |             | 0.00          |             |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 25             | VVV, Annualized Commodity Charge Rev.          |               | \$0         |               | \$0         |
| 26             | FADF, Commodity Gallons per Block              | 0             |             | 0             |             |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>      |             | <u>0</u>      |             |
| 28             | FADF, Commodity Billing Units                  | 0.00          |             | 0.00          |             |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u> |             | <u>\$0.00</u> |             |
| 30             | FADF, Annualized Commodity Charge Rev.         |               | \$0         |               | \$0         |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |               | <u>\$0</u>  |               | <u>\$0</u>  |

**High Ridge Manor Water**  
**Informal Rate Case**  
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**Test Year Ending 5/31/2010**  
**Rate Revenue Feeder Schedule - Water**

| Line<br>Number | A<br>Description | GGGG<br>5/8" |             | GGGG<br>5/8" |             |
|----------------|------------------|--------------|-------------|--------------|-------------|
|                |                  | F<br>Amount  | G<br>Amount | H<br>Amount  | I<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

High Ridge Manor Water  
Informal Rate Case  
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Test Year Ending 5/31/2010  
Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | AAAA<br>5/8" |             | FFFF<br>5/8" |             |
|----------------|--|--------------|-------------|--------------|-------------|
|                |  | J<br>Amount  | K<br>Amount | L<br>Amount  | M<br>Amount |
| 1              | <u>Customer Charge Revenues:</u>               |              |             |              |             |
| 2              | Customer Number                                | 0            |             | 0            |             |
| 3              | Bills Per Year                                 | 0            |             | 0            |             |
| 4              | Customer Bills Per year                        | 0            |             | 0            |             |
| 5              | Current Customer Charge                        | \$0.00       |             | \$0.00       |             |
| 6              | Annualized Customer Charge Revenues            |              | \$0         |              | \$0         |
| 7              | <u>Commodity Charge Revenues:</u>              |              |             |              |             |
| 8              | Total Gallons Sold                             | 0            |             | 0            |             |
| 9              | Less: Base Gallons Included In Customer Charge | 0            |             | 0            |             |
| 10             | Commodity Gallons                              | 0            |             | 0            |             |
| 11             | Block 1, Commodity Gallons per Block           | 0            |             | 0            |             |
| 12             | Block 1, Number of Commodity Gallons per Unit  | 0            |             | 0            |             |
| 13             | Block 1, Commodity Billing Units               | 0.00         |             | 0.00         |             |
| 14             | Block 1, Existing Commodity Charge             | \$0.00       |             | \$0.00       |             |
| 15             | Block 1, Annualized Commodity Charge Rev.      |              | \$0         |              | \$0         |
| 16             | FFFFF, Commodity Gallons per Block             | 0            |             | 0            |             |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | 0            |             | 0            |             |
| 18             | FFFFF, Commodity Billing Units                 | 0.00         |             | 0.00         |             |
| 19             | FFFFF, Existing Commodity Charge               | \$0.00       |             | \$0.00       |             |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |              | \$0         |              | \$0         |
| 21             | VVV, Commodity Gallons per Block               | 0            |             | 0            |             |
| 22             | VVV, Number of Commodity Gallons per Unit      | 0            |             | 0            |             |
| 23             | VVV, Commodity Billing Units                   | 0.00         |             | 0.00         |             |
| 24             | VVV, Existing Commodity Charge                 | \$0.00       |             | \$0.00       |             |
| 25             | VVV, Annualized Commodity Charge Rev.          |              | \$0         |              | \$0         |
| 26             | FADF, Commodity Gallons per Block              | 0            |             | 0            |             |
| 27             | FADF, Number of Commodity Gallons per Unit     | 0            |             | 0            |             |
| 28             | FADF, Commodity Billing Units                  | 0.00         |             | 0.00         |             |
| 29             | FADF, Existing Commodity Charge                | \$0.00       |             | \$0.00       |             |
| 30             | FADF, Annualized Commodity Charge Rev.         |              | \$0         |              | \$0         |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |              | <b>\$0</b>  |              | <b>\$0</b>  |

