

St. Joseph

Missouri-American Water Company
Case No. WR-2003-0500
Case No. WC-2004-0168
Test Year Ending December 31, 2002 Updated Through June 30, 2003

Revenue Requirement

Line	(A)	St. Joseph		
		8.26% Equity Return (B)	8.76% Equity Return (C)	9.26% Equity Return (D)
1	Net Original Cost Rate Base (From Accounting Schedule 2)	\$ 76,303,951	\$ 76,303,951	\$ 76,303,951
2	Rate of Return	6.66%	6.82%	6.98%
3	Net Operating Income Requirement	\$ 5,081,843	\$ 5,203,929	\$ 5,326,016
4	Net Operating Income Available (From Accounting Schedule 9)	6,080,333	6,080,333	6,080,333
5	Additional Net Operating Income Requirement	\$ (998,490)	\$ (876,404)	\$ (754,318)
6	Income Tax Requirement: (From Accounting Schedule 11)			
7	Required Current Income Tax	\$ 708,832	\$ 784,901	\$ 860,971
8	Test Year Current Income Tax	1,330,968	1,330,968	1,330,968
9	Additional Current Income Tax Requirement	\$ (622,136)	\$ (546,067)	\$ (469,998)
10	Additional Gross Revenue Requirement Before Allowances	\$ (1,620,627)	\$ (1,422,471)	\$ (1,224,316)
11	Allowance for True-up	\$ 244,917	\$ 244,917	\$ 244,917
12	Additional Gross Revenue Requirement	\$ (1,375,710)	\$ (1,177,554)	\$ (979,399)
13	Adjusted Revenue at Current Rates (From Accounting Schedule 9)	\$ 16,582,430	\$ 16,582,430	\$ 16,582,430
14	Total Gross Revenue Requirement	\$ 15,206,721	\$ 15,404,876	\$ 15,603,032

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Rate Base

Line	Description (A)	St. Joseph		
		Direct Assigned (B)	Corporate Distribution (C)	Total (D)
1	Plant in Service (From Accounting Schedule 3)	\$ 100,304,519	\$ 199,887	\$ 100,504,406
2	Less:			0
3	Accumulated Depreciation Reserve (From Accounting Schedule 3)	13,389,825	86,624	13,476,449
4	Accumulated Amortization Reserve	386,257		386,257
5	Net Plant in Service	\$ 86,528,437	\$ 113,263	\$ 86,641,700
6	Add:			
7	Cash Working Capital (From Accounting Schedule 3)	\$	\$	\$ (239,426)
8	Materials and Supplies	141,313	1,062	142,375
9	Prepayments		94	94
10	Deferred OPEB Asset		404,214	404,214
11	Security Deferral AAO			0
12	Total Additions to Net Plant in Service	\$ 141,313	\$ 405,370	\$ 307,257
13	Deduct:			
14	Interest Offset	\$	\$	\$ 1,101,928
15	Federal Income Tax Offset			(9,241)
16	State Income Tax Offset			4,337
17	Contributions In Aid of Construction:	2,577,049		2,577,049
18	Customer Advances	913,478	2,950	916,428
19	Customer Deposits			0
20	Pre-71 ITC	32,693		32,693
21	Deferred Income Taxes	180,801	5,328,585	5,509,386
22	Accrued Pension Liability		512,427	512,427
23	Total Deductions to Net Plant in Service	\$ 3,704,021	\$ 5,843,962	\$ 10,645,007
24	Total Rate Base	\$ 82,965,729	\$ (5,325,328)	\$ 76,303,951

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Plant In Service

		St. Joseph					
Line	A/C No.	Plant Title	Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted 6/30/2003
				Amount	No.		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Intangible					
2	301	Organization	\$	\$ 0	P-1	\$ 11,810	\$ 11,810
3	302	Franchise & Consents		0	P-2	0	0
4	303	Miscellaneous Intangible		0	P-3	22,384	22,384
5		Total Intangible	\$ 0	\$ 0		\$ 34,194	\$ 34,194
6		Source of Supply					
7	310	Land & Land Rights	\$ 1,414,424	\$ 0	P-4	\$ 0	\$ 1,414,424
8	311	Structures & Improvements		0	P-5	0	0
9	312	Collecting & Impounding Res		0	P-6	0	0
10	313	Lake, River & Other Intakes	6,326	0	P-7	0	6,326
11	314	Wells & Springs	27,939	0	P-8	0	27,939
12	316	Supply Mains	9,298,467	0	P-9	0	9,298,467
13	316	Supply Mains-North Plant		0	P-10	0	0
14	316	Supply Mains-Central Plant		0	P-11	0	0
15	316	Supply Mains-South Plant		0	P-12	0	0
16	316	Supply Mains-Meramec Plant		0	P-13	0	0
17		Total Source of Supply	\$ 10,747,156	\$ 0		\$ 0	\$ 10,747,156
18		Pumping					
19	320	Land & Land Rights	\$ 8,921	\$ 0	P-14	\$ 0	\$ 8,921
20	321	S & I-Plant	4,594,795	0	P-15	0	4,594,795
21	321.1	S & I-Pumps (STL)		0	P-16	0	0
22	321.2	S & I-Boosters		0	P-17	0	0
23	322	Boiler Equipment		0	P-18	0	0
24	323	Other Power Prod. Equip.		0	P-19	0	0
25	324	Steam Pumping Equipment		0	P-20	0	0
26	325.1	Electric Pumping Equipment	4,752,682	0	P-21	0	4,752,682
27	325.2	Pumping Equipment-Pre '46		0	P-22	0	0
28	325.3	Pumping Equipment-Post '46		0	P-23	0	0
29	325	Pumping Equipment-Booster		0	P-24	0	0
30	326	Diesel Pumping Equipment		0	P-25	0	0
31	326	Dsl Pump Equip-Stratman		0	P-26	0	0
32	326	Dsl Pump Equip-Central Plant		0	P-27	0	0
33	327	Pump Equip Hydraulic		0	P-28	0	0
34	328	Other Pumping Equipment		0	P-29	0	0
35		Total Pumping	\$ 9,356,398	\$ 0		\$ 0	\$ 9,356,398
36		Water Treatment Plant					
37	330	Land & Land Rights	\$	\$ 0	P-30	\$ 0	\$ 0
38	331	Structures & Improvements	22,929,407	(2,271,756)	P-31	0	20,657,651

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Line			St. Joseph				
	A/C No.	Plant Title	Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (C)+(D)+(F) (G)
				Amount (D)	No. (E)		
39	331	S & I - North Plant		0	P-32	0	0
40	331	S & I-Central 1 & 2		0	P-33	0	0
41	331	S & I-Central 3		0	P-34	0	0
42	331	S & I-South Plant		0	P-35	0	0
43	331	S & I-Meramac		0	P-36	0	0
44	332	WT Equip Non-Media	20,570,126	0	P-37	0	20,570,126
45	332	WT Equip-North Plant		0	P-38	0	0
46	332	WT Equip-Central 1 & 2		0	P-39	0	0
47	332	WT Equip-Central 3		0	P-40	0	0
48	332	WT Equip-South Plant		0	P-41	0	0
49	332	WT Equip-Meramac		0	P-42	0	0
50	332	Other P/E Hand Equipment	1,339,451	0	P-43	0	1,339,451
51	332.4	Equipment Filter Media		0	P-44	0	0
52		Total Water Treatment Plant	\$ 44,838,984	\$ (2,271,756)		\$ 0	\$ 42,567,228
53		Transmission & Distribution					
54	340	Land & Land Rights	\$ 37,709	\$ 0	P-45	\$ 0	\$ 37,709
55	341	Structures & Improvements	138,206	0	P-46	0	138,206
56	341.63	S & I-Spec Cross		0	P-47	0	0
57	342	Distr. Res. & Standpipes	1,516,070	0	P-48	0	1,516,070
58	342	Rsvr & Standpipe-Elev	302,181	0	P-49	0	302,181
59	342	Rsvr & Standpipe-Ground		0	P-50	0	0
60	343	T & D Mains (Not Classified)		0	P-51	0	0
61	343.1	T & D Mains - 4" & Less	671,795	0	P-52	0	671,795
62	343.24	T & D Mains AC 4 (STL)		0	P-53	0	0
63	343.30	T & D Mains Galv 1 (STL)		0	P-54	0	0
64	343.2	T & D Mains - 6" to 8"	8,368,714	(2,376)	P-55	(6,352)	8,359,986
65	343.21	CI-10" & Smaller-1900-1928		0	P-56	0	0
66	343.22	CI-10" & Smaller 1929-1956		0	P-57	0	0
67	343.23	CI-10" & Smaller-1957-1993		0	P-58	0	0
68	343.25	T & D Mains - DI 6-8		0	P-59	0	0
69	343.3	T & D Mains - 10" to 16"	9,095,961	0	P-60	0	9,095,961
70	343.3	T & D Mains - 18" & Greater	4,783,585	0	P-61	0	4,783,585
71	343.3	CI-12"		0	P-62	0	0
72	343.13	CI-16"		0	P-63	0	0
73	343.26	T & D Mains - DI 12 (STL)		0	P-64	0	0
74	343.11	T & D Mains - DI 16 & Greater (STL)		0	P-65	0	0
75	343.12	T & D Mains - LJ 20 (STL)		0	P-66	0	0
76	344	Fire Mains		0	P-67	0	0
77	345	Services	1,861,202	0	P-68	0	1,861,202

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			St. Joseph				
Line	A/C No.	Plant Title	Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (G) (C)+(D)+(E)+(F)
				Amount (D)	No. (E)		
78	346.1	Meters-Bronze Case	987,183	0	P-69	0	987,183
79	346.2	Meters-Plastic Case	80,870	0	P-70	0	80,870
80	346.1	Meters-Other	284,805	0	P-71	0	284,805
81	346.2	Meters-Remote (ARB's)		0	P-72	0	0
82	347.1	Meter Install	2,409,291	0	P-73	0	2,409,291
83	347.2	Meter Install-Remote (ARB's)		0	P-74	0	0
84	348	Hydrants	2,294,805	0	P-75	0	2,294,805
85	349	Other T&D Plant		0	P-76	0	0
86		Total Transmission & Distribution	\$ 32,832,377	\$ (2,376)		\$ (6,352)	\$ 32,823,649
87		Sewer Plant					
88	352.2	Collecting Sewers - Gravity	\$	\$ 0	P-77	\$ 0	\$ 0
89	353	Service to Customers		0	P-78	0	0
90	370.1	Land & Land Rights		0	P-79	0	0
91	374	Outfall Sewer Lines		0	P-80	0	0
92		Total Sewer Plant	\$ 0	\$ 0		\$ 0	\$ 0
93		General Plant					
94	389	Land & Land Rights	\$ 8,112	\$ 0	P-81	\$ 0	\$ 8,112
95	390	S&I-Store, Shop & Garage	178,270	0	P-82	0	178,270
96	390.1	S&I-Offices	0	0	P-83	0	0
97	390.92	S & I-Leasehold		0	P-84	0	0
98	390.93	S & I-Leasehold - SCADA		0	P-85	0	0
99	390.3	S&I-Misc	1,665,404	0	P-86	0	1,665,404
100	391.11	Office Furniture	302,418	0	P-87	(220,793)	81,625
101	391.12	Office Equip - Computer Hardware	171,214	0	P-88	63,786	235,000
102	391.12	Office Equipment-Computer Software	86,203	0	P-89	291,099	377,302
103	391.26	Computer Software Personal	40,937	0	P-90	12,265	53,202
104	391.3	Data Handling Equipment	24,864	0	P-91	0	24,864
105	391.12	Office Equipment	191,417	0	P-92	1,120	192,537
106	392.11	Trans Equipment-Lt Duty Trucks	387,945	0	P-93	6,959	394,904
107	392.02	Trans Equipment-Hvy Duty Trucks	82,175	0	P-94	0	82,175
108	392.01	Trans Equipment-Autos	54,823	0	P-95	12,723	67,546
109	392.3	Trans Equipment Other		0	P-96	0	0
110	393	Stores Equipment	173,339	0	P-97	0	173,339
111	394.1	Shop & Garage Equipment	629,869	0	P-98	846	630,715
112	394.2	Tools		0	P-99	0	0
113	395.2	Laboratory Equipment	334,199	0	P-100	0	334,199
114	395.1	Laboratory Furniture		0	P-101	0	0
115	396	Power Operated Equipment	232,611	0	P-102	0	232,611
116	397	Comm Equipment-Non-Tele	107,489	0	P-103	556	108,045

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Line			St. Joseph				
	A/C No.	Plant Title	Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (C) + (D) + (F) (G)
				Amount (D)	No. (E)		
117	397.2	Comm Equipment-Tele	27,901	0	P-104	2,293	30,194
118	398	Miscellaneous	104,546	0	P-105	1,191	105,737
119	399	Other Tangible Property		0	P-106	0	0
120		Total General Plant	\$ 4,803,736	\$ 0		\$ 172,045	\$ 4,975,781
121		Total Plant In Service	\$ 102,578,651	\$ (2,274,132)		\$ 199,887	\$ 100,504,406

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Adjustments To Plant In Service

Adjmt No.	Description			St. Joseph	
				Adjustment Amount	Total Adjustment
A/C 301.00	Organization	P-1		\$	0
1	To eliminate transaction costs associated with the acquisitions of Webster Groves, Florissant and Valley Park. (Rackers)			\$	
A/C 331.00	Structures & Improvements	P-11		\$	(2,271,756)
1	To remove plant disallowed by the Commission in Case No. WR-2000-281. (Rackers)			\$ (2,271,756)	
A/C 343.20	T & D Mains - 6" to 8"	P-55		\$	(2,376)
1	To adjust plant for over capitalization of AFUDC. (Hanneken)			\$ (2,376)	
A/C 374.00	Outfall Sewer Lines	P-80		\$	0
1	To adjust plant for over capitalization of AFUDC. (Hanneken)			\$	
A/C 391.11	Office Furniture	P-87		\$	0
1	To eliminate capitalized transition costs related to Company's decision to begin taking service from the National Call Center. (Cassidy)			\$	
2	To eliminate capitalized transition costs related to Company's decision to begin taking service from the National Shared Services Center. (Cassidy)				
A/C 391.12	Office Equip - Computer Hardware	P-88		\$	0
1	To increase plant related to "One Call". (McKiddy)			\$	
A/C 392.01	Trans Equipment-Autos	P-95		\$	0
1	To increase plant related to "One Call". (McKiddy)			\$	
A/C 394.10	Shop & Garage Equipment	P-98		\$	0
1	To eliminate the cost of facility locators. (McKiddy)			\$	

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Depreciation Reserve

Line	A/C No.	Plant Title	St. Joseph				
			Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (C)+(D)+(F)
				Amount	No.		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Intangible					
2	301	Organization	\$	\$ 0	R-1	\$ 0	\$ 0
3	302	Franchise & Consents		0	R-2	0	0
4	303	Miscellaneous Intangible		0	R-3	24,531	24,531
5		Total Intangible	\$ 0	\$ 0		\$ 24,531	\$ 24,531
6		Source of Supply					
7	310	Land & Land Rights	\$	\$ 0	R-4	\$ 0	\$ 0
8	311	Structures & Improvements	14,139	0	R-5	0	14,139
9	312	Collecting & Impounding Res		0	R-6	0	0
10	313	Lake, River & Other Intakes	(680,102)	0	R-7	0	(680,102)
11	314	Wells & Springs	(32,171)	0	R-8	0	(32,171)
12	316	Supply Mains	327,185	0	R-9	0	327,185
13	316	Supply Mains-North Plant		0	R-10	0	0
14	316	Supply Mains-Central Plant		0	R-11	0	0
15	316	Supply Mains-South Plant		0	R-12	0	0
16	316	Supply Mains-Meramec Plant		0	R-13	0	0
17		Total Source of Supply	\$ (370,949)	\$ 0		\$ 0	\$ (370,949)
18		Pumping					
19	320	Land & Land Rights	\$	\$ 0	R-14	\$ 0	\$ 0
20	321	S & I-Plant	36,953	0	R-15	0	36,953
21	321.1	S & I-Pumps (STL)		0	R-16	0	0
22	321.2	S & I-Boosters		0	R-17	0	0
23	322	Boiler Equipment		0	R-18	0	0
24	323	Other Power Prod. Equip.		0	R-19	0	0
25	324	Steam Pumping Equipment		0	R-20	0	0
26	325.1	Electric Pumping Equipment	316,681	0	R-21	0	316,681
27	325.2	Pumping Equipment-Pre '46		0	R-22	0	0
28	325.3	Pumping Equipment-Post '46		0	R-23	0	0
29	325	Pumping Equipment-Booster		0	R-24	0	0
30	326	Diesel Pumping Equipment		0	R-25	0	0
31	326	Dsl Pump Equip-Stratman		0	R-26	0	0
32	326	Dsl Pump Equip-Central Plant		0	R-27	0	0
33	327	Pump Equip Hydraulic		0	R-28	0	0
34	328	Other Pumping Equipment		0	R-29	0	0
35		Total Pumping	\$ 353,634	\$ 0		\$ 0	\$ 353,634
36		Water Treatment Plant					
37	330	Land & Land Rights	\$	\$ 0	R-30	\$ 0	\$ 0
38	331	Structures & Improvements	2,037,150	(207,259)	R-31	0	1,829,891
39	331	S & I - North Plant		0	R-32	0	0
40	331	S & I-Central 1 & 2		0	R-33	0	0
41	331	S & I-Central 3		0	R-34	0	0
42	331	S & I-South Plant		0	R-35	0	0
43	331	S & I-Meramec		0	R-36	0	0
44	332	WT Equip Non-Media	3,030,077	0	R-37	0	3,030,077
45	332	WT Equip-North Plant		0	R-38	0	0
46	332	WT Equip-Central 1 & 2		0	R-39	0	0
47	332	WT Equip-Central 3		0	R-40	0	0

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Depreciation Reserve

Line	A/C No.	Plant Title	St. Joseph				
			Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (G) (D+E+F)
				Amount (D)	No. (E)		
48	332	WT Equip-South Plant		0	R-41	0	0
49	332	WT Equip-Meramac		0	R-42	0	0
50	332	Other P/E Hand Equipment	58,274	0	R-43	0	58,274
51	332.4	Equipment Filter Media		0	R-44	0	0
52		Total Water Treatment Plant	\$ 5,125,501	\$ (207,259)		\$ 0	\$ 4,918,242
53		Transmission & Distribution					
54	340	Land & Land Rights	\$ (741,641)	\$ 0	R-45	\$ 0	\$ (741,641)
55	341	Structures & Improvements	7,530	0	R-46	0	7,530
56	341.63	S & I-Spec Cross		0	R-47	0	0
57	342	Distr. Res. & Standpipes	741,053	0	R-48	0	741,053
58	342	Rsvr & Standpipe-Elev	2,855	0	R-49	0	2,855
59	342	Rsvr & Standpipe-Ground		0	R-50	0	0
60	343	T & D Mains (Not Classified)	4,295,800	0	R-51	1,926	4,297,726
61	343.1	T & D Mains - 4" & Less	4,566	0	R-52	0	4,566
62	343.24	T & D Mains AC 4 (STL)		0	R-53	0	0
63	343.30	T & D Mains Galv 1 (STL)		0	R-54	0	0
64	343.2	T & D Mains - 6" to 8"	29,744	0	R-55	0	29,744
65	343.21	CI-10" & Smaller-1900-1928		0	R-56	0	0
66	343.22	CI-10" & Smaller 1929-1956		0	R-57	0	0
67	343.23	CI-10" & Smaller-1957-1993		0	R-58	0	0
68	343.25	T & D Mains - DI 6-8		0	R-59	0	0
69	343.3	T & D Mains - 10" to 16"	58,851	0	R-60	0	58,851
70	343.3	T & D Mains - 18" & Greater	34,643	0	R-61	0	34,643
71	343.3	CI-12"		0	R-62	0	0
72	343.13	CI-16"		0	R-63	0	0
73	343.26	T & D Mains - DI 12 (STL)		0	R-64	0	0
74	343.11	T & D Mains - DI 16 & Greater (STL)		0	R-65	0	0
75	343.12	T & D Mains - LJ 20 (STL)		0	R-66	0	0
76	344	Fire Mains		0	R-67	0	0
77	345	Services	107,068	0	R-68	0	107,068
78	346.1	Meters-Bronze Case	12,992	0	R-69	0	12,992
79	346.2	Meters-Plastic Case	2,188	0	R-70	0	2,188
80	346.1	Meters-Other	1,043,905	0	R-71	0	1,043,905
81	346.2	Meters-Remote (ARB's)		0	R-72	0	0
82	347.1	Meter Install	576,794	0	R-73	0	576,794
83	347.2	Meter Install-Other		0	R-74	0	0
84	348	Hydrants	790,945	0	R-75	0	790,945
85	349	Other T&D Plant		0	R-76	0	0
86		Total Transmission & Distribution	\$ 6,967,293	\$ 0		\$ 1,926	\$ 6,969,219
87		Sewer Plant					
88	352.2	Collecting Sewers - Gravity	\$	\$ 0	R-77	\$ 0	\$ 0
89	353	Service to Customers		0	R-78	0	0
90	370.1	Land & Land Rights		0	R-79	0	0
91	374	Outfall Sewer Lines		0	R-80	0	0
92		Total Sewer Plant	\$ 0	\$ 0		\$ 0	\$ 0
93		General Plant					
94	389	Land & Land Rights	\$	\$ 0	R-81	\$ 0	\$ 0

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Test Year Ending December 31, 2002 Updated
Through June 30, 2003**Depreciation Reserve**

Line	ACC No.	Plant Title	St. Joseph				
			Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (G) (D+EF)
				Amount (D)	No. (E)		
95	390	S&I-Store, Shop & Garage	11,086	0	R-82	0	11,086
96	390.1	S&I-Offices	(385,977)	0	R-83	(12,669)	(398,646)
97	390.92	S & I-Leasehold		0	R-84	0	0
98	390.93	S & I-Leasehold		0	R-85	0	0
99	390.3	S&I-Misc	840,259	0	R-86	0	840,259
100	391.11	General Office-Furniture & Equip	469,941	0	R-87	5,988	475,929
101	391.12	General Office-Comp & Periph	7,522	0	R-88	28,631	36,153
102	391.12	General Office-Computer Software	3,787	0	R-89	24,077	27,864
103	391.26	Computer Software Personal	1,798	0	R-90	4,778	6,576
104	391.3	Data Handling Equipment	1,092	0	R-91	0	1,092
105	391.12	Other Office Equipment	8,409	0	R-92	503	8,912
106	392.11	Trans Equipment-Lt Duty Trucks	21,695	0	R-93	5,077	26,772
107	392.02	Trans Equipment-Hvy Duty Trucks	4,595	0	R-94	0	4,595
108	392.01	Trans Equipment-Autos	(13,873)	0	R-95	1,507	(12,366)
109	392.3	Trans Equipment Other	244,943	0	R-96	0	244,943
110	393	Stores Equipment	15,635	0	R-97	0	15,635
111	394.1	Tools, Shop & Garage Equipment	103,248	0	R-98	216	103,464
112	394.2	Shop Equipment - Other		0	R-99	0	0
113	395.2	Laboratory Equipment	12,615	0	R-100	0	12,615
114	395.1	Laboratory Equipment - Other		0	R-101	0	0
115	396	Power Operated Equipment	62,394	0	R-102	0	62,394
116	397	Comm Equipment-Non-Tele	90,693	0	R-103	1,230	91,923
117	397.2	Comm Equipment-Tele	3,026	0	R-104	678	3,704
118	398	Miscellaneous	18,717	0	R-105	151	18,868
119	399	Other Tangible Property		0	R-106	0	0
120		Total General Plant	\$ 1,521,605	\$ 0		\$ 60,166	\$ 1,581,771
121		Total Depreciation Reserve	\$ 13,597,084	\$ (207,259)		\$ 46,624	\$ 13,476,449

Missouri-American Water Company

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Adjustments To Depreciation Reserve

Adjmt No.	Description	St. Joseph	
		Adjustment Amount	Total Adjustment
A/C 331.00	Structures & Improvements R-31	\$	(207,259)
1	To eliminate the accumulated reserve associated with plant adjustment P-31. (Rackers)	\$ (207,259)	
A/C 343.25	T & D Mains - DI 6-8 R-59	\$	0
1	To transfer accumulated depreciation to contributions. (Rackers)	\$	

