Exhibit No.:
Issues: Rate Design

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

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

DIRECT TESTIMONY

OF

JAMES RUSSO

MISSOURI-AMERICAN WATER COMPANY

CASE NO. WR-2007-0216

Jefferson City, Missouri
June 2007

STAFF -25

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water Company's request for Authority to Implement a General Rate Increase for Water Service provided in Missouri Service Areas	)))))	Case No. WR-2007-0216

AFFIDAVIT OF JAMES M. RUSSO

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

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

J. M. R.
James M. Russo

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

NOTARY PUBLIC NOTARY SEAL STATE OF MISSOURI

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

Dawn L. Hake
Notary Public

My commission expires ______________________

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DIRECT TESTIMONY

OF

JAMES RUSSO

MISSOURI AMERICAN WATER COMPANY

CASE NO. WR-2007-0216

DIRECT TESTIMONY

OF

JAMES RUSSO

MISSOURI AMERICAN WATER COMPANY

CASE NO. WR-2007-0216

Q. Please state your name and business address.

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

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

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

BACKGROUND OF WITNESS

Q. Please describe your educational background and other qualifications.

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

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

A. From April 1997 to December 2001, I worked in the Accounting Department of the Commission, where my duties consisted of directing and assisting with various audits and examinations of the books and records of public utilities operating within the State of Missouri under the jurisdiction of the Commission. From December 16, 2001 to August 2003, I was a Regulatory Auditor IV in the Energy Tariffs/Rate Design Department, where my duties consisted of analyzing applications, reviewing tariffs, and making recommendations based upon these evaluations. On August 16, 2003, I assumed the position of Rate and Tariff Examination Supervisor in the Water & Sewer Department where my duties consist of reviewing tariffs, preparing and analyzing cost of service and rate design, and performing accounting functions.

Q. Have you previously filed testimony before this Commission?

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

EXECUTIVE SUMMARY

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

A. Yes, I have.

Q. What is the purpose of your direct testimony?

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

CLASS COST OF SERVICE

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

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

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

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

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

A. Yes.

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

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

Q. What type of allocation method did you use?

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

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

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

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

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

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

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

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

Q. How did you develop the CCOS amounts?

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

Q. What are the results of your CCOS study?

A. The results of my study are presented in terms of class revenue requirements before any increase or decrease in MAWC's revenue requirement.

Q. Are the customer class allocations, rate design methods and the results of those methods that you are using in this case consistent with the methods upon which the Company's current customer rates were established?

A. Yes. I used the methodology developed by Staff Witness Wendell R. Hubbs in Case Nos. WR-2003-0500 and WC-2004-0168.

Q. What is the impact of your CCOS study on the various customer classes?

A. The CCOS study shows that revenues should be collected differently on a going-forward basis than is occurring now under the current rate design.

Q. Were there any significant shifts in revenue requirements for any customer class based on your CCOS?

A. Yes, the revenue requirement associated with Private Fire Protection was significantly lower for each district.

Q. Do you have any explanation for this reduction in revenue requirement?

A. The reduction in the revenue requirement existed in the last case and probably for some time period prior to that case. The final rate design agreed upon in the last case maintained the existing approved Private Fire Protection rates for each district.

RATE DESIGN

Q. Does the rate design method Staff is proposing differ from the method proposed by the Company in its direct testimony?

A. Yes. The Company proposed a 25.9% increase in rates to be spread evenly over each district and each customer class within each district.

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

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

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

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

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

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

A. Yes, I am. The CCOS for the Brunswick District continues to be extremely high compared to the other districts. I recommend that the Commission establish rates for the Brunswick District similar to the manner in which the rates were set in Case Nos. WR-2003-0500 and WC-2004-0618. For those cases, the rates were established by using the customer charges and commodity charges from the District that had the second highest rates. This will shift revenue responsibility from the Brunswick District customers to other parties. This is subsidization and will result in other Districts or the Company being responsible for the shortfall of the cost of service for the Brunswick District.