High Ridge Manor Water  
 Informal Rate Case  
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 Test Year Ending 5/31/2010  
 Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description | AAAA<br>5/8" |             | FFFF<br>5/8" |             |
|----------------|------------------|--------------|-------------|--------------|-------------|
|                |                  | J<br>Amount  | K<br>Amount | L<br>Amount  | M<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

High Ridge Manor Water  
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Rate Revenue Feeder Schedule - Water

| Line<br>Number | A<br>Description                               | Commercial<br>2" |             | Total       |                 |
|----------------|--|------------------|-------------|-------------|-----------------|
|                |  | N<br>Amount      | O<br>Amount | P<br>Amount | Q<br>Amount     |
| 1              | <u>Customer Charge Revenues:</u>               |                  |             |             |                 |
| 2              | Customer Number                                | 0                |             | 84          |                 |
| 3              | Bills Per Year                                 | 0                |             |             |                 |
| 4              | Customer Bills Per year                        | 0                |             | 1,008       |                 |
| 5              | Current Customer Charge                        | <u>\$0.00</u>    |             |             |                 |
| 6              | Annualized Customer Charge Revenues            |                  | \$0         |             | \$6,592         |
| 7              | <u>Commodity Charge Revenues:</u>              |                  |             |             |                 |
| 8              | Total Gallons Sold                             | 0                |             | 4,644,839   |                 |
| 9              | Less: Base Gallons Included In Customer Charge | <u>0</u>         |             | 0           |                 |
| 10             | Commodity Gallons                              | 0                |             | 4,644,839   |                 |
| 11             | Block 1, Commodity Gallons per Block           | 0                |             |             |                 |
| 12             | Block 1, Number of Commodity Gallons per Unit  | <u>0</u>         |             |             |                 |
| 13             | Block 1, Commodity Billing Units               | 0.00             |             |             |                 |
| 14             | Block 1, Existing Commodity Charge             | <u>\$0.00</u>    |             |             |                 |
| 15             | Block 1, Annualized Commodity Charge Rev.      |                  | \$0         |             | \$11,333        |
| 16             | FFFFF, Commodity Gallons per Block             | 0                |             |             |                 |
| 17             | FFFFF, Number of Commodity Gallons per Unit    | <u>0</u>         |             |             |                 |
| 18             | FFFFF, Commodity Billing Units                 | 0.00             |             |             |                 |
| 19             | FFFFF, Existing Commodity Charge               | <u>\$0.00</u>    |             |             |                 |
| 20             | FFFFF, Annualized Commodity Charge Rev.        |                  | \$0         |             | \$0             |
| 21             | VVV, Commodity Gallons per Block               | 0                |             |             |                 |
| 22             | VVV, Number of Commodity Gallons per Unit      | <u>0</u>         |             |             |                 |
| 23             | VVV, Commodity Billing Units                   | 0.00             |             |             |                 |
| 24             | VVV, Existing Commodity Charge                 | <u>\$0.00</u>    |             |             |                 |
| 25             | VVV, Annualized Commodity Charge Rev.          |                  | \$0         |             | \$0             |
| 26             | FADF, Commodity Gallons per Block              | 0                |             |             |                 |
| 27             | FADF, Number of Commodity Gallons per Unit     | <u>0</u>         |             |             |                 |
| 28             | FADF, Commodity Billing Units                  | 0.00             |             |             |                 |
| 29             | FADF, Existing Commodity Charge                | <u>\$0.00</u>    |             |             |                 |
| 30             | FADF, Annualized Commodity Charge Rev.         |                  | \$0         |             | \$0             |
| 31             | <b>Total Annualized Water Rate Revenues</b>    |                  | <u>\$0</u>  |             | <u>\$17,925</u> |

**High Ridge Manor Water**  
**Informal Rate Case**  
**Case No. WR-2010-0345**  
**Test Year Ending 5/31/2010**  
**Rate Revenue Feeder Schedule - Water**

| Line<br>Number | A<br>Description | Commercial<br>2" |             | Total       |             |
|----------------|------------------|------------------|-------------|-------------|-------------|
|                |                  | N<br>Amount      | O<br>Amount | P<br>Amount | Q<br>Amount |

