

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Study Summary

Line	Description (a)	Total (b)	Residential (1) (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (1) (f)
1	Customer Costs	\$162,047,352	\$132,696,048	\$25,173,465	\$1,002,971	\$3,174,868
2	Demand Costs	58,699,773	34,193,277	13,257,636	1,174,212	10,074,648
3	Commodity Costs	200,097	92,875	38,447	3,642	65,134
4	Cost of Service Before Revenue Credits	220,947,223	166,982,200	38,469,548	2,180,825	13,314,650
5	Revenues Credited to Cost of Service (2)	4,980,112	3,763,750	867,097	49,155	300,110
6	Cost of Service Net of Revenue Credits	215,967,110	163,218,450	37,602,451	2,131,669	13,014,540
7	Revenue at Present Rates	183,550,113	130,675,888	37,325,117	2,196,153	13,352,956
8	Required Revenue Change	32,416,997	32,542,562	277,334	(64,483)	(338,416)
9	Required Revenue Change - As Filed	32,416,997	32,308,444	444,792	(31,027)	(305,212)
10	Difference from Filed Study	-	234,118	(167,458)	(33,456)	(33,204)
11	Revenue to Cost Ratios					
12	Current Revenue	0.8533	0.8051	0.9928	1.0296	1.0254
13	Revenue after Required Revenue Change	1.0000	1.0000	1.0000	1.0000	1.0000

(1) The customer-related cost component of the Cost of Service Before Revenue Credits for the classes differ somewhat from the filed study due to the need to correct the filed study for (1) Large Volume Service volumes and (2) calculation of the Account 376-379 customer allocation factors. This cost of service study makes these corrections. The resulting differences in class required revenue changes is shown on lines 8-10.

(2) Test Year Service Charge Revenue, Other Revenue, and Flex Customer Revenue are used offset to each class' cost of service. Allocation of the revenue credit to each class is based on the class' cost of service relative to the total cost of service.

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classified Rate Base

Line	Acct.	Description	Total	Customer	Demand	Commodity	Classification
	(a)	(b)	(c)	(d)	(e)	(f)	Factor
							(g)
1		<u>Intangible Plant</u>					
2	301	Organization	15,600	11,078	4,522	-	NINTPLT
3	302	Franchises and Consents	13,823	9,816	4,007	-	NINTPLT
4	303	Miscellaneous Intangible	29,961,921	27,004,971	2,956,950	-	PLT303
5		Total Intangible Plant	29,991,344	27,025,865	2,965,479	-	
6							
7		<u>Distribution Plant</u>					
8	374	Land and Land Rights	2,299,212	848,128	1,451,084	-	DIS376-379
9	375	Structures and Improvements	8,605,252	3,174,286	5,430,966	-	DIS376-379
10	376	Mains	376,180,798	144,503,282	231,677,517	-	DISMAIN
11	378	Measuring & Regulating Station Equipment - General	12,258,137	-	12,258,137	-	DEM
12	379	Measuring & Regulating Station Equipment - City Gate	3,298,701	-	3,298,701	-	DEM
13	380	Services	315,241,619	315,241,619	-	-	CUS
14	381	Meters	32,554,921	32,554,921	-	-	CUS
15	382	Meter Installations	76,596,105	76,596,105	-	-	CUS
16	383	House Regulators	12,597,793	12,597,793	-	-	CUS
17	385	Electronic Gas Measuring	379,944	379,944	-	-	CUS
18	386	Other Property-Customer Premises	-	-	-	-	
19	387	Other Equipment	-	-	-	-	
20		Total Distribution Plant	840,012,483	585,896,077	254,116,405	-	
21							
22		<u>General Plant</u>					
23	389	Land and Land Rights	1,104,164	770,138	334,026	-	DISPLT
24	390	Structures & Improvements	2,604,973	1,816,930	788,043	-	DISPLT
25	391	Office Furniture & Equipment	9,002,020	6,278,773	2,723,246	-	DISPLT
26	392	Transportation Equipment	12,712,348	8,866,672	3,845,676	-	DISPLT

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classified Rate Base

Line	Acct.	Description	Total	Customer	Demand	Commodity	Classification
	(a)	(b)	(c)	(d)	(e)	(f)	Factor
		<u>General Plant (Continued)</u>					
27							
28	393	Stores Equipment	656,718	458,051	198,667	-	DISPLT
29	394	Tools	5,355,121	3,735,117	1,620,005	-	DISPLT
30	395	Laboratory Equipment	-	-	-	-	-
31	396	Power Operated Equipment	1,759,239	1,227,042	532,196	-	DISPLT
32	397.1	Communication Equipment - AMR	38,278,014	38,278,014	-	-	CUS
33	397.0	Communication Equipment	3,813,854	2,660,106	1,153,748	-	DISPLT
34	398	Miscellaneous General Plant	466,841	325,615	141,226	-	DISPLT
35		Total General Plant	75,753,292	64,416,457	11,336,835	-	
36							
37		Total Plant in Service	945,757,118	677,338,399	268,418,719	-	
38							
39		<u>Depreciation and Amortization Reserve</u>					
40							
41	301	Organization	-	-	-	-	-
42	302	Franchises and Consents	-	-	-	-	-
43	303	Miscellaneous Intangible	(22,126,176)	(19,942,538)	(2,183,638)	-	PLT303
44	374	Land and Land Rights	(499,682)	(184,322)	(315,360)	-	PLT374
45	375	Structures	(457,150)	(168,632)	(288,517)	-	PLT375
46	376	Distribution Mains	(124,892,778)	(47,975,379)	(76,917,400)	-	PLT376
47	378	Measuring and Regulating Station Equipment - General	(4,113,394)	-	(4,113,394)	-	PLT378
48	379	Measuring and Regulating Station Equipment - City Gate	(945,364)	-	(945,364)	-	PLT379
49	380	Services	(144,226,274)	(144,226,274)	-	-	PLT380
50	381	Meters	(3,772,219)	(3,772,219)	-	-	PLT381
51	382	Meter Installations	(19,267,938)	(19,267,938)	-	-	PLT382
52	383	House Regulators	(2,823,311)	(2,823,311)	-	-	PLT383
53	385	Electronic Gas Measuring	(132,551)	(132,551)	-	-	PLT385
	386	Other Property-Customer Premises	-	-	-	-	-