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

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

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

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

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

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

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

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

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

CONSOLIDATED CUSTOMER BILLING

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

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

Q. Does this conclude your direct testimony?

A. Yes it does.

RATE CASE PROCEEDING PARTICIPATION

JAMES M. RUSSO

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2006

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

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

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

Case No. WR-2007-0216
STAFF - ST LOUIS COUNTY

Line #	Class/ Description	Present Pro Forma Rates Sales (CCF)	Present Pro Forma Rates Total Revenue	Proposed Pro Forma Rates Sales (CCF)	Proposed Pro Forma Rates Total Revenue	Dollar Change	Percentage Change
1							
2							
3							
4	Rate A and K	42,665,727	$105,397,133	42,665,670	$102,211,063	($3,186,070)	-3.02%
5	Rate B	1,792,385	1,987,575	2,389,846	2,886,338	898,763	45.22%
6	Rate D	180,692	184,324	240,922	245,216	60,892	33.04%
7	Rate F and E	23,401	1,269,381	31,201	443,550	(825,831)	-65.06%
8	Rate H	1,505,072	764,000	1,505,072	764,000	0	0.00%
9	Rate J	8,218,223	8,365,964	8,218,223	9,814,910	1,448,946	17.32%
10						0	0.00%
11							
12	Total	54,385,499	117,968,377	55,050,934	116,365,077	($1,603,300)	-1.36%
13							
14							
15	**Miscellaneous Revenues:**						
16							
17	Other Revenues		1,708,253		1,708,253	0	0.00%
23							
24			$119,676,630		$118,073,330	(1,603,300)	-1.34%
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

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

Missouri Public Service Commission — **Case No. WR-2007-0216**
Company: Missouri-American Water Company — **STAFF - ST LOUIS COUNTY**
District: St. Louis —

Line #	Class/ Description	Present Pro Forma Rates: Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Proposed Pro Forma Rates: Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue	Dollar Change	Percentage Change
1											
2	**Rate A:**										
3	Minimum Charge:			12,033,652							
4	Monthly										
5	5/8"	30		$6.15	$183	30		$10.56	$317	$134	73.22%
6	3/4"	80		$6.87	548	80		$10.57	$845	297	54.20%
7	1"	23		$8.31	192	23		$10.57	$243	51	26.56%
8	1-1/2"	37		$11.90	438	37		$10.60	$392	(46)	-10.50%
9	2"	119		$16.20	1,923	119		$10.62	$1,264	(659)	-34.27%
10	3"	12		$27.68	343	12		$10.69	$128	(215)	-62.68%
11	4"	0		$40.59	0	0		$10.72	$0	0	0.00%
12	6"	0		$76.48	0	0		$10.83	$0	0	0.00%
13	8"	0		$119.54	0	0		$11.12	$0	0	0.00%
14	10"	0		$176.96	0	0		$11.40	$0	0	0.00%
15	12"	0		$234.36	0	0		$11.69	$0	0	0.00%
16		300									
17	Quarterly										
18	5/8"	1,212,706		9.01	10,926,485	1,212,706		10.66	$12,930,827	2,004,342	18.34%
19	3/4"	67,855		11.17	757,940	67,855		10.67	$723,675	(34,265)	-4.52%
20	1"	11,042		15.48	170,924	11,042		10.69	$118,059	(52,865)	-30.93%
21	1-1/2"	1,125		26.24	29,523	1,125		10.76	$12,108	(17,415)	-58.99%
22	2"	1,989		39.15	77,859	1,989		10.83	$21,547	(56,312)	-72.33%
23	3"	0		73.61	0	0		11.04	$0	0	0.00%
24	4"	0		112.36	0	0		11.14	$0	0	0.00%
25	6"	16		220.01	3,418	16		11.47	$184	(3,234)	-94.62%
26	8"	8		349.19	2,713	8		12.34	$99	(2,614)	-96.35%
27	10"	117		521.42	61,163	117		13.16	$1,540	(59,623)	-97.48%
28	12"	0		693.66	0	0		14.03	$0	0	0.00%
29											
30											
31	Volumetric Charges:										
32	Monthly All Water		2,658,483	2.033700	5,406,557		2,658,483	2.0709	$5,505,545	98,988	1.83%
33	Quarterly All Water		39,841,686	2.033700	81,026,037		39,841,686	2.0709	$82,509,531	1,483,494	1.83%
34											
35											
36											
37											
38	Total		42,500,169		$98,466,246		42,500,169		$101,826,304	$3,360,058	3.41%
39											
40											