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

High Ridge Manor Water  
Informal Rate Case  
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Test Year Ending 5/31/2010  
Expense Schedule - Water

| Line Number | A<br>Account Number (Optional) | B<br>Expense Description                       | C<br>Company/<br>Test Year<br>Amount | D<br>Adjustment<br>Number | E<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|-------------|--------------------------------|--|--------------------------------------|---------------------------|------------------|-----------------------------------|---------------------------------|
| 1           |                                | OPERATIONS EXPENSES                            |                                      |                           |                  |                                   |                                 |
| 2           |                                | Management Salary (1)                          | \$1,519                              | W-2                       | -\$429           | 100.00%                           | \$1,090                         |
| 3           |                                | Hourly Employees                               | \$2,980                              | W-3                       | -\$2,122         | 100.00%                           | \$858                           |
| 4           |                                | Contract Operator - Franklin County Lab        | \$500                                | W-4                       | \$3,650          | 100.00%                           | \$4,150                         |
| 5           |                                | Electricity-(Pumping)                          | \$1,584                              | W-5                       | \$197            | 100.00%                           | \$1,781                         |
| 6           |                                | TOTAL OPERATIONS EXPENSE                       | \$6,583                              |                           | \$1,296          |                                   | \$7,879                         |
| 7           |                                | MAINTENANCE EXPENSES                           |                                      |                           |                  |                                   |                                 |
| 8           |                                | Outside Services Employed - Flynn Drilling (1) | \$0                                  | W-8                       | \$250            | 100.00%                           | \$250                           |
| 9           |                                | System Maintenance                             | \$6,919                              | W-9                       | -\$4,440         | 100.00%                           | \$2,479                         |
| 10          |                                | TOTAL MAINTENANCE EXPENSE                      | \$6,919                              |                           | -\$4,190         |                                   | \$2,729                         |
| 11          |                                | CUSTOMER ACCOUNT EXPENSE                       |                                      |                           |                  |                                   |                                 |
| 12          |                                | Legal and Accounting Fees                      | \$396                                | W-12                      | -\$23            | 100.00%                           | \$373                           |
| 13          |                                | Billing & Collections                          | \$135                                |                           |                  | 100.00%                           | \$135                           |
| 14          |                                | Office Supplies                                | \$101                                |                           |                  | 100.00%                           | \$101                           |
| 15          |                                | Postage  | \$545                                | W-15                      | -\$67            | 100.00%                           | \$478                           |
| 16          |                                | Uncollectible Accounts                         | \$11                                 |                           |                  | 100.00%                           | \$11                            |
| 17          |                                | TOTAL CUSTOMER ACCOUNT EXPENSE                 | \$1,188                              |                           | -\$90            |                                   | \$1,098                         |
| 18          |                                | ADMINISTRATIVE & GENERAL EXPENSES              |                                      |                           |                  |                                   |                                 |
| 19          |                                | Office Utilities                               | \$1,067                              |                           |                  | 100.00%                           | \$1,067                         |
| 20          |                                | Telephone & Pagers                             | \$377                                | W-20                      | -\$128           | 100.00%                           | \$249                           |
| 21          |                                | Vehicle Expense                                | \$382                                | W-21                      | -\$96            | 100.00%                           | \$286                           |
| 22          |                                | Medical Insurance                              | \$907                                | W-22                      | -\$907           | 100.00%                           | \$0                             |
| 23          |                                | Property & Liability Insurance                 | \$1,016                              |                           |                  | 100.00%                           | \$1,016                         |
| 24          |                                | Building Rent                                  | \$270                                |                           |                  | 100.00%                           | \$270                           |
| 25          |                                | Other Misc. Expenses                           | \$55                                 | W-25                      | -\$11            | 100.00%                           | \$44                            |
| 26          |                                | TOTAL ADMINISTRATIVE AND GENERAL               | \$4,074                              |                           | -\$1,142         |                                   | \$2,932                         |
| 27          |                                | OTHER OPERATING EXPENSES                       |                                      |                           |                  |                                   |                                 |
| 28          |                                | Registration Fees & Lab Sampling               | \$269                                | W-28                      | -\$254           | 100.00%                           | \$15                            |
| 29          |                                | PSC Assessment                                 | \$1,313                              | W-29                      | -\$840           | 100.00%                           | \$473                           |
| 30          |                                | Depreciation                                   | \$0                                  | W-30                      | \$2,432          | 100.00%                           | \$2,432                         |
| 31          |                                | TOTAL OTHER OPERATING EXPENSES                 | \$1,582                              |                           | \$1,338          |                                   | \$2,920                         |
| 32          |                                | TAXES OTHER THAN INCOME                        |                                      |                           |                  |                                   |                                 |
| 33          |                                | Real & Personal Property Taxes                 | \$753                                | W-33                      | -\$65            | 100.00%                           | \$688                           |
| 34          |                                | Payroll Taxes                                  | \$644                                | W-34                      | -\$252           | 100.00%                           | \$392                           |
| 35          |                                | TOTAL TAXES OTHER THAN INCOME                  | \$1,397                              |                           | -\$317           |                                   | \$1,080                         |
| 36          |                                | TOTAL OPERATING EXPENSES                       | \$21,743                             |                           | -\$3,105         |                                   | \$18,638                        |