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Depreciation Expense

Line	A.R. No.	Plant Title	St. Joseph				
			Dist. Specific Plant (A)(B)(C)(D)	Depreciation Rate (D)	Dist. Specific Depreciation (C)(D)	Corporate Allocation (F)	Depreciation Expense (B)(D)(F)
1		Intangible					
2	301	Organization	\$		\$	\$	\$
3	302	Franchise & Consents					
4	303	Miscellaneous Intangible					
5		Total Intangible	\$		\$	\$	\$
6		Source of Supply					
7	310	Land & Land Rights	\$ 1,414,424		\$	\$	\$
8	311	Structures & Improvements		2.00%			
9	312	Collecting & Impounding Res		1.00%			
10	313	Lake, River & Other Intakes	6,326	2.00%	127		127
11	314	Wells & Springs	27,939	2.00%	559		559
12	316	Supply Mains	9,298,467	1.75%	162,723		162,723
13	316	Supply Mains-North Plant					
14	316	Supply Mains-Central Plant					
15	316	Supply Mains-South Plant					
16	316	Supply Mains-Meramec Plant					
17		Total Source of Supply	\$ 10,747,156		\$ 163,408	\$	\$ 163,408
18		Pumping					
19	320	Land & Land Rights	\$ 8,921		\$	\$	\$
20	321	S & I-Plant	4,594,795	0.83%	38,137		38,137
21	321.1	S & I-Pumps (STL)					
22	321.2	S & I-Boosters					
23	322	Boiler Equipment					
24	323	Other Power Prod. Equip.		2.70%			
25	324	Steam Pumping Equipment					
26	325.1	Electric Pumping Equipment	4,752,682	1.72%	81,746		81,746
27	325.2	Pumping Equipment-Pre '46					
28	325.3	Pumping Equipment-Post '46					
29	325	Pumping Equipment-Booster					
30	326	Diesel Pumping Equipment		2.70%			
31	326	Dsl Pump Equip-Stratman					
32	326	Dsl Pump Equip-Central Plant					
33	327	Pump Equip Hydraulic					
34	328	Other Pumping Equipment		2.70%			
35		Total Pumping	\$ 9,356,398		\$ 119,883	\$	\$ 119,883
36		Water Treatment Plant					
37	330	Land & Land Rights	\$		\$	\$	\$
38	331	Structures & Improvements	20,657,651	1.11%	229,300		229,300
39	331	S & I - North Plant					
40	331	S & I-Central 1 & 2					
41	331	S & I-Central 3					
42	331	S & I-South Plant					
43	331	S & I-Meramec					
44	332	WT Equip Non-Media	20,570,126	1.85%	380,547		380,547
45	332	WT Equip-North Plant					
46	332	WT Equip-Central 1 & 2					

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Depreciation Expense

		St. Joseph					
		Dist. Specific Plant (A) (Col. 3)	Depreciation Rate (D)	Dist. Specific Depreciation (CWD) (E)	Corporate Allocation (F)	Depreciation Expense (DWE) (G)	
Line	(A)	(B)	(C)	(D)	(E)	(F)	(G)
47	332	WT Equip-Central 3					
48	332	WT Equip-South Plant					
49	332	WT Equip-Meramac					
50	332	Other P/E Hand Equipment	1,339,451	1.85%	24,780		24,780
51	332.4	Equipment Filter Media					
52		Total Water Treatment Plant	\$ 42,567,228		\$ 634,627	\$	\$ 634,627
53		Transmission & Distribution					
54	340	Land & Land Rights	\$ 37,709		\$	\$	
55	341	Structures & Improvements	138,206	1.82%	2,515		2,515
56	341.63	S & I-Spec Cross					
57	342	Distr. Res. & Standpipes	1,516,070	1.85%	28,047		28,047
58	342	Rsvr & Standpipe-Elev	302,181	1.85%	5,590		5,590
59	342	Rsvr & Standpipe-Ground					
60	343	T & D Mains (Not Classified)		1.30%			
61	343.1	T & D Mains - 4" & Less	671,795	1.30%	8,733		8,733
62	343.24	T & D Mains AC 4 (STL)					
63	343.30	T & D Mains Galv 1 (STL)					
64	343.2	T & D Mains - 6" to 8"	8,366,338	1.30%	108,762		108,762
65	343.21	CI-10" & Smaller-1900-1928					
66	343.22	CI-10" & Smaller 1929-1956					
67	343.23	CI-10" & Smaller-1957-1993					
68	343.25	T & D Mains - DI 6-8					
69	343.3	T & D Mains - 10" to 16"	9,095,961	1.30%	118,247		118,247
70	343.3	T & D Mains - 18" & Greater	4,783,585	1.30%	62,187		62,187
71	343.3	CI-12"					
72	343.13	CI-16"					
73	343.26	T & D Mains - DI 12 (STL)					
74	343.11	T & D Mains - DI 16 & Greater (STL)					
75	343.12	T & D Mains - LJ 20 (STL)					
76	344	Fire Mains		1.30%			
77	345	Services	1,861,202	2.00%	37,224		37,224
78	346.1	Meters-Bronze Case	987,183	2.44%	24,087		24,087
79	346.2	Meters-Plastic Case	80,870	2.44%	1,973		1,973
80	346.1	Meters-Other	284,805	2.44%	6,949		6,949
81	346.2	Meters-Remote (ARB's)					
82	347.1	Meter Install	2,409,291	2.44%	58,787		58,787
83	347.2	Meter Install-Remote (ARB's)					
84	348	Hydrants	2,294,805	1.35%	30,980		30,980
85	349	Other T&D Plant		1.30%			
86		Total Transmission & Distribution	\$ 32,830,001		\$ 494,083	\$	\$ 494,083
87		Sewer Plant					
88	352.2	Collecting Sewers - Gravity	\$		\$	\$	
89	353	Service to Customers					
90	370.1	Land & Land Rights					
91	374	Outfall Sewer Lines					
92		Total Sewer Plant	\$		\$	\$	

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Depreciation Expense

Line	A.C. No.	Plant Title	St. Joseph			
			Dist. Specific Plant (A-104.511.2)	Depreciation Rate	Dist. Specific Depreciation (C-104.5)	Depreciation Expense (B-104.5)
	(A)	(B)	(C)	(D)	(E)	(F)
93		General Plant				
94	389	Land & Land Rights	\$ 8,112		\$	\$
95	390	S&I-Store, Shop & Garage	178,270	2.50%	4,457	4,457
96	390.1	S&I-Offices		2.50%		
97	390.92	S & I-Leasehold				
98	390.93	S & I-Leasehold				
99	390.3	S&I-Misc	1,665,404	1.89%	31,476	31,476
100	391.11	General Office-Furniture & Equip	302,418	1.85%	5,595	(4,085)
101	391.12	General Office-Comp & Periph	171,214	14.29%	24,466	9,115
102	391.12	General Office-Computer Software	86,203	14.29%	12,318	12,318
103	391.26	Computer Software Personal	40,937			
104	391.3	Data Handling Equipment	24,864	4.35%	1,082	1,082
105	391.12	Other Office Equipment	191,417	4.35%	8,327	8,327
106	392.11	Trans Equipment-Lt Duty Trucks	387,945	12.50%	48,493	870
107	392.02	Trans Equipment-Hvy Duty Trucks	82,175	12.50%	10,272	10,272
108	392.01	Trans Equipment-Autos	54,823	25.00%	13,706	3,181
109	392.3	Trans Equipment Other				
110	393	Stores Equipment	173,339	2.27%	3,935	3,935
111	394.1	Tools, Shop & Garage Equipment	629,869	4.35%	27,399	37
112	394.2	Shop Equipment - Other				
113	395.2	Laboratory Equipment	334,199	3.23%	10,795	10,795
114	395.1	Laboratory Equipment - Other				
115	396	Power Operated Equipment	232,611	11.11%	25,843	25,843
116	397	Comm Equipment-Non-Tele	107,489	4.76%	5,116	26
117	397.2	Comm Equipment-Tele	27,901	4.76%	1,328	1,328
118	398	Miscellaneous	104,546	3.23%	3,377	38
119	399	Other Tangible Property		4.76%		
120		Total General Plant	\$ 4,803,736		\$ 237,985	\$ 9,183
121		Total Plant In Service	\$ 100,304,519		\$ 1,649,986	\$ 9,183

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Cash Working Capital

Line	Description (A)	St. Joseph					Cash Working Capital Requirement (D)-(F)
		Test Year Expenses (B)	Revenue Lag (C)	Expense Lag (D)	Net CWC Lag (E)=(C)-(D)	Factor (F)=(E)/(A)	
1	Operation & Maintenance Expense						
2	Base Payroll	\$ 865,939	42.51	11.93	30.57	0.0838	\$ 72,530
3	Payroll Withholdings:						
4	Taxes	619,782	42.51	16.88	25.63	0.0702	43,512
5	401(k)	197,462	42.51	38.82	3.68	0.0101	1,992
6	EIP	15,269	42.51	38.82	3.68	0.0101	154
7	Fuel & Power	538,591	42.51	37.20	5.30	0.0145	7,825
8	Chemicals	257,733	42.51	42.51	0.00	0.0000	0
9	Materials and Supplies	2,004,502	42.51	42.51	0.00	0.0000	0
10	Purchased Water	0	42.51	42.45	0.05	0.0001	0
11	Management Fees	886,992	42.51	42.30	0.21	0.0006	513
12	Group Insurance	325,992	42.51	(7.50)	50.01	0.1370	44,662
13	OPEB's	195,635	42.51	3.41	39.09	0.1071	20,954
14	Pensions	36,596	42.51	17.58	24.93	0.0683	2,499
15	EIP - Employer Match	16,926	42.51	38.82	3.68	0.0101	171
16	401(k) - Employer Match	27,008	42.51	38.82	3.68	0.0101	272
17	Insurance Other Than Group	192,954	42.51	(47.66)	90.17	0.2470	47,665
18	Uncollectible Accounts	124,404	42.51	42.51	0.00	0.0000	0
19	Rents	105,644	42.51	(9.96)	52.47	0.1437	15,186
20	Cash Vouchers	(737,046)	42.51	21.41	21.10	0.0578	(42,609)
21	Total Operation & Maintenance Expense	\$ 5,674,383					\$ 215,326
22	Taxes Other Than Income						
23	FICA - Employer Portion	128,750	42.51	12.90	29.61	0.0811	\$ 10,443
24	Federal Unemployment	2,405	42.51	76.38	(33.87)	(0.0928)	(223)
25	State Unemployment	(54)	42.51	76.38	(33.87)	(0.0928)	5
26	Property Taxes	1,026,140	42.51	182.50	(139.99)	(0.3835)	(393,571)
27	Franchise & Environmental Tax	32,692	42.51	287.50	(244.99)	(0.6712)	(21,943)
28	PSC Assessment	98,508	42.51	(31.63)	74.13	0.2031	20,007
29	Total Taxes Other Than Income	\$ 1,288,441					\$ (385,283)
30	Other Expenses						
31	Gross Receipts Tax	694,621	25.58	47.37	(21.79)	(0.0597)	(41,458)
32	Sales Tax	186,586	0.00	11.48	(11.48)	(0.0315)	(5,869)
33	Missouri Primacy Fees	37,086	25.58	243.50	(217.92)	(0.5970)	(22,142)
34	Total Other Expenses	\$ 918,293					\$ (69,469)
35	Cash Working Capital Before Income Tax and Interest Offsets						\$ (239,426)

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Income Statement

Line	Description (A)	St. Joseph				
		Test Year Ending 12/31/2002 Direct Charges (B)	Adjustment		Adjusted Corporate Distribution (E)	Test Year As Adjusted (B) (C) (E) (F)
			Amount (C)	No. (D)		
1	Operating Revenues:					
2	Residential Revenue	\$ 7,771,910	\$ (311,729)	S-1	\$ 0	\$ 7,460,181
3	Commercial Revenue	3,048,979	89,625	S-2	0	3,138,604
4	Industrial Revenue	2,699,639	231,627	S-3	0	2,931,266
5	Private Fire	159,076	(4,449)	S-4	0	154,627
6	Public Fire	0	0	S-5	0	0
7	Public Authorities	671,937	(16,773)	S-6	0	655,164
8	Sales For Resale	2,961,146	(906,572)	S-7	0	2,054,574
9	Other Revenue	184,978	(4,140)	S-8	7,176	188,014
10	Total Revenues	\$ 17,497,665	\$ (922,411)		\$ 7,176	\$ 16,582,430
11	Operating Expenses:					
12	Operation & Maintenance:					
13	Source of Supply	52,336	(50)	S-9	2,251	54,537
14	Pumping	839,909	(10,671)	S-10	262	829,499
15	Water Treatment	1,182,228	(480,045)	S-11	4,244	706,427
16	Transmission & Distribution	645,346	227,419	S-12	51	872,815
17	Customer Accounts	475,118	(23,328)	S-13	316,784	768,574
18	Administrative & General	546,581	42,004	S-14	1,853,945	2,442,530
19	Total O & M Expense	\$ 3,741,518	\$ (244,672)		\$ 2,177,537	\$ 5,674,383
20	Other Operating Expenses:					
21	Depreciation - Plant	2,693,679	(1,074,767)	S-15	9,111	1,628,023
22	Amortization	0	47,097	S-16	0	47,097
23	Taxes Other Than Income	1,108,569	29,683	S-17	150,189	1,288,441
24	Total Other Operating Expense	\$ 3,802,248	\$ (997,987)		\$ 159,300	\$ 2,963,561
25	Total Operating Expenses	7,543,766	(1,242,659)		2,336,837	8,637,944
26	Net Income Before Income Taxes	\$ 9,953,899	\$ 320,248		\$ (2,329,660)	\$ 7,944,486
27	Income Taxes:					
28	Current Income Tax	\$ 0	\$ 797,730	S-18	\$ 533,239	\$ 1,330,968
29	Deferred Income Tax:					
30	Deferred Income Tax Expense	0	(388,131)	S-19	946,275	558,144
31	ITC Amortization	0	0	S-20	(24,959)	(24,959)
32	Total Income Taxes	\$ 0	\$ 409,598		\$ 1,454,554	\$ 1,864,153
33	Net Operating Income	\$ 9,953,899	\$ (89,351)		\$ (3,784,215)	\$ 6,080,333

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Adjustments To Income Statement

		St. Joseph	
Adjmt No.	Description	Adjustment Amount	Total Adjustment
Residential Revenue S-1			\$ (311,729)
1	To normalize and annualize revenue. (Began)	\$ (311,729)	
Commercial Revenue S-2			\$ 89,625
1	To normalize and annualize revenue. (Began)	\$ 89,625	
Industrial Revenue S-3			\$ 231,627
1	To adjust revenue to a billed basis. (Began)	\$ 476,293	
2	To adjust revenue for customer changes. (Began)	\$ (244,666)	
Private Fire S-4			\$ (4,449)
1	To adjust revenue to a billed basis. (Began)	\$ (4,449)	
Public Fire S-5			\$ 0
1	To adjust revenue to a billed basis. (Began)	\$ 0	
Public Authorities S-6			\$ (16,773)
1	To adjust revenue to a billed basis. (Began)	\$ (16,773)	
Sales For Resale S-7			\$ (906,572)
1	To adjust revenue to a billed basis. (Began)	\$ (906,572)	
Other Revenue S-8			\$ (4,140)
1	To include annualized income related to AWR water line protection program. (Cassidy)	0	
2	To adjust other revenue. (Began)	\$ (4,140)	
Source of Supply S-9			\$ (50)
1	To annualize Payroll. (Hagemeyer)	0	
2	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
3	To adjust building rent expense. (Hagemeyer)	0	

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Adjustments To Income Statement

Adjmt No.	Description	St. Joseph	
		Adjustment Amount	Total Adjustment
4	To disallow dues and donations. (Hanneken)	(50)	
5	To adjust purchase water for source and cost changes. (Began)	0	
6	To adjust Fuel and Power. (Began)	0	
Pumping			\$ (10,671)
1	To annualize Payroll. (Hagemeyer)	542	
2	To annualize equipment leases. (Hagemeyer)	0	
3	To adjust Fuel and Power. (Began)	(11,213)	
Water Treatment			\$ (480,045)
1	To annualize Payroll. (Hagemeyer)	559	
2	To eliminate transaction costs associated with the acquisitions of Webster, Florissant and Valley Park. (Rackers)	0	
3	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
4	To normalize waste disposal expense. (Hanneken)	(42,436)	
5	To disallow dues and donations. (Hanneken)	(91)	
6	To annualize equipment leases. (Hagemeyer)	0	
7	To adjust hazardous waste disposal. (Hanneken)	(2,100)	
8	To adjust Fuel and Power. (Began)	0	
9	To adjust chemical expense. (Began)	(435,977)	
Transmission & Distribution			\$ 227,419

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Adjustments To Income Statement

Adjmt No.	Description	St. Joseph	
		Adjustment Amount	Total Adjustment
1	To annualize Payroll. (Hagemeyer)	996	
2	To annualize One Call field locates. (McKiddy)	124,610	
3	To adjust building rent expense. (Hagemeyer)	0	
4	To normalize tank painting expense. (McKiddy)	102,526	
5	To disallow dues and donations. (Hanneken)	0	
6	To adjust expense for main break incidents. (McKiddy)	0	
7	To reflect tank lease expiration. (Hanneken)	0	
8	To annualize equipment leases. (Hagemeyer)	(713)	
Customer Accounts S-13		\$	(23,328)
1	To annualize Payroll. (Hagemeyer)	514	
2	To disallow dues and donations. (Hanneken)	0	
3	To adjust uncollectible accounts. (Began)	(2,250)	
4	To adjust Call Center expense. (Cassidy)	(21,592)	
Administrative & General S-14		\$	42,004
1	To annualize Payroll. (Hagemeyer)	209	
2	To eliminate transaction costs associated with the acquisitions of Webster, Florissant and Valley Park. (Rackers)	0	
3	To adjust advertising. (McKiddy)	(7,074)	
4	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	

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Adjustments To Income Statement

Adjmt No.	Description	St. Joseph	
		Adjustment Amount	Total Adjustment
5	To annualize 401(k) contributions based on annualized payroll. (Hagemeyer)	469	
6	To annualize EIP based on annualized payroll. (Hagemeyer)	(286)	
7	To annualize employee group insurance. (Hagemeyer)	5,751	
8	To adjust rate case expense. (Hagemeyer)	0	
9	To adjust building rent expense. (Hagemeyer)	27,868	
10	To eliminate non-recurring maintenance reserve amortizations. (Hanneken)	0	
11	To eliminate non-recurring write-off of transportation reserves. (Hanneken)	0	
12	To adjust insurance other than group. (Hanneken)	12,714	
13	To disallow dues and donations. (Hanneken)	(20,312)	
14	To adjust the allocation of Belleville Labs. (Cassidy)	0	
15	To adjust pension expense to a pay-go basis. (Gibbs)	16,448	
16	To adjust OPEBs based FAS 106. (Gibbs)	9,716	
17	To reflect an amortization of "permanent" OPEB regulatory asset. (Gibbs)	0	
18	To adjust Call Center expense. (Cassidy)	0	
19	To annualize ITS costs. (Cassidy)	0	
20	To adjust expense for main break incidents. (McKiddy)	0	
21	To adjust software leases. (Hagemeyer)	0	
22	To annualize equipment leases. (Hagemeyer)	(3,499)	

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Case No. WR-2003-0500

Case No. WC-2004-0168

Test Year Ending December 31, 2002 Updated Through June 30, 2003

Adjustments To Income Statement

Adjmt No.	Description	St. Joseph	
		Adjustment Amount	Total Adjustment
23	To adjust outside services. (Hagemeyer)	0	
24	To capitalize a portion of National Shared Service costs. (Cassidy)	0	
25	To eliminate depreciatin study amortization. (Hanneken)	0	
26	To adjust Fuel and Power. (Began)	0	
27	To eliminate non-recurring severance costs. (Cassidy)	0	
Depreciation - Plant		\$-15	\$ (1,074,767)
1	To annualize depreciation at Staff's proposed rates. (Hanneken)	(1,043,693)	
2	To annualize depreciation expense related to per book contribution in aid of construction. (Hanneken)	(19,744)	
3	To eliminate depreciation expense related to addition contributed capital. (Rackers)	0	
4	To include the cost of removal and salvage in expense. (Began)	(11,330)	
Amortization		\$-16	\$ 47,097
1	To eliminate the test year recorded reserve deficiency amortization . (Gibbs)	0	
2	To amortize Security AAO. (Rackers)	47,097	
Taxes Other Than Income		\$-17	\$ 29,683
1	To reflect the appropriate level of payroll taxes based on annualized payroll. (Hagemeyer)	2,643	
2	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
3	To increase Missouri PSC assessment. (Hagemeyer)	0	
4	To annualize Franchise Tax. (Hanneken)	0	

Missouri-American Water Company

Case No. WR-2003-0500

Case No. WC-2004-0168

Test Year Ending December 31, 2002 Updated Through June 30, 2003

Adjustments To Income Statement

Adjmt No.	Description	St. Joseph	
		Adjustment Amount	Total Adjustment
5	To annualize property tax. (Hanneken)	27,040	
Current Income Tax			
	S-18		\$ 797,730
1	To adjust current income tax expense. (Gibbs)	797,730	
Deferred Income Tax Expense			
	S-19		\$ (388,131)
1	To adjust deferred income tax expense. (Gibbs)	(388,131)	
ITC Amortization			
	S-20		\$ 0
1	No Adjustment		

Missouri-American Water Company

Case No. WR-2003-0500

Case No. WC-2004-0168

Test Year Ending December 31, 2002 Updated Through

June 30, 2003

Income Tax Calculation

Line	Description (A)	St. Joseph			
		Test Year (B)	6.66% Return (C)	6.82% Return (D)	6.98% Return (E)
1	Net Operating Income (Acct. Sch. 1)	\$ 6,080,333	\$ 5,081,843	\$ 5,203,929	\$ 5,326,016
2	Add:				
3	Current Income Tax	1,330,968	708,832	784,901	860,971
4	Deferred Income Taxes				
5	Deferred Income Tax Expense	558,144	558,144	558,144	558,144
6	ITC Amortization	(24,959)	(24,959)	(24,959)	(24,959)
7	Net Income Before Income Tax	\$ 7,944,486	\$ 6,323,860	\$ 6,522,015	\$ 6,720,171
8	Additions to Net Income Before Income Tax:				
9	Book Depreciation	\$ 1,628,023	\$ 1,628,023	\$ 1,628,023	\$ 1,628,023
10	Contributions In Aid of Construction	156,484	156,484	156,484	156,484
11	Non Deductible Reserve Deficiency Amortization	0	0	0	0
12	Miscellaneous Non-deductible Expenses	5,492	5,492	5,492	5,492
13	Total Additions	\$ 1,790,000	\$ 1,790,000	\$ 1,790,000	\$ 1,790,000
14	Subtractions to Net Income Before Income Tax:				
15	Interest Expense @ 3.98%	\$ 3,036,897	\$ 3,036,897	\$ 3,036,897	\$ 3,036,897
16	Tax Straight Line Depreciation	1,651,230	1,651,230	1,651,230	1,651,230
17	Excess Tax Depreciation	1,590,670	1,590,670	1,590,670	1,590,670
18	Cost of Removal	(11,402)	(11,402)	(11,402)	(11,402)
19	Total Subtractions	\$ 6,267,395	\$ 6,267,395	\$ 6,267,395	\$ 6,267,395
20	Net Taxable Income	\$ 3,467,091	\$ 1,846,464	\$ 2,044,620	\$ 2,242,775
21	Provision for Federal Income Tax				
22	Net Taxable Income	\$ 3,467,091	\$ 1,846,464	\$ 2,044,620	\$ 2,242,775
23	Deduct Missouri Income Tax @ 100.00%	180,749	96,261	106,592	116,922
24	Federal Taxable Income	\$ 3,286,342	\$ 1,750,203	\$ 1,938,028	\$ 2,125,853
25	Federal Income Tax @ 35.00%	\$ 1,150,220	\$ 612,571	\$ 678,310	\$ 744,049
26	Provision for Missouri Income Tax				
27	Net Taxable Income	\$ 3,467,091	\$ 1,846,464	\$ 2,044,620	\$ 2,242,775
28	Deduct Federal Income Tax @ 50.00%	575,110	306,286	339,155	372,024
29	Missouri Taxable Income	\$ 2,891,981	\$ 1,540,179	\$ 1,705,465	\$ 1,870,751
30	Missouri Income Tax @ 6.25%	\$ 180,749	\$ 96,261	\$ 106,592	\$ 116,922
31	Summary of Provision For Income Tax				
32	Federal Income Tax	\$ 1,150,220	\$ 612,571	\$ 678,310	\$ 744,049
33	State Income Tax	180,749	96,261	106,592	116,922
34	Total Current Income Tax	\$ 1,330,968	\$ 708,832	\$ 784,901	\$ 860,971

St. Louis

Missouri-American Water Company
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Test Year Ending December 31, 2002 Updated Through June 30, 2003

Revenue Requirement

Line	(A)	St. Louis County		
		8.26% Equity Return (B)	8.76% Equity Return (C)	9.26% Equity Return (D)
1	Net Original Cost Rate Base (From Accounting Schedule 2)	\$ 278,015,073	\$ 278,015,073	\$ 278,015,073
2	Rate of Return	6.66%	6.82%	6.98%
3	Net Operating Income Requirement	\$ 18,515,804	\$ 18,960,628	\$ 19,405,452
4	Net Operating Income Available (From Accounting Schedule 9)	31,556,449	31,556,449	31,556,449
5	Additional Net Operating Income Requirement	\$ (13,040,645)	\$ (12,595,821)	\$ (12,150,997)
6	Income Tax Requirement: (From Accounting Schedule 11)			
7	Required Current Income Tax	\$ (561,782)	\$ (284,622)	\$ (7,463)
8	Test Year Current Income Tax	7,563,543	7,563,543	7,563,543
9	Additional Current Income Tax Requirement	\$ (8,125,325)	\$ (7,848,166)	\$ (7,571,006)
10	Additional Gross Revenue Requirement Before Allowances	\$ (21,165,971)	\$ (20,443,987)	\$ (19,722,003)
11	Allowance for True-up	\$ 2,096,026	\$ 2,096,026	\$ 2,096,026
12	Additional Gross Revenue Requirement	\$ (19,069,945)	\$ (18,347,961)	\$ (17,625,977)
13	Adjusted Revenue at Current Rates (From Accounting Schedule 9)	\$ 118,773,053	\$ 118,773,053	\$ 118,773,053
14	Total Gross Revenue Requirement	\$ 99,703,108	\$ 100,425,092	\$ 101,147,076