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classified Rate Base

Line	Acct.	Description	Total	Customer	Demand	Commodity	Classification Factor
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
54		<u>Depreciation and Amortization Reserve (Continued)</u>					
55	387	Other Equipment	-	-	-	-	
56	389	Land & Land Rights	-	-	-	-	
57	390	Structures & Improvements	(1,136,262)	(792,526)	(343,736)	-	PLT390
58	391	Office Furniture & Equipment	(2,264,489)	(1,579,447)	(685,042)	-	PLT391
59	392	Transportation Equipment	(6,896,910)	(4,810,491)	(2,086,419)	-	PLT392
60	393	Stores Equipment	(141,360)	(98,596)	(42,763)	-	PLT393
61	394	Tools	(996,215)	(694,845)	(301,370)	-	PLT394
62	395	Laboratory Equipment	-	-	-	-	PLT395
63	396	Power Operated Equipment	(300,164)	(209,360)	(90,804)	-	PLT396
64	397.1	Communication Equipment - AMR	(17,276,537)	(17,276,537)	-	-	PLT397.1
65	397.0	Communication Equipment	1,099,825	767,112	332,714	-	PLT397.0
66	398	Miscellaneous General Plant	(323,695)	(225,773)	(97,923)	-	PLT398
67		Corporate	(375,937)	(319,676)	(56,261)	-	GENPLT
68		Retirement Work in Progress Not Classified	102,672	72,911	29,762	-	NONINTPLT
69		Total Depreciation and Amortization Reserve	(351,765,909)	(263,660,393)	(88,105,516)	-	
70							
71		Net Plant in Service	593,991,209	413,678,006	180,313,203	-	
72							
73		<u>Other Rate Base Items</u>					
74							
75		Customer Deposits	(4,559,511)	(4,559,511)	-	-	CUS
76							
77		Customer Advances	(13,393,902)	(8,905,957)	(4,487,945)	-	MAINSVC
78							
79		Accumulated Deferred Income Taxes -SLRP	(1,278,767)	(987,129)	(291,638)	-	SLRP

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classified Rate Base

Line	Acct. (a)	Description (b)	Total (c)	Customer (d)	Demand (e)	Commodity (f)	Classification Factor (g)
		<u>Other Rate Base Items (Continued)</u>					
80		Accumulated Deferred Income Taxes -Other	(90,483,357)	(64,804,383)	(25,680,974)	-	TOTPLT
81							
82							
83							
84		Net Cost of Removal	552,665	395,811	156,854	-	TOTPLT
85							
86		Gas Inventory	91,535,864	-	91,535,864	-	DEM
87							
88		Materials and Supplies	2,199,670	1,575,374	624,296	-	TOTPLT
89							
90		Prepayments	6,287,823	5,071,195	1,207,862	8,765	OPEXP
91							
92		Cash Working Capital	20,105,085	16,214,962	3,862,096	28,027	OPEXP
93							
94		Total Rate Base	<u>\$604,954,779</u>	<u>\$357,678,369</u>	<u>\$247,239,618</u>	<u>\$36,792</u>	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classified Cost of Service

Line	Acct.	Description	Total	Customer	Demand	Commodity	Classification Factor
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1		<u>Distribution Operations Expenses</u>					
2	870	Operation Supervision and Engineering	700,270	603,081	95,701	1,488	DIS871-879
3	871	Distribution Load Dispatch	28,778	-	-	28,778	COM
4	872	Compressor Station Labor and Expense	-	-	-	-	
5	874	Mains and Services Expenses	3,124,902	2,077,829	1,047,073	-	MAINSVC
6	875	Distribution Regulating Station Expense (w/o Odorant)	795,797	-	795,797	-	DEM
7	876	Measuring & Regulating Station Expenses - Industrial	(2,934)	(2,934)	-	-	CUS
8	877	Measuring & Regulating Station Expenses - City Gate	8,286	-	8,286	-	DEM
9	878	Meter and House Regulator Expenses	6,422,302	6,422,302	-	-	CUS
10	879	Customer Installation Expenses	3,168,252	3,168,252	-	-	CUS
11	880	Other Expenses (without Odorant)	7,780	6,700	1,063	17	DIS871-879
12	881	Rents (without Odorant)	181,288	156,128	24,775	385	DIS871-879
13		Total Distribution Operations Expenses	14,434,722	12,431,359	1,972,695	30,668	
14							
15		<u>Distribution Maintenance Expenses</u>					
16	885	Maintenance Supervision and Engineering	1,276,587	559,743	708,241	8,603	DIS887-893
17	886	Maintenance Structures and Improvements	112,770	49,446	62,564	760	DIS887-893
18	887	Maintenance of Mains	9,622,053	3,696,144	5,925,909	-	DISMAIN
19	889	Maint. Meas. & Reg. Sta. Equip. - General (w/o Odorant)	656,934	-	656,934	-	DEM
20		Odorant Expense (Acct. 875, 880, 881 and 889 reduced by amount of test year odorant expense)	80,280	-	-	80,280	COM
21	890	Maint. of Measuring & Regulating Sta. Equip. - Industrial	252,791	252,791	-	-	CUS
22	891	Maint. of Measuring & Regulating Sta. Equip. - City Gate	26,333	-	26,333	-	DEM
23	892	Maintenance of Services	938,710	938,710	-	-	CUS
24	893	Maintenance of Meters & House Regulators	335,773	335,773	-	-	CUS
25	894	Maintenance of Other Equipment	173,279	75,977	96,134	1,168	DIS887-893