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Adjustment Schedule - Water

| <b>A</b><br>Expense Adj<br>Number | <b>B</b><br>Adjustment Description   | <b>C</b><br>Account<br>Number | <b>D</b><br>Adjustment<br>Amount | <b>E</b><br>Total<br>Adjustment |
|-----------------------------------|--|-------------------------------|----------------------------------|---------------------------------|
| <b>W-2</b>                        | <b>Management Salary (1)</b>   |                               |                                  | <b>-\$429</b>                   |
|                                   | 1. To Annualize Payroll - Salaried Employee (Grissum)  |                               | <b>-\$429</b>                    |                                 |
| <b>W-3</b>                        | <b>Hourly Employees</b>  |                               |                                  | <b>-\$2,122</b>                 |
|                                   | 1. To Annualize Payroll - Hourly Employees (Grissum)   |                               | <b>-\$2,122</b>                  |                                 |
| <b>W-4</b>                        | <b>Contract Operator - Franklin County Lab</b>   |                               |                                  | <b>\$3,650</b>                  |
|                                   | 1. To Annualize Services Provided by Contract Operator   |                               | <b>\$1,030</b>                   |                                 |
|                                   | 2. To Reflect Staff Adjustment for Contract Operator to make additional site visits, take additional system reads and provide additional labor for all water svstems (Loethen/Grissum) |                               | <b>\$2,620</b>                   |                                 |
| <b>W-5</b>                        | <b>Electricity-(Pumping)</b>   |                               |                                  | <b>\$197</b>                    |
|                                   | 1. To Annualize Electricity Expense due to Water Losses (Ferguson)   |                               | <b>\$197</b>                     |                                 |
| <b>W-8</b>                        | <b>Outside Services Employed - Flynn Drilling (1)</b>  |                               |                                  | <b>\$250</b>                    |
|                                   | 1. To Reflect Annual Inspections to be Performed by Flynn Drilling on Well Pumps (Grissum)   |                               | <b>\$250</b>                     |                                 |
| <b>W-9</b>                        | <b>System Maintenance</b>  |                               |                                  | <b>-\$4,440</b>                 |
|                                   | 1. To Capitalize Maintenance Expense (Grissum)   |                               | <b>-\$4,481</b>                  |                                 |
|                                   | 2. To Reflect Reimbursement from Customer for Maintenance Expense (Grissum)  |                               | <b>-\$150</b>                    |                                 |
|                                   | 3. To Remove Maintenance Expense related to Prior Periods (Grissum)  |                               | <b>-\$1,160</b>                  |                                 |