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Rate Base

Line	Description (A)	St. Louis County		
		Direct Assigned (B)	Corporate Distribution (C)	Total (D)
1	Plant in Service (From Accounting Schedule 3)	\$ 627,278,440	\$ 1,940,848	\$ 629,219,288
2	Less:			0
3	Accumulated Depreciation Reserve (From Accounting Schedule 3)	188,072,054	841,093	188,913,147
4	Accumulated Amortization Reserve			0
5	Net Plant in Service	\$ 439,206,386	\$ 1,099,755	\$ 440,306,141
6	Add:			
7	Cash Working Capital (From Accounting Schedule 3)	\$	\$	\$ 716,829
8	Materials and Supplies	2,282,009	15,660	2,297,669
9	Prepayments		916	916
10	Deferred OPEB Asset		0	0
11	Security Deferral AAO			0
12	Total Additions to Net Plant in Service	\$ 2,282,009	\$ 16,576	\$ 3,015,414
13	Deduct:			
14	Interest Offset	\$	\$	\$ 3,394,803
15	Federal Income Tax Offset			34,531
16	State Income Tax Offset			838
17	Contributions In Aid of Construction:	82,601,102		82,601,102
18	Customer Advances	47,660,187	153,899	47,814,086
19	Customer Deposits			0
20	Pre-71 ITC			0
21	Deferred Income Taxes	869,134	25,616,468	26,485,602
22	Accrued Pension Liability		4,975,521	4,975,521
23	Total Deductions to Net Plant in Service	\$ 131,130,423	\$ 30,745,887	\$ 165,306,482
24	Total Rate Base	\$ 310,357,972	\$ (29,629,557)	\$ 278,015,073

Missouri-American Water Company

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Plant In Service

St. Louis County							
Line	A/C No	Plant Title	Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (C)+(D)+(E) (G)
				Amount (D)	No (E)		
1		Intangible					
2	301	Organization	\$ 80,332	\$ (326,551)	P-1	\$ 114,671	\$ (131,548)
3	302	Franchise & Consents		0	P-2	0	0
4	303	Miscellaneous Intangible		0	P-3	217,346	217,346
5		Total Intangible	\$ 80,332	\$ (326,551)		\$ 332,017	\$ 85,798
6		Source of Supply					
7	310	Land & Land Rights	\$ 91,400	\$ 0	P-4	\$ 0	\$ 91,400
8	311	Structures & Improvements	5,799,847	0	P-5	0	5,799,847
9	312	Collecting & Impounding Res		0	P-6	0	0
10	313	Lake, River & Other Intakes		0	P-7	0	0
11	314	Wells & Springs		0	P-8	0	0
12	316	Supply Mains	8,522	0	P-9	0	8,522
13	316	Supply Mains-North Plant	245,687	0	P-10	0	245,687
14	316	Supply Mains-Central Plant	3,929,522	0	P-11	0	3,929,522
15	316	Supply Mains-South Plant	354,118	0	P-12	0	354,118
16	316	Supply Mains-Meramec Plant	1,313,864	0	P-13	0	1,313,864
17		Total Source of Supply	\$ 11,742,960	\$ 0		\$ 0	\$ 11,742,960
18		Pumping					
19	320	Land & Land Rights	\$ 284,588	\$ 0	P-14	\$ 0	\$ 284,588
20	321	S & I-Plant	150,756	0	P-15	0	150,756
21	321.1	S & I-Pumps (STL)	4,809,459	0	P-16	0	4,809,459
22	321.2	S & I-Boosters	2,731,470	0	P-17	0	2,731,470
23	322	Boiler Equipment		0	P-18	0	0
24	323	Other Power Prod. Equip.	272,155	0	P-19	0	272,155
25	324	Steam Pumping Equipment		0	P-20	0	0
26	325.1	Electric Pumping Equipment	108,705	0	P-21	0	108,705
27	325.2	Pumping Equipment-Pre '46	859,327	0	P-22	0	859,327
28	325.3	Pumping Equipment-Post '46	25,291,093	0	P-23	0	25,291,093
29	325	Pumping Equipment-Booster	1,463,525	0	P-24	0	1,463,525
30	326	Diesel Pumping Equipment		0	P-25	0	0
31	326	Dsl Pump Equip-Stratman	207,946	0	P-26	0	207,946
32	326	Dsl Pump Equip-Central Plant	1,377,843	0	P-27	0	1,377,843
33	327	Pump Equip Hydraulic		0	P-28	0	0
34	328	Other Pumping Equipment	20,660	0	P-29	0	20,660
35		Total Pumping	\$ 37,577,527	\$ 0		\$ 0	\$ 37,577,527
36		Water Treatment Plant					
37	330	Land & Land Rights	\$ 1,279,228	\$ 0	P-30	\$ 0	\$ 1,279,228
38	331	Structures & Improvements	729,464	0	P-31	0	729,464

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Plant In Service

Line	St. Louis County						
	A/C No	Plant Title	Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (6/30/03)
				Amount	No		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
39	331	S & I - North Plant	4,671,237	0	P-32	0	4,671,237
40	331	S & I-Central 1 & 2	2,620,081	0	P-33	0	2,620,081
41	331	S & I-Central 3	21,262,611	0	P-34	0	21,262,611
42	331	S & I-South Plant	2,108,723	0	P-35	0	2,108,723
43	331	S & I-Meramac	8,887,885	0	P-36	0	8,887,885
44	332	WT Equip Non-Media	316,201	0	P-37	0	316,201
45	332	WT Equip-North Plant	6,439,237	0	P-38	0	6,439,237
46	332	WT Equip-Central 1 & 2	2,358,386	0	P-39	0	2,358,386
47	332	WT Equip-Central 3	21,846,589	0	P-40	0	21,846,589
48	332	WT Equip-South Plant	2,554,064	0	P-41	0	2,554,064
49	332	WT Equip-Meramac	7,225,191	0	P-42	0	7,225,191
50	332	Other P/E Hand Equipment		0	P-43	0	0
51	332.4	Equipment Filter Media	204,250	0	P-44	0	204,250
52		Total Water Treatment Plant	\$ 82,503,147	\$ 0		\$ 0	\$ 82,503,147
53		Transmission & Distribution					
54	340	Land & Land Rights	\$ 3,983,700	\$ 0	P-45	\$ 0	\$ 3,983,700
55	341	Structures & Improvements	4,599,544	0	P-46	0	4,599,544
56	341.63	S & I-Spec Cross	267,357	0	P-47	0	267,357
57	342	Distr. Res. & Standpipes		0	P-48	0	0
58	342	Rsvr & Standpipe-Elev	2,326,780	0	P-49	0	2,326,780
59	342	Rsvr & Standpipe-Ground	9,518,380	0	P-50	0	9,518,380
60	343	T & D Mains (Not Classified)	12,102	0	P-51	0	12,102
61	343.1	T & D Mains - 4" & Less		0	P-52	0	0
62	343.24	T & D Mains AC 4 (STL)	1,250,895	0	P-53	0	1,250,895
63	343.30	T & D Mains Galv 1 (STL)	52,893	0	P-54	0	52,893
64	343.2	T & D Mains - 6" to 8"		(287,024)	P-55	(61,675)	(348,699)
65	343.21	CI-10" & Smaller-1900-1928	2,758,330	0	P-56	0	2,758,330
66	343.22	CI-10" & Smaller 1929-1956	16,126,875	0	P-57	0	16,126,875
67	343.23	CI-10" & Smaller-1957-1993	54,317,035	0	P-58	0	54,317,035
68	343.25	T & D Mains - DI 6-8	157,602,653	0	P-59	0	157,602,653
69	343.3	T & D Mains - 10" to 16"		0	P-60	0	0
70	343.3	T & D Mains - 18" & Greater		0	P-61	0	0
71	343.3	CI-12"	12,922,153	0	P-62	0	12,922,153
72	343.13	CI-16"	17,282,719	0	P-63	0	17,282,719
73	343.26	T & D Mains - DI 12 (STL)	43,239,024	0	P-64	0	43,239,024
74	343.11	T & D Mains - DI 16 & Greater (STL)	79,117,572	0	P-65	0	79,117,572
75	343.12	T & D Mains - LJ 20 (STL)	4,165,123	0	P-66	0	4,165,123
76	344	Fire Mains		0	P-67	0	0
77	345	Services	69,873	0	P-68	0	69,873

Missouri-American Water Company

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Plant In Service

Line			St. Louis County				
	A/C No	Plant Title	Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (C)+(D)+(F) (G)
				Amount (D)	No (E)		
78	346.1	Meters-Bronze Case		0	P-69	0	0
79	346.2	Meters-Plastic Case		0	P-70	0	0
80	346.1	Meters-Other	14,938,929	0	P-71	0	14,938,929
81	346.2	Meters-Remote (ARB's)	3,140,821	0	P-72	0	3,140,821
82	347.1	Meter Install	2,718,100	0	P-73	0	2,718,100
83	347.2	Meter Install-Remote (ARB's)	5,648,368	0	P-74	0	5,648,368
84	348	Hydrants	32,117,890	0	P-75	0	32,117,890
85	349	Other T&D Plant		0	P-76	0	0
86		Total Transmission & Distribution	\$ 468,177,116	\$ (287,024)		\$ (61,675)	\$ 467,828,417
87		Sewer Plant					
88	352.2	Collecting Sewers - Gravity	\$	\$ 0	P-77	\$ 0	\$ 0
89	353	Service to Customers		0	P-78	0	0
90	370.1	Land & Land Rights		0	P-79	0	0
91	374	Outfall Sewer Lines		0	P-80	0	0
92		Total Sewer Plant	\$ 0	\$ 0		\$ 0	\$ 0
93		General Plant	9,924,733	9,924,734			
94	389	Land & Land Rights	\$	\$ 0	P-81	\$ 0	\$ 0
95	390	S&I-Store, Shop & Garage	230,820	0	P-82	0	230,820
96	390.1	S&I-Offices		0	P-83	0	0
97	390.92	S & I-Leasehold	445,966	0	P-84	0	445,966
98	390.93	S & I-Leasehold - SCADA	339,728	0	P-85	0	339,728
99	390.3	S&I-Misc	1,185,093	0	P-86	0	1,185,093
100	391.11	Office Furniture	7,723,126	0	P-87	(2,143,840)	5,579,286
101	391.12	Office Equip - Computer Hardware	4,011,653	13,000	P-88	619,344	4,643,997
102	391.12	Office Equipment-Computer Software	52,769	0	P-89	2,826,488	2,879,257
103	391.26	Computer Software Personal		0	P-90	119,087	119,087
104	391.3	Data Handling Equipment		0	P-91	0	0
105	391.12	Office Equipment	157,149	0	P-92	10,880	168,029
106	392.11	Trans Equipment-Lt Duty Trucks		0	P-93	67,567	67,567
107	392.02	Trans Equipment-Hvy Duty Trucks	5,602,171	0	P-94	0	5,602,171
108	392.01	Trans Equipment-Autos	463,156	14,500	P-95	123,537	601,193
109	392.3	Trans Equipment Other		0	P-96	0	0
110	393	Stores Equipment	118,221	0	P-97	0	118,221
111	394.1	Shop & Garage Equipment	638,782	(29,447)	P-98	8,219	617,554
112	394.2	Tools	3,739,178	0	P-99	0	3,739,178
113	395.2	Laboratory Equipment	992,944	0	P-100	0	992,944
114	395.1	Laboratory Furniture	280,220	0	P-101	0	280,220
115	396	Power Operated Equipment	609,148	0	P-102	0	609,148
116	397	Comm Equipment-Non-Tele	905,192	0	P-103	5,398	910,590

Missouri-American Water Company

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Plant In Service

		St. Louis County					
Line	A/C No.	Plant Title	Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (C)+(D)+(F) (G)
	Amount (D)			No. (E)			
117	397.2	Comm Equipment-Tele		0	P-104	22,265	22,265
118	398	Miscellaneous	281,102	0	P-105	11,561	292,663
119	399	Other Tangible Property	36,462	0	P-106	0	36,462
120		Total General Plant	\$ 27,812,880	\$ (1,947)		\$ 1,670,506	\$ 29,481,439
121		Total Plant In Service	\$ 627,893,962	\$ (615,522)		\$ 1,940,848	\$ 629,219,288

Missouri-American Water Company

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Adjustments To Plant In Service

Adjmt No	Description	St. Louis County	
		Adjustment Amount	Total Adjustment
A/C 301.00	Organization P-1	\$	(326,551)
1	To eliminate transaction costs associated with the acquisitions of Webster Groves, Florissant and Valley Park. (Rackers)	\$ (326,551)	
A/C 331.00	Structures & Improvements P-31	\$	0
1	To remove plant disallowed by the Commission in Case No. WR-2000-281. (Rackers)	\$	
A/C 343.20	T & D Mains - 6" to 8" P-55	\$	(287,024)
1	To adjust plant for over capitalization of AFUDC. (Hanneken)	\$ (287,024)	
A/C 374.00	Outfall Sewer Lines P-80	\$	0
1	To adjust plant for over capitalization of AFUDC. (Hanneken)	\$	
A/C 391.11	Office Furniture P-87	\$	0
1	To eliminate capitalized transition costs related to Company's decision to begin taking service from the National Call Center. (Cassidy)	\$	
2	To eliminate capitalized transition costs related to Company's decision to begin taking service from the National Shared Services Center. (Cassidy)		
A/C 391.12	Office Equip - Computer Hardware P-88	\$	13,000
1	To increase plant related to "One Call". (McKiddy)	\$ 13,000	
A/C 392.01	Trans Equipment-Autos P-95	\$	14,500
1	To increase plant related to "One Call". (McKiddy)	\$ 14,500	
A/C 394.10	Shop & Garage Equipment P-98	\$	(29,447)
1	To eliminate the cost of facility locators. (McKiddy)	\$ (29,447)	

Missouri-American Water Company
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Depreciation Reserve

		St. Louis County					
Line	A/C No.	Plant Title	Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (G) (D+E+F)
				Amount (D)	No. (E)		
1		Intangible					
2	301	Organization	\$ (10,191)	\$ 0	R-1	\$ 0	\$ (10,191)
3	302	Franchise & Consents		0	R-2	0	0
4	303	Miscellaneous Intangible		0	R-3	238,192	238,192
5		Total Intangible	\$ (10,191)	\$ 0		\$ 238,192	\$ 228,001
6		Source of Supply					
7	310	Land & Land Rights	\$	\$ 0	R-4	\$ 0	\$ 0
8	311	Structures & Improvements	2,259,235	0	R-5	0	2,259,235
9	312	Collecting & Impounding Res		0	R-6	0	0
10	313	Lake, River & Other Intakes		0	R-7	0	0
11	314	Wells & Springs		0	R-8	0	0
12	316	Supply Mains		0	R-9	0	0
13	316	Supply Mains-North Plant	145,487	0	R-10	0	145,487
14	316	Supply Mains-Central Plant	1,597,366	0	R-11	0	1,597,366
15	316	Supply Mains-South Plant	317,278	0	R-12	0	317,278
16	316	Supply Mains-Meramec Plant	593,421	0	R-13	0	593,421
17		Total Source of Supply	\$ 4,912,787	\$ 0		\$ 0	\$ 4,912,787
18		Pumping					
19	320	Land & Land Rights	\$	\$ 0	R-14	\$ 0	\$ 0
20	321	S & I-Plant	50,521	0	R-15	0	50,521
21	321.1	S & I-Pumps (STL)	2,165,313	0	R-16	0	2,165,313
22	321.2	S & I-Boosters	703,564	0	R-17	0	703,564
23	322	Boiler Equipment		0	R-18	0	0
24	323	Other Power Prod. Equip.	5,541	0	R-19	0	5,541
25	324	Steam Pumping Equipment		0	R-20	0	0
26	325.1	Electric Pumping Equipment	1,966	0	R-21	0	1,966
27	325.2	Pumping Equipment-Pre '46		0	R-22	0	0
28	325.3	Pumping Equipment-Post '46	11,113,232	0	R-23	0	11,113,232
29	325	Pumping Equipment-Booster	1,701,904	0	R-24	0	1,701,904
30	326	Diesel Pumping Equipment		0	R-25	0	0
31	326	Dsl Pump Equip-Stratman		0	R-26	0	0
32	326	Dsl Pump Equip-Central Plant	1,036,198	0	R-27	0	1,036,198
33	327	Pump Equip Hydraulic		0	R-28	0	0
34	328	Other Pumping Equipment	12,190	0	R-29	0	12,190
35		Total Pumping	\$ 16,790,429	\$ 0		\$ 0	\$ 16,790,429
36		Water Treatment Plant					
37	330	Land & Land Rights	\$	\$ 0	R-30	\$ 0	\$ 0
38	331	Structures & Improvements	48,462	0	R-31	0	48,462
39	331	S & I - North Plant	2,010,735	0	R-32	0	2,010,735
40	331	S & I-Central 1 & 2	2,005,979	0	R-33	0	2,005,979
41	331	S & I-Central 3	9,033,554	0	R-34	0	9,033,554
42	331	S & I-South Plant	1,108,713	0	R-35	0	1,108,713
43	331	S & I-Meramac	3,574,519	0	R-36	0	3,574,519
44	332	WT Equip Non-Media	10,417	0	R-37	0	10,417
45	332	WT Equip-North Plant	3,238,491	0	R-38	0	3,238,491
46	332	WT Equip-Central 1 & 2	2,300,908	0	R-39	0	2,300,908
47	332	WT Equip-Central 3	7,725,143	0	R-40	0	7,725,143

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Depreciation Reserve

Line	St. Louis County						
	A/C No.	Plant Title	Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (C)+(D)+(F) (G)
				Amount (D)	No. (E)		
48	332	WT Equip-South Plant	1,732,693	0	R-41	0	1,732,693
49	332	WT Equip-Meramac	3,716,751	0	R-42	0	3,716,751
50	332	Other P/E Hand Equipment		0	R-43	0	0
51	332.4	Equipment Filter Media		0	R-44	0	0
52		Total Water Treatment Plant	\$ 36,506,365	\$ 0		\$ 0	\$ 36,506,365
53		Transmission & Distribution					
54	340	Land & Land Rights	\$	\$ 0	R-45	\$ 0	\$ 0
55	341	Structures & Improvements	2,025,379	0	R-46	0	2,025,379
56	341.63	S & I-Spec Cross	224,076	0	R-47	0	224,076
57	342	Distr. Res. & Standpipes		0	R-48	0	0
58	342	Rsvr & Standpipe-Elev	608,053	0	R-49	0	608,053
59	342	Rsvr & Standpipe-Ground	4,201,924	0	R-50	0	4,201,924
60	343	T & D Mains (Not Classified)		0	R-51	18,705	18,705
61	343.1	T & D Mains - 4" & Less		0	R-52	0	0
62	343.24	T & D Mains AC 4 (STL)	907,817	0	R-53	0	907,817
63	343.30	T & D Mains Galv 1 (STL)	97,731	0	R-54	0	97,731
64	343.2	T & D Mains - 6" to 8"		0	R-55	0	0
65	343.21	CI-10" & Smaller-1900-1928	1,292,561	0	R-56	0	1,292,561
66	343.22	CI-10" & Smaller 1929-1956	12,315,097	0	R-57	0	12,315,097
67	343.23	CI-10" & Smaller-1957-1993	30,693,447	0	R-58	0	30,693,447
68	343.25	T & D Mains - DI 6-8	24,197,579	(10,250,704)	R-59	0	13,946,875
69	343.3	T & D Mains - 10" to 16"		0	R-60	0	0
70	343.3	T & D Mains - 18" & Greater		0	R-61	0	0
71	343.3	CI-12"	4,856,615	0	R-62	0	4,856,615
72	343.13	CI-16"	8,457,445	0	R-63	0	8,457,445
73	343.26	T & D Mains - DI 12 (STL)	6,628,716	0	R-64	0	6,628,716
74	343.11	T & D Mains - DI 16 & Greater (STL)	11,273,780	0	R-65	0	11,273,780
75	343.12	T & D Mains - LJ 20 (STL)	1,495,200	0	R-66	0	1,495,200
76	344	Fire Mains		0	R-67	0	0
77	345	Services	63,146	0	R-68	0	63,146
78	346.1	Meters-Bronze Case		0	R-69	0	0
79	346.2	Meters-Plastic Case		0	R-70	0	0
80	346.1	Meters-Other	4,477,062	0	R-71	0	4,477,062
81	346.2	Meters-Remote (ARB's)	1,697,892	0	R-72	0	1,697,892
82	347.1	Meter Install	1,484,498	0	R-73	0	1,484,498
83	347.2	Meter Install-Other	2,933,670	0	R-74	0	2,933,670
84	348	Hydrants	11,313,196	0	R-75	0	11,313,196
85	349	Other T&D Plant		0	R-76	0	0
86		Total Transmission & Distribution	\$ 131,244,884	\$ (10,250,704)		\$ 18,705	\$ 121,012,885
87		Sewer Plant					
88	352.2	Collecting Sewers - Gravity	\$	\$ 0	R-77	\$ 0	\$ 0
89	353	Service to Customers		0	R-78	0	0
90	370.1	Land & Land Rights		0	R-79	0	0
91	374	Outfall Sewer Lines		0	R-80	0	0
92		Total Sewer Plant	\$ 0	\$ 0		\$ 0	\$ 0
93		General Plant					
94	389	Land & Land Rights	\$	\$ 0	R-81	\$ 0	\$ 0

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Depreciation Reserve

Line	St. Louis County						
	AC No.	Plant Title	Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (C)+(D)+(F) (G)
				Amount (D)	No. (E)		
95	390	S&I-Store, Shop & Garage	751	0	R-82	0	751
96	390.1	S&I-Offices	183,305	0	R-83	(123,017)	60,288
97	390.92	S & I-Leasehold	128,333	0	R-84	0	128,333
98	390.93	S & I-Leasehold	115,424	0	R-85	0	115,424
99	390.3	S&I-Misc	151,734	0	R-86	0	151,734
100	391.11	General Office-Furniture & Equip	1,021,100	0	R-87	58,143	1,079,243
101	391.12	General Office-Comp & Periph	323,730	0	R-88	277,994	601,724
102	391.12	General Office-Computer Software	4,735	0	R-89	233,784	238,519
103	391.26	Computer Software Personal		0	R-90	46,393	46,393
104	391.3	Data Handling Equipment		0	R-91	0	0
105	391.12	Other Office Equipment	35,814	0	R-92	4,885	40,699
106	392.11	Trans Equipment-Lt Duty Trucks	742,177	0	R-93	49,294	791,471
107	392.02	Trans Equipment-Hvy Duty Trucks	2,367,943	0	R-94	0	2,367,943
108	392.01	Trans Equipment-Autos	628,255	0	R-95	14,631	642,886
109	392.3	Trans Equipment Other		0	R-96	0	0
110	393	Stores Equipment	(311,237)	0	R-97	0	(311,237)
111	394.1	Tools, Shop & Garage Equipment	766,395	0	R-98	2,095	768,490
112	394.2	Shop Equipment - Other	1,324,788	0	R-99	0	1,324,788
113	395.2	Laboratory Equipment	508,611	0	R-100	0	508,611
114	395.1	Laboratory Equipment - Other	181,986	0	R-101	0	181,986
115	396	Power Operated Equipment	234,675	0	R-102	0	234,675
116	397	Comm Equipment-Non-Tele	390,453	0	R-103	11,944	402,397
117	397.2	Comm Equipment-Tele	400	0	R-104	6,581	6,981
118	398	Miscellaneous	32,307	0	R-105	1,469	33,776
119	399	Other Tangible Property	46,805	0	R-106	0	46,805
120		Total General Plant	\$ 8,878,484	\$ 0		\$ 584,196	\$ 9,462,680
121		Total Depreciation Reserve	\$ 198,322,758	\$ (10,250,704)		\$ 841,093	\$ 188,913,147

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Adjustments To Depreciation Reserve

				St. Louis County	
Adjmt No.	Description			Adjustment Amount	Total Adjustment
A/C	331.00	Structures & Improvements	R-31	\$	0
1	To eliminate the accumulated reserve associated with plant adjustment P-31. (Rackers)			\$	
A/C	343.25	T & D Mains - DI 6-8	R-59	\$	(10,250,704)
1	To transfer accumulated depreciation to contributions. (Rackers)			\$	(10,250,704)