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classified Cost of Service

Line	Acct.	Description	Total	Customer	Demand	Commodity	Classification Factor
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
26							
27		Total Distribution Maintenance Expenses	13,475,509	5,908,583	7,476,116	90,811	
28							
29		Total Operations and Maintenance Expenses	27,910,231	18,339,942	9,448,811	121,479	
30							
31		<u>Customer Accounts Expenses</u>					
32	901	Supervision	257,607	257,607	-	-	CUS
33	902	Meter Reading Expenses	971,886	971,886	-	-	CUS
34	903	Customer Accounts and Collections	13,128,223	13,128,223	-	-	CUS
35	904	Uncollectible Accounts	9,435,379	9,435,379	-	-	CUS
36	905	Miscellaneous Customer Accounts Expenses	(14,289)	(14,289)	-	-	CUS
37		Total Customer Accounts Expenses	23,778,807	23,778,807	-	-	
38							
39		<u>Customer Service Expenses</u>					
40	907	Supervision	-	-	-	-	
41	908	Customer Assistance	1,108,662	1,108,662	-	-	CUS
42	909	Informational and Instructional Advertising	78,181	78,181	-	-	CUS
43	910	Miscellaneous Customer Service Expense	-	-	-	-	
44		Total Customer Service Expenses	1,186,843	1,186,843	-	-	
45							
46		<u>Sales and Advertising Expenses</u>					
47	911	Supervision	-	-	-	-	
48	912	Demonstrating and Selling	1,026,962	1,026,962	-	-	CUS
49	913	Advertising Expense	4,813	4,813	-	-	CUS
50	915	Miscellaneous Sales	1,646	1,646	-	-	CUS
51		Total Sales and Advertising Expenses	1,033,421	1,033,421	-	-	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classified Cost of Service

Line	Acct.	Description (b)	Total (c)	Customer (d)	Demand (e)	Commodity (f)	Classification Factor (g)
52							
53		<u>Administrative and General Expenses</u>					
54	920	Administrative and General Salaries	7,086,523	5,694,549	1,381,760	10,214	NONAGOPEXP
55	921	Office Supplies and Expenses	11,680,066	9,385,804	2,277,428	16,834	NONAGOPEXP
56	922	Administrative Expenses Transferred	(525,286)	(422,106)	(102,422)	(757)	NONAGOPEXP
57	923	Outside Services Employed	3,220,952	2,588,275	628,035	4,642	NONAGOPEXP
58	924	Property Insurance	24,300	17,403	6,897	-	TOTPLT
59	925	Injuries and Damages	2,810,553	2,258,489	548,014	4,051	NONAGOPEXP
60	926	Employee Pensions and Benefits	22,213,611	17,850,292	4,331,303	32,016	NONAGOPEXP
61	927	Franchise Requirements	-	-	-	-	-
62	928	Regulatory Commission Expense	2,086,143	2,086,143	-	-	CUS
63	930	Miscellaneous General Expenses	2,158,307	1,734,361	420,836	3,111	NONAGOPEXP
64	931	Rents	760,184	530,217	229,967	-	DISPLT
65	932	Maintenance of General Plant	1,635,930	1,391,105	244,825	-	GENPLT
66		Total Administrative and General Expenses	53,151,283	43,114,532	9,966,641	70,110	NONAGOPEXP
67							
68		<u>Depreciation and Amortization Expense</u>					
69	301	Organization	-	-	-	-	-
70	302	Franchises and Consents	-	-	-	-	-
71	303	Miscellaneous Intangible	-	-	-	-	-
72	374	Land and Land Rights	44,906	16,565	28,341	-	PLT374
73	375	Structures	128,218	47,297	80,921	-	PLT375
74	376	Distribution Mains	8,990,721	3,453,628	5,537,093	-	PLT376
75	378	Measuring and Regulating Station Equipment - General	350,583	-	350,583	-	PLT378
76	379	Measuring and Regulating Station Equipment - City Gate	70,262	-	70,262	-	PLT379
77	380	Services	10,655,167	10,655,167	-	-	PLT380
78	381	Meters	940,837	940,837	-	-	PLT381

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classified Cost of Service

Line	Acct.	Description (b)	Total (c)	Customer (d)	Demand (e)	Commodity (f)	Classification Factor (g)
	(a)						
79		<u>Depreciation and Amortization Expense (Continued)</u>					
80	382	Meter Installations	2,190,649	2,190,649	-	-	PLT382
81	383	House Regulators	307,386	307,386	-	-	PLT383
82	385	Electronic Gas Measuring	12,652	12,652	-	-	PLT385
83	386	Other Property-Customer Premises	-	-	-	-	
84	387	Other Equipment	-	-	-	-	
85	390	Structures & Improvements	157,990	110,196	47,794	-	PLT390
86	391	Office Furniture & Equipment	759,474	529,722	229,752	-	PLT391
87	392	Transportation Equipment	-	-	-	-	PLT392
88	393	Stores Equipment	17,731	12,367	5,364	-	PLT393
89	394	Tools	283,821	197,961	85,860	-	PLT394
90	395	Laboratory Equipment	-	-	-	-	
91	396	Power Operated Equipment	-	-	-	-	PLT396
92	397.1	Communication Equipment -AMR	1,913,901	1,913,901	-	-	PLT397.1
93	397.0	Communication Equipment	238,366	166,257	72,109	-	PLT397.0
94	398	Miscellaneous General Plant	17,973	12,536	5,437	-	PLT398
95		Amortization - SLRP	1,081,178	834,603	246,575	-	SLRP
96		Amortization - Software (Account 303)	1,845,160	1,725,798	119,362	-	PLT303AMORT
97		Amortization - Infinity Software	199,992	142,020	57,972	-	NONINTPLT
98		Amortization - Net Cost of Removal Balance	170,052	121,789	48,263	-	TOTPLT
99		Amortization - Cold Weather Rule	-	-	-	-	CUS
100		Total Depreciation and Amortization Expense	30,377,019	23,391,329	6,985,690	-	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classified Cost of Service