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Adjustment Schedule - Water

| <u>A</u><br>Expense Adj<br>Number | <u>B</u><br>Adjustment Description  | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment |
|-----------------------------------|---|-------------------------------|----------------------------------|---------------------------------|
|                                   | 4. To Reflect Maintenance Expense incurred during<br>Test Year Not Yet Paid (Grissum) |                               | \$1,451                          |                                 |
|                                   | 5. To Remove Cost related to work now performed<br>by Contract Operator               |                               | -\$100                           |                                 |
| <b>W-12</b>                       | <b>Legal and Accounting Fees</b>  |                               |                                  | <b>-\$23</b>                    |
|                                   | 1. Disallowance for Accounting Fee incurred<br>outside of the Test Year               |                               | -\$23                            |                                 |
| <b>W-15</b>                       | <b>Postage</b>  |                               |                                  | <b>-\$67</b>                    |
|                                   | 1. To Annualize Postage Expense   |                               | -\$67                            |                                 |
| <b>W-20</b>                       | <b>Telephone &amp; Pagers</b>   |                               |                                  | <b>-\$128</b>                   |
|                                   | 1. Disallowance for AT&T Charges Associated with<br>National Search Directory Inc.    |                               | -\$36                            |                                 |
|                                   | 2. To Reallocate Pager Expense from Sewer System<br>to Water System                   |                               | \$14                             |                                 |
|                                   | 3. To Remove Cell Phone No Longer Used by Ann<br>Rudy (Grissum)                       |                               | -\$106                           |                                 |
| <b>W-21</b>                       | <b>Vehicle Expense</b>  |                               |                                  | <b>-\$96</b>                    |
|                                   | 1. To Annualize Vehicle Fuel Expense  |                               | \$31                             |                                 |
|                                   | 2. To Reallocated Ford F-150 PU based upon usage<br>of truck by each system (Grissum) |                               | -\$127                           |                                 |
| <b>W-22</b>                       | <b>Medical Insurance</b>  |                               |                                  | <b>-\$907</b>                   |
|                                   | 1. To Annualize Employee Healthcare (Grissum)   |                               | -\$907                           |                                 |
| <b>W-25</b>                       | <b>Other Misc. Expenses</b>   |                               |                                  | <b>-\$11</b>                    |

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Expense Adjustment Schedule - Water

| <u>A</u><br>Expense Adj<br>Number | <u>B</u><br>Adjustment Description  | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment |
|-----------------------------------|---|-------------------------------|----------------------------------|---------------------------------|
|                                   | 1. Disallowance for Bank Charges Associated with<br>Insufficient Checks           |                               | -\$11                            |                                 |
| <b>W-28</b>                       | <b>Registration Fees &amp; Lab Sampling</b>                                       |                               |                                  | <b>-\$254</b>                   |
|                                   | 1. To Remove DNR Primacy Fees   |                               | -\$264                           |                                 |
|                                   | 2. Allowance for Lab Sampling utilizing DNR Drop<br>Location (Grissum)            |                               | \$10                             |                                 |
| <b>W-29</b>                       | <b>PSC Assessment</b>   |                               |                                  | <b>-\$840</b>                   |
|                                   | 1. To Reflect Current MoPSC Assessment  |                               | -\$840                           |                                 |
| <b>W-30</b>                       | <b>Depreciation</b>   |                               |                                  | <b>\$2,432</b>                  |
|                                   | 1. To Annualize Depreciation  |                               | \$3,641                          |                                 |
|                                   | 2. To Remove Depreciation Expense related to CIAC<br>(Grissum)                    |                               | -\$1,209                         |                                 |
| <b>W-33</b>                       | <b>Real &amp; Personal Property Taxes</b>   |                               |                                  | <b>-\$65</b>                    |
|                                   | 1. Disallowance for Penalty and Interest for Late<br>Payment                      |                               | -\$75                            |                                 |
|                                   | 2. To Reflect Ford F-150 PU based upon usage of<br>truck by each system (Grissum) |                               | \$10                             |                                 |
| <b>W-34</b>                       | <b>Payroll Taxes</b>  |                               |                                  | <b>-\$252</b>                   |
|                                   | 1. To Annualize Payroll Tax - FICA (Grissum)                                      |                               | -\$218                           |                                 |
|                                   | 2. To Annualize Payroll Tax - SUTA (Grissum)                                      |                               | -\$34                            |                                 |
|                                   | <b>Total Expense Adjustments</b>  |                               |                                  | <b><u>-\$3,105</u></b>          |