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Depreciation Expense

Line	A/C No.	Plant Title	St. Louis County			
			Dist. Specific Plant (A-44.500.01)	Depreciation Rate (D)	Dist. Specific Depreciation (CxD)	Corporate Allocation (F)
	(A)	(B)	(C)		(E)	(G)
1		Intangible				
2	301	Organization	\$ (246,219)		\$	\$
3	302	Franchise & Consents				
4	303	Miscellaneous Intangible				
5		Total Intangible	\$ (246,219)		\$	\$
6		Source of Supply				
7	310	Land & Land Rights	\$ 91,400		\$	\$
8	311	Structures & Improvements	5,799,847	2.00%	115,997	115,997
9	312	Collecting & Impounding Res				
10	313	Lake, River & Other Intakes				
11	314	Wells & Springs				
12	316	Supply Mains	8,522			
13	316	Supply Mains-North Plant	245,687	1.75%	4,300	4,300
14	316	Supply Mains-Central Plant	3,929,522	1.75%	68,767	68,767
15	316	Supply Mains-South Plant	354,118	1.75%	6,197	6,197
16	316	Supply Mains-Meramec Plant	1,313,864	1.75%	22,993	22,993
17		Total Source of Supply	\$ 11,742,960		\$ 218,253	\$ 218,253
18		Pumping				
19	320	Land & Land Rights	\$ 284,588		\$	\$
20	321	S & I-Plant	150,756	0.83%	1,251	1,251
21	321.1	S & I-Pumps (STL)	4,809,459	0.83%	39,919	39,919
22	321.2	S & I-Boosters	2,731,470	0.56%	15,296	15,296
23	322	Boiler Equipment				
24	323	Other Power Prod. Equip.	272,155			
25	324	Steam Pumping Equipment				
26	325.1	Electric Pumping Equipment	108,705			
27	325.2	Pumping Equipment-Pre '46	859,327			
28	325.3	Pumping Equipment-Post '46	25,291,093	1.72%	435,007	435,007
29	325	Pumping Equipment-Booster	1,463,525	2.27%	33,222	33,222
30	326	Diesel Pumping Equipment				
31	326	Dsl Pump Equip-Stratman	207,946			
32	326	Dsl Pump Equip-Central Plant	1,377,843	2.70%	37,202	37,202
33	327	Pump Equip Hydraulic				
34	328	Other Pumping Equipment	20,660			
35		Total Pumping	\$ 37,577,527		\$ 561,897	\$ 561,897
36		Water Treatment Plant				
37	330	Land & Land Rights	\$ 1,279,228		\$	\$
38	331	Structures & Improvements	729,464	1.11%	8,097	8,097
39	331	S & I - North Plant	4,671,237	1.11%	51,851	51,851
40	331	S & I-Central 1 & 2	2,620,081	1.11%	29,083	29,083
41	331	S & I-Central 3	21,262,611	1.11%	236,015	236,015
42	331	S & I-South Plant	2,108,723	1.11%	23,407	23,407
43	331	S & I-Meramac	8,887,885	1.11%	98,656	98,656
44	332	WT Equip Non-Media	316,201	1.85%	5,850	5,850
45	332	WT Equip-North Plant	6,439,237	1.85%	119,126	119,126
46	332	WT Equip-Central 1 & 2	2,358,386	1.85%	43,630	43,630

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Depreciation Expense

St. Louis County						
Line	A/C No.	Plant Title	Dist. Specific Plant (A)-(D)+(E)	Depreciation Rate (D)	Dist. Specific Depreciation (E)	Depreciation Expense (B)+(F)
47	332	WT Equip-Central 3	21,846,589	1.85%	404,162	404,162
48	332	WT Equip-South Plant	2,554,064	1.85%	47,250	47,250
49	332	WT Equip-Meramac	7,225,191	1.85%	133,666	133,666
50	332	Other P/E Hand Equipment				
51	332.4	Equipment Filter Media	204,250	1.85%	3,779	3,779
52		Total Water Treatment Plant	\$ 82,503,147		\$ 1,204,570	\$ 1,204,570
53		Transmission & Distribution				
54	340	Land & Land Rights	\$ 3,983,700		\$	\$
55	341	Structures & Improvements	4,599,544	1.82%	83,712	83,712
56	341.63	S & I-Spec Cross	267,357	10.00%	26,736	26,736
57	342	Distr. Res. & Standpipes				
58	342	Rsvr & Standpipe-Elev	2,326,780	1.85%	43,045	43,045
59	342	Rsvr & Standpipe-Ground	9,518,380	1.85%	176,090	176,090
60	343	T & D Mains (Not Classified)	12,102			
61	343.1	T & D Mains - 4" & Less				
62	343.24	T & D Mains AC 4 (STL)	1,250,895	0.83%	10,382	10,382
63	343.30	T & D Mains Galv 1 (STL)	52,893	1.61%	852	852
64	343.2	T & D Mains - 6" to 8"	(287,024)			
65	343.21	CI-10" & Smaller-1900-1928	2,758,330	0.78%	21,515	21,515
66	343.22	CI-10" & Smaller 1929-1956	16,126,875	1.33%	214,487	214,487
67	343.23	CI-10" & Smaller-1957-1993	54,317,035	1.14%	619,214	619,214
68	343.25	T & D Mains - DI 6-8	157,602,653	1.67%	2,631,964	2,631,964
69	343.3	T & D Mains - 10" to 16"				
70	343.3	T & D Mains - 18" & Greater				
71	343.3	CI-12"	12,922,153	0.83%	107,254	107,254
72	343.13	CI-16"	17,282,719	1.00%	172,827	172,827
73	343.26	T & D Mains - DI 12 (STL)	43,239,024	1.35%	583,727	583,727
74	343.11	T & D Mains - DI 16 & Greater (STL)	79,117,572	1.15%	909,852	909,852
75	343.12	T & D Mains - LJ 20 (STL)	4,165,123	0.72%	29,989	29,989
76	344	Fire Mains				
77	345	Services	69,873	2.00%	1,397	1,397
78	346.1	Meters-Bronze Case				
79	346.2	Meters-Plastic Case				
80	346.1	Meters-Other	14,938,929	2.44%	364,510	364,510
81	346.2	Meters-Remote (ARB's)	3,140,821	2.56%	80,405	80,405
82	347.1	Meter Install	2,718,100	0.88%	23,919	23,919
83	347.2	Meter Install-Remote (ARB's)	5,648,368	2.50%	141,209	141,209
84	348	Hydrants	32,117,890	1.35%	433,592	433,592
85	349	Other T&D Plant				
86		Total Transmission & Distribution	\$ 467,890,092		\$ 6,676,679	\$ 6,676,679
87		Sewer Plant				
88	352.2	Collecting Sewers - Gravity	\$		\$	\$
89	353	Service to Customers				
90	370.1	Land & Land Rights				
91	374	Outfall Sewer Lines				
92		Total Sewer Plant	\$		\$	\$

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Depreciation Expense

		St. Louis County				
A/C No.	Plant Title	Dist. Specific Plant (Asset Sub. #)	Depreciation Rate	Dist. Specific Depreciation (C x D)	Corporate Allocation	Depreciation Expense (B+E+F)
(A)	(B)	(C)	(D)	(E)	(F)	(G)
93	General Plant					
94 389	Land & Land Rights	\$		\$	\$	\$
95 390	S&I-Store, Shop & Garage	230,820	1.89%	4,362		4,362
96 390.1	S&I-Offices					
97 390.92	S & I-Leasehold	445,966	2.50%	11,149		11,149
98 390.93	S & I-Leasehold	339,728	10.00%	33,973		33,973
99 390.3	S&I-Misc	1,185,093	1.89%	22,398		22,398
100 391.11	General Office-Furniture & Equip	7,723,126	1.85%	142,878	(39,661)	103,217
101 391.12	General Office-Comp & Periph	4,024,653	14.29%	575,123	88,504	663,627
102 391.12	General Office-Computer Software	52,769	14.29%	7,541		7,541
103 391.26	Computer Software Personal					
104 391.3	Data Handling Equipment					
105 391.12	Other Office Equipment	157,149	4.35%	6,836		6,836
106 392.11	Trans Equipment-Lt Duty Trucks				8,446	8,446
107 392.02	Trans Equipment-Hvy Duty Trucks	5,602,171	12.50%	700,271		700,271
108 392.01	Trans Equipment-Autos	477,656	25.00%	119,414	30,884	150,298
109 392.3	Trans Equipment Other					
110 393	Stores Equipment	118,221	2.27%	2,684		2,684
111 394.1	Tools, Shop & Garage Equipment	609,335	2.70%	16,452	358	16,810
112 394.2	Shop Equipment - Other	3,739,178	4.76%	177,985		177,985
113 395.2	Laboratory Equipment	992,944	3.23%	32,072		32,072
114 395.1	Laboratory Equipment - Other	280,220	1.79%	5,016		5,016
115 396	Power Operated Equipment	609,148	11.11%	67,676		67,676
116 397	Comm Equipment-Non-Tele	905,192	4.76%	43,087	257	43,344
117 397.2	Comm Equipment-Tele					
118 398	Miscellaneous	281,102	3.23%	9,080	373	9,453
119 399	Other Tangible Property	36,462				
120	Total General Plant	\$ 27,810,933		\$ 1,977,997	\$ 89,161	\$ 2,067,158
121	Total Plant In Service	\$ 627,378,440		\$ 10,639,396	\$ 89,161	\$ 10,728,557

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Cash Working Capital

		St. Louis County					
	Description	Test Year Expenses	Revenue Lag	Expense Lag	Net CWC Lag	Factor	Cash Working Capital Requirement
Line	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	Operation & Maintenance Expense						
2	Base Payroll	\$ 8,408,019	62.96	11.93	51.03	0.1398	\$ 1,175,441
3	Payroll Withholdings:						
4	Taxes	6,017,908	62.96	16.88	46.08	0.1262	759,740
5	401(k)	1,917,300	62.96	38.82	24.14	0.0661	126,789
6	EIP	148,258	62.96	38.82	24.14	0.0661	9,804
7	Fuel & Power	5,896,230	62.96	37.20	25.76	0.0706	416,096
8	Chemicals	3,852,144	62.96	62.96	0.00	0.0000	0
9	Materials and Supplies	23,335,243	62.96	62.96	0.00	0.0000	0
10	Purchased Water	6,302	62.96	42.45	20.51	0.0562	354
11	Management Fees	5,130,540	62.96	42.30	20.67	0.0566	290,487
12	Group Insurance	2,455,304	62.96	(7.50)	70.46	0.1930	473,981
13	OPEB's	1,547,302	62.96	3.41	59.55	0.1631	252,439
14	Pensions	406,838	62.96	17.58	45.38	0.1243	50,584
15	EIP - Employer Match	123,180	62.96	38.82	24.14	0.0661	8,146
16	401(k) - Employer Match	400,331	62.96	38.82	24.14	0.0661	26,473
17	Insurance Other Than Group	1,873,525	62.96	(47.66)	110.62	0.3031	567,812
18	Uncollectible Accounts	849,447	62.96	62.96	0.00	0.0000	0
19	Rents	729,479	62.96	(9.96)	72.92	0.1998	145,738
20	Cash Vouchers	(8,407,110)	62.96	21.41	41.56	0.1139	(957,167)
21	Total Operation & Maintenance Expense	\$ 54,690,242					\$ 3,346,718
22	Taxes Other Than Income						
23	FICA - Employer Portion	1,240,526	62.96	12.90	50.06	0.1372	\$ 170,139
24	Federal Unemployment	22,501	62.96	76.38	(13.41)	(0.0368)	(827)
25	State Unemployment	63	62.96	76.38	(13.41)	(0.0368)	(2)
26	Property Taxes	7,016,623	62.96	182.50	(119.54)	(0.3275)	(2,297,973)
27	Franchise & Environmental Tax	181,838	62.96	287.50	(224.54)	(0.6152)	(111,862)
28	PSC Assessment	705,570	62.96	(31.63)	94.59	0.2591	182,841
29	Total Taxes Other Than Income	\$ 9,167,121					\$ (2,057,684)
30	Other Expenses						
31	Gross Receipts Tax	5,721,514	25.58	47.37	(21.79)	(0.0597)	(341,488)
32	Sales Tax	1,536,887	0.00	11.48	(11.48)	(0.0315)	(48,338)
33	Missouri Primacy Fees	305,469	25.58	243.50	(217.92)	(0.5970)	(182,378)
34	Total Other Expenses	\$ 7,563,871					\$ (572,204)
35	Cash Working Capital Before Income Tax and Interest Offsets						\$ 716,829

Missouri-American Water Company

Case No. WR-2003-0500

Case No. WC-2004-0168

Test Year Ending December 31, 2002

Updated Through June 30, 2003

Income Statement

		St. Louis County				
Line	Description (A)	Test Year Ending 12/31/2002 Direct Charges (B)	Adjustment		Adjusted Corporate Distribution (E)	Test Year As Adjusted (B)+(C)+(E) (F)
			Amount (C)	No. (D)		
1	Operating Revenues:					
2	Residential Revenue	\$ 76,584,328	\$ 2,271,025	S-1	\$ 0	\$ 78,855,353
3	Commercial Revenue	20,458,461	(1,100,357)	S-2	0	19,358,104
4	Industrial Revenue	7,083,154	267,571	S-3	0	7,350,725
5	Private Fire	1,081,118	16,441	S-4	0	1,097,559
6	Public Fire	5,965,306	92,054	S-5	0	6,057,360
7	Public Authorities	912,964	(7,659)	S-6	0	905,305
8	Sales For Resale	2,679,375	(514,118)	S-7	0	2,165,257
9	Other Revenue	1,153,549	1,754,237	S-8	75,604	2,983,390
10	Total Revenues	\$ 115,918,255	\$ 2,779,194		\$ 75,604	\$ 118,773,053
11	Operating Expenses:					
12	Operation & Maintenance:					
13	Source of Supply	384,748	(6,005)	S-9	23,715	402,458
14	Pumping	8,064,842	(276,628)	S-10	2,758	7,790,971
15	Water Treatment	7,867,633	(432,442)	S-11	63,433	7,498,624
16	Transmission & Distribution	13,121,056	1,315,017	S-12	346,152	14,782,225
17	Customer Accounts	2,602,327	(231,246)	S-13	2,808,391	5,179,472
18	Administrative & General	5,218,498	(3,311,011)	S-14	17,129,005	19,036,492
19	Total O & M Expense	\$ 37,259,104	\$ (2,942,315)		\$ 20,373,453	\$ 54,690,242
20	Other Operating Expenses:					
21	Depreciation - Plant	13,262,229	(3,092,509)	S-15	88,466	10,258,186
22	Amortization	4,848,071	(4,621,667)	S-16	0	226,404
23	Taxes Other Than Income	7,640,353	470,683	S-17	1,056,085	9,167,121
24	Total Other Operating Expense	\$ 25,750,653	\$ (7,243,493)		\$ 1,144,550	\$ 19,651,710
25	Total Operating Expenses	63,009,757	(10,185,808)		21,518,003	74,341,952
26	Net Income Before Income Taxes	\$ 52,908,498	\$ 12,965,002		\$ (21,442,400)	\$ 44,431,100
27	Income Taxes:					
28	Current Income Tax	\$ 0	\$ 4,533,288	S-18	\$ 3,030,255	\$ 7,563,543
29	Deferred Income Tax:					
30	Deferred Income Tax Expense	145,331	(3,446,748)	S-19	8,719,351	5,417,934
31	ITC Amortization	0	0	S-20	(106,826)	(106,826)
32	Total Income Taxes	\$ 145,331	\$ 1,086,540		\$ 11,642,780	\$ 12,874,651
33	Net Operating Income	\$ 52,763,167	\$ 11,878,462		\$ (33,085,180)	\$ 31,556,449

Missouri-American Water Company
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Adjustments To Income Statement

		St. Louis County	
Adjmt No.	Description	Adjustment Amount	Total Adjustment
Residential Revenue S-1			\$ 2,271,025
1	To normalize and annualize revenue. (Began)	\$ 2,271,025	
Commercial Revenue S-2			\$ (1,100,357)
1	To normalize and annualize revenue. (Began)	\$ (1,100,357)	
Industrial Revenue S-3			\$ 267,571
1	To adjust revenue to a billed basis. (Began)	\$ 528,819	
2	To adjust revenue for customer changes. (Began)	\$ (261,248)	
Private Fire S-4			\$ 16,441
1	To adjust revenue to a billed basis. (Began)	\$ 16,441	
Public Fire S-5			\$ 92,054
1	To adjust revenue to a billed basis. (Began)	\$ 92,054	
Public Authorities S-6			\$ (7,659)
1	To adjust revenue to a billed basis. (Began)	\$ (7,659)	
Sales For Resale S-7			\$ (514,118)
1	To adjust revenue to a billed basis. (Began)	\$ (514,118)	
Other Revenue S-8			\$ 1,754,237
1	To include annualized income related to AWR water line protection program. (Cassidy)		0
2	To adjust other revenue. (Began)	\$ 1,754,237	
Source of Supply S-9			\$ (6,005)
1	To annualize Payroll. (Hagemeyer)	(6,005)	
2	To eliminate payroll and other costs related to lobbying. (Hagemeyer)		0
3	To adjust building rent expense. (Hagemeyer)		0

Missouri-American Water Company
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Adjustments To Income Statement

Adjmt No.	Description	St. Louis County	
		Adjustment Amount	Total Adjustment
4	To disallow dues and donations. (Hanneken)	0	
5	To adjust purchase water for source and cost changes. (Began)	0	
6	To adjust Fuel and Power. (Began)	0	
Pumping S-10			\$ (276,628)
1	To annualize Payroll. (Hagemeyer)	(92,393)	
2	To annualize equipment leases. (Hagemeyer)	(22,934)	
3	To adjust Fuel and Power. (Began)	(161,301)	
Water Treatment S-11			\$ (432,442)
1	To annualize Payroll. (Hagemeyer)	(137,633)	
2	To eliminate transaction costs associated with the acquisitions of Webster, Florissant and Valley Park. (Rackers)	(1,134)	
3	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
4	To normalize waste disposal expense. (Hanneken)	(130,225)	
5	To disallow dues and donations. (Hanneken)	0	
6	To annualize equipment leases. (Hagemeyer)	(24,281)	
7	To adjust hazardous waste disposal. (Hanneken)	0	
8	To adjust Fuel and Power. (Began)	(1,629)	
9	To adjust chemical expense. (Began)	(137,540)	
Transmission & Distribution S-12			\$ 1,315,017

Missouri-American Water Company
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Adjustments To Income Statement

Adjmt No.	Description	St. Louis County	
		Adjustment Amount	Total Adjustment
1	To annualize Payroll. (Hagemeyer)	(342,199)	
2	To annualize One Call field locates. (McKiddy)	704,491	
3	To adjust building rent expense. (Hagemeyer)	0	
4	To normalize tank painting expense. (McKiddy)	436,262	
5	To disallow dues and donations. (Hanneken)	0	
6	To adjust expense for main break incidents. (McKiddy)	528,345	
7	To reflect tank lease expiration. (Hanneken)	0	
8	To annualize equipment leases. (Hagemeyer)	(11,882)	
Customer Accounts S-13			\$ (231,246)
1	To annualize Payroll. (Hagemeyer)	(60,996)	
2	To disallow dues and donations. (Hanneken)	0	
3	To adjust uncollectible accounts. (Began)	(170,250)	
4	To adjust Call Center expense. (Cassidy)	0	
Administrative & General S-14			\$ (3,311,011)
1	To annualize Payroll. (Hagemeyer)	(94,192)	
2	To eliminate transaction costs associated with the acquisitions of Webster, Florissant and Valley Park. (Rackers)	(11,281)	
3	To adjust advertising. (McKiddy)	(25,055)	
4	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	

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Adjustments To Income Statement

Adjmt No.	Description	St. Louis County	
		Adjustment Amount	Total Adjustment
5	To annualize 401(k) contributions based on annualized payroll. (Hagemeyer)	(38,141)	
6	To annualize EIP based on annualized payroll. (Hagemeyer)	(69,252)	
7	To annualize employee group insurance. (Hagemeyer)	270,242	
8	To adjust rate case expense. (Hagemeyer)	(511,707)	
9	To adjust building rent expense. (Hagemeyer)	0	
10	To eliminate non-recurring maintenance reserve amortizations. (Hanneken)	0	
11	To eliminate non-recurring write-off of transportation reserves. (Hanneken)	87,172	
12	To adjust insurance other than group. (Hanneken)	617,110	
13	To disallow dues and donations. (Hanneken)	(154,772)	
14	To adjust the allocation of Belleville Labs. (Cassidy)	0	
15	To adjust pension expense to a pay-go basis. (Gibbs)	459,545	
16	To adjust OPEBs based FAS 106. (Gibbs)	(937,281)	
17	To reflect an amortization of "permanent" OPEB regulatory asset. (Gibbs)	0	
18	To adjust Call Center expense. (Cassidy)	(3,005,947)	
19	To annualize ITS costs. (Cassidy)	0	
20	To adjust expense for main break incidents. (McKiddy)	163,987	
21	To adjust software leases. (Hagemeyer)	0	
22	To annualize equipment leases. (Hagemeyer)	(61,439)	

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Adjustments To Income Statement

Adjmt No.	Description	St. Louis County	
		Adjustment Amount	Total Adjustment
23	To adjust outside services. (Hagemeyer)	0	
24	To capitalize a portion of National Shared Service costs. (Cassidy)	0	
25	To eliminate depreciatin study amortization. (Hanneken)	0	
26	To adjust Fuel and Power. (Began)	0	
27	To eliminate non-recurring severance costs. (Cassidy)	0	
Depreciation - Plant		S-15	\$ (3,092,509)
1	To annualize depreciation at Staff's proposed rates. (Hanneken)	(2,622,833)	
2	To annualize depreciation expense related to per book contribution in aid of construction. (Hanneken)	(727,041)	
3	To eliminate depreciation expense related to addition contributed capital. (Rackers)	(171,187)	
4	To include the cost of removal and salvage in expense. (Began)	428,552	
Amortization		S-16	\$ (4,621,667)
1	To eliminate the test year recorded reserve deficiency amortization . (Gibbs)	(4,848,071)	
2	To amortize Security AAO. (Rackers)	226,404	
Taxes Other Than Income		S-17	\$ 470,683
1	To reflect the appropriate level of payroll taxes based on annualized payroll. (Hagemeyer)	(295,220)	
2	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
3	To increase Missouri PSC assessment. (Hagemeyer)	0	
4	To annualize Franchise Tax. (Hanneken)	0	

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Adjustments To Income Statement

Adjmt No.	Description	St. Louis County	
		Adjustment Amount	Total Adjustment
5	To annualize property tax. (Hanneken)	765,903	
Current Income Tax S-18			
1	To adjust current income tax expense. (Gibbs)	4,533,288	\$ 4,533,288
Deferred Income Tax Expense S-19			
1	To adjust deferred income tax expense. (Gibbs)	(3,446,748)	\$ (3,446,748)
ITC Amortization S-20			
1	No Adjustment		\$ 0

Missouri-American Water Company

Case No. WR-2003-0500

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Test Year Ending December 31, 2002 Updated Through
June 30, 2003

Income Tax Calculation

Line	Description (A)	St. Louis County			
		Test Year (B)	6.66% Return (C)	6.82% Return (D)	6.98% Return (E)
1	Net Operating Income (Acct. Sch. 1)	\$ 31,556,449	\$ 18,515,804	\$ 18,960,628	\$ 19,405,452
2	Add:				
3	Current Income Tax	7,563,543	(561,782)	(284,622)	(7,463)
4	Deferred Income Taxes				
5	Deferred Income Tax Expense	5,417,934	5,417,934	5,417,934	5,417,934
6	ITC Amortization	(106,826)	(106,826)	(106,826)	(106,826)
7	Net Income Before Income Tax	\$ 44,431,100	\$ 23,265,130	\$ 23,987,113	\$ 24,709,097
8	Additions to Net Income Before Income Tax:				
9	Book Depreciation	\$ 10,258,186	\$ 10,258,186	\$ 10,258,186	\$ 10,258,186
10	Contributions In Aid of Construction	0	0	0	0
11	Non Deductible Reserve Deficiency Amortization	0	0	0	0
12	Miscellaneous Non-deductible Expenses	53,328	53,328	53,328	53,328
13	Total Additions	\$ 10,311,514	\$ 10,311,514	\$ 10,311,514	\$ 10,311,514
14	Subtractions to Net Income Before Income Tax:				
15	Interest Expense @ 3.98%	\$ 11,065,000	\$ 11,065,000	\$ 11,065,000	\$ 11,065,000
16	Tax Straight Line Depreciation	10,332,040	10,332,040	10,332,040	10,332,040
17	Excess Tax Depreciation	13,215,155	13,215,155	13,215,155	13,215,155
18	Cost of Removal	427,857	427,857	427,857	427,857
19	Total Subtractions	\$ 35,040,051	\$ 35,040,051	\$ 35,040,051	\$ 35,040,051
20	Net Taxable Income	\$ 19,702,563	\$ (1,463,407)	\$ (741,424)	\$ (19,440)
21	Provision for Federal Income Tax				
22	Net Taxable Income	\$ 19,702,563	\$ (1,463,407)	\$ (741,424)	\$ (19,440)
23	Deduct Missouri Income Tax @ 100.00%	1,027,148	(76,291)	(38,652)	(1,013)
24	Federal Taxable Income	\$ 18,675,415	\$ (1,387,116)	\$ (702,771)	\$ (18,426)
25	Federal Income Tax @ 35.00%	\$ 6,536,395	\$ (485,491)	\$ (245,970)	\$ (6,449)
26	Provision for Missouri Income Tax				
27	Net Taxable Income	\$ 19,702,563	\$ (1,463,407)	\$ (741,424)	\$ (19,440)
28	Deduct Federal Income Tax @ 50.00%	3,268,198	(242,745)	(122,985)	(3,225)
29	Missouri Taxable Income	\$ 16,434,365	\$ (1,220,662)	\$ (618,439)	\$ (16,215)
30	Missouri Income Tax @ 6.25%	\$ 1,027,148	\$ (76,291)	\$ (38,652)	\$ (1,013)
31	Summary of Provision For Income Tax				
32	Federal Income Tax	\$ 6,536,395	\$ (485,491)	\$ (245,970)	\$ (6,449)
33	State Income Tax	1,027,148	(76,291)	(38,652)	(1,013)
34	Total Current Income Tax	\$ 7,563,543	\$ (561,782)	\$ (284,622)	\$ (7,463)