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

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

Case No. WR-2007-0216
STAFF - ST LOUIS COUNTY

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

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

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

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

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

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

Case No. WR-2007-0216
STAFF - ST LOUIS COUNTY

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

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

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

Case No. WR-2007-0216
STAFF - ST LOUIS COUNTY

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

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

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

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

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

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

Case No. WR-2007-0216
STAFF - ST LOUIS COUNTY

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

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

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

Case No. WR-2007-0216
STAFF - ST LOUIS COUNTY

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

Schedule 3 - 9 - SSTL

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Rate A & K	Rate B	Rate J	Rate D	Other	Fire Protection Rate F	Fire Protection Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Labor & Exp Oper SS	2	175,630	148,126	5,690	20,918	492	0	35	386
Labor & Exp Oper SS	2	112,165	94,600	3,634	13,359	314	0	22	247
Purchased Water	1	215,057	172,712	7,290	33,398	731	0	86	817
TOTAL SS EXPENSE - OPERATION		502,852	415,439	16,615	67,675	1,537	0	144	1,450
Misc Exp Oper SS	2	302,571	255,188	9,803	36,036	847	0	61	666
Misc Exp Oper SS	2	131	111	4	16	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	5,232	4,412	170	623	15	0	1	12
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	63,641	53,675	2,062	7,580	178	0	13	140
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infilt Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	93,152	78,564	3,018	11,094	261	0	19	205
Misc Plant Maint SS	2	116,095	97,915	3,761	13,827	325	0	23	255
TOTAL SS EXPENSE - MAINTENANCE		580,821	489,865	18,819	69,176	1,626	0	116	1,278
TOTAL SS EXPENSE		1,083,673	905,303	35,434	136,851	3,163	0	260	2,728

Account	Factor Ref.	Cost of Service	Rate A & K	Rate B	Rate J	Rate D	Other	Fire Protection Rate F	Fire Protection Rate E
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	9,977	8,317	320	1,174	28	0	17	121
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	5,935,851	4,767,082	201,225	921,838	20,182	0	2,374	22,556
Labor & Exp Oper Pump	6	829,999	691,887	26,643	97,691	2,324	0	1,411	10,043
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	100,592	83,853	3,229	11,840	282	0	171	1,217
Rents Oper P	6	2	2	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		6,876,421	5,551,141	231,418	1,032,543	22,815	0	3,973	33,937

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

PSC STAFF STUDY

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

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

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

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Rate A & K	Rate B	Rate J	Rate D	Other	Fire Protection Rate F	Fire Protection Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Elevated Tanks & Standpipes	5	2,440,150	1,890,628	71,740	196,188	5,612	0	37,334	238,403
Ground Level Facilities	5	9,524,859	7,379,861	280,031	765,799	21,907	0	145,730	930,579
TD Mains Not Classified by	7	791,705	649,436	24,622	67,374	1,900	0	6,571	41,802
T & D Mains AC 4 (STL)	4	2,827,541	2,319,432	87,937	240,624	6,786	0	23,469	149,294
T & D Mains Galv 1 (STL)	4	50,188	41,169	1,561	4,271	120	0	417	2,650
TD Mains 10 to 16"	3	0	0	0	0	0	0	0	0
CI-10" & Smaller-1900-1928	3	2,800,809	2,269,776	87,105	320,693	7,562	0	15,404	99,989
CI-10" & Smaller 1929-1956	4	17,273,037	14,169,072	537,191	1,469,935	41,455	0	143,366	912,016
CI-10" & Smaller-1957-1993	4	53,099,538	43,557,551	1,651,396	4,518,771	127,439	0	440,728	2,803,656
T & D Mains - DI 6-8 (STL)	4	242,693,826	199,081,745	7,547,778	20,653,245	582,465	0	2,014,359	12,814,234
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
T & D Mains - PL 6-8" (STL)	3	666,787	540,364	20,737	76,347	1,800	0	3,667	23,804
CI-12" (STL)	3	13,026,543	10,556,710	405,125	1,491,539	35,172	0	71,646	465,048
CI-16" (STL)	4	19,124,068	15,687,473	594,759	1,627,458	45,898	0	158,730	1,009,751
TD Mains DI 12 (STL)	3	59,333,118	48,083,559	1,845,260	6,793,642	160,199	0	326,332	2,118,192
TD Mains DI 16 & >(STL)	3	106,941,041	86,665,020	3,325,866	12,244,749	288,741	0	588,176	3,817,795
T & D Mains - PL 12 (STL)	4	274,277	224,989	8,530	23,341	658	0	2,276	14,482
TD Mains LJ 20 (STL)	3	4,499,594	3,646,471	139,937	515,204	12,149	0	24,748	160,636
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	82,039	81,891	0	16	0	0	139	0
Meters Bronze Case	9	0	0	0	0	0	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	18,949,447	18,949,447	0	0	0	0	0	0
Meters Other-Rem Rdr Unts	9	4,192,376	4,192,376	0	0	0	0	0	0
Meter Installations	9	2,775,882	2,775,882	0	0	0	0	0	0
Meter Installation Other	9	9,622,440	9,622,440	0	0	0	0	0	0
Hydrants	8	37,743,443	0	0	0	0	0	0	37,743,443
Other P/E Intangible	15	208,627	176,164	3,714	11,808	313	0	688	15,918
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	1,809,745	1,528,149	32,213	102,432	2,715	0	5,972	138,084
Comp & Periph Equip	15	4,345,087	3,668,991	77,343	245,932	6,518	0	14,339	331,530
Computer Software	15	6,954,567	5,872,436	123,791	393,628	10,432	0	22,950	530,633
Comp Software Personal	15	86,627	73,148	1,542	4,903	130	0	286	6,610
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	179,421	151,503	3,194	10,155	269	0	592	13,690
Trans Equip Lt Duty Trks	15	29,784	25,149	530	1,686	45	0	98	2,272
Trans Equip Hvy Duty Trks	15	4,154,323	3,507,910	73,947	235,135	6,231	0	13,709	316,975
Trans Equip Autos	15	392,227	331,196	6,982	22,200	588	0	1,294	29,927
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	118,221	99,826	2,104	6,691	177	0	390	9,020
Tools,Shop,Garage Equip	15	962,255	812,528	17,128	54,464	1,443	0	3,175	73,420
Tools,Shop,Garage Equip Oth	15	3,934,335	3,322,152	70,031	222,683	5,902	0	12,983	300,190
Laboratory Equipment	2	1,101,097	928,665	35,676	131,141	3,083	0	220	2,422
Laboratory Equip Other	2	285,859	241,093	9,262	34,046	800	0	57	629
Power Operated Equipment	15	637,295	538,132	11,344	36,071	956	0	2,103	48,626
Comm Equip Non-Telephone	15	1,056,436	892,055	18,805	59,794	1,585	0	3,486	80,606
Comm Equip Telephone	15	83,380	70,406	1,484	4,719	125	0	275	6,362
Misc Equipment	15	577,956	488,026	10,288	32,712	867	0	1,907	44,098
Other Tangible Property	17	40,603	32,093	1,133	3,618	93	0	219	3,439
Total Utility Plant in Service		786,180,262	621,477,727	21,952,850	70,057,653	1,797,243	0	4,255,432	66,626,874