High Ridge Manor Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Revenue Schedule - Water

| Line<br>Number | A<br>Account<br>Number<br>(Optional) | B<br>Revenue Description  | C<br>Company/<br>Test Year<br>Amount | D<br>Adjustment<br>Number | E<br>Jurisdictional<br>Adjustments | F<br>Jurisdictional<br>Allocation | G<br>Adjusted<br>Jurisdictional |
|----------------|--------------------------------------|---------------------------|--------------------------------------|---------------------------|------------------------------------|-----------------------------------|---------------------------------|
| Rev-1          |                                      | ANNUALIZED REVENUES       |                                      |                           |                                    |                                   |                                 |
| Rev-2          |                                      | Annualized Rate Revenues  | \$16,157                             | Rev-2                     | \$1,768                            | 100.00%                           | \$17,925                        |
| Rev-3          |                                      | Miscellaneous Revenues    | \$2,012                              | Rev-3                     | -\$1,050                           | 100.00%                           | \$962                           |
| Rev-4          |                                      | TOTAL ANNUALIZED REVENUES | \$18,169                             |                           | \$718                              |                                   | \$18,887                        |

High Ridge Manor Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Revenue Adjustment Schedule - Water

| <u>A</u><br>Revenue Adj<br>Number | <u>B</u><br>Adjustment Description     | <u>C</u><br>Account<br>Number | <u>D</u><br>Adjustment<br>Amount | <u>E</u><br>Total<br>Adjustment |
|-----------------------------------|--|-------------------------------|----------------------------------|---------------------------------|
| Rev-2                             | Annualized Rate Revenues               |                               |                                  | \$1,768                         |
|                                   | 1. To Annualize Rate Revenues          |                               | \$1,768                          |                                 |
| Rev-3                             | Miscellaneous Revenues                 |                               |                                  | -\$1,050                        |
|                                   | 1. To Annualize Miscellaneous Revenues |                               | -\$1,050                         |                                 |
|                                   | 2. Description                         |                               | \$0                              |                                 |
| Total Revenue Adjustments         |  |                               |                                  | <u>\$718</u>                    |

High Ridge Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Miscellaneous Revenues Feeder - Water

| <b>A</b>               |                              | <b>B</b>      |
|------------------------|------------------------------|---------------|
| <b>Line<br/>Number</b> | <b>Description</b>           | <b>Amount</b> |
| 1                      | Reconnection Fee             | \$100         |
| 2                      | Other Revenues - Late Fees   | \$862         |
| 3                      | Total Miscellaneous Revenues | <u>\$962</u>  |



**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY SERVICES DIVISION**

**STAFF ACCOUNTING SCHEDULES**

**HILLSHINE MANOR WATER**

**CASE NO. WR-2010-0345**

**Jefferson City, Missouri**

**July 2010**

Hillshine Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Design Schedule - Water