Line	Acct.	Description	Total	Customer	Demand	Commodity	Classification Factor
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
101							
102		<u>Taxes Other Than Income</u>					
103	408	Payroll	2,689,921	2,169,450	516,722	3,750	NONTOTIOPEXP
104	408	Ad Valorem	8,996,732	6,443,337	2,553,395	-	TOTPLT
105	408	Gross Receipts	-	-	-	-	
106	408	Other	300,036	241,982	57,636	418	NONTOTIOPEXP
107		Total Taxes Other Than Income	11,986,689	8,854,769	3,127,752	4,168	
108							
109	431	Interest on Customer Deposits	146,575	146,575	-	-	CUS
110							
111		Required Return	51,021,886	30,166,594	20,852,189	3,103	RB
112							
113		Income Taxes	20,354,468	12,034,541	8,318,689	1,238	RB
114							
115		Total Cost of Service Before Revenue Credits	220,947,223	162,047,352	58,699,773	200,097	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classification Factors

Line	Description	Total (b)	Customer (c)	Demand (d)	Commodity (e)
1	Customer Factor (CUS)		1.00000	0.00000	0.00000
2					
3	Demand Factor (DEM)		0.00000	1.00000	0.00000
4					
5	Commodity Factor (COM)		0.00000	0.00000	1.00000
6					
7	Total Distribution Plant	840,012,483	585,896,077	254,116,405	-
8	Total General Plant	75,753,292	64,416,457	11,336,835	-
9	Total Non-Intangible Plant	915,765,774	650,312,534	265,453,240	-
10	Non-Intangible Plant Factor (NINTPLT)	1.00000	0.71013	0.28987	0.00000
11					
12	376 Mains	376,180,798	144,503,282	231,677,517	-
13	378 Measuring & Regulating Station Equipment - General	12,258,137	-	12,258,137	-
14	379 Measuring & Regulating Station Equipment - City Gate	3,298,701	-	3,298,701	-
15	Total Accounts 376-379	391,737,637	144,503,282	247,234,355	-
16	Accounts 376-379 Factor (DIS376-379)	1.00000	0.36888	0.63112	0.00000
17					
18	376 Distribution Mains	376,180,798	144,503,282	231,677,517	-
19	Distribution Mains Factor (DISMAIN)	1.00000	0.38413	0.61587	0.00000
20					
21	374-87 Total Distribution Plant	840,012,483	585,896,077	254,116,405	-
22	Distribution Plant Factor (DISPLT)	1.00000	0.69748	0.30252	0.00000
23					
24	General Plant	75,753,292	64,416,457	11,336,835	-
25	General Plant Factor (GENPLT)	1.00000	0.85035	0.14965	0.00000

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classification Factors

Line	Description (a)	Total (b)	Customer (c)	Demand (d)	Commodity (e)
26	Mains	376,180,798	144,503,282	231,677,517	-
27	Services	315,241,619	315,241,619	-	-
28	Total Mains and Services	691,422,417	459,744,901	231,677,517	-
29	Mains and Services Factor (MAINSVC)	1.00000	0.66493	0.33507	0.00000
30					
31	Total Amortization -SLRP	1,081,178	834,602	246,575	-
32	SLRP Factor (SLRP)	1.00000	0.77194	0.22806	0.00000
33					
34	Total Plant in Service	945,757,118	677,338,399	268,418,719	-
35	Total Plant in Service Factor (TOTPLT)	1.0000	0.71619	0.28381	0.00000
36					
37	Total Operations and Maintenance Expenses	27,910,231	18,339,942	9,448,811	121,479
38	Total Customer Accounts Expenses	23,778,807	23,778,807	-	-
39	Total Customer Service Expenses	1,186,843	1,186,843	-	-
40	Total Sales and Advertising Expenses	1,033,421	1,033,421	-	-
41	Total Administrative and General Expenses	53,151,283	43,114,532	9,966,641	70,110
42	Total Depreciation and Amortization Expenses	30,377,019	23,391,329	6,985,690	-
43	Total Operating Expenses (without TOTI)	137,437,604	110,844,874	26,401,142	191,588
44	Operating Expense (without TOTI) Factor (NONTOTOPEXP)	1.00000	0.80651	0.19210	0.00139
45					
46	Total Operating Expenses	149,424,294	119,699,643	29,528,894	195,756
47	Operating Expense Factor (OPEXP)	1.00000	0.80107	0.19762	0.00131

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classification Factors

Line	Description (a)	Total (b)	Customer (c)	Demand (d)	Commodity (e)
48					
49	871 Distribution Load Dispatch	28,778	-	-	28,778
50	874 Mains and Services Expenses	3,124,902	2,077,829	1,047,073	-
51	875 Distribution Regulating Station Expense (w/o Odorant)	795,797	-	795,797	-
52	876 Measuring & Regulating Station Expenses - Industrial	(2,934)	(2,934)	-	-
53	877 Measuring & Regulating Station Expenses - City Gate	8,286	-	8,286	-
54	878 Meter and House Regulator Expenses	6,422,302	6,422,302	-	-
55	879 Customer Installation Expenses	3,168,252	3,168,252	-	-
56	Total Accounts 871-879	13,545,384	11,665,449	1,851,156	28,778
57	Accounts 871-879 Factor (DIS871-879)	1.00000	0.86121	0.13666	0.00212
58					
59	887 Maintenance of Mains	9,622,053	3,696,144	5,925,909	-
60	889 Maint. Meas. & Reg. Sta. Equip. - General (w/o Odorant)	656,934	-	656,934	-
61	889 Odorization Expense	80,280	-	-	80,280
62	890 Maint. of Measuring & Regulating Sta. Equip. - Industrial	252,791	252,791	-	-
63	891 Maint. of Measuring & Regulating Sta. Equip. - City Gate	26,333	-	26,333	-
64	892 Maintenance of Services	938,710	938,710	-	-
65	893 Maintenance of Meters & House Regulators	335,773	335,773	-	-
66	Total Accounts 887-893	11,912,873	5,223,417	6,609,176	80,280
67	Accounts 887-893 Factor (DIS887-893)	1.00000	0.43847	0.55479	0.00674
68					
69	Total Operations and Maintenance Expenses	27,910,231	18,339,942	9,448,811	121,479
70	Total Customer Accounts Expenses	23,778,807	23,778,807	-	-
71	Total Customer Service Expenses	1,186,843	1,186,843	-	-
72	Total Sales and Advertising Expenses	1,033,421	1,033,421	-	-
73	Total Depreciation and Amortization Expense	30,377,019	23,391,329	6,985,690	-
74	Total Operating Exp. Without A&G Expenses	84,286,321	67,730,342	16,434,501	121,479
75	Non-A&G Operating Exp. (without TOTI) Factor (NONAGOPEXP)	1.00000	0.80357	0.19498	0.00144