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Rate A & K	Rate B	Rate J	Rate D	Other	Fire Protection Rate F	Fire Protection Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	3,553,058	3,000,202	63,244	201,103	5,330	0	11,725	271,098
Materials and Supplies	15	2,424,347	2,047,118	43,153	137,218	3,637	0	8,000	184,978
Prepayments	15	503,676	425,304	8,965	28,508	756	0	1,662	38,430
OPEB's Contributed to External Func	16	0	0	0	0	0	0	0	0
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less: Accumulated Amortization	17	0	0	0	0	0	0	0	0
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(43,023,833)	(34,006,038)	(1,200,365)	(3,833,424)	(98,955)	0	(232,329)	(3,644,119)
Pensions	16	(7,557,131)	(6,258,061)	(122,426)	(389,948)	(9,824)	0	(22,671)	(753,446)
Total Other Rate Base Elements		(44,099,884)	(34,791,474)	(1,207,427)	(3,856,542)	(99,057)	0	(233,613)	(3,903,058)
Total Original Cost Measure of Value		$ 742,060,378	$ 586,686,253	$ 20,745,423	$ 66,201,111	$ 1,698,185	$ -	$ 4,021,820	$ 62,723,816

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

PSC STAFF STUDY

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

Table of Factors - Table Name "FACTORS"