Warrensburg

Missouri-American Water Company
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Revenue Requirement

Line	(A)	Warrensburg		
		8.26% Equity Return (B)	8.76% Equity Return (C)	9.26% Equity Return (D)
1	Net Original Cost Rate Base (From Accounting Schedule 2)	\$ 8,971,047	\$ 8,971,047	\$ 8,971,047
2	Rate of Return	6.66%	6.82%	6.98%
3	Net Operating Income Requirement	\$ 597,472	\$ 611,825	\$ 626,179
4	Net Operating Income Available (From Accounting Schedule 9)	811,348	811,348	811,348
5	Additional Net Operating Income Requirement	\$ (213,876)	\$ (199,523)	\$ (185,169)
6	Income Tax Requirement: (From Accounting Schedule 11)			
7	Required Current Income Tax	\$ 175,724	\$ 184,668	\$ 193,611
8	Test Year Current Income Tax	308,986	308,986	308,986
9	Additional Current Income Tax Requirement	\$ (133,261)	\$ (124,318)	\$ (115,375)
10	Additional Gross Revenue Requirement Before Allowances	\$ (347,138)	\$ (323,841)	\$ (300,544)
11	Allowance for True-up	\$ 58,788	\$ 58,788	\$ 58,788
12	Additional Gross Revenue Requirement	\$ (288,350)	\$ (265,053)	\$ (241,756)
13	Adjusted Revenue at Current Rates (From Accounting Schedule 9)	\$ 2,524,703	\$ 2,524,703	\$ 2,524,703
14	Total Gross Revenue Requirement	\$ 2,236,353	\$ 2,259,650	\$ 2,282,947

Missouri-American Water Company

Case No. WR-2003-0500

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Test Year Ending December 31, 2002 Updated Through June 30, 2003

Rate Base

Line	Description (A)	Warrensburg		
		Direct Assigned (B)	Corporate Distribution (C)	Total (D)
1	Plant in Service (From Accounting Schedule 3)	\$ 15,315,785	\$ 25,492	\$ 15,341,277
2	Less:			0
3	Accumulated Depreciation Reserve (From Accounting Schedule 3)	2,771,066	11,047	2,782,113
4	Accumulated Amortization Reserve			0
5	Net Plant in Service	\$ 12,544,719	\$ 14,444	\$ 12,559,163
6	Add:			
7	Cash Working Capital (From Accounting Schedule 3)	\$	\$	\$ (59,948)
8	Materials and Supplies	44,938	102	45,040
9	Prepayments		12	12
10	Deferred OPEB Asset		51,549	51,549
11	Security Deferral AAO			0
12	Total Additions to Net Plant in Service	\$ 44,938	\$ 51,664	\$ 36,654
13	Deduct:			
14	Interest Offset	\$	\$	\$ 129,933
15	Federal Income Tax Offset			(2,129)
16	State Income Tax Offset			1,100
17	Contributions In Aid of Construction:	2,176,211		2,176,211
18	Customer Advances	530,160	1,712	531,872
19	Customer Deposits			0
20	Pre-71 ITC			0
21	Deferred Income Taxes	22,089	700,345	722,434
22	Accrued Pension Liability		65,350	65,350
23	Total Deductions to Net Plant in Service	\$ 2,728,460	\$ 767,407	\$ 3,624,771
24	Total Rate Base	\$ 9,861,197	\$ (701,298)	\$ 8,971,047

Missouri-American Water Company

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Plant In Service

Line	A/C No	Plant Title	Warrensburg				
			Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (in dollars)
				Amount	No		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Intangible					
2	301	Organization	\$	\$ 0	P-1	\$ 1,506	\$ 1,506
3	302	Franchise & Consents	5,083	0	P-2	0	5,083
4	303	Miscellaneous Intangible		0	P-3	2,855	2,855
5		Total Intangible	\$ 5,083	\$ 0		\$ 4,361	\$ 9,444
6		Source of Supply					
7	310	Land & Land Rights	\$ 9,981	\$ 0	P-4	\$ 0	\$ 9,981
8	311	Structures & Improvements	26,376	0	P-5	0	26,376
9	312	Collecting & Impounding Res		0	P-6	0	0
10	313	Lake, River & Other Intakes		0	P-7	0	0
11	314	Wells & Springs	802,539	0	P-8	0	802,539
12	316	Supply Mains	182,694	0	P-9	0	182,694
13	316	Supply Mains-North Plant		0	P-10	0	0
14	316	Supply Mains-Central Plant		0	P-11	0	0
15	316	Supply Mains-South Plant		0	P-12	0	0
16	316	Supply Mains-Meramec Plant		0	P-13	0	0
17		Total Source of Supply	\$ 1,021,590	\$ 0		\$ 0	\$ 1,021,590
18		Pumping					
19	320	Land & Land Rights	\$	\$ 0	P-14	\$ 0	\$ 0
20	321	S & I-Plant	88,185	0	P-15	0	88,185
21	321.1	S & I-Pumps (STL)		0	P-16	0	0
22	321.2	S & I-Boosters		0	P-17	0	0
23	322	Boiler Equipment		0	P-18	0	0
24	323	Other Power Prod. Equip.	5,325	0	P-19	0	5,325
25	324	Steam Pumping Equipment		0	P-20	0	0
26	325.1	Electric Pumping Equipment	302,672	0	P-21	0	302,672
27	325.2	Pumping Equipment-Pre '46		0	P-22	0	0
28	325.3	Pumping Equipment-Post '46		0	P-23	0	0
29	325	Pumping Equipment-Booster		0	P-24	0	0
30	326	Diesel Pumping Equipment		0	P-25	0	0
31	326	Dsl Pump Equip-Stratman		0	P-26	0	0
32	326	Dsl Pump Equip-Central Plant		0	P-27	0	0
33	327	Pump Equip Hydraulic		0	P-28	0	0
34	328	Other Pumping Equipment	12,673	0	P-29	0	12,673
35		Total Pumping	\$ 408,855	\$ 0		\$ 0	\$ 408,855
36		Water Treatment Plant					
37	330	Land & Land Rights	\$ 511	\$ 0	P-30	\$ 0	\$ 511
38	331	Structures & Improvements	786,691	0	P-31	0	786,691

Missouri-American Water Company

Case No. WR-2003-0500

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Test Year Ending December 31, 2002 Updated
Through June 30, 2003

Plant In Service

Line	A/C No	Plant Title	Warrensburg				
			Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (C)+(D)+(F)
				Amount	No		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
39	331	S & I - North Plant		0	P-32	0	0
40	331	S & I-Central 1 & 2		0	P-33	0	0
41	331	S & I-Central 3		0	P-34	0	0
42	331	S & I-South Plant		0	P-35	0	0
43	331	S & I-Meramac		0	P-36	0	0
44	332	WT Equip Non-Media	3,432,911	0	P-37	0	3,432,911
45	332	WT Equip-North Plant		0	P-38	0	0
46	332	WT Equip-Central 1 & 2		0	P-39	0	0
47	332	WT Equip-Central 3		0	P-40	0	0
48	332	WT Equip-South Plant		0	P-41	0	0
49	332	WT Equip-Meramac		0	P-42	0	0
50	332	Other P/E Hand Equipment		0	P-43	0	0
51	332.4	Equipment Filter Media		0	P-44	0	0
52		Total Water Treatment Plant	\$ 4,220,113	\$ 0		\$ 0	\$ 4,220,113
53		Transmission & Distribution					
54	340	Land & Land Rights	\$ 37,348	\$ 0	P-45	\$ 0	\$ 37,348
55	341	Structures & Improvements	83,427	0	P-46	0	83,427
56	341.63	S & I-Spec Cross		0	P-47	0	0
57	342	Distr. Res. & Standpipes	529,958	0	P-48	0	529,958
58	342	Rsvr & Standpipe-Elev	57,806	0	P-49	0	57,806
59	342	Rsvr & Standpipe-Ground		0	P-50	0	0
60	343	T & D Mains (Not Classified)	3,129,163	0	P-51	0	3,129,163
61	343.1	T & D Mains - 4" & Less	59,890	0	P-52	0	59,890
62	343.24	T & D Mains AC 4 (STL)		0	P-53	0	0
63	343.30	T & D Mains Galv 1 (STL)		0	P-54	0	0
64	343.2	T & D Mains - 6" to 8"	1,160,621	(3,374)	P-55	(810)	1,156,437
65	343.21	CI-10" & Smaller-1900-1928		0	P-56	0	0
66	343.22	CI-10" & Smaller 1929-1956		0	P-57	0	0
67	343.23	CI-10" & Smaller-1957-1993		0	P-58	0	0
68	343.25	T & D Mains - DI 6-8		0	P-59	0	0
69	343.3	T & D Mains - 10" to 16"	793,600	0	P-60	0	793,600
70	343.3	T & D Mains - 18" & Greater		0	P-61	0	0
71	343.3	CI-12"		0	P-62	0	0
72	343.13	CI-16"		0	P-63	0	0
73	343.26	T & D Mains - DI 12 (STL)		0	P-64	0	0
74	343.11	T & D Mains - DI 16 & Greater (STL)		0	P-65	0	0
75	343.12	T & D Mains - LJ 20 (STL)		0	P-66	0	0
76	344	Fire Mains	92,563	0	P-67	0	92,563
77	345	Services	1,545,510	0	P-68	0	1,545,510

Missouri-American Water Company

Case No. WR-2003-0500

Case No. WC-2004-0168

Test Year Ending December 31, 2002 Updated
Through June 30, 2003

Plant In Service

Line	A/C No.	Plant Title	Warrensburg				
			Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (a) (b) (c)
				Amount	No.		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
78	346.1	Meters-Bronze Case	278,888	0	P-69	0	278,888
79	346.2	Meters-Plastic Case		0	P-70	0	0
80	346.1	Meters-Other	204,671	0	P-71	0	204,671
81	346.2	Meters-Remote (ARB's)		0	P-72	0	0
82	347.1	Meter Install	607,681	0	P-73	0	607,681
83	347.2	Meter Install-Remote (ARB's)		0	P-74	0	0
84	348	Hydrants	685,192	0	P-75	0	685,192
85	349	Other T&D Plant		0	P-76	0	0
86		Total Transmission & Distribution	\$ 9,266,318	\$ (3,374)		\$ (810)	\$ 9,262,134
87		Sewer Plant					
88	352.2	Collecting Sewers - Gravity	\$	\$ 0	P-77	\$ 0	\$ 0
89	353	Service to Customers		0	P-78	0	0
90	370.1	Land & Land Rights		0	P-79	0	0
91	374	Outfall Sewer Lines		0	P-80	0	0
92		Total Sewer Plant	\$ 0	\$ 0		\$ 0	\$ 0
93		General Plant					
94	389	Land & Land Rights	\$ 2,222	\$ 0	P-81	\$ 0	\$ 2,222
95	390	S&I-Store, Shop & Garage		0	P-82	0	0
96	390.1	S&I-Offices	133,680	0	P-83	0	133,680
97	390.92	S & I-Leasehold		0	P-84	0	0
98	390.93	S & I-Leasehold - SCADA		0	P-85	0	0
99	390.3	S&I-Misc		0	P-86	0	0
100	391.11	Office Furniture	32,241	0	P-87	(28,158)	4,083
101	391.12	Office Equip - Computer Hardware	431	0	P-88	8,135	8,566
102	391.12	Office Equipment-Computer Software		0	P-89	37,124	37,124
103	391.26	Computer Software Personal		0	P-90	1,564	1,564
104	391.3	Data Handling Equipment		0	P-91	0	0
105	391.12	Office Equipment		0	P-92	143	143
106	392.11	Trans Equipment-Lt Duty Trucks	77,006	0	P-93	887	77,893
107	392.02	Trans Equipment-Hvy Duty Trucks		0	P-94	0	0
108	392.01	Trans Equipment-Autos		0	P-95	1,623	1,623
109	392.3	Trans Equipment Other		0	P-96	0	0
110	393	Stores Equipment		0	P-97	0	0
111	394.1	Shop & Garage Equipment	12,949	0	P-98	108	13,057
112	394.2	Tools		0	P-99	0	0
113	395.2	Laboratory Equipment	55,594	0	P-100	0	55,594
114	395.1	Laboratory Furniture		0	P-101	0	0
115	396	Power Operated Equipment	22,694	0	P-102	0	22,694
116	397	Comm Equipment-Non-Tele	12,378	0	P-103	71	12,449

Missouri-American Water Company

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Case No. WC-2004-0168

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Plant In Service

Line			Warrensburg				
	A/C No	Plant Title	Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (C)+(D)+(E)
				Amount	No		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
117	397.2	Comm Equipment-Tele	2,038	0	P-104	292	2,330
118	398	Miscellaneous	39,241	0	P-105	152	39,393
119	399	Other Tangible Property	6,726	0	P-106	0	6,726
120		Total General Plant	\$ 397,200	\$ 0		\$ 21,941	\$ 419,141
121		Total Plant In Service	\$ 15,319,159	\$ (3,374)		\$ 25,492	\$ 15,341,277

Missouri-American Water Company

Case No. WR-2003-0500

Case No. WC-2004-0168

Test Year Ending December 31, 2002 Updated Through June 30, 2003

Adjustments To Plant In Service

Adjmt No	Description	Warrensburg	
		Adjustment Amount	Total Adjustment
A/C 301.00	Organization P-1	\$	0
1	To eliminate transaction costs associated with the acquisitions of Webster Groves, Florissant and Valley Park. (Rackers)	\$	
A/C 331.00	Structures & Improvements P-31	\$	0
1	To remove plant disallowed by the Commission in Case No. WR-2000-281. (Rackers)	\$	
A/C 343.20	T & D Mains - 6" to 8" P-55	\$	(3,374)
1	To adjust plant for over capitalization of AFUDC. (Hanneken)	\$ (3,374)	
A/C 374.00	Outfall Sewer Lines P-80	\$	0
1	To adjust plant for over capitalization of AFUDC. (Hanneken)	\$	
A/C 391.11	Office Furniture P-87	\$	0
1	To eliminate capitalized transition costs related to Company's decision to begin taking service from the National Call Center. (Cassidy)	\$	
2	To eliminate capitalized transition costs related to Company's decision to begin taking service from the National Shared Services Center. (Cassidy)		
A/C 391.12	Office Equip - Computer Hardware P-88	\$	0
1	To increase plant related to "One Call". (McKiddy)	\$	
A/C 392.01	Trans Equipment-Autos P-95	\$	0
1	To increase plant related to "One Call". (McKiddy)	\$	
A/C 394.10	Shop & Garage Equipment P-98	\$	0
1	To eliminate the cost of facility locators. (McKiddy)	\$	

Missouri-American Water Company
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Depreciation Reserve

Line	A/C No.	Plant Title	Warrensburg				
			Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (c)+(d)-(f)
				Amount	No.		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Intangible					
2	301	Organization	\$	\$ 0	R-1	\$ 0	\$ 0
3	302	Franchise & Consents		0	R-2	0	0
4	303	Miscellaneous Intangible		0	R-3	3,128	3,128
5		Total Intangible	\$ 0	\$ 0		\$ 3,128	\$ 3,128
6		Source of Supply					
7	310	Land & Land Rights	\$	\$ 0	R-4	\$ 0	\$ 0
8	311	Structures & Improvements	1,161	0	R-5	0	1,161
9	312	Collecting & Impounding Res		0	R-6	0	0
10	313	Lake, River & Other Intakes		0	R-7	0	0
11	314	Wells & Springs	72,065	0	R-8	0	72,065
12	316	Supply Mains	37,282	0	R-9	0	37,282
13	316	Supply Mains-North Plant		0	R-10	0	0
14	316	Supply Mains-Central Plant		0	R-11	0	0
15	316	Supply Mains-South Plant		0	R-12	0	0
16	316	Supply Mains-Meramec Plant		0	R-13	0	0
17		Total Source of Supply	\$ 110,508	\$ 0		\$ 0	\$ 110,508
18		Pumping					
19	320	Land & Land Rights	\$	\$ 0	R-14	\$ 0	\$ 0
20	321	S & I-Plant	32,490	0	R-15	0	32,490
21	321.1	S & I-Pumps (STL)		0	R-16	0	0
22	321.2	S & I-Boosters		0	R-17	0	0
23	322	Boiler Equipment		0	R-18	0	0
24	323	Other Power Prod. Equip.	54	0	R-19	0	54
25	324	Steam Pumping Equipment		0	R-20	0	0
26	325.1	Electric Pumping Equipment	(127,263)	0	R-21	0	(127,263)
27	325.2	Pumping Equipment-Pre '46		0	R-22	0	0
28	325.3	Pumping Equipment-Post '46		0	R-23	0	0
29	325	Pumping Equipment-Booster		0	R-24	0	0
30	326	Diesel Pumping Equipment		0	R-25	0	0
31	326	Dsl Pump Equip-Stratman		0	R-26	0	0
32	326	Dsl Pump Equip-Central Plant		0	R-27	0	0
33	327	Pump Equip Hydraulic		0	R-28	0	0
34	328	Other Pumping Equipment	5,510	0	R-29	0	5,510
35		Total Pumping	\$ (89,209)	\$ 0		\$ 0	\$ (89,209)
36		Water Treatment Plant					
37	330	Land & Land Rights	\$	\$ 0	R-30	\$ 0	\$ 0
38	331	Structures & Improvements	74,442	0	R-31	0	74,442
39	331	S & I - North Plant		0	R-32	0	0
40	331	S & I-Central 1 & 2		0	R-33	0	0
41	331	S & I-Central 3		0	R-34	0	0
42	331	S & I-South Plant		0	R-35	0	0
43	331	S & I-Meramec		0	R-36	0	0
44	332	WT Equip Non-Media	440,596	0	R-37	0	440,596
45	332	WT Equip-North Plant		0	R-38	0	0
46	332	WT Equip-Central 1 & 2		0	R-39	0	0
47	332	WT Equip-Central 3		0	R-40	0	0

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Depreciation Reserve

Line	A/C No.	Plant Title	Warrensburg				
			Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (C)+(D)+(F) (G)
				Amount (D)	No. (E)		
48	332	WT Equip-South Plant		0	R-41	0	0
49	332	WT Equip-Meramac		0	R-42	0	0
50	332	Other P/E Hand Equipment		0	R-43	0	0
51	332.4	Equipment Filter Media	2,411	0	R-44	0	2,411
52		Total Water Treatment Plant	\$ 517,449	\$ 0		\$ 0	\$ 517,449
53		Transmission & Distribution					
54	340	Land & Land Rights	\$	\$ 0	R-45	\$ 0	\$ 0
55	341	Structures & Improvements	2,225	0	R-46	0	2,225
56	341.63	S & I-Spec Cross		0	R-47	0	0
57	342	Distr. Res. & Standpipes	163,654	0	R-48	0	163,654
58	342	Rsvr & Standpipe-Elev	1,116	0	R-49	0	1,116
59	342	Rsvr & Standpipe-Ground		0	R-50	0	0
60	343	T & D Mains (Not Classified)	1,100,902	0	R-51	246	1,101,148
61	343.1	T & D Mains - 4" & Less	418	0	R-52	0	418
62	343.24	T & D Mains AC 4 (STL)		0	R-53	0	0
63	343.30	T & D Mains Galv 1 (STL)		0	R-54	0	0
64	343.2	T & D Mains - 6" to 8"	8,384	0	R-55	0	8,384
65	343.21	CI-10" & Smaller-1900-1928		0	R-56	0	0
66	343.22	CI-10" & Smaller 1929-1956		0	R-57	0	0
67	343.23	CI-10" & Smaller-1957-1993		0	R-58	0	0
68	343.25	T & D Mains - DI 6-8		0	R-59	0	0
69	343.3	T & D Mains - 10" to 16"	5,676	0	R-60	0	5,676
70	343.3	T & D Mains - 18" & Greater		0	R-61	0	0
71	343.3	CI-12"		0	R-62	0	0
72	343.13	CI-16"		0	R-63	0	0
73	343.26	T & D Mains - DI 12 (STL)		0	R-64	0	0
74	343.11	T & D Mains - DI 16 & Greater (STL)		0	R-65	0	0
75	343.12	T & D Mains - LJ 20 (STL)		0	R-66	0	0
76	344	Fire Mains	9,930	0	R-67	0	9,930
77	345	Services	358,346	0	R-68	0	358,346
78	346.1	Meters-Bronze Case	7,157	0	R-69	0	7,157
79	346.2	Meters-Plastic Case		0	R-70	0	0
80	346.1	Meters-Other	220,517	0	R-71	0	220,517
81	346.2	Meters-Remote (ARB's)		0	R-72	0	0
82	347.1	Meter Install	69,567	0	R-73	0	69,567
83	347.2	Meter Install-Other		0	R-74	0	0
84	348	Hydrants	183,346	0	R-75	0	183,346
85	349	Other T&D Plant		0	R-76	0	0
86		Total Transmission & Distribution	\$ 2,131,238	\$ 0		\$ 246	\$ 2,131,484
87		Sewer Plant					
88	352.2	Collecting Sewers - Gravity	\$	\$ 0	R-77	\$ 0	\$ 0
89	353	Service to Customers		0	R-78	0	0
90	370.1	Land & Land Rights		0	R-79	0	0
91	374	Outfall Sewer Lines		0	R-80	0	0
92		Total Sewer Plant	\$ 0	\$ 0		\$ 0	\$ 0
93		General Plant					
94	389	Land & Land Rights	\$	\$ 0	R-81	\$ 0	\$ 0

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Depreciation Reserve

Line	A/C No.	Plant Title	Warrensburg				
			Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (G)
				Amount (D)	No. (E)		
95	390	S&I-Store, Shop & Garage		0	R-82	0	0
96	390.1	S&I-Offices	44,570	0	R-83	(1,616)	42,954
97	390.92	S & I-Leasehold		0	R-84	0	0
98	390.93	S & I-Leasehold		0	R-85	0	0
99	390.3	S&I-Misc		0	R-86	0	0
100	391.11	General Office-Furniture & Equip	(4,401)	0	R-87	764	(3,637)
101	391.12	General Office-Comp & Periph	19	0	R-88	3,651	3,670
102	391.12	General Office-Computer Software		0	R-89	3,071	3,071
103	391.26	Computer Software Personal		0	R-90	609	609
104	391.3	Data Handling Equipment		0	R-91	0	0
105	391.12	Other Office Equipment		0	R-92	64	64
106	392.11	Trans Equipment-Lt Duty Trucks	4,306	0	R-93	647	4,953
107	392.02	Trans Equipment-Hvy Duty Trucks		0	R-94	0	0
108	392.01	Trans Equipment-Autos		0	R-95	192	192
109	392.3	Trans Equipment Other	34,338	0	R-96	0	34,338
110	393	Stores Equipment		0	R-97	0	0
111	394.1	Tools, Shop & Garage Equipment	5,816	0	R-98	28	5,844
112	394.2	Shop Equipment - Other		0	R-99	0	0
113	395.2	Laboratory Equipment	4,152	0	R-100	0	4,152
114	395.1	Laboratory Equipment - Other		0	R-101	0	0
115	396	Power Operated Equipment	552	0	R-102	0	552
116	397	Comm Equipment-Non-Tele	435	0	R-103	157	592
117	397.2	Comm Equipment-Tele	4,451	0	R-104	86	4,537
118	398	Miscellaneous	6,373	0	R-105	19	6,392
119	399	Other Tangible Property	469	0	R-106	0	469
120		Total General Plant	\$ 101,080	\$ 0		\$ 7,673	\$ 108,753
121		Total Depreciation Reserve	\$ 2,771,066	\$ 0		\$ 11,047	\$ 2,782,113

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Adjustments To Depreciation Reserve

Adjmt No.	Description	Warrensburg	
		Adjustment Amount	Total Adjustment
A/C 331.00	Structures & Improvements R-31	\$	0
1	To eliminate the accumulated reserve associated with plant adjustment P-31. (Rackers)	\$	
A/C 343.25	T & D Mains - DI 6-8 R-59	\$	0
1	To transfer accumulated depreciation to contributions. (Rackers)	\$	

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Depreciation Expense

Line	Acct. No.	Plant Title	Warrensburg				
			Dist. Specific Plant (A) (B) (C)	Depreciation Rate (D)	Dist. Specific Depreciation (E) (F) (G)	Corporate Allocation (H)	Depreciation Expense (I) (J) (K)
1		Intangible					
2	301	Organization	\$		\$	\$	\$
3	302	Franchise & Consents	5,083				
4	303	Miscellaneous Intangible					
5		Total Intangible	\$ 5,083		\$	\$	\$
6		Source of Supply					
7	310	Land & Land Rights	\$ 9,981		\$	\$	\$
8	311	Structures & Improvements	26,376	2.00%	528		528
9	312	Collecting & Impounding Res		1.00%			
10	313	Lake, River & Other Intakes		2.00%			
11	314	Wells & Springs	802,539	2.00%	16,051		16,051
12	316	Supply Mains	182,694	1.75%	3,197		3,197
13	316	Supply Mains-North Plant					
14	316	Supply Mains-Central Plant					
15	316	Supply Mains-South Plant					
16	316	Supply Mains-Meramec Plant					
17		Total Source of Supply	\$ 1,021,590		\$ 19,775	\$	\$ 19,775
18		Pumping					
19	320	Land & Land Rights	\$		\$	\$	\$
20	321	S & I-Plant	88,185	0.83%	732		732
21	321.1	S & I-Pumps (STL)					
22	321.2	S & I-Boosters					
23	322	Boiler Equipment					
24	323	Other Power Prod. Equip.	5,325	2.70%	144		144
25	324	Steam Pumping Equipment					
26	325.1	Electric Pumping Equipment	302,672	1.72%	5,206		5,206
27	325.2	Pumping Equipment-Pre '46					
28	325.3	Pumping Equipment-Post '46					
29	325	Pumping Equipment-Booster					
30	326	Diesel Pumping Equipment		2.70%			
31	326	Dsl Pump Equip-Stratman					
32	326	Dsl Pump Equip-Central Plant					
33	327	Pump Equip Hydraulic					
34	328	Other Pumping Equipment	12,673	2.70%	342		342
35		Total Pumping	\$ 408,855		\$ 6,424	\$	\$ 6,424
36		Water Treatment Plant					
37	330	Land & Land Rights	\$ 511		\$	\$	\$
38	331	Structures & Improvements	786,691	1.11%	8,732		8,732
39	331	S & I - North Plant					
40	331	S & I-Central 1 & 2					
41	331	S & I-Central 3					
42	331	S & I-South Plant					
43	331	S & I-Meramec					
44	332	WT Equip Non-Media	3,432,911	1.85%	63,509		63,509
45	332	WT Equip-North Plant					
46	332	WT Equip-Central 1 & 2					