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classification Factors

Line	Description (a)	Total (b)	Customer (c)	Demand (d)	Commodity (e)
76					
77	301 Organization	15,600	11,078	4,522	-
78	Organization Factor (PLT301)	1.00000	0.71013	0.28987	0.00000
79					
80	302 Franchises and Consents	13,823	9,816	4,007	-
81	Franchises and Consents Factor (PLT302)	1.00000	0.71013	0.28987	0.00000
82					
83	303 Miscellaneous Intangible	29,961,921	27,004,971	2,956,950	-
84	Miscellaneous Intangible Plant (PLT303)	1.00000	0.90131	0.09869	0.00000
85					
86	Intangible Plant Total	29,991,344	27,025,865	2,965,479	-
87	Intangible Plant Factor (INTPLT)	1.00000	0.90112	0.09888	-
88					
89	374 Land and Land Rights	2,299,212	848,128	1,451,084	-
90	Land and Land Rights Factor (PLT374)	1.00000	0.36888	0.63112	0.00000
91					
92	375 Structures and Improvements	8,605,252	3,174,286	5,430,966	-
93	Structures and Improvements Factor (PLT375)	1.00000	0.36888	0.63112	0.00000
94					
95	376 Mains	376,180,798	144,503,282	231,677,517	-
96	Mains Factor (PLT376)	1.00000	0.38413	0.61587	0.00000
97					
98	378 Measuring & Regulating Station Equipment - General	12,258,137	-	12,258,137	-
99	Measuring & Regulating Station Equip. - General Factor (PLT378)	1.00000	0.00000	1.00000	0.00000
100					
101	379 Measuring & Regulating Station Equipment - City Gate	3,298,701	-	3,298,701	-
102	Measuring & Regulating Station Equip. - City Gate Factor (PLT379)	1.00000	0.00000	1.00000	0.00000

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classification Factors

Line	Description (a)	Total (b)	Customer (c)	Demand (d)	Commodity (e)
103					
104	380 Services	315,241,619	315,241,619	-	-
105	Services Factor (PLT380)	1.00000	1.00000	0.00000	0.00000
106					
107	381 Meters	32,554,921	32,554,921	-	-
108	Meters Factor (PLT381)	1.00000	1.00000	0.00000	0.00000
109					
110	382 Meter Installations	76,596,105	76,596,105	-	-
111	Meter Installations Factor (PLT382)	1.00000	1.00000	0.00000	0.00000
112					
113	383 House Regulators	12,597,793	12,597,793	-	-
114	House Regulators Factor (PLT383)	1.00000	1.00000	0.00000	0.00000
115					
116	385 Electronic Gas Measuring	379,944	379,944	-	-
117	Measuring & Regulating Sta. Equip.- Industrial Factor (PLT385)	1.00000	1.00000	0.00000	0.00000
118					
119	386 Other Property-Customer Premises	-	-	-	-
120	Other Property - Customer Premises Factor (PLT386)	0.00000	0.00000	0.00000	0.00000
121					
122	387 Other Equipment	-	-	-	-
123	Other Equipment Factor (PLT387)	0.00000	0.00000	0.00000	0.00000
124					
125	390 Structures & Improvements	2,604,973	1,816,930	788,043	-
126	Structures & Improvements Factor (PLT390)	1.00000	0.69748	0.30252	0.00000
127					
128	391 Office Furniture & Equipment	9,002,020	6,278,773	2,723,246	-
129	Office Furniture & Equipment Factor (PLT391)	1.00000	0.69748	0.30252	0.00000

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classification Factors

Line	Description (a)	Total (b)	Customer (c)	Demand (d)	Commodity (e)
130					
131	392 Transportation Equipment	12,712,348	8,866,672	3,845,676	-
132	Transportation Equipment Factor (PLT392)	1.00000	0.69748	0.30252	0.00000
133					
134	393 Stores Equipment	656,718	458,051	198,667	-
135	Stores Equipment Factor (PLT393)	1.00000	0.69748	0.30252	0.00000
136					
137	394 Tools	5,355,121	3,735,117	1,620,005	-
138	Tools Factor (PLT394)	1.00000	0.69748	0.30252	0.00000
139					
140	395 Laboratory Equipment	-	-	-	-
141	Laboratory Equipment Factor (PLT395)	0.00000	0.00000	0.00000	0.00000
142					
143	396 Power Operated Equipment	1,759,239	1,227,042	532,196	-
144	Power Operated Equipment Factor (PLT396)	1.00000	0.69748	0.30252	0.00000
145					
146	397.1 Communication Equipment - AMR	38,278,014	38,278,014	-	-
147	Communication Equipment -AMR Factor (PLT397.1)	1.00000	1.00000	0.00000	0.00000
148					
149	397.0 Communication Equipment	3,813,854	2,660,106	1,153,748	-
150	Communication Equipment Factor (PLT397.0)	1.00000	0.69748	0.30252	0.00000
151					
152	398 Miscellaneous General Plant	466,841	325,615	141,226	-
153	Miscellaneous General Plant Factor (PLT398)	1.00000	0.69748	0.30252	0.00000

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Classification Factors

Line	Description	Total	Customer	Demand	Commodity
	(a)	(b)	(c)	(d)	(e)
154					
155	Account 303 Amortization	1,845,160	1,725,798	119,362	-
156	Account 303 Amortization Factor (PLT303AMORT)	1.00000	0.93531	0.06469	-
157					
158	Net Plant	593,991,209	413,678,006	180,313,203	-
159	Net Plant Factor (NETPLT)	1.00000	0.69644	0.30356	0.00000
160					
161	Total Rate Base	604,954,779	357,678,369	247,239,618	36,792
162	Rate Base Factor (RB)	1.00000	0.59125	0.40869	0.00006