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

MISSOURI-AMERICAN WATER COMPANY

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

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

MISSOURI-AMERICAN WATER COMPANY

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

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

MISSOURI-AMERICAN WATER COMPANY

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

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

MISSOURI-AMERICAN WATER COMPANY

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

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

MISSOURI-AMERICAN WATER COMPANY

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Base (4)	Max Day (5)	Max Hour (6)	Meters (7)	Services (8)	Billing & Collecting (9)	Fire Service (10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	149,201	85,880	62,963	0	0	0	0	358
Struct & Imp P	6	5,160	2,936	2,152	0	0	0	0	71
Struct & Imp Pumps (STL)	6	83,871	47,714	34,983	0	0	0	0	1,157
Struct & Imp Pump Boosters	6	47,022	26,751	19,613	0	0	0	0	649
Struct & Imp WT	2	32,576	18,751	13,747	0	0	0	0	78
Struct & Imp WT Nth Plt (ST	2	96,123	55,328	40,564	0	0	0	0	231
Struct & Imp WT Ctrl Plt 1	2	43,680	25,142	18,433	0	0	0	0	105
Struct & Imp WT Ctrl Plt 3	2	349,677	201,274	147,564	0	0	0	0	839
Struct & Imp WT Sth Plt (ST	2	38,718	22,286	16,339	0	0	0	0	93
Struct & Imp WT Meramec (ST	2	149,490	86,046	63,085	0	0	0	0	359
Struct & Imp TD	7	126,025	37,833	0	80,505	0	0	0	7,700
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	16,986	4,034	1,787	3,398	1,532	1,527	3,357	1,352
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	33,606	7,982	3,535	6,718	3,031	3,021	6,641	2,675
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Supply Mains Nth Plt (STL)	2	3,931	2,263	1,659	0	0	0	0	9
Supply Mains Ctrl Plt (STL)	2	62,872	36,189	26,532	0	0	0	0	151
Supply Mains Sth Plt (STL)	2	5,399	3,108	2,278	0	0	0	0	13
Supply Mains Meramec Plt (S	2	21,022	12,100	8,871	0	0	0	0	50
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	617,887	351,516	257,720	0	0	0	0	8,527
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	5,074	2,887	2,116	0	0	0	0	70
Pump Equip Diesel Ctrl Plt	6	41,451	23,581	17,289	0	0	0	0	572
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	54,572	31,412	23,030	0	0	0	0	131
WT Equip Non-Med North (STL	2	199,583	114,880	84,224	0	0	0	0	479
WT Equip Non Media Ctrl 1 &	2	62,723	36,103	26,469	0	0	0	0	151
WT Equip Non Media Ctrl 3 (	2	606,192	348,924	255,813	0	0	0	0	1,455
WT Equip Non Media Sth (STL	2	73,076	42,062	30,838	0	0	0	0	175
WT Equip Non Media Mer (STL	2	204,495	117,707	86,297	0	0	0	0	491
WT Equip Filter Media	2	18,654	10,737	7,872	0	0	0	0	45
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	54,903	15,571	0	33,129	0	0	0	6,204
Ground Level Facilities	5	214,309	60,778	0	129,314	0	0	0	24,217
TD Mains Not Classified by	7	11,876	3,565	0	7,586	0	0	0	726
TD Mains 4 & Less "	4	0	0	0	0	0	0	0	0
TD Mains 6 to 8" "	4	10,002	3,003	0	6,389	0	0	0	611
TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY

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

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

MISSOURI-AMERICAN WATER COMPANY

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

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

MISSOURI-AMERICAN WATER COMPANY

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

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

MISSOURI-AMERICAN WATER COMPANY

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

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

MISSOURI-AMERICAN WATER COMPANY

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

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

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MISSOURI-AMERICAN WATER COMPANY

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

	Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
41.1	T&D OP BASIS FOR FACTOR 11		3,026,409	644,025	0	1,370,429	461,259	418,676	0	132,234
0.9999	FACTOR 11			0.2128	0.0000	0.4528	0.1524	0.1383	0.0000	0.0437
30.2	T&D Mnt BASIS FOR FACTOR 12		1,754,810	242,496	0	516,009	301,614	318,702	0	376,069
1.0000	FACTOR 12			0.1382	0.0000	0.2940	0.1719	0.1816	0.0000	0.2143
237.1	A&G BASIS FOR FACTOR 15		19,819,592	4,706,280	2,084,342	3,964,566	1,788,278	1,782,325	3,916,241	1,577,530
0.9999	FACTOR 15			0.2375	0.1052	0.1999	0.0902	0.0899	0.1976	0.0796
(201.4)	LABOR BASIS FOR FACTOR 16		13,660,977	2,958,597	1,311,737	2,487,791	1,788,674	1,779,351	1,930,321	1,403,820
0.9999	FACTOR 16			0.2166	0.0960	0.1821	0.1309	0.1303	0.1413	0.1028
(12,447.7)	UPIS BASIS FOR FACTOR 17		786,009,897	297,914,216	138,062,780	233,186,627	38,023,821	2,557,315	5,440,957	70,866,956
0.9998	FACTOR 17			0.3790	0.1757	0.2967	0.0484	0.0033	0.0069	0.0902
(3,769.4)	RATE BASE BASIS FOR FACTOR 18		742,080,378	281,575,134	130,489,751	220,391,417	35,545,078	2,013,853	5,358,107	66,740,595
1.0001	FACTOR 18			0.3793	0.1758	0.2970	0.0479	0.0027	0.0072	0.0899
(582.4)	TOTAL COS BASIS FOR FACTOR 19		116,907,162	42,537,563	14,301,367	24,299,911	7,698,786	5,172,916	13,995,243	8,892,534
0.9999	FACTOR 19			0.3638	0.1223	0.2079	0.0659	0.0442	0.1197	0.0761
	TOTAL COS BASIS FOR FACTOR 20		81,755,428	42,855,718	14,411,059	24,488,651	0	0	0	0
1.0000	FACTOR 20			0.5242	0.1763	0.2995	0.0000	0.0000	0.0000	0.0000