| A           |  | B                         | C                | D               | E         | F               |
|-------------|--|---------------------------|------------------|-----------------|-----------|-----------------|
| Line Number | Description                                    | Account Number (Optional) | Staff Annualized | Customer Charge | Commodity | Percentage Rate |
| Rev-1       | ANNUALIZED REVENUES                            |                           |                  |                 |           |                 |
| Rev-2       | Annualized Rate Revenues                       | (1)                       | \$8,525          |                 |           |                 |
| Rev-3       | Miscellaneous Revenues                         | (1)                       | \$461            |                 |           |                 |
| Rev-4       | TOTAL ANNUALIZED REVENUES                      |                           | \$8,986          |                 |           |                 |
| 1           | OPERATIONS EXPENSES                            | (2)                       |                  |                 |           |                 |
| 2           | Management Salary (1)                          |                           | \$736            | \$0             | \$736     | 0.00%           |
| 3           | Hourly Employees                               |                           | \$337            | \$0             | \$337     | 0.00%           |
| 4           | Contract Operator - Franklin County Lab        |                           | \$4,750          | \$0             | \$4,750   | 0.00%           |
| 5           | Electricity-(Pumping)                          |                           | \$456            | \$0             | \$456     | 0.00%           |
| 6           | TOTAL OPERATIONS EXPENSE                       |                           | \$6,279          | \$0             | \$6,279   |                 |
| 7           | MAINTENANCE EXPENSES                           |                           |                  |                 |           |                 |
| 8           | Outside Services Employed - Flynn Drilling (1) |                           | \$250            | \$0             | \$250     | 0.00%           |
| 9           | System Maintenance                             |                           | \$1,535          | \$0             | \$1,535   | 0.00%           |
| 10          | TOTAL MAINTENANCE EXPENSE                      |                           | \$1,785          | \$0             | \$1,785   |                 |
| 11          | CUSTOMER ACCOUNT EXPENSE                       |                           |                  |                 |           |                 |
| 12          | Legal and Accounting Fees                      |                           | \$147            | \$0             | \$147     | 0.00%           |
| 13          | Billing & Collections                          |                           | \$53             | \$0             | \$53      | 0.00%           |
| 14          | Office Supplies                                |                           | \$41             | \$0             | \$41      | 0.00%           |
| 15          | Postage  |                           | \$188            | \$0             | \$188     | 0.00%           |
| 16          | TOTAL CUSTOMER ACCOUNT EXPENSE                 |                           | \$429            | \$0             | \$429     |                 |
| 17          | ADMINISTRATIVE & GENERAL EXPENSES              |                           |                  |                 |           |                 |
| 18          | Telephone & Pagers                             |                           | \$98             | \$0             | \$98      | 0.00%           |
| 19          | Vehicle Insurance                              |                           | \$0              | \$0             | \$0       | 0.00%           |
| 20          | Vehicle Expense                                |                           | \$112            | \$0             | \$112     | 0.00%           |
| 21          | Medical Insurance                              |                           | \$0              | \$0             | \$0       | 0.00%           |
| 22          | Property & Liability Insurance                 |                           | \$401            | \$0             | \$401     | 0.00%           |
| 23          | Building Rent                                  |                           | \$106            | \$0             | \$106     | 0.00%           |
| 24          | Other Misc. Expenses                           |                           | \$16             | \$0             | \$16      | 0.00%           |
| 25          | TOTAL ADMINISTRATIVE AND GENERAL               |                           | \$733            | \$0             | \$733     |                 |
| 26          | OTHER OPERATING EXPENSES                       |                           |                  |                 |           |                 |
| 27          | Registration Fees and Lab Sampling             |                           | \$12             | \$0             | \$12      | 0.00%           |
| 28          | PSC Assessment                                 |                           | \$276            | \$0             | \$276     | 0.00%           |
| 29          | Depreciation                                   |                           | \$1,099          | \$0             | \$1,099   | 0.00%           |
| 30          | TOTAL OTHER OPERATING EXPENSES                 |                           | \$1,387          | \$0             | \$1,387   |                 |
| 31          | TAXES OTHER THAN INCOME                        |                           |                  |                 |           |                 |
| 32          | Real & Personal Property Taxes                 |                           | \$11             | \$0             | \$11      | 0.00%           |
| 33          | Payroll Taxes                                  |                           | \$178            | \$0             | \$178     | 0.00%           |
| 34          | TOTAL TAXES OTHER THAN INCOME                  |                           | \$189            | \$0             | \$189     |                 |
| 35          | TOTAL OPERATING EXPENSES                       |                           | \$10,802         | \$0             | \$10,802  |                 |
| 36          | Interest Expense                               | (3)                       | \$0              | \$0             | \$0       | 0.00%           |
| 37          | Return on Equity                               | (3)                       | \$1,438          | \$0             | \$1,438   | 0.00%           |
| 38          | Income Taxes                                   | (3)                       | \$358            | \$0             | \$358     | 0.00%           |
| 39          | TOTAL INTEREST RETURN & TAXES                  |                           | \$1,796          | \$0             | \$1,796   |                 |
| 40          | TOTAL COST OF SERVICE                          |                           | \$12,598         | \$0             | \$12,598  |                 |
| 41          | Less: Miscellaneous Revenues                   |                           | \$461            | \$0             | \$461     | 0.00%           |
| 42          | COST TO RECOVER IN RATES                       |                           | \$12,137         | \$0             | \$12,137  |                 |
| 43          | INCREMENTAL INCREASE IN RATE REVENUES          |                           | \$3,612          |                 |           |                 |