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
	(a)	(b)	(c)	(c)	(d)	(e)	(f)	(l)
1		<u>Intangible Plant</u>						
2	301	Organization						
3		Customer	11,078	9,198	1,695	41	145	NONINTCUS
4		Demand	4,522	2,595	1,012	90	825	DEM
5		Commodity	-	-	-	-	-	-
6		Total Organization	15,600	11,793	2,707	131	970	
7	302	Franchises and Consents						
8		Customer	9,816	8,150	1,502	36	128	NONINTCUS
9		Demand	4,007	2,299	897	80	731	DEM
10		Commodity	-	-	-	-	-	-
11		Total Franchises and Consents	13,823	10,449	2,399	116	859	
12	303	Miscellaneous Intangible						
13		Customer	27,004,971	23,634,420	3,327,613	16,127	26,810	CUS
14		Demand	2,956,950	1,696,903	661,966	58,931	539,150	DEM
15		Commodity	-	-	-	-	-	-
16		Total Miscellaneous Intangible	29,961,921	25,331,323	3,989,579	75,059	565,960	
17		<u>Total Intangible Plant</u>						
18		Customer	27,025,865	23,651,767	3,330,809	16,205	27,084	
19		Demand	2,965,479	1,701,797	663,875	59,101	540,705	
20		Commodity	-	-	-	-	-	
21		Total Intangible Plant	29,991,344	25,353,565	3,994,685	75,306	567,789	
22		<u>Distribution Plant</u>						
23	374	Land and Land Rights						
24		Customer	848,128	742,271	104,508	507	842	376-379CUS
25		Demand	1,451,084	832,732	324,851	28,920	264,581	DEM
26		Commodity	-	-	-	-	-	-
27		Total Land and Land Rights	2,299,212	1,575,004	429,359	29,426	265,423	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General	Large General	Large Volume	Allocation
		(b)	(c)	(c)	(d)	(e)	(f)	Factor
Distribution Plant (Continued)								
28								
29	375	Structures and Improvements						
30		Customer	3,174,286	2,778,096	391,143	1,896	3,151	376-379CUS
31		Demand	5,430,966	3,116,665	1,215,819	108,237	990,245	DEM
32		Commodity	-	-	-	-	-	
33		Total Structures and Improvements	8,605,252	5,894,761	1,606,962	110,133	993,397	
34	376	Mains						
35		Customer	144,503,282	126,467,503	17,806,019	86,298	143,461	CUS
36		Demand	231,677,517	132,952,604	51,865,155	4,617,262	42,242,496	DEM
37		Commodity	-	-	-	-	-	
38		Total Mains	376,180,798	259,420,107	69,671,174	4,703,560	42,385,957	
39	378	Measuring & Regulating Sta. Equip. - General						
40		Customer	-	-	-	-	-	
41		Demand	12,258,137	7,034,568	2,744,203	244,301	2,235,065	DEM
42		Commodity	-	-	-	-	-	
43		Total Measuring & Regulating Sta. Equip. - General	12,258,137	7,034,568	2,744,203	244,301	2,235,065	
44	379	Measuring & Regulating Sta. Equip. - City Gate						
45		Customer	-	-	-	-	-	
46		Demand	3,298,701	1,893,023	738,473	65,742	601,463	DEM
47		Commodity	-	-	-	-	-	
48		Total Measuring & Regulating Sta. Equip. - City Gate	3,298,701	1,893,023	738,473	65,742	601,463	
49	380	Services						
50		Customer	315,241,619	275,373,408	38,771,258	315,020	781,934	SERCUS
51		Demand	-	-	-	-	-	
52		Commodity	-	-	-	-	-	
53		Total Services	315,241,619	275,373,408	38,771,258	315,020	781,934	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
	(a)	(b)	(c)	(c)	(d)	(e)	(f)	(l)
<u>Distribution Plant (Continued)</u>								
54								
55	381	Meters						
56		Customer	32,554,921	16,513,421	15,038,367	122,513	880,620	METCUS
57		Demand	-	-	-	-	-	
58		Commodity	-	-	-	-	-	
59		Total Meters	32,554,921	16,513,421	15,038,367	122,513	880,620	
60	382	Meter Installations						
61		Customer	76,596,105	54,287,974	15,286,974	1,592,866	5,428,292	METINCUS
62		Demand	-	-	-	-	-	
63		Commodity	-	-	-	-	-	
64		Total Meter Installations	76,596,105	54,287,974	15,286,974	1,592,866	5,428,292	
65	383	House Regulators						
66		Customer	12,597,793	8,600,055	3,312,417	154,866	530,455	REGCUS
67		Demand	-	-	-	-	-	
68		Commodity	-	-	-	-	-	
69		Total House Regulators	12,597,793	8,600,055	3,312,417	154,866	530,455	
70	385	Electronic Gas Measuring						
71		Customer	379,944	-	-	-	379,944	LVCUS
72		Demand	-	-	-	-	-	
73		Commodity	-	-	-	-	-	
74		Total Electronic Gas Measuring	379,944	-	-	-	379,944	
75	386	Other Property - Customer Premises						
76		Customer	-	-	-	-	-	
77		Demand	-	-	-	-	-	
78		Commodity	-	-	-	-	-	
79		Total Other Property - Customer Premises	-	-	-	-	-	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
	(a)	(b)	(c)	(c)	(d)	(e)	(f)	(l)
80		<u>Distribution Plant (Continued)</u>						
81	387	Other Equipment						
82		Customer	-	-	-	-	-	
83		Demand	-	-	-	-	-	
84		Commodity	-	-	-	-	-	
85		Total Other Equipment	-	-	-	-	-	
86		<u>Total Distribution Plant</u>						
87		Customer	585,896,077	484,762,729	90,710,685	2,273,964	8,148,699	
88		Demand	254,116,405	145,829,592	56,888,501	5,064,462	46,333,850	
89		Commodity	-	-	-	-	-	