20		2	4	6	8	10	12	14
Total		Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
0.9999	1	0.9958	-	-	-	-	-	0.0042
1.0001	2	0.5756	0.4220	-	-	-	-	0.0024
0.9999	3	0.5533	0.4056	-	-	-	-	0.0412
1.0000	4	0.3002	-	0.6388	-	-	-	0.0611
0.9999	5	0.2836	-	0.6034	-	-	-	0.1130
1.0000	6	0.5689	0.4171	-				0.0138
1.0000	7	0.3002	-	0.6388				0.0611
1.0000	8	-	-	-	-	-	-	1.0000
1.0000	9	-	-	-	1.0000	-	-	-
1.0001	10	-	-	-	-	0.9983	-	0.0017
0.9999	11	0.2128	-	0.4528	0.1524	0.1383	-	0.0437
1.0000	12	0.1382	-	0.2940	0.1719	0.1816	-	0.2143
1.0000	13	-	-	-	-	-	0.9975	0.0025
1.0000	14	-	-	-	-	-	1.0000	-
0.9999	15	0.2375	0.1052	0.1999	0.0902	0.0899	0.1976	0.0796
0.9999	16	0.2166	0.0960	0.1821	0.1309	0.1303	0.1413	0.1028
0.9998	17	0.3790	0.1757	0.2967	0.0484	0.0033	0.0069	0.0902
1.0001	18	0.3793	0.1758	0.2970	0.0479	0.0027	0.0072	0.0899
0.9999	19	0.3638	0.1223	0.2079	0.0659	0.0442	0.1197	0.0761
1.0000	20	0.5242	0.1763	0.2995	-	-	-	-

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.
ALLOCATION OF COSTS THAT VARY WITH THE AMT OF WATER CONSUMED.

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

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

FACTOR 2.
ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

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

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

PSC STAFF STUDY

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

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

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

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

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

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3.
ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS.

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. Continued
ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS.

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

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.
ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

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

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. Continued
ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

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

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

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

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

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. Continued
ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

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

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

General Service Weight = 1.0000 - 0.1118 = 0.8882

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

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6.

ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

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

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

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7.
ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

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

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

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

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

ALL ASSIGNED TO MAX HOUR
NO FUNCTIONALIZATION OF MAINS

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8.
ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire.

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

FACTOR 9.
ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10.
ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11.
ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.

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

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

FACTOR 12.
ALLOCATION OF TRANS. DISTRIB. MAINTENANCE SUPERVISION AND ENGINEERING, STRUCTURES AND IMPROVE., AND OTHER EXPENSES.

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13.
ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

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

FACTOR 14.
ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15.
ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH WORKING CAPITAL.

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16.
ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

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

FACTOR 17.
ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISC. INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18.
ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

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

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

FACTOR 19.
ALLOCATION OF REG. COMMISSION EXPENSES, ASSESSMENTS AND OTHER WATER REVENUES.

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

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

PSC STAFF STUDY

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT
PSC STAFF STUDY
BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

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

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

PSC STAFF STUDY

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

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

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

Missouri Public Service Commission | **Case No. WR-2007-0216**
Company: Missouri-American Water Company | **STAFF - BRUNSWICK**
District: Brunswick | **Page 1 of 1**

Line #	Class/ Description	Present Pro Forma Rates Sales (000 Gal)	Present Pro Forma Rates Total Revenue	Proposed Pro Forma Rates Sales (000 Gal)	Proposed Pro Forma Rates Total Revenue	Dollar Change	Percentage Change
1							
2	**Monthly Billing:**						
3							
4	Residential	17,483	$99,958	17,483	$538,947	$438,989	439.17%
5	Commercial	5,124	24,814	5,124	133,921	109,107	439.70%
6	Industrial	46	561	46	1,491	930	165.78%
7	Other Public Authority	559	3,086	559	14,148	11,062	358.46%
8	Other Water Utilities	0	0	0	0	0	0.00%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	4,762	0	10,062	5,300	111.30%
11	Public Fire	0	0	0	0	0	0.00%
12	Total	23,212	133,181	23,212	698,569	$565,388	424.53%
13							
14							
15	**Miscellaneous Revenues:**						
16							
17	Other Revenue		210		210	0	0.00%
18	Returned Check Charge				0	0	0.00%
19	Application Fee				0	0	0.00%
20	Miscellaneous Other Revenue				0	0	0.00%
21	Rents from Water Property				0	0	0.00%
22							
23							
24			$133,391		$698,779	565,388	423.86%
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
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39							
40							

Test Year Operating Revenues at Present Rates vs Proposed Rates

12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission — Case No. WR-2007-0216
Company: Missouri-American Water Company — STAFF - BRUNSWICK
District: Brunswick —