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Depreciation Expense

Line	A/C No.	Plant Title	Warrensburg				
			Dist. Specific Plant (A)(C)(Sub A)	Depreciation Rate (D)	Dist. Specific Depreciation (C)(D)	Corporate Allocation (F)	Depreciation Expense (B)(E)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
47	332	WT Equip-Central 3					
48	332	WT Equip-South Plant					
49	332	WT Equip-Meramac					
50	332	Other P/E Hand Equipment		1.85%			
51	332.4	Equipment Filter Media					
52		Total Water Treatment Plant	\$ 4,220,113		\$ 72,241	\$	\$ 72,241
53		Transmission & Distribution					
54	340	Land & Land Rights	\$ 37,348		\$	\$	\$
55	341	Structures & Improvements	83,427	1.82%	1,518		1,518
56	341.63	S & I-Spec Cross					
57	342	Distr. Res. & Standpipes	529,958	1.85%	9,804		9,804
58	342	Rsvr & Standpipe-Elev	57,806	1.85%	1,069		1,069
59	342	Rsvr & Standpipe-Ground					
60	343	T & D Mains (Not Classified)	3,129,163	1.30%	40,679		40,679
61	343.1	T & D Mains - 4" & Less	59,890	1.30%	779		779
62	343.24	T & D Mains AC 4 (STL)					
63	343.30	T & D Mains Galv 1 (STL)					
64	343.2	T & D Mains - 6" to 8"	1,157,247	1.30%	15,044		15,044
65	343.21	CI-10" & Smaller-1900-1928					
66	343.22	CI-10" & Smaller 1929-1956					
67	343.23	CI-10" & Smaller-1957-1993					
68	343.25	T & D Mains - DI 6-8					
69	343.3	T & D Mains - 10" to 16"	793,600	1.30%	10,317		10,317
70	343.3	T & D Mains - 18" & Greater		1.30%			
71	343.3	CI-12"					
72	343.13	CI-16"					
73	343.26	T & D Mains - DI 12 (STL)					
74	343.11	T & D Mains - DI 16 & Greater (STL)					
75	343.12	T & D Mains - LJ 20 (STL)					
76	344	Fire Mains	92,563	1.30%	1,203		1,203
77	345	Services	1,545,510	2.00%	30,910		30,910
78	346.1	Meters-Bronze Case	278,888	2.44%	6,805		6,805
79	346.2	Meters-Plastic Case		2.44%			
80	346.1	Meters-Other	204,671	2.44%	4,994		4,994
81	346.2	Meters-Remote (ARB's)					
82	347.1	Meter Install	607,681	2.44%	14,827		14,827
83	347.2	Meter Install-Remote (ARB's)					
84	348	Hydrants	685,192	1.35%	9,250		9,250
85	349	Other T&D Plant		1.30%			
86		Total Transmission & Distribution	\$ 9,262,944		\$ 147,201	\$	\$ 147,201
87		Sewer Plant					
88	352.2	Collecting Sewers - Gravity	\$		\$	\$	\$
89	353	Service to Customers					
90	370.1	Land & Land Rights					
91	374	Outfall Sewer Lines					
92		Total Sewer Plant	\$		\$	\$	\$

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Depreciation Expense

Line	A/C No.	Plant Title	Warrensburg				
			Dist. Specific Plant (A/C 44 Sub. 4)	Depreciation Rate	Dist. Specific Depreciation (C/M/D)	Corporate Allocation	Depreciation Expense (B/D/F)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
93		General Plant					
94	389	Land & Land Rights	\$ 2,222		\$	\$	\$
95	390	S&I-Store, Shop & Garage		2.50%			
96	390.1	S&I-Offices	133,680	2.50%	3,342		3,342
97	390.92	S & I-Leasehold					
98	390.93	S & I-Leasehold					
99	390.3	S&I-Misc		1.89%			
100	391.11	General Office-Furniture & Equip	32,241	1.85%	596	(521)	76
101	391.12	General Office-Comp & Periph	431	14.29%	62	1,162	1,224
102	391.12	General Office-Computer Software		14.29%			
103	391.26	Computer Software Personal					
104	391.3	Data Handling Equipment		4.35%			
105	391.12	Other Office Equipment		4.35%			
106	392.11	Trans Equipment-Lt Duty Trucks	77,006	12.50%	9,626	111	9,737
107	392.02	Trans Equipment-Hvy Duty Trucks		12.50%			
108	392.01	Trans Equipment-Autos		25.00%		406	406
109	392.3	Trans Equipment Other					
110	393	Stores Equipment		2.27%			
111	394.1	Tools, Shop & Garage Equipment	12,949	4.35%	563	5	568
112	394.2	Shop Equipment - Other					
113	395.2	Laboratory Equipment	55,594	3.23%	1,796		1,796
114	395.1	Laboratory Equipment - Other					
115	396	Power Operated Equipment	22,694	11.11%	2,521		2,521
116	397	Comm Equipment-Non-Tele	12,378	4.76%	589	3	593
117	397.2	Comm Equipment-Tele	2,038	4.76%	97		97
118	398	Miscellaneous	39,241	3.23%	1,267	5	1,272
119	399	Other Tangible Property	6,726	4.76%	320		320
120		Total General Plant	\$ 397,200		\$ 20,780	\$ 1,171	\$ 21,951
121		Total Plant In Service	\$ 15,315,785		\$ 266,421	\$ 1,171	\$ 267,592

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Cash Working Capital

Line	Description (A)	Warrensburg					Cash Working Capital Requirement (D)+(F)
		Test Year Expenses (B)	Revenue Lag (C)	Expense Lag (D)	Net CWC Lag (C)-(D) (E)	Factor (E)/(B) (F)	
1	Operation & Maintenance Expense						
2	Base Payroll	\$ 110,433	42.12	11.93	30.18	0.0827	\$ 9,132
3	Payroll Withholdings:						
4	Taxes	79,041	42.12	16.88	25.24	0.0691	5,465
5	401(k)	25,182	42.12	38.82	3.29	0.0090	227
6	EIP	1,947	42.12	38.82	3.29	0.0090	18
7	Fuel & Power	144,297	42.12	37.20	4.92	0.0135	1,943
8	Chemicals	24,527	42.12	42.12	0.00	0.0000	0
9	Materials and Supplies	527,134	42.12	42.12	0.00	0.0000	0
10	Purchased Water	0	42.12	42.45	(0.34)	(0.0009)	0
11	Management Fees	137,137	42.12	42.30	(0.18)	(0.0005)	(67)
12	Group Insurance	41,316	42.12	(7.50)	49.62	0.1359	5,617
13	OPEB's	24,949	42.12	3.41	38.71	0.1060	2,646
14	Pensions	4,667	42.12	17.58	24.54	0.0672	314
15	EIP - Employer Match	1,576	42.12	38.82	3.29	0.0090	14
16	401(k) - Employer Match	3,257	42.12	38.82	3.29	0.0090	29
17	Insurance Other Than Group	24,607	42.12	(47.66)	89.78	0.2460	6,053
18	Uncollectible Accounts	25,351	42.12	42.12	0.00	0.0000	0
19	Rents	8,454	42.12	(9.96)	52.08	0.1427	1,206
20	Cash Vouchers	(236,909)	42.12	21.41	20.71	0.0567	(13,444)
21	Total Operation & Maintenance Expense	\$ 946,968					\$ 19,153
22	Taxes Other Than Income						
23	FICA - Employer Portion	16,242	42.12	12.90	29.22	0.0800	\$ 1,300
24	Federal Unemployment	314	42.12	76.38	(34.26)	(0.0939)	(29)
25	State Unemployment	0	42.12	76.38	(34.26)	(0.0939)	0
26	Property Taxes	184,107	42.12	182.50	(140.38)	(0.3846)	(70,809)
27	Franchise & Environmental Tax	4,739	42.12	287.50	(245.38)	(0.6723)	(3,186)
28	PSC Assessment	14,998	42.12	(31.63)	73.74	0.2020	3,030
29	Total Taxes Other Than Income	\$ 220,399					\$ (69,694)
30	Other Expenses						
31	Gross Receipts Tax	94,061	25.58	47.37	(21.79)	(0.0597)	(5,614)
32	Sales Tax	25,266	0.00	11.48	(11.48)	(0.0315)	(795)
33	Missouri Primacy Fees	5,022	25.58	243.50	(217.92)	(0.5970)	(2,998)
34	Total Other Expenses	\$ 124,348					\$ (9,407)
35	Cash Working Capital Before Income Tax and Interest Offsets						\$ (59,948)

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Income Statement

Line	Description (A)	Warrensburg				
		Test Year Ending 12/31/2002 Direct Charges (B)	Adjustment		Adjusted Corporate Distribution (E)	Test Year As Adjusted (B)+(C)+(E) (F)
			Amount (C)	No. (D)		
1	Operating Revenues:					
2	Residential Revenue	\$ 1,235,688	\$ 16,849	S-1	\$ 0	\$ 1,252,537
3	Commercial Revenue	478,773	(8,963)	S-2	0	469,810
4	Industrial Revenue	73,996	3,279	S-3	0	77,275
5	Private Fire	54,725	(1,268)	S-4	0	53,457
6	Public Fire	0	0	S-5	0	0
7	Public Authorities	414,499	(6,168)	S-6	0	408,331
8	Sales For Resale	133,119	76,131	S-7	0	209,250
9	Other Revenue	52,582	28	S-8	1,433	54,043
10	Total Revenues	\$ 2,443,382	\$ 79,888		\$ 1,433	\$ 2,524,703
11	Operating Expenses:					
12	Operation & Maintenance:					
13	Source of Supply	63,859	(170)	S-9	449	64,138
14	Pumping	20,003	(54)	S-10	52	20,001
15	Water Treatment	102,492	807	S-11	404	103,703
16	Transmission & Distribution	224,573	26,965	S-12	8	251,546
17	Customer Accounts	88,934	(1,804)	S-13	63,240	150,370
18	Administrative & General	82,476	14,281	S-14	260,453	357,210
19	Total O & M Expense	\$ 582,337	\$ 40,025		\$ 324,606	\$ 946,968
20	Other Operating Expenses:					
21	Depreciation - Plant	319,300	(76,215)	S-15	1,162	244,247
22	Amortization	0	5,754	S-16	0	5,754
23	Taxes Other Than Income	190,620	7,621	S-17	22,158	220,399
24	Total Other Operating Expense	\$ 509,920	\$ (62,840)		\$ 23,320	\$ 470,400
25	Total Operating Expenses	1,092,257	(22,815)		347,927	1,417,369
26	Net Income Before Income Taxes	\$ 1,351,125	\$ 102,703		\$ (346,494)	\$ 1,107,334
27	Income Taxes:					
28	Current Income Tax	\$ 0	\$ 185,194	S-18	\$ 123,792	\$ 308,986
29	Deferred Income Tax:					
30	Deferred Income Tax Expense	0	20,787	S-19	(33,786)	(13,000)
31	ITC Amortization	0	0	S-20	0	0
32	Total Income Taxes	\$ 0	\$ 205,981		\$ 90,005	\$ 295,986
33	Net Operating Income	\$ 1,351,125	\$ (103,277)		\$ (436,500)	\$ 811,348

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Adjustments To Income Statement

Adjmt No.	Description	Warrensburg	
		Adjustment Amount	Total Adjustment
Residential Revenue S-1			\$ 16,849
1	To normalize and annualize revenue. (Began)	\$ 16,849	
Commercial Revenue S-2			\$ (8,963)
1	To normalize and annualize revenue. (Began)	\$ (8,963)	
Industrial Revenue S-3			\$ 3,279
1	To adjust revenue to a billed basis. (Began)	\$ 3,279	
2	To adjust revenue for customer changes. (Began)	\$ 0	
Private Fire S-4			\$ (1,268)
1	To adjust revenue to a billed basis. (Began)	\$ (1,268)	
Public Fire S-5			\$ 0
1	To adjust revenue to a billed basis. (Began)	\$ 0	
Public Authorities S-6			\$ (6,168)
1	To adjust revenue to a billed basis. (Began)	\$ (6,168)	
Sales For Resale S-7			\$ 76,131
1	To adjust revenue to a billed basis. (Began)	\$ 76,131	
Other Revenue S-8			\$ 28
1	To include annualized income related to AWR water line protection program. (Cassidy)	0	
2	To adjust other revenue. (Began)	\$ 28	
Source of Supply S-9			\$ (170)
1	To annualize Payroll. (Hagemeyer)	(170)	
2	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
3	To adjust building rent expense. (Hagemeyer)	0	

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Adjmt No.	Description	Warrensburg	
		Adjustment Amount	Total Adjustment
4	To disallow dues and donations. (Hanneken)	0	
5	To adjust purchase water for source and cost changes. (Began)	0	
6	To adjust Fuel and Power. (Began)	0	
Pumping S-10		\$	(54)
1	To annualize Payroll. (Hagemeyer)	(54)	
2	To annualize equipment leases. (Hagemeyer)	0	
3	To adjust Fuel and Power. (Began)	0	
Water Treatment S-11		\$	807
1	To annualize Payroll. (Hagemeyer)	(1,205)	
2	To eliminate transaction costs associated with the acquisitions of Webster, Florissant and Valley Park. (Rackers)	0	
3	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
4	To normalize waste disposal expense. (Hanneken)	0	
5	To disallow dues and donations. (Hanneken)	0	
6	To annualize equipment leases. (Hagemeyer)	0	
7	To adjust hazardous waste disposal. (Hanneken)	0	
8	To adjust Fuel and Power. (Began)	0	
9	To adjust chemical expense. (Began)	2,012	
Transmission & Distribution S-12		\$	26,965

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Adjmt No.	Description	Warrensburg	
		Adjustment Amount	Total Adjustment
1	To annualize Payroll. (Hagemeyer)	(2,801)	
2	To annualize One Call field locates. (McKiddy)	12,628	
3	To adjust building rent expense. (Hagemeyer)	0	
4	To normalize tank painting expense. (McKiddy)	17,150	
5	To disallow dues and donations. (Hanneken)	(12)	
6	To adjust expense for main break incidents. (McKiddy)	0	
7	To reflect tank lease expiration. (Hanneken)	0	
8	To annualize equipment leases. (Hagemeyer)	0	
Customer Accounts S-13		\$	(1,804)
1	To annualize Payroll. (Hagemeyer)	(1,368)	
2	To disallow dues and donations. (Hanneken)	(12)	
3	To adjust uncollectible accounts. (Began)	(424)	
4	To adjust Call Center expense. (Cassidy)	0	
Administrative & General S-14		\$	14,281
1	To annualize Payroll. (Hagemeyer)	(1,071)	
2	To eliminate transaction costs associated with the acquisitions of Webster, Florissant and Valley Park. (Rackers)	0	
3	To adjust advertising. (McKiddy)	(277)	
4	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	

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Adjmt No.	Description	Warrensburg	
		Adjustment Amount	Total Adjustment
5	To annualize 401(k) contributions based on annualized payroll. (Hagemeyer)	(535)	
6	To annualize EIP based on annualized payroll. (Hagemeyer)	(323)	
7	To annualize employee group insurance. (Hagemeyer)	4,784	
8	To adjust rate case expense. (Hagemeyer)	0	
9	To adjust building rent expense. (Hagemeyer)	0	
10	To eliminate non-recurring maintenance reserve amortizations. (Hanneken)	0	
11	To eliminate non-recurring write-off of transportation reserves. (Hanneken)	0	
12	To adjust insurance other than group. (Hanneken)	4,193	
13	To disallow dues and donations. (Hanneken)	(1,177)	
14	To adjust the allocation of Belleville Labs. (Cassidy)	0	
15	To adjust pension expense to a pay-go basis. (Gibbs)	4,453	
16	To adjust OPEBs based FAS 106. (Gibbs)	4,427	
17	To reflect an amortization of "permanent" OPEB regulatory asset. (Gibbs)	0	
18	To adjust Call Center expense. (Cassidy)	0	
19	To annualize ITS costs. (Cassidy)	0	
20	To adjust expense for main break incidents. (McKiddy)	0	
21	To adjust software leases. (Hagemeyer)	0	
22	To annualize equipment leases. (Hagemeyer)	(193)	

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Adjustments To Income Statement

Adjmt No.	Description	Warrensburg	
		Adjustment Amount	Total Adjustment
23	To adjust outside services. (Hagemeyer)	0	
24	To capitalize a portion of National Shared Service costs. (Cassidy)	0	
25	To eliminate depreciatin study amortization. (Hanneken)	0	
26	To adjust Fuel and Power. (Began)	0	
27	To eliminate non-recurring severance costs. (Cassidy)	0	
Depreciation - Plant		\$-15	\$ (76,215)
1	To annualize depreciation at Staff's proposed rates. (Hanneken)	(52,879)	
2	To annualize depreciation expense related to per book contribution in aid of construction. (Hanneken)	(17,344)	
3	To eliminate depreciation expense related to addition contributed capital. (Rackers)	0	
4	To include the cost of removal and salvage in expense. (Began)	(5,992)	
Amortization		\$-16	\$ 5,754
1	To eliminate the test year recorded reserve deficiency amortization . (Gibbs)	0	
2	To amortize Security AAO. (Rackers)	5,754	
Taxes Other Than Income		\$-17	\$ 7,621
1	To reflect the appropriate level of payroll taxes based on annualized payroll. (Hagemeyer)	(504)	
2	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
3	To increase Missouri PSC assessment. (Hagemeyer)	0	
4	To annualize Franchise Tax. (Hanneken)	0	

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Adjustments To Income Statement

Adjmt No.	Description	Warrensburg	
		Adjustment Amount	Total Adjustment
5	To annualize property tax. (Hanneken)	8,125	
Current Income Tax		S-18	\$ 185,194
1	To adjust current income tax expense. (Gibbs)	185,194	
Deferred Income Tax Expense		S-19	\$ 20,787
1	To adjust deferred income tax expense. (Gibbs)	20,787	
ITC Amortization		S-20	\$ 0
1	No Adjustment		

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Income Tax Calculation

Line	Description (A)	Warrensburg			
		Test Year (B)	6.66% Return (C)	6.82% Return (D)	6.98% Return (E)
1	Net Operating Income (Acct. Sch. 1)	\$ 811,348	\$ 597,472	\$ 611,825	\$ 626,179
2	Add:				
3	Current Income Tax	308,986	175,724	184,668	193,611
4	Deferred Income Taxes				
5	Deferred Income Tax Expense	(13,000)	(13,000)	(13,000)	(13,000)
6	ITC Amortization	0	0	0	0
7	Net Income Before Income Tax	\$ 1,107,334	\$ 760,196	\$ 783,493	\$ 806,790
8	Additions to Net Income Before Income Tax:				
9	Book Depreciation	\$ 244,247	\$ 244,247	\$ 244,247	\$ 244,247
10	Contributions In Aid of Construction	219,880	219,880	219,880	219,880
11	Non Deductible Reserve Deficiency Amortization	0	0	0	0
12	Miscellaneous Non-deductible Expenses	700	700	700	700
13	Total Additions	\$ 464,827	\$ 464,827	\$ 464,827	\$ 464,827
14	Subtractions to Net Income Before Income Tax:				
15	Interest Expense @ 3.98%	\$ 357,048	\$ 357,048	\$ 357,048	\$ 357,048
16	Tax Straight Line Depreciation	247,554	247,554	247,554	247,554
17	Excess Tax Depreciation	168,673	168,673	168,673	168,673
18	Cost of Removal	(6,001)	(6,001)	(6,001)	(6,001)
19	Total Subtractions	\$ 767,273	\$ 767,273	\$ 767,273	\$ 767,273
20	Net Taxable Income	\$ 804,888	\$ 457,750	\$ 481,048	\$ 504,345
21	Provision for Federal Income Tax				
22	Net Taxable Income	\$ 804,888	\$ 457,750	\$ 481,048	\$ 504,345
23	Deduct Missouri Income Tax @ 100.00%	41,961	23,864	25,078	26,293
24	Federal Taxable Income	\$ 762,927	\$ 433,887	\$ 455,969	\$ 478,052
25	Federal Income Tax @ 35.00%	\$ 267,025	\$ 151,860	\$ 159,589	\$ 167,318
26	Provision for Missouri Income Tax				
27	Net Taxable Income	\$ 804,888	\$ 457,750	\$ 481,048	\$ 504,345
28	Deduct Federal Income Tax @ 50.00%	133,512	75,930	79,795	83,659
29	Missouri Taxable Income	\$ 671,376	\$ 381,820	\$ 401,253	\$ 420,686
30	Missouri Income Tax @ 6.25%	\$ 41,961	\$ 23,864	\$ 25,078	\$ 26,293
31	Summary of Provision For Income Tax				
32	Federal Income Tax	\$ 267,025	\$ 151,860	\$ 159,589	\$ 167,318
33	State Income Tax	41,961	23,864	25,078	26,293
34	Total Current Income Tax	\$ 308,986	\$ 175,724	\$ 184,668	\$ 193,611

Total Water

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Revenue Requirement

Line	(A)	Total Water Company		
		8.36% Equity Return (B)	8.76% Equity Return (C)	9.26% Equity Return (D)
1	Net Original Cost Rate Base (From Accounting Schedule 2)	\$ 443,941,027	\$ 443,941,027	\$ 443,941,027
2	Rate of Return	6.66%	6.82%	6.98%
3	Net Operating Income Requirement	\$ 29,566,472	\$ 30,276,778	\$ 30,987,084
4	Net Operating Income Available (From Accounting Schedule 9)	45,035,244	45,035,244	45,035,244
5	Additional Net Operating Income Requirement	\$ (15,468,772)	\$ (14,758,466)	\$ (14,048,160)
6	Income Tax Requirement: (From Accounting Schedule 11)			
7	Required Current Income Tax	\$ 1,177,791	\$ 1,620,366	\$ 2,062,941
8	Test Year Current Income Tax	10,816,025	10,816,025	10,816,025
9	Additional Current Income Tax Requirement	\$ (9,638,235)	\$ (9,195,660)	\$ (8,753,085)
10	Additional Gross Revenue Requirement Before Allowances	\$ (25,107,006)	\$ (23,954,126)	\$ (22,801,245)
11	Allowance for True-up	\$ 3,778,359	\$ 3,778,359	\$ 3,778,359
12	Additional Gross Revenue Requirement	\$ (21,328,647)	\$ (20,175,767)	\$ (19,022,886)
13	Adjusted Revenue at Current Rates (From Accounting Schedule 9)	\$ 163,322,236	\$ 163,322,236	\$ 163,322,236
14	Total Gross Revenue Requirement	\$ 141,993,589	\$ 143,146,469	\$ 144,299,350

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Rate Base

Line	Description (A)	Total Water		
		Direct Assigned (B)	Corporate Distribution (C)	Total (D)
1	Plant in Service (From Accounting Schedule 3)	\$ 895,012,040	\$ 2,541,970	\$ 897,554,010
2	Less:			
3	Accumulated Depreciation Reserve (From Accounting Schedule 3)	234,954,358	1,101,598	236,055,956
4	Accumulated Amortization Reserve	457,553	0	457,553
5	Net Plant in Service	\$ 659,600,129	\$ 1,440,372	\$ 661,040,501
6	Add:			
7	Cash Working Capital (From Accounting Schedule 3)	\$	\$	\$ (129,693)
8	Materials and Supplies	3,073,413	18,526	3,091,939
9	Prepayments	0	1,200	1,200
10	Deferred OPEB Asset	0	1,049,347	1,049,347
11	Security Deferral AAO	0	0	0
12	Total Additions to Net Plant in Service	\$ 3,073,413	\$ 1,069,073	\$ 4,012,793
13	Deduct:			
14	Interest Offset	\$	\$	\$ 5,793,771
15	Federal Income Tax Offset			12,612
16	State Income Tax Offset			11,601
17	Contributions In Aid of Construction:	109,837,806	0	109,837,806
18	Customer Advances	54,476,481	175,909	54,652,390
19	Customer Deposits	0	0	0
20	Pre-71 ITC	46,126	0	46,126
21	Deferred Income Taxes	1,460,061	42,781,352	44,241,413
22	Accrued Pension Liability	0	6,516,548	6,516,548
23	Total Deductions to Net Plant in Service	\$ 165,820,474	\$ 49,473,808	\$ 221,112,267
24	Total Rate Base	\$ 496,853,068	\$ (46,964,363)	\$ 443,941,027