90		Total Distribution Plant	840,012,483	630,592,321	147,599,187	7,338,426	54,482,549	
91		<u>General Plant</u>						
92		Land & Land Rights						
93		Customer	770,138	637,202	119,236	2,989	10,711	DISPLTCUS
94		Demand	334,026	191,687	74,778	6,657	60,904	DEM
95		Commodity	-	-	-	-	-	
96		Total Land and Land Rights	1,104,164	828,889	194,013	9,646	71,615	
97		Structures & Improvements						
98		Customer	1,816,930	1,503,304	281,304	7,052	25,270	DISPLTCUS
99		Demand	788,043	452,234	176,418	15,705	143,686	DEM
100		Commodity	-	-	-	-	-	
101		Total Structures & Improvements	2,604,973	1,955,538	457,722	22,757	168,957	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
(a)		(b)	(c)	(c)	(d)	(e)	(f)	(l)
General Plant (Continued)								
102	391	Office Furniture & Equipment						
103		Customer	6,278,773	5,194,975	972,104	24,369	87,326	DISPLTCUS
104		Demand	2,723,246	1,562,787	609,647	54,273	496,538	DEM
105		Commodity	-	-	-	-	-	
106		Total Office Furniture & Equipment	9,002,020	6,757,762	1,581,751	78,642	583,864	
107	392	Transportation Equipment						
108		Customer	8,866,672	7,336,168	1,372,772	34,413	123,319	DISPLTCUS
109		Demand	3,845,676	2,206,915	860,923	76,643	701,194	DEM
110		Commodity	-	-	-	-	-	
111		Total Transportation Equipment	12,712,348	9,543,083	2,233,696	111,056	824,513	
112	393	Stores Equipment						
113		Customer	458,051	378,985	70,917	1,778	6,371	DISPLTCUS
114		Demand	198,667	114,009	44,475	3,959	36,224	DEM
115		Commodity	-	-	-	-	-	
116		Total Stores Equipment	656,718	492,994	115,392	5,737	42,594	
117	394	Tools						
118		Customer	3,735,117	3,090,386	578,285	14,497	51,948	DISPLTCUS
119		Demand	1,620,005	929,671	362,667	32,286	295,381	DEM
120		Commodity	-	-	-	-	-	
121		Total Tools	5,355,121	4,020,057	940,952	46,783	347,329	
122	395	Laboratory Equipment						
123		Customer	-	-	-	-	-	
124		Demand	-	-	-	-	-	
125		Commodity	-	-	-	-	-	
126		Total Laboratory Equipment	-	-	-	-	-	
127			-	-	-	-	-	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
(a)		(b)	(c)	(c)	(d)	(e)	(f)	(l)
		General Plant (Continued)						
128								
129	396	Power Operated Equipment						
130		Customer	1,227,042	1,015,239	189,975	4,762	17,066	DISPLTCUS
131		Demand	532,196	305,411	119,142	10,607	97,037	DEM
132		Commodity	-	-	-	-	-	
133		Total Power Operated Equipment	1,759,239	1,320,650	309,117	15,369	114,103	
134	397.1	Communication Equipment -AMR						
135		Customer	38,278,014	33,533,741	4,721,390	22,883	-	NONLVCUS
136		Demand	-	-	-	-	-	
137		Commodity	-	-	-	-	-	
138		Total Communications Equipment - AMR	38,278,014	33,533,741	4,721,390	22,883	-	
139	397.0	Communication Equipment						
140		Customer	2,660,106	2,200,937	411,848	10,324	36,997	DISPLTCUS
141		Demand	1,153,748	662,101	258,287	22,994	210,367	DEM
142		Commodity	-	-	-	-	-	
143		Total Communications Equipment	3,813,854	2,863,037	670,135	33,318	247,364	
144	398	Miscellaneous General Plant						
145		Customer	325,615	269,409	50,413	1,264	4,529	DISPLTCUS
146		Demand	141,226	81,046	31,616	2,815	25,750	DEM
147		Commodity	-	-	-	-	-	
148		Total Miscellaneous General Plant	466,841	350,455	82,029	4,078	30,279	
149		Total General Plant						
150		Customer	64,416,457	55,160,346	8,768,245	124,330	363,536	
151		Demand	11,336,835	6,505,861	2,537,953	225,940	2,067,081	
152		Commodity	-	-	-	-	-	
153		Total General Plant	75,753,292	61,666,207	11,306,198	350,270	2,430,617	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
	(a)	(b)	(c)	(c)	(d)	(e)	(f)	(l)
154		Total Plant in Service						
155		Customer	677,338,399	563,574,842	102,809,739	2,414,499	8,539,319	
156		Demand	268,418,719	154,037,250	60,090,330	5,349,503	48,941,636	
157		Commodity	-	-	-	-	-	
158		Total Plant in Service	945,757,118	717,612,092	162,900,069	7,764,002	57,480,955	
159		Depreciation and Amortization Reserve						
160	301	Organization						
161		Customer	-	-	-	-	-	
162		Demand	-	-	-	-	-	
163		Commodity	-	-	-	-	-	
164		Total Organization	-	-	-	-	-	
165	302	Franchises and Consents						
166		Customer	-	-	-	-	-	
167		Demand	-	-	-	-	-	
168		Commodity	-	-	-	-	-	
169		Total Franchises and Consents	-	-	-	-	-	
170	303	Miscellaneous Intangible						
171		Customer	(19,942,538)	(16,557,326)	(3,050,629)	(73,546)	(261,037)	NONINTCUS
172		Demand	(2,183,638)	(1,253,123)	(488,846)	(43,519)	(398,150)	DEM
173		Commodity	-	-	-	-	-	
174		Total Miscellaneous Intangible	(22,126,176)	(17,810,449)	(3,539,476)	(117,066)	(659,187)	
175	374	Land and Land Rights						
176		Customer	(184,322)	(161,316)	(22,713)	(110)	(183)	376-379CUS