Hillishine Manor Water  
 Informal Rate Case  
 Case No. WR-2010-0345  
 Test Year Ending 5/31/2010  
 Rate Design Schedule - Water

| Line<br>Number | A<br>Description               | B<br>Account<br>Number<br>(Optional) | C<br>Staff<br>Annualized | D<br>Customer<br>Charge | E<br>Commodity | F<br>Percentage<br>Rate |
|----------------|--------------------------------|--------------------------------------|--------------------------|-------------------------|----------------|-------------------------|
| 44             | PERCENTAGE OF INCREASE         |                                      | <u>40.20%</u>            |                         |                |                         |
| 45             | REQUESTED INCREASE IN REVENUES |                                      | \$0                      |                         |                |                         |

- (1) From Revenue Schedule
- (2) From Expense Schedule
- (3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

Hillshine Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate Base Required Return on Investment Schedule - Water

| Line<br>Number | A<br>Rate Base Description                            | B<br>Dollar<br>Amount |                                     |
|----------------|---|-----------------------|-------------------------------------|
| 1              | Plant In Service                                      | \$28,687              | From Plant Schedule                 |
| 2              | Less Accumulated Depreciation Reserve                 | \$11,613              | From Depreciation Reserve Schedule  |
| 3              | Net Plant In Service                                  | \$17,074              |                                     |
| 4              | Other Rate Base Items:                                | \$0                   |                                     |
|                | Contribution In Aid of Construction                   | -\$2,750              |                                     |
|                | CIAC Depreciation                                     | \$1,617               |                                     |
| 5              | Total Rate Base                                       | \$15,941              |                                     |
| 6              | Total Weighted Rate of Return<br>Including Income Tax | 11.27%                | From PreTax Return & Taxes Schedule |
| 7              | Required Return & Income Tax                          | \$1,796               |                                     |

Hillshine Manor Water  
Informal Rate Case  
Case No. WR-2010-0345  
Test Year Ending 5/31/2010  
Rate of Return Including Income Tax - Water

|  | A                | B      | formulas                         |
|--|------------------|--------|----------------------------------|
| 1 State Income Tax Rate Statutory / Effective                            | 6.25% (2)        | 5.81%  | $(1 - (B2 \times .5)) \times A1$ |
| 2 Federal Income Tax Rate Statutory / Effective                          | 15.01% (1) & (2) | 14.14% | $(1 - B1) \times A2$             |
| 3 Composite Effective Income Tax Rate                                    |                  | 19.95% | $B1 + B2$                        |
| 4 Equity Tax Factor  |                  | 1.2492 | $1 / (1 - B3)$                   |
| 5 Recommended Weighted Rate of Return on Equity - Common and Preferred   |                  | 9.02%  | From Capital Structure Schedule  |
| 6 Weighted Rate of Return on Equity Including Income Tax                 |                  | 11.27% | $B4 \times B5$                   |
| 7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term |                  | 0.00%  | From Capital Structure Schedule  |
| 8 Total Weighted Rate of Return Including Income Tax                     |                  | 11.27% | $B6 + B7$                        |

To Rate Base Schedule

(1) If Sub-Chapter S Corporation, Enter Y:

N

Equity Income Required **\$1,692**  
& Preliminary Federal Tax

Tax Rate Table

| Net Income Range |                 |          |                        |              |
|------------------|-----------------|----------|------------------------|--------------|
| Start            | End             | Tax Rate | Amount in Range        | Tax on Range |
| \$0              | \$50,000        | 15.00%   | \$1,692                | \$254        |
| \$50,001         | \$75,000        | 25.00%   | \$0                    | \$0          |
| \$75,001         | \$100,000       | 34.00%   | \$0                    | \$0          |
| \$100,001        | \$335,000       | 39.00%   | \$0                    | \$0          |
| \$335,001        | \$9,999,999,999 | 34.00%   | \$0                    | \$0          |
|                  |                 |          | <u>\$1,692</u>         | <u>\$254</u> |
|                  |                 |          | Consolidated Tax Rate: |              |
|                  |                 |          | Average Tax Rate:      | 0.1501       |