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Plant In Service

Line	A/C No.	Plant Title	Total Water				
			Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (C)+(D)+(F)
				Amount	No.		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Intangible					
2	301	Organization	\$ 81,104	\$ (326,551)	P-1	\$ 150,188	\$ (95,259)
3	302	Franchise & Consents	39,500	0	P-2	0	39,500
4	303	Miscellaneous Intangible	2,294	0	P-3	284,662	286,956
5		Total Intangible	\$ 122,898	\$ (326,551)		\$ 434,850	\$ 231,197
6		Source of Supply					
7	310	Land & Land Rights	\$ 1,656,751	\$ 0	P-4	\$ 0	\$ 1,656,751
8	311	Structures & Improvements	5,953,173	0	P-5	0	5,953,173
9	312	Collecting & Impounding Res	111,066	0	P-6	0	111,066
10	313	Lake, River & Other Intakes	144,440	0	P-7	0	144,440
11	314	Wells & Springs	3,993,348	0	P-8	0	3,993,348
12	316	Supply Mains	10,943,473	0	P-9	0	10,943,473
13	316	Supply Mains-North Plant	245,687	0	P-10	0	245,687
14	316	Supply Mains-Central Plant	3,929,522	0	P-11	0	3,929,522
15	316	Supply Mains-South Plant	354,118	0	P-12	0	354,118
16	316	Supply Mains-Meramec Plant	1,313,864	0	P-13	0	1,313,864
17		Total Source of Supply	\$ 28,645,442	\$ 0		\$ 0	\$ 28,645,442
18		Pumping					
19	320	Land & Land Rights	\$ 367,015	\$ 0	P-14	\$ 0	\$ 367,015
20	321	S & I-Plant	7,426,696	0	P-15	0	7,426,696
21	321.1	S & I-Pumps (STL)	4,809,459	0	P-16	0	4,809,459
22	321.2	S & I-Boosters	2,731,470	0	P-17	0	2,731,470
23	322	Boiler Equipment	348	0	P-18	0	348
24	323	Other Power Prod. Equip.	595,385	0	P-19	0	595,385
25	324	Steam Pumping Equipment	6,907	0	P-20	0	6,907
26	325.1	Electric Pumping Equipment	12,052,036	0	P-21	0	12,052,036
27	325.2	Pumping Equipment-Pre '46	859,327	0	P-22	0	859,327
28	325.3	Pumping Equipment-Post '46	25,291,093	0	P-23	0	25,291,093
29	325	Pumping Equipment-Booster	1,463,525	0	P-24	0	1,463,525
30	326	Diesel Pumping Equipment	145,006	0	P-25	0	145,006
31	326	Dsl Pump Equip-Stratman	207,946	0	P-26	0	207,946
32	326	Dsl Pump Equip-Central Plant	1,377,843	0	P-27	0	1,377,843
33	327	Pump Equip Hydraulic	81,548	0	P-28	0	81,548
34	328	Other Pumping Equipment	323,405	0	P-29	0	323,405
35		Total Pumping	\$ 57,739,009	\$ 0		\$ 0	\$ 57,739,009
36		Water Treatment Plant					
37	330	Land & Land Rights	\$ 1,363,408	\$ 0	P-30	\$ 0	\$ 1,363,408
38	331	Structures & Improvements	30,494,204	(2,271,756)	P-31	0	28,222,448

Missouri-American Water Company
Case No. WR-2003-0500
Case No. WC-2004-0168

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Plant In Service

Line	A/C No	Plant Title	Total Water				
			Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (C)+(D)+(F)
				Amount	No		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
39	331	S & I - North Plant	4,671,237	0	P-32	0	4,671,237
40	331	S & I-Central 1 & 2	2,620,081	0	P-33	0	2,620,081
41	331	S & I-Central 3	21,262,611	0	P-34	0	21,262,611
42	331	S & I-South Plant	2,108,723	0	P-35	0	2,108,723
43	331	S & I-Meramac	8,887,885	0	P-36	0	8,887,885
44	332	WT Equip Non-Media	34,528,854	0	P-37	0	34,528,854
45	332	WT Equip-North Plant	6,439,237	0	P-38	0	6,439,237
46	332	WT Equip-Central 1 & 2	2,358,386	0	P-39	0	2,358,386
47	332	WT Equip-Central 3	21,846,589	0	P-40	0	21,846,589
48	332	WT Equip-South Plant	2,554,064	0	P-41	0	2,554,064
49	332	WT Equip-Meramac	7,225,191	0	P-42	0	7,225,191
50	332	Other P/E Hand Equipment	1,371,760	0	P-43	0	1,371,760
51	332.4	Equipment Filter Media	254,740	0	P-44	0	254,740
52		Total Water Treatment Plant	\$ 147,986,970	\$ (2,271,756)		\$ 0	\$ 145,715,214
53		Transmission & Distribution					
54	340	Land & Land Rights	\$ 4,424,589	\$ 0	P-45	\$ 0	\$ 4,424,589
55	341	Structures & Improvements	5,942,920	0	P-46	0	5,942,920
56	341.63	S & I-Spec Cross	267,357	0	P-47	0	267,357
57	342	Distr. Res. & Standpipes	7,509,290	0	P-48	0	7,509,290
58	342	Rsvr & Standpipe-Elev	3,013,432	0	P-49	0	3,013,432
59	342	Rsvr & Standpipe-Ground	10,472,995	0	P-50	0	10,472,995
60	343	T & D Mains (Not Classified)	32,649,709	0	P-51	0	32,649,709
61	343.1	T & D Mains - 4" & Less	2,174,636	0	P-52	0	2,174,636
62	343.24	T & D Mains AC 4 (STL)	1,250,895	0	P-53	0	1,250,895
63	343.30	T & D Mains Galv 1 (STL)	52,893	0	P-54	0	52,893
64	343.2	T & D Mains - 6" to 8"	28,131,194	(400,901)	P-55	(80,777)	27,649,516
65	343.21	CI-10" & Smaller-1900-1928	2,758,330	0	P-56	0	2,758,330
66	343.22	CI-10" & Smaller 1929-1956	16,126,875	0	P-57	0	16,126,875
67	343.23	CI-10" & Smaller-1957-1993	54,317,035	0	P-58	0	54,317,035
68	343.25	T & D Mains - DI 6-8	157,602,653	0	P-59	0	157,602,653
69	343.3	T & D Mains - 10" to 16"	31,731,585	0	P-60	0	31,731,585
70	343.3	T & D Mains - 18" & Greater	10,414,440	0	P-61	0	10,414,440
71	343.3	CI-12"	12,922,153	0	P-62	0	12,922,153
72	343.13	CI-16"	17,282,719	0	P-63	0	17,282,719
73	343.26	T & D Mains - DI 12 (STL)	43,239,024	0	P-64	0	43,239,024
74	343.11	T & D Mains - DI 16 & Greater (STL)	79,117,572	0	P-65	0	79,117,572
75	343.12	T & D Mains - LJ 20 (STL)	4,165,123	0	P-66	0	4,165,123
76	344	Fire Mains	415,141	0	P-67	0	415,141
77	345	Services	17,223,337	0	P-68	0	17,223,337

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Plant In Service

Line	A/C No	Plant Title	Total Water				
			Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (C)+(D)+(F)
				Amount	No		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
78	346.1	Meters-Bronze Case	2,949,261	0	P-69	0	2,949,261
79	346.2	Meters-Plastic Case	94,862	0	P-70	0	94,862
80	346.1	Meters-Other	16,966,376	0	P-71	0	16,966,376
81	346.2	Meters-Remote (ARB's)	3,140,821	0	P-72	0	3,140,821
82	347.1	Meter Install	11,372,132	0	P-73	0	11,372,132
83	347.2	Meter Install-Remote (ARB's)	5,648,368	0	P-74	0	5,648,368
84	348	Hydrants	41,468,572	0	P-75	0	41,468,572
85	349	Other T&D Plant	18,610	0	P-76	0	18,610
86		Total Transmission & Distribution	\$ 624,864,900	\$ (400,901)		\$ (80,777)	\$ 624,383,222
87		Sewer Plant					
88	352.2	Collecting Sewers - Gravity	\$ 0	\$ 0	P-77	\$ 0	\$ 0
89	353	Service to Customers	0	0	P-78	0	0
90	370.1	Land & Land Rights	0	0	P-79	0	0
91	374	Outfall Sewer Lines	0	0	P-80	0	0
92		Total Sewer Plant	\$ 0	\$ 0		\$ 0	\$ 0
93		General Plant					
94	389	Land & Land Rights	\$ 20,431	\$ 0	P-81	\$ 0	\$ 20,431
95	390	S&I-Store, Shop & Garage	484,450	0	P-82	0	484,450
96	390.1	S&I-Offices	881,309	0	P-83	0	881,309
97	390.92	S & I-Leasehold	445,966	0	P-84	0	445,966
98	390.93	S & I-Leasehold - SCADA	339,728	0	P-85	0	339,728
99	390.3	S&I-Misc	3,162,907	0	P-86	0	3,162,907
100	391.11	Office Furniture	8,314,196	0	P-87	(2,807,834)	5,506,362
101	391.12	Office Equip - Computer Hardware	4,657,311	13,000	P-88	811,168	5,481,479
102	391.12	Office Equipment-Computer Software	158,308	0	P-89	3,701,913	3,860,221
103	391.26	Computer Software Personal	155,173	0	P-90	155,971	311,144
104	391.3	Data Handling Equipment	222,817	0	P-91	0	222,817
105	391.12	Office Equipment	379,067	0	P-92	14,249	393,316
106	392.11	Trans Equipment-Lt Duty Trucks	1,133,057	0	P-93	88,493	1,221,550
107	392.02	Trans Equipment-Hvy Duty Trucks	5,698,566	0	P-94	0	5,698,566
108	392.01	Trans Equipment-Autos	606,156	14,500	P-95	161,800	782,456
109	392.3	Trans Equipment Other	64,599	0	P-96	0	64,599
110	393	Stores Equipment	327,742	0	P-97	0	327,742
111	394.1	Shop & Garage Equipment	1,905,219	(37,267)	P-98	10,764	1,878,716
112	394.2	Tools	3,739,178	0	P-99	0	3,739,178
113	395.2	Laboratory Equipment	1,602,042	0	P-100	0	1,602,042
114	395.1	Laboratory Furniture	280,220	0	P-101	0	280,220
115	396	Power Operated Equipment	1,219,174	0	P-102	0	1,219,174
116	397	Comm Equipment-Non-Tele	1,222,103	0	P-103	7,070	1,229,173

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Plant In Service

Line			Total Water				
	A/C No	Plant Title	Balance 6/30/2003	Adjustments		Corporate Distribution	As Adjusted (C)+(D)+(E)
				Amount	No		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
117	397.2	Comm Equipment-Tele	39,711	0	P-104	29,162	68,873
118	398	Miscellaneous	680,330	0	P-105	15,141	695,471
119	399	Other Tangible Property	922,036	0	P-106	0	922,036
120		Total General Plant	\$ 38,661,796	\$ (9,767)		\$ 2,187,898	\$ 40,839,926
121	Total Plant In Service		\$ 898,021,015	\$ (3,008,975)		\$ 2,541,970	\$ 897,554,010

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Adjustments To Plant In Service

Adjmt No.	Description			Total Water	
				Adjustment Amount	Total Adjustment
A/C 301.00	Organization	P-1		\$	(326,551)
1	To eliminate transaction costs associated with the acquisitions of Webster Groves, Florissant and Valley Park. (Rackers)			\$	(326,551)
A/C 331.00	Structures & Improvements	P-31		\$	(2,271,756)
1	To remove plant disallowed by the Commission in Case No. WR-2000-281. (Rackers)			\$	(2,271,756)
A/C 343.20	T & D Mains - 6" to 8"	P-55		\$	(400,901)
1	To adjust plant for over capitalization of AFUDC. (Hanneken)			\$	(400,901)
A/C 374.00	Outfall Sewer Lines	P-80		\$	0
1	To adjust plant for over capitalization of AFUDC. (Hanneken)			\$	0
A/C 391.11	Office Furniture	P-87		\$	0
1	To eliminate capitalized transition costs related to Company's decision to begin taking service from the National Call Center. (Cassidy)			\$	0
2	To eliminate capitalized transition costs related to Company's decision to begin taking service from the National Shared Services Center. (Cassidy)				
A/C 391.12	Office Equip - Computer Hardware	P-88		\$	13,000
1	To increase plant related to "One Call". (McKiddy)			\$	13,000
A/C 392.01	Trans Equipment-Autos	P-95		\$	14,500
1	To increase plant related to "One Call". (McKiddy)			\$	14,500
A/C 394.10	Shop & Garage Equipment	P-98		\$	(37,267)
1	To eliminate the cost of facility locators. (McKiddy)			\$	(37,267)

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Depreciation Reserve

Line	A/C No.	Plant Title	Total Water				
			Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (G)
				Amount (D)	No. (E)		
1		Intangible					
2	301	Organization	\$ (10,191)	\$ 0	R-1	\$ 0	\$ (10,191)
3	302	Franchise & Consents	0	0	R-2	0	0
4	303	Miscellaneous Intangible	306,586	0	R-3	311,965	618,551
5		Total Intangible	\$ 296,395	\$ 0		\$ 311,965	\$ 608,360
6		Source of Supply					
7	310	Land & Land Rights	\$ 0	\$ 0	R-4	\$ 0	\$ 0
8	311	Structures & Improvements	2,310,102	0	R-5	0	2,310,102
9	312	Collecting & Impounding Res	78,578	0	R-6	0	78,578
10	313	Lake, River & Other Intakes	(617,015)	0	R-7	0	(617,015)
11	314	Wells & Springs	566,467	0	R-8	0	566,467
12	316	Supply Mains	756,767	0	R-9	0	756,767
13	316	Supply Mains-North Plant	145,487	0	R-10	0	145,487
14	316	Supply Mains-Central Plant	1,597,366	0	R-11	0	1,597,366
15	316	Supply Mains-South Plant	317,278	0	R-12	0	317,278
16	316	Supply Mains-Meramec Plant	593,421	0	R-13	0	593,421
17		Total Source of Supply	\$ 5,748,451	\$ 0		\$ 0	\$ 5,748,451
18		Pumping					
19	320	Land & Land Rights	\$ 0	\$ 0	R-14	\$ 0	\$ 0
20	321	S & I-Plant	595,873	0	R-15	0	595,873
21	321.1	S & I-Pumps (STL)	2,165,313	0	R-16	0	2,165,313
22	321.2	S & I-Boosters	703,564	0	R-17	0	703,564
23	322	Boiler Equipment	0	0	R-18	0	0
24	323	Other Power Prod. Equip.	38,639	0	R-19	0	38,639
25	324	Steam Pumping Equipment	0	0	R-20	0	0
26	325.1	Electric Pumping Equipment	1,885,431	0	R-21	0	1,885,431
27	325.2	Pumping Equipment-Pre '46	0	0	R-22	0	0
28	325.3	Pumping Equipment-Post '46	11,113,232	0	R-23	0	11,113,232
29	325	Pumping Equipment-Booster	1,701,904	0	R-24	0	1,701,904
30	326	Diesel Pumping Equipment	28,961	0	R-25	0	28,961
31	326	Dsl Pump Equip-Stratman	0	0	R-26	0	0
32	326	Dsl Pump Equip-Central Plant	1,036,198	0	R-27	0	1,036,198
33	327	Pump Equip Hydraulic	0	0	R-28	0	0
34	328	Other Pumping Equipment	127,484	0	R-29	0	127,484
35		Total Pumping	\$ 19,396,599	\$ 0		\$ 0	\$ 19,396,599
36		Water Treatment Plant					
37	330	Land & Land Rights	\$ 0	\$ 0	R-30	\$ 0	\$ 0
38	331	Structures & Improvements	3,106,528	(207,259)	R-31	0	2,899,269
39	331	S & I - North Plant	2,010,735	0	R-32	0	2,010,735
40	331	S & I-Central 1 & 2	2,005,979	0	R-33	0	2,005,979
41	331	S & I-Central 3	9,033,554	0	R-34	0	9,033,554
42	331	S & I-South Plant	1,108,713	0	R-35	0	1,108,713
43	331	S & I-Meramac	3,574,519	0	R-36	0	3,574,519
44	332	WT Equip Non-Media	6,220,701	0	R-37	0	6,220,701
45	332	WT Equip-North Plant	3,238,491	0	R-38	0	3,238,491
46	332	WT Equip-Central 1 & 2	2,300,908	0	R-39	0	2,300,908
47	332	WT Equip-Central 3	7,725,143	0	R-40	0	7,725,143

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Depreciation Reserve

Line	A/C No.	Plant Title	Total Water				
			Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (C)+(D)+(F) (G)
				Amount (D)	No. (E)		
48	332	WT Equip-South Plant	1,732,693	0	R-41	0	1,732,693
49	332	WT Equip-Meramac	3,716,751	0	R-42	0	3,716,751
50	332	Other P/E Hand Equipment	58,730	0	R-43	0	58,730
51	332.4	Equipment Filter Media	2,454	0	R-44	0	2,454
52		Total Water Treatment Plant	\$ 45,835,899	\$ (207,259)		\$ 0	\$ 45,628,640
53		Transmission & Distribution					
54	340	Land & Land Rights	\$ (741,641)	\$ 0	R-45	\$ 0	\$ (741,641)
55	341	Structures & Improvements	2,327,707	0	R-46	0	2,327,707
56	341.63	S & I-Spec Cross	224,076	0	R-47	0	224,076
57	342	Distr. Res. & Standpipes	2,167,951	0	R-48	0	2,167,951
58	342	Rsvr & Standpipe-Elev	618,255	0	R-49	0	618,255
59	342	Rsvr & Standpipe-Ground	4,201,924	0	R-50	0	4,201,924
60	343	T & D Mains (Not Classified)	17,858,993	0	R-51	24,498	17,883,491
61	343.1	T & D Mains - 4" & Less	14,988	0	R-52	0	14,988
62	343.24	T & D Mains AC 4 (STL)	907,817	0	R-53	0	907,817
63	343.30	T & D Mains Galv 1 (STL)	97,731	0	R-54	0	97,731
64	343.2	T & D Mains - 6" to 8"	156,367	0	R-55	0	156,367
65	343.21	CI-10" & Smaller-1900-1928	1,292,561	0	R-56	0	1,292,561
66	343.22	CI-10" & Smaller 1929-1956	12,315,097	0	R-57	0	12,315,097
67	343.23	CI-10" & Smaller-1957-1993	30,693,447	0	R-58	0	30,693,447
68	343.25	T & D Mains - DI 6-8	24,197,579	(10,250,704)	R-59	0	13,946,875
69	343.3	T & D Mains - 10" to 16"	216,427	0	R-60	0	216,427
70	343.3	T & D Mains - 18" & Greater	75,217	0	R-61	0	75,217
71	343.3	CI-12"	4,856,615	0	R-62	0	4,856,615
72	343.13	CI-16"	8,457,445	0	R-63	0	8,457,445
73	343.26	T & D Mains - DI 12 (STL)	6,628,716	0	R-64	0	6,628,716
74	343.11	T & D Mains - DI 16 & Greater (STL)	11,273,780	0	R-65	0	11,273,780
75	343.12	T & D Mains - LJ 20 (STL)	1,495,200	0	R-66	0	1,495,200
76	344	Fire Mains	53,363	0	R-67	0	53,363
77	345	Services	3,994,493	0	R-68	0	3,994,493
78	346.1	Meters-Bronze Case	65,076	0	R-69	0	65,076
79	346.2	Meters-Plastic Case	2,566	0	R-70	0	2,566
80	346.1	Meters-Other	6,561,820	0	R-71	0	6,561,820
81	346.2	Meters-Remote (ARB's)	1,697,892	0	R-72	0	1,697,892
82	347.1	Meter Install	2,656,552	0	R-73	0	2,656,552
83	347.2	Meter Install-Other	3,322,029	0	R-74	0	3,322,029
84	348	Hydrants	14,129,094	0	R-75	0	14,129,094
85	349	Other T&D Plant	6,725	0	R-76	0	6,725
86		Total Transmission & Distribution	\$ 161,825,862	\$ (10,250,704)		\$ 24,498	\$ 151,599,656
87		Sewer Plant					
88	352.2	Collecting Sewers - Gravity	\$ 0	\$ 0	R-77	\$ 0	\$ 0
89	353	Service to Customers	0	0	R-78	0	0
90	370.1	Land & Land Rights	0	0	R-79	0	0
91	374	Outfall Sewer Lines	0	0	R-80	0	0
92		Total Sewer Plant	\$ 0	\$ 0		\$ 0	\$ 0
93		General Plant					
94	389	Land & Land Rights	\$ 0	\$ 0	R-81	\$ 0	\$ 0

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Depreciation Reserve

Line	A/C No.	Plant Title	Total Water				
			Balance 6/30/2003 (C)	Adjustments		Corporate Distribution (F)	As Adjusted (G) (D+E+F)
				Amount (D)	No (E)		
95	390	S&I-Store, Shop & Garage	12,766	0	R-82	0	12,766
96	390.1	S&I-Offices	125,335	0	R-83	(161,118)	(35,783)
97	390.92	S & I-Leasehold	128,333	0	R-84	0	128,333
98	390.93	S & I-Leasehold	115,424	0	R-85	0	115,424
99	390.3	S&I-Misc	995,753	0	R-86	0	995,753
100	391.11	General Office-Furniture & Equip	1,710,778	0	R-87	76,151	1,786,929
101	391.12	General Office-Comp & Periph	354,877	0	R-88	364,095	718,972
102	391.12	General Office-Computer Software	9,371	0	R-89	306,192	315,563
103	391.26	Computer Software Personal	6,817	0	R-90	60,762	67,579
104	391.3	Data Handling Equipment	9,758	0	R-91	0	9,758
105	391.12	Other Office Equipment	45,563	0	R-92	6,397	51,960
106	392.11	Trans Equipment-Lt Duty Trucks	1,213,368	0	R-93	64,562	1,277,930
107	392.02	Trans Equipment-Hvy Duty Trucks	2,373,333	0	R-94	0	2,373,333
108	392.01	Trans Equipment-Autos	618,942	0	R-95	19,163	638,105
109	392.3	Trans Equipment Other	312,635	0	R-96	0	312,635
110	393	Stores Equipment	(281,052)	0	R-97	0	(281,052)
111	394.1	Tools, Shop & Garage Equipment	1,168,403	0	R-98	2,743	1,171,146
112	394.2	Shop Equipment - Other	1,324,788	0	R-99	0	1,324,788
113	395.2	Laboratory Equipment	557,372	0	R-100	0	557,372
114	395.1	Laboratory Equipment - Other	181,986	0	R-101	0	181,986
115	396	Power Operated Equipment	500,071	0	R-102	0	500,071
116	397	Comm Equipment-Non-Tele	541,344	0	R-103	15,643	556,987
117	397.2	Comm Equipment-Tele	76,817	0	R-104	8,620	85,437
118	398	Miscellaneous	99,081	0	R-105	1,925	101,006
119	399	Other Tangible Property	107,252	0	R-106	0	107,252
120		Total General Plant	\$ 12,309,115	\$ 0		\$ 765,135	\$ 13,074,250
121		Total Depreciation Reserve	\$ 245,412,321	\$ (10,457,963)		\$ 1,101,598	\$ 236,055,956

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Test Year Ending December 31, 2002 Updated Through June 30, 2003

Adjustments To Depreciation Reserve

Adjmt No.	Description		Total Water	
			Adjustment Amount	Total Adjustment
A/C 331.00	Structures & Improvements	R-31		\$ (207,259)
1	To eliminate the accumulated reserve associated with plant adjustment P-31. (Rackers)		\$ (207,259)	
A/C 343.25	T & D Mains - DI 6-8	R-59		\$ (10,250,704)
1	To transfer accumulated depreciation to contributions. (Rackers)		\$ (10,250,704)	

Missouri-American Water Company

Case No. WR-2003-0500

Case No. WC-2004-0168

Test Year Ending December 31, 2002 Updated
Through June 30, 2003**Depreciation Expense**