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

12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission | **Case No. WR-2007-0216**
Company: Missouri-American Water Company | **STAFF - BRUNSWICK**
District: Brunswick

Line #	Class/ Description	Present Pro Forma Rates: Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Proposed Pro Forma Rates: Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue	Dollar Change	Percentage Change
1											
2	**Commercial:**										
3	Minimum Charge:										
4	5/8" Monthly	776		$7.08	$5,493	776		$ 1.38	$1,073	($4,420)	-80.47%
5	3/4" Monthly	0		9.06	0	0		$ 1.44	0	0	0.00%
6	1" Monthly	75		12.84	962	75		$ 1.57	117	(845)	-87.84%
7	1-1/2" Monthly	0		22.33	0	0		$ 2.03	0	0	0.00%
8	2" Monthly	26		33.71	866	26		$ 2.31	59	(807)	-93.19%
9	3" Monthly	0		60.24	0	0		$ 5.32	0	0	0.00%
10	4" Monthly	0		98.15	0	0		$ 7.33	0	0	0.00%
11	6" Monthly	0		192.93	0	0		$ 11.37	0	0	0.00%
12	8" Monthly	0		306.65	0	0		$ 24.48	0	0	0.00%
13	10" Monthly	0		520.92	0	0		0.00	0	0	0.00%
14	12" Monthly	0		859.27	0	0		0.00	0	0	0.00%
15											
16											
17	Volumetric Charges:										
18	First Block		4,593	$3.5768	16,427		4,593	$25.8898	118,901	102,474	623.81%
19	Second Block		532	$2.0038	1,066		532	$25.8898	13,771	12,705	1191.84%
20	Third Block		0	$1.5464	0		0	25.8898	0	0	0.00%
21	Fourth Block		0	$1.0413	0		0	25.8898	0	0	0.00%
22											
23											
24	Total		5,124		$24,814		5,124		$133,921	$109,107	439.70%
25											
26											
27											
28											
29											
30											
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40											

Test Year Operating Revenues at Present Rates vs Proposed Rates

12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission | **Case No. WR-2007-0216**
Company: Missouri-American Water Company | **STAFF - BRUNSWICK**
District: Brunswick |

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

Test Year Operating Revenues at Present Rates vs Proposed Rates

12 Month Updated Test Period Ending December 31, 2006

Missouri Public Service Commission — **Case No. WR-2007-0216**

Company: Missouri-American Water Company — **STAFF - BRUNSWICK**

District: Brunswick —

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

12 Month Updated Test Period Ending December 31, 2006

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

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

Test Year Operating Revenues at Present Rates vs Proposed Rates

12 Month Updated Test Period Ending December 31, 2006

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

Case No. WR-2007-0216
STAFF - BRUNSWICK

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

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

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

Case No. WR-2007-0216
STAFF - BRUNSWICK

Line #	Connection Size	Number of Connections	Present Rates: Annual Rate	Present Rates: Total Revenue	Proposed Rates: Annual Rate	Proposed Rates: Total Revenue	Dollar Change	Percentage Change
2	**Private Fire Service:**							
4	Private Fire Hydrant	3.00	$1,252.68	$3,758	2,646.87	$7,941	$4,183	111.31%
6	2"	0.00	179.52	0	379.32	0	0	0.00%
8	3"	0.00	308.52	0	651.89	0	0	0.00%
10	4"	0.00	489.48	0	1,034.25	0	0	0.00%
12	6"	1.00	1,003.80	1,004	2,120.99	2,121	1,117	111.25%
14	8"	0.00	1,727.16	0	3,649.43	0	0	0.00%
16	10"	0.00	2,654.88	0	5,609.67	0	0	0.00%
18	12"	0.00	3,785.40	0	7,998.42	0	0	0.00%
22	Total	4.00		$4,762		$10,062	$5,300	111.30%
26	**Public Fire Protection:**							
28	Public Fire Hydrants	58	0.00	0	58.00		0	0.00%

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

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

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

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

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection Private	Fire Protection Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Cash Working Capital	15	11,631	8,460	2,178	21	232	0	140	790
Materials and Supplies	15	4,586	3,279	844	8	90	0	54	306
Prepayments	15	3,784	2,706	697	7	74	0	45	253
Deferred OPEB Asset	16	22,991	16,261	4,230	39	453	0	297	1,685
Security Deferral AAO	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	0	0	0	0	0	0	0	0
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(133,012)	(83,970)	(20,976)	(253)	(2,235)	0	(3,192)	(22,373)
Pensions	16	(55,053)	(38,939)	(10,130)	(94)	(1,085)	0	(710)	(4,035)
Total Other Rate Base Elements		(144,874)	(92,203)	(23,157)	(271)	(2,470)	0	(3,368)	(23,373)
Total Original Cost Measure of Value		$ 2,391,109	$ 1,508,774	$ 376,791	$ 4,574	$ 40,209	$ -	$ 57,412	$ 403,301