Line	A/C No.	Plant Title	Total Water		
			Adjusted Plant (Auction 3)	Composite Depreciation Rate	Depreciation Expense (AUCD)
	(A)	(B)	(C)	(D)	(E)
1		Intangible			
2	301	Organization	\$ (95,259)		\$
3	302	Franchise & Consents	39,500		
4	303	Miscellaneous Intangible	286,956		
5		Total Intangible	\$ 231,197		\$
6		Source of Supply			
7	310	Land & Land Rights	\$ 1,656,751		\$
8	311	Structures & Improvements	5,953,173	2.00%	119,063
9	312	Collecting & Impounding Res	111,066	1.00%	1,111
10	313	Lake, River & Other Intakes	144,440	2.00%	2,889
11	314	Wells & Springs	3,993,348	2.00%	79,867
12	316	Supply Mains	10,943,473	1.75%	191,362
13	316	Supply Mains-North Plant	245,687	1.75%	4,300
14	316	Supply Mains-Central Plant	3,929,522	1.75%	68,767
15	316	Supply Mains-South Plant	354,118	1.75%	6,197
16	316	Supply Mains-Meramec Plant	1,313,864	1.75%	22,993
17		Total Source of Supply	\$ 28,645,442		\$ 496,547
18		Pumping			
19	320	Land & Land Rights	\$ 367,015		\$
20	321	S & I-Plant	7,426,696	0.83%	61,642
21	321.1	S & I-Pumps (STL)	4,809,459	0.83%	39,919
22	321.2	S & I-Boosters	2,731,470	0.56%	15,296
23	322	Boiler Equipment	348		
24	323	Other Power Prod. Equip.	595,385	1.47%	8,727
25	324	Steam Pumping Equipment	6,907		
26	325.1	Electric Pumping Equipment	12,052,036	1.70%	205,425
27	325.2	Pumping Equipment-Pre '46	859,327		
28	325.3	Pumping Equipment-Post '46	25,291,093	1.72%	435,007
29	325	Pumping Equipment-Booster	1,463,525	2.27%	33,222
30	326	Diesel Pumping Equipment	145,006	2.70%	3,915
31	326	Dsl Pump Equip-Stratman	207,946		
32	326	Dsl Pump Equip-Central Plant	1,377,843	2.70%	37,202
33	327	Pump Equip Hydraulic	81,548		
34	328	Other Pumping Equipment	323,405	2.53%	8,174
35		Total Pumping	\$ 57,739,009		\$ 848,529
36		Water Treatment Plant			
37	330	Land & Land Rights	\$ 1,363,408		\$
38	331	Structures & Improvements	28,222,448	1.11%	313,269
39	331	S & I - North Plant	4,671,237	1.11%	51,851
40	331	S & I-Central 1 & 2	2,620,081	1.11%	29,083
41	331	S & I-Central 3	21,262,611	1.11%	236,015
42	331	S & I-South Plant	2,108,723	1.11%	23,407
43	331	S & I-Meramac	8,887,885	1.11%	98,656
44	332	WT Equip Non-Media	34,528,854	1.85%	638,784
45	332	WT Equip-North Plant	6,439,237	1.85%	119,126
46	332	WT Equip-Central 1 & 2	2,358,386	1.85%	43,630

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Test Year Ending December 31, 2002 Updated
Through June 30, 2003**Depreciation Expense**

Line	A/C No.	Plant Title	Total Water		
			Adjusted Plant (Average Cost)	Composite Depreciation Rate	Depreciation Expense (CAGR)
	(A)	(B)	(C)	(D)	(E)
47	332	WT Equip-Central 3	21,846,589	1.85%	404,162
48	332	WT Equip-South Plant	2,554,064	1.85%	47,250
49	332	WT Equip-Meramac	7,225,191	1.85%	133,666
50	332	Other P/E Hand Equipment	1,371,760	1.85%	25,378
51	332.4	Equipment Filter Media	254,740	1.48%	3,779
52		Total Water Treatment Plant	\$ 145,715,214		\$ 2,168,054
53		Transmission & Distribution			
54	340	Land & Land Rights	\$ 4,424,589		\$
55	341	Structures & Improvements	5,942,920	1.82%	108,161
56	341.63	S & I-Spec Cross	267,357	10.00%	26,736
57	342	Distr. Res. & Standpipes	7,509,290	1.85%	138,922
58	342	Rsvr & Standpipe-Elev	3,013,432	1.85%	55,748
59	342	Rsvr & Standpipe-Ground	10,472,995	1.85%	193,750
60	343	T & D Mains (Not Classified)	32,649,709	1.30%	424,289
61	343.1	T & D Mains - 4" & Less	2,174,636	1.30%	28,270
62	343.24	T & D Mains AC 4 (STL)	1,250,895	0.83%	10,382
63	343.30	T & D Mains Galv 1 (STL)	52,893	1.61%	852
64	343.2	T & D Mains - 6" to 8"	27,649,516	1.32%	364,225
65	343.21	CI-10" & Smaller-1900-1928	2,758,330	0.78%	21,515
66	343.22	CI-10" & Smaller 1929-1956	16,126,875	1.33%	214,487
67	343.23	CI-10" & Smaller-1957-1993	54,317,035	1.14%	619,214
68	343.25	T & D Mains - DI 6-8	157,602,653	1.67%	2,631,964
69	343.3	T & D Mains - 10" to 16"	31,731,585	1.30%	412,511
70	343.3	T & D Mains - 18" & Greater	10,414,440	1.30%	135,388
71	343.3	CI-12"	12,922,153	0.83%	107,254
72	343.13	CI-16"	17,282,719	1.00%	172,827
73	343.26	T & D Mains - DI 12 (STL)	43,239,024	1.35%	583,727
74	343.11	T & D Mains - DI 16 & Greater (STL)	79,117,572	1.15%	909,852
75	343.12	T & D Mains - LJ 20 (STL)	4,165,123	0.72%	29,989
76	344	Fire Mains	415,141	1.30%	5,397
77	345	Services	17,223,337	1.97%	339,362
78	346.1	Meters-Bronze Case	2,949,261	2.44%	71,962
79	346.2	Meters-Plastic Case	94,862	2.44%	2,315
80	346.1	Meters-Other	16,966,376	2.44%	413,980
81	346.2	Meters-Remote (ARB's)	3,140,821	2.56%	80,405
82	347.1	Meter Install	11,372,132	2.07%	235,040
83	347.2	Meter Install-Remote (ARB's)	5,648,368	2.50%	141,209
84	348	Hydrants	41,468,572	1.35%	559,826
85	349	Other T&D Plant	18,610	1.30%	242
86		Total Transmission & Distribution	\$ 624,383,222		\$ 9,039,801
87		Sewer Plant			
88	352.2	Collecting Sewers - Gravity	\$		\$
89	353	Service to Customers			
90	370.1	Land & Land Rights			
91	374	Outfall Sewer Lines			
92		Total Sewer Plant	\$		\$

Missouri-American Water Company

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Case No. WC-2004-0168

Test Year Ending December 31, 2002 Updated

Through June 30, 2003

Depreciation Expense

Line	A/C No. (A)	Plant Title (B)	Total Water		
			Adjusted Plant (Average Sch 3) (C)	Composite Depreciation Rate (D)	Depreciation Expense (C)(D) (E)
93		General Plant			
94	389	Land & Land Rights	\$ 20,431		\$
95	390	S&I-Store, Shop & Garage	484,450	2.21%	10,703
96	390.1	S&I-Offices	881,309	2.50%	22,033
97	390.92	S & I-Leasehold	445,966	2.50%	11,149
98	390.93	S & I-Leasehold	339,728	10.00%	33,973
99	390.3	S&I-Misc	3,162,907	1.89%	59,779
100	391.11	General Office-Furniture & Equip	5,506,362	1.85%	101,868
101	391.12	General Office-Comp & Periph	5,481,479	14.29%	783,303
102	391.12	General Office-Computer Software	3,860,221	0.59%	22,622
103	391.26	Computer Software Personal	311,144		
104	391.3	Data Handling Equipment	222,817	4.35%	9,693
105	391.12	Other Office Equipment	393,316	4.19%	16,489
106	392.11	Trans Equipment-Lt Duty Trucks	1,221,550	12.50%	152,694
107	392.02	Trans Equipment-Hvy Duty Trucks	5,698,566	12.50%	712,321
108	392.01	Trans Equipment-Autos	782,456	25.00%	195,614
109	392.3	Trans Equipment Other	64,599		
110	393	Stores Equipment	327,742	2.27%	7,440
111	394.1	Tools, Shop & Garage Equipment	1,878,716	3.81%	71,670
112	394.2	Shop Equipment - Other	3,739,178	4.76%	177,985
113	395.2	Laboratory Equipment	1,602,042	3.23%	51,746
114	395.1	Laboratory Equipment - Other	280,220	1.79%	5,016
115	396	Power Operated Equipment	1,219,174	11.11%	135,450
116	397	Comm Equipment-Non-Tele	1,229,173	4.76%	58,509
117	397.2	Comm Equipment-Tele	68,873	2.74%	1,890
118	398	Miscellaneous	695,471	3.23%	22,464
119	399	Other Tangible Property	922,036	4.57%	42,153
120		Total General Plant	\$ 40,839,926		\$ 2,706,563
121		Total Plant In Service	\$ 897,554,010		\$ 15,259,495

Missouri-American Water Company

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Test Year Ending December 31, 2002 Updated
Through June 30, 2003**Cash Working Capital**

Line	Description (A)	Total Water					Cash Working Capital Requirement (Sum of Districts) (G)
		Test Year Expenses (B)	Revenue Lag (C) (F)(b)(1)	Expense Lag (D)	Net CWC Lag (E) (F)(b)(2)	Factor (F) (G)(b)(3)	
1	Operation & Maintenance Expense						
2	Base Payroll	\$ 11,012,165	58.08	11.93	46.15	0.1264	\$ 1,392,241
3	Payroll Withholdings:						
4	Taxes	7,881,785	58.08	16.88	41.20	0.1129	889,649
5	401(k)	2,511,130	58.08	38.82	19.26	0.0528	132,478
6	EIP	194,177	58.08	38.82	19.26	0.0528	10,244
7	Fuel & Power	7,682,782	58.08	37.20	20.95	0.0574	440,926
8	Chemicals	4,544,301	58.08	58.08	0.00	0.0000	0
9	Materials and Supplies	33,132,257	58.08	58.08	0.00	0.0000	0
10	Purchased Water	639,713	58.08	42.45	0.09	0.0002	152
11	Management Fees	7,913,572	58.08	42.30	13.40	0.0367	290,625
12	Group Insurance	3,353,993	58.08	(7.50)	64.93	0.1779	596,659
13	OPEB's	2,118,851	58.08	3.41	53.98	0.1479	313,349
14	Pensions	516,892	58.08	17.58	40.99	0.1123	58,044
15	EIP - Employer Match	179,330	58.08	38.82	17.70	0.0485	8,694
16	401(k) - Employer Match	491,982	58.08	38.82	20.29	0.0556	27,353
17	Insurance Other Than Group	2,453,797	58.08	(47.66)	105.74	0.2897	710,862
18	Uncollectible Accounts	1,226,444	58.08	58.08	0.00	0.0000	0
19	Rents	997,255	58.08	(9.96)	67.38	0.1846	184,093
20	Cash Vouchers	(13,701,723)	58.08	21.41	33.61	0.0921	(1,261,705)
21	Total Operation & Maintenance Expense	\$ 73,148,704					\$ 3,793,665
22	Taxes Other Than Income						
23	FICA - Employer Portion	1,627,236	58.08	12.90	45.16	0.1237	\$ 201,309
24	Federal Unemployment	29,863	58.08	76.38	(18.51)	(0.0507)	(1,514)
25	State Unemployment	350	58.08	76.38	(30.54)	(0.0837)	(29)
26	Property Taxes	9,961,260	58.08	182.50	(125.64)	(0.3442)	(3,428,732)
27	Franchise & Environmental Tax	256,334	58.08	287.50	(230.55)	(0.6316)	(161,909)
28	PSC Assessment	970,214	58.08	(31.63)	88.96	0.2437	236,456
29	Total Taxes Other Than Income	\$ 12,845,257					\$ (3,154,418)
30	Other Expenses						
31	Gross Receipts Tax	7,688,691	25.58	47.37	(21.79)	(0.0597)	(458,899)
32	Sales Tax	2,065,301	0.00	11.48	(11.48)	(0.0315)	(64,958)
33	Missouri Primacy Fees	410,496	25.58	243.50	(217.92)	(0.5970)	(245,083)
34	Total Other Expenses	\$ 10,164,488					\$ (768,940)
35	Cash Working Capital Before Income Tax and Interest Offsets						\$ (129,693)

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Test Year Ending December 31, 2002
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Income Statement

Line	Description (A)	Total Water				
		Test Year Ending 12/31/2002 Direct Charges (B)	Adjustment		Adjusted Corporate Distribution (E)	Test Year As Adjusted (B)+(C)+(E) (F)
			Amount (C)	No. (D)		
1	Operating Revenues:					
2	Residential Revenue	\$ 102,272,549	\$ 1,815,803	S-1	\$ 0	\$ 104,088,352
3	Commercial Revenue	28,978,736	(1,805,940)	S-2	0	27,172,796
4	Industrial Revenue	11,672,627	602,151	S-3	0	12,274,778
5	Private Fire	1,835,129	45,870	S-4	0	1,880,999
6	Public Fire	5,965,306	92,054	S-5	0	6,057,360
7	Public Authorities	2,691,528	(9,641)	S-6	0	2,681,887
8	Sales For Resale	6,745,287	(1,228,268)	S-7	0	5,517,019
9	Other Revenue	1,824,704	1,723,864	S-8	100,477	3,649,045
10	Total Revenues	\$ 161,985,866	\$ 1,235,893		\$ 100,477	\$ 163,322,236
11	Operating Expenses:					
12	Operation & Maintenance:					
13	Source of Supply	2,621,347	(1,237,681)	S-9	31,517	1,415,183
14	Pumping	10,181,728	(268,143)	S-10	3,665	9,917,250
15	Water Treatment	10,293,980	(951,149)	S-11	74,830	9,417,661
16	Transmission & Distribution	15,838,723	1,539,069	S-12	346,307	17,724,099
17	Customer Accounts	4,129,896	(296,514)	S-13	3,906,374	7,739,755
18	Administrative & General	7,350,264	(3,218,686)	S-14	22,803,176	26,934,755
19	Total O & M Expense	\$ 50,415,938	\$ (4,433,104)		\$ 27,165,870	\$ 73,148,704
20	Other Operating Expenses:					
21	Depreciation - Plant	19,079,150	(4,495,395)	S-15	115,866	14,699,621
22	Amortization	4,848,071	(4,467,734)	S-16	0	380,337
23	Taxes Other Than Income	10,717,636	666,499	S-17	1,461,122	12,845,257
24	Total Other Operating Expense	\$ 34,644,857	\$ (8,296,630)		\$ 1,576,988	\$ 27,925,215
25	Total Operating Expenses	85,060,795	(12,729,734)		28,742,857	101,073,919
26	Net Income Before Income Taxes	\$ 76,925,071	\$ 13,965,627		\$ (28,642,380)	\$ 62,248,317
27	Income Taxes:					
28	Current Income Tax	\$ 0	\$ 6,482,697	S-18	\$ 4,333,328	\$ 10,816,025
29	Deferred Income Tax:					
30	Deferred Income Tax Expense	153,059	(4,124,132)	S-19	10,523,304	6,552,231
31	ITC Amortization	(4,928)	0	S-20	(150,255)	(155,183)
32	Total Income Taxes	\$ 148,131	\$ 2,358,565		\$ 14,706,377	\$ 17,213,073
33	Net Operating Income	\$ 76,776,940	\$ 11,607,061		\$ (43,348,757)	\$ 45,035,244

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Adjustments To Income Statement

Adjmt No.	Description	Total Water	
		Adjustment Amount	Total Adjustment
Residential Revenue S-1			\$ 1,815,803
1	To normalize and annualize revenue. (Began)	\$ 1,815,803	
Commercial Revenue S-2			\$ (1,805,940)
1	To normalize and annualize revenue. (Began)	(1,805,940)	
Industrial Revenue S-3			\$ 602,151
1	To adjust revenue to a billed basis. (Began)	979,922	
2	To adjust revenue for customer changes. (Began)	(377,771)	
Private Fire S-4			\$ 45,870
1	To adjust revenue to a billed basis. (Began)	45,870	
Public Fire S-5			\$ 92,054
1	To adjust revenue to a billed basis. (Began)	92,054	
Public Authorities S-6			\$ (9,641)
1	To adjust revenue to a billed basis. (Began)	(9,641)	
Sales For Resale S-7			\$ (1,228,268)
1	To adjust revenue to a billed basis. (Began)	(1,228,268)	
Other Revenue S-8			\$ 1,723,864
1	To include annualized income related to AWR water line protection program. (Cassidy)	0	
2	To adjust other revenue. (Began)	1,723,864	
Source of Supply S-9			\$ (1,237,681)
1	To annualize Payroll. (Hagemeyer)	(3,013)	
2	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
3	To adjust building rent expense. (Hagemeyer)	(1,045)	

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Adjustments To Income Statement

Adjmt No.	Description	Total Water	
		Adjustment Amount	Total Adjustment
4	To disallow dues and donations. (Hanneken)	(50)	
5	To adjust purchase water for source and cost changes. (Began)	(1,231,070)	
6	To adjust Fuel and Power. (Began)	(2,503)	
Pumping S-10		\$	(268,143)
1	To annualize Payroll. (Hagemeyer)	(120,586)	
2	To annualize equipment leases. (Hagemeyer)	(22,934)	
3	To adjust Fuel and Power. (Began)	(124,623)	
Water Treatment S-11		\$	(951,149)
1	To annualize Payroll. (Hagemeyer)	(170,229)	
2	To eliminate transaction costs associated with the acquisitions of Webster, Florissant and Valley Park. (Rackers)	(1,134)	
3	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
4	To normalize waste disposal expense. (Hanneken)	(190,095)	
5	To disallow dues and donations. (Hanneken)	(91)	
6	To annualize equipment leases. (Hagemeyer)	(24,281)	
7	To adjust hazardous waste disposal. (Hanneken)	(2,100)	
8	To adjust Fuel and Power. (Began)	(1,634)	
9	To adjust chemical expense. (Began)	(561,585)	
Transmission & Distribution S-12		\$	1,539,069

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Adjustments To Income Statement

Adjmt No.	Description	Total Water	
		Adjustment Amount	Total Adjustment
1	To annualize Payroll. (Hagemeyer)	(393,899)	
2	To annualize One Call field locates. (McKiddy)	1,074,391	
3	To adjust building rent expense. (Hagemeyer)	(2,023)	
4	To normalize tank painting expense. (McKiddy)	358,430	
5	To disallow dues and donations. (Hanneken)	(230)	
6	To adjust expense for main break incidents. (McKiddy)	528,345	
7	To reflect tank lease expiration. (Hanneken)	(12,000)	
8	To annualize equipment leases. (Hagemeyer)	(13,945)	
Customer Accounts S-13			\$ (296,514)
1	To annualize Payroll. (Hagemeyer)	(91,790)	
2	To disallow dues and donations. (Hanneken)	(12)	
3	To adjust uncollectible accounts. (Began)	(178,331)	
4	To adjust Call Center expense. (Cassidy)	(26,381)	
Administrative & General S-14			\$ (3,218,686)
1	To annualize Payroll. (Hagemeyer)	(114,788)	
2	To eliminate transaction costs associated with the acquisitions of Webster, Florissant and Valley Park. (Rackers)	(11,281)	
3	To adjust advertising. (McKiddy)	(36,090)	
4	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	

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Adjustments To Income Statement

Adjmt No.	Description	Total Water	
		Adjustment Amount	Total Adjustment
5	To annualize 401(k) contributions based on annualized payroll. (Hagemeyer)	(37,021)	
6	To annualize EIP based on annualized payroll. (Hagemeyer)	(74,452)	
7	To annualize employee group insurance. (Hagemeyer)	301,508	
8	To adjust rate case expense. (Hagemeyer)	(511,707)	
9	To adjust building rent expense. (Hagemeyer)	26,405	
10	To eliminate non-recurring maintenance reserve amortizations. (Hanneken)	0	
11	To eliminate non-recurring write-off of transportation reserves. (Hanneken)	87,172	
12	To adjust insurance other than group. (Hanneken)	671,604	
13	To disallow dues and donations. (Hanneken)	(201,467)	
14	To adjust the allocation of Belleville Labs. (Cassidy)	0	
15	To adjust pension expense to a pay-go basis. (Gibbs)	523,017	
16	To adjust OPEBs based FAS 106. (Gibbs)	(928,008)	
17	To reflect an amortization of "permanent" OPEB regulatory asset. (Gibbs)	0	
18	To adjust Call Center expense. (Cassidy)	(3,005,947)	
19	To annualize ITS costs. (Cassidy)	0	
20	To adjust expense for main break incidents. (McKiddy)	163,987	
21	To adjust software leases. (Hagemeyer)	0	
22	To annualize equipment leases. (Hagemeyer)	(71,567)	

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Adjustments To Income Statement

Adjmt No.	Description	Total Water	
		Adjustment Amount	Total Adjustment
23	To adjust outside services. (Hagemeyer)	0	
24	To capitalize a portion of National Shared Service costs. (Cassidy)	0	
25	To eliminate depreciatin study amortization. (Hanneken)	0	
26	To adjust Fuel and Power. (Began)	(51)	
27	To eliminate non-recurring severance costs. (Cassidy)	0	
Depreciation - Plant		\$-15	\$ (4,495,395)
1	To annualize depreciation at Staff's proposed rates. (Hanneken)	(3,936,432)	
2	To annualize depreciation expense related to per book contribution in aid of construction. (Hanneken)	(947,723)	
3	To eliminate depreciation expense related to addition contributed capital. (Rackers)	(171,187)	
4	To include the cost of removal and salvage in expense. (Began)	559,947	
Amortization		\$-16	\$ (4,467,734)
1	To eliminate the test year recorded reserve deficiency amortization . (Gibbs)	(4,848,071)	
2	To amortize Security AAO. (Rackers)	380,337	
Taxes Other Than Income		\$-17	\$ 666,499
1	To reflect the appropriate level of payroll taxes based on annualized payroll. (Hagemeyer)	(304,721)	
2	To eliminate payroll and other costs related to lobbying. (Hagemeyer)	0	
3	To increase Missouri PSC assessment. (Hagemeyer)	0	
4	To annualize Franchise Tax. (Hanneken)	0	

Missouri-American Water Company
Case No. WR-2003-0500
Case No. WC-2004-0168
Test Year Ending December 31, 2002 Updated Through June 30, 2003

Adjustments To Income Statement

Adjmt No.	Description	Total Water	
		Adjustment Amount	Total Adjustment
5	To annualize property tax. (Hanneken)	971,220	
Current Income Tax S-18			
1	To adjust current income tax expense. (Gibbs)	6,482,697	\$ 6,482,697
Deferred Income Tax Expense S-19			
1	To adjust deferred income tax expense. (Gibbs)	(4,124,132)	\$ (4,124,132)
IFC Amortization S-20			
1	No Adjustment	0	\$ 0

Missouri-American Water Company

Case No. WR-2003-0500

Case No. WC-2004-0168

Test Year Ending December 31, 2002 Updated Through
June 30, 2003

Income Tax Calculation

Line	Description (A)	Total Water			
		Test Year (B)	6.66% Return (C)	6.82% Return (D)	6.98% Return (E)
1	Net Operating Income (Acct. Sch. 1)	\$ 45,035,244	\$ 29,566,472	\$ 30,276,778	\$ 30,987,084
2	Add:				
3	Current Income Tax	10,816,025	1,177,791	1,620,366	2,062,941
4	Deferred Income Taxes				
5	Deferred Income Tax Expense	6,552,231	6,552,231	6,552,231	6,552,231
6	ITC Amortization	(155,183)	(155,183)	(155,183)	(155,183)
7	Net Income Before Income Tax	\$ 62,248,317	\$ 37,141,311	\$ 38,294,192	\$ 39,447,073
8	Additions to Net Income Before Income Tax:				
9	Book Depreciation	\$ 14,699,621	\$ 14,699,621	\$ 14,699,621	\$ 14,699,621
10	Contributions In Aid of Construction	785,098	785,098	785,098	785,098
11	Non Deductible Reserve Deficiency Amortization	0	0	0	0
12	Miscellaneous Non-deductible Expenses	69,845	69,845	69,845	69,845
13	Total Additions	\$ 15,554,564	\$ 15,554,564	\$ 15,554,564	\$ 15,554,564
14	Subtractions to Net Income Before Income Tax:				
15	Interest Expense @ 3.98%	\$ 17,668,853	\$ 17,668,853	\$ 17,668,853	\$ 17,668,853
16	Tax Straight Line Depreciation	14,665,568	14,665,568	14,665,568	14,665,568
17	Excess Tax Depreciation	16,734,346	16,734,346	16,734,346	16,734,346
18	Cost of Removal	559,036	559,036	559,036	559,036
19	Total Subtractions	\$ 49,627,804	\$ 49,627,804	\$ 49,627,804	\$ 49,627,804
20	Net Taxable Income	\$ 28,175,078	\$ 3,068,072	\$ 4,220,952	\$ 5,373,833
21	Provision for Federal Income Tax				
22	Net Taxable Income	\$ 28,175,078	\$ 3,068,072	\$ 4,220,952	\$ 5,373,833
23	Deduct Missouri Income Tax @ 100.00%	1,468,843	159,947	220,050	280,152
24	Federal Taxable Income	\$ 26,706,235	\$ 2,908,125	\$ 4,000,903	\$ 5,093,681
25	Federal Income Tax @ 35.00%	\$ 9,347,182	\$ 1,017,844	\$ 1,400,316	\$ 1,782,788
26	Provision for Missouri Income Tax				
27	Net Taxable Income	\$ 28,175,078	\$ 3,068,072	\$ 4,220,952	\$ 5,373,833
28	Deduct Federal Income Tax @ 50.00%	4,673,591	508,922	700,158	891,394
29	Missouri Taxable Income	\$ 23,501,487	\$ 2,559,150	\$ 3,520,794	\$ 4,482,439
30	Missouri Income Tax @ 6.25%	\$ 1,468,843	\$ 159,947	\$ 220,050	\$ 280,152
31	Summary of Provision For Income Tax				
32	Federal Income Tax	\$ 9,347,182	\$ 1,017,844	\$ 1,400,316	\$ 1,782,788
33	State Income Tax	1,468,843	159,947	220,050	280,152
34	Total Current Income Tax	\$ 10,816,025	\$ 1,177,791	\$ 1,620,366	\$ 2,062,941