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

Table of Factors - Table Name "FACTORS"

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

MISSOURI-AMERICAN WATER COMPANY

BRUNSWICK DISTRICT

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

PSC STAFF STUDY

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Fire Protection Private	Fire Protection Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		14	0.8201	0.1623	0.0044	0.0133	-	-	-
		15	0.7151	0.1841	0.0018	0.0196	-	0.0118	0.0668
		16	0.7073	0.1840	0.0017	0.0197	-	0.0129	0.0733
		17	0.6313	0.1577	0.0019	0.0168	-	0.0240	0.1682
		18	0.6311	0.1576	0.0019	0.0168	-	0.0240	0.1687
		19	0.6896	0.1746	0.0019	0.0184	-	0.0145	0.0923
		20	0.7796	0.1974	0.0022	0.0209		-	-

PSC STAFF STUDY

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

PSC STAFF STUDY

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

PSC STAFF STUDY

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

PSC STAFF STUDY

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

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PSC STAFF STUDY

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

PSC STAFF STUDY

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

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PSC STAFF STUDY

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

PSC STAFF STUDY

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

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PSC STAFF STUDY

				Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Service
(9.5)	Cash Working Capital	15	11,831	6,188	3,329	522	9	4	849	930
(3.7)	Materials and Supplies	15	4,586	2,398	1,290	202	4	1	329	360
(3.0)	Prepayments	15	3,784	1,979	1,065	167	3	1	272	297
(25.3)	OPEB's Contributed to External Func	16	22,991	12,429	6,687	1,131	21	9	754	1,982
0.0	Premature Retirement	17	0	0	0	0	0	0	0	0
0.0	Regulatory Deferrals	17	0	0	0	0	0	0	0	0
	Less:									
0.0	Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
13.3	Deferred Income Taxes	17	(133,012)	(50,372)	(24,807)	(13,634)	(7,276)	(10,002)	(1,370)	(25,565)
60.6	Pensions	16	(55,053)	(29,762)	(15,965)	(2,709)	(50)	(22)	(1,806)	(4,746)
0.0										
32.4	Total Other Rate Base Elements		(144,874)	(57,140)	(28,420)	(14,320)	(7,288)	(10,009)	(971)	(26,741)
0.0										
(48.3)	**Total Original Cost Measure of Value**		$ 2,391,109	$ 903,191	$ 444,512	$ 245,568	$ 131,359	$ 180,650	$ 25,120	$ 460,713

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

20 Total		2 Base	4 Max Day	6 Max Hour	8 Meters	10 Services	12 Billing & Collecting	14 Fire Service
1.0000	1	0.9845	-	-	-	-	-	0.0155
1.0002	2	0.6352	0.3548	-	-	-	-	0.0100
1.0002	3	0.5389	0.3011	-	-	-	-	0.1601
1.0000	4	0.1498	-	0.3424	-	-	-	0.5078
1.0002	5	0.1938	-	0.4431	-	-	-	0.3631
1.0001	6	0.5389	0.3011	-				0.1601
1.0000	7	0.1498	-	0.3424				0.5078
1.0000	8	-	-	-	-	-	-	1.0000
1.0000	9	-	-	-	1.0000	-	-	-
1.0000	10	-	-	-	-	0.9987	-	0.0013
1.0000	11	0.1478	-	0.3379	0.0094	0.0037	-	0.5011
1.0000	12	0.1498	-	0.3424	-	-	-	0.5078
0.9999	13	-	-	-	-	-	0.9993	0.0007

PSC STAFF STUDY

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

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1.
ALLOCATION OF COSTS THAT VARY WITH THE AMOUNT OF WATER CONSUMED.
Factors are based on the pro forma test year average daily consumption for each customer classification.

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

FACTOR 2.
ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.
Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

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

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

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

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

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

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

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

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

PSC STAFF STUDY

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

FACTOR 3.
ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE, MAX DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS.

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

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

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. Continued
ALLOCATION OF COSTS ASSOC WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

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

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

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

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4.
ALLOCATION OF COSTS ASSOC. WITH FACILITIES SERVING BASE AND MAX HOUR EXTRA CAPACITY FUNCT'S.

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

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

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

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
PSC STAFF STUDY
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. Continued
ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.

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

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

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

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

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

PSC STAFF STUDY

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

FACTOR 5.

ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

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

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