177		Demand	(315,360)	(180,976)	(70,599)	(6,285)	(57,501)	DEM
178		Commodity	-	-	-	-	-	
179		Total Land and Land Rights	(499,682)	(342,292)	(93,312)	(6,395)	(57,684)	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
(a)		(b)	(c)	(c)	(d)	(e)	(f)	(l)
180		Depreciation and Amort. Reserve (Continued)						
181	375	Structures						
182		Customer	(168,632)	(147,585)	(20,779)	(101)	(167)	376-379CUS
183		Demand	(288,517)	(165,571)	(64,590)	(5,750)	(52,606)	DEM
184		Commodity	-	-	-	-	-	
185		Total Structures	(457,150)	(313,156)	(85,369)	(5,851)	(52,774)	
186	376	Distribution Mains						
187		Customer	(47,975,379)	(41,987,464)	(5,911,634)	(28,651)	(47,629)	CUS
188		Demand	(76,917,400)	(44,140,531)	(17,219,335)	(1,532,940)	(14,024,593)	DEM
189		Commodity	-	-	-	-	-	
190		Total Distribution Mains	(124,892,778)	(86,127,995)	(23,130,969)	(1,561,591)	(14,072,223)	
191	378	Meas. and Reg. Station Equip. - General						
192		Customer	-	-	-	-	-	
193		Demand	(4,113,394)	(2,360,550)	(920,857)	(81,979)	(750,008)	DEM
194		Commodity	-	-	-	-	-	
195		Total Meas. and Reg. Station Equip. - General	(4,113,394)	(2,360,550)	(920,857)	(81,979)	(750,008)	
196	379	Meas. and Reg. Station Equip. - City Gate						
197		Customer	-	-	-	-	-	
198		Demand	(945,364)	(542,515)	(211,637)	(18,841)	(172,371)	DEM
199		Commodity	-	-	-	-	-	
200		Total Meas. and Reg. Station Equip. - City Gate	(945,364)	(542,515)	(211,637)	(18,841)	(172,371)	
201	380	Services						
202		Customer	(144,226,274)	(125,986,159)	(17,738,248)	(144,125)	(357,743)	SERCUS
203		Demand	-	-	-	-	-	
204		Commodity	-	-	-	-	-	
205		Total Services	(144,226,274)	(125,986,159)	(17,738,248)	(144,125)	(357,743)	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
(a)		(b)	(c)	(c)	(d)	(e)	(f)	(l)
206		Depreciation and Amort. Reserve (Continued)						
207	381	Meters						
208		Customer	(3,772,219)	(1,913,451)	(1,742,533)	(14,196)	(102,040)	METCUS
209		Demand	-	-	-	-	-	
210		Commodity	-	-	-	-	-	
211		Total Meters	(3,772,219)	(1,913,451)	(1,742,533)	(14,196)	(102,040)	
212	382	Meter Installations						
213		Customer	(19,267,938)	(13,656,273)	(3,845,476)	(400,689)	(1,365,500)	METINCUS
214		Demand	-	-	-	-	-	
215		Commodity	-	-	-	-	-	
216		Total Meter Installations	(19,267,938)	(13,656,273)	(3,845,476)	(400,689)	(1,365,500)	
217	383	House Regulators						
218		Customer	(2,823,311)	(1,927,372)	(742,351)	(34,707)	(118,881)	REGCUS
219		Demand	-	-	-	-	-	
220		Commodity	-	-	-	-	-	
221		Total House Regulators	(2,823,311)	(1,927,372)	(742,351)	(34,707)	(118,881)	
222	385	Electronic Gas Measuring						
223		Customer	(132,551)	-	-	-	(132,551)	LVCUS
224		Demand	-	-	-	-	-	
225		Commodity	-	-	-	-	-	
226		Total Electronic Gas Measuring	(132,551)	-	-	-	(132,551)	
227	386	Other Property-Customer Premises						
228		Customer	-	-	-	-	-	
229		Demand	-	-	-	-	-	
230		Commodity	-	-	-	-	-	
231		Total Other Property - Customer Premises	-	-	-	-	-	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
(a)		(b)	(c)	(c)	(d)	(e)	(f)	(i)
232		Depreciation and Amort. Reserve (Continued)						
233	387	Other Equipment						
234		Customer	-	-	-	-	-	
235		Demand	-	-	-	-	-	
236		Commodity	-	-	-	-	-	
237		Total Other Equipment	-	-	-	-	-	
238	389	Land and Land Rights						
239		Customer	-	-	-	-	-	
240		Demand	-	-	-	-	-	
241		Commodity	-	-	-	-	-	
242		Total Land and Land Rights	-	-	-	-	-	
243	390	Structures & Improvements						
244		Customer	(792,526)	(655,726)	(122,702)	(3,076)	(11,023)	DISPLTCUS
245		Demand	(343,736)	(197,260)	(76,952)	(6,851)	(62,675)	DEM
246		Commodity	-	-	-	-	-	
247		Total Structures & Improvements	(1,136,262)	(852,985)	(199,653)	(9,926)	(73,697)	
248	391	Office Furniture & Equipment						
249		Customer	(1,579,447)	(1,306,814)	(244,536)	(6,130)	(21,967)	DISPLTCUS
250		Demand	(685,042)	(393,124)	(153,359)	(13,653)	(124,906)	DEM
251		Commodity	-	-	-	-	-	
252		Total Office Furniture & Equipment	(2,264,489)	(1,699,938)	(397,895)	(19,783)	(146,873)	
253	392	Transportation Equipment						
254		Customer	(4,810,491)	(3,980,137)	(744,779)	(18,670)	(66,905)	DISPLTCUS
255		Demand	(2,086,419)	(1,197,332)	(467,082)	(41,582)	(380,423)	DEM
256		Commodity	-	-	-	-	-	
257		Total Transportation Equipment	(6,896,910)	(5,177,469)	(1,211,861)	(60,252)	(447,328)	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
(a)		(b)	(c)	(c)	(d)	(e)	(f)	(l)
258		Depreciation and Amort. Reserve (Continued)						
259	393	Stores Equipment						
260		Customer	(98,596)	(81,577)	(15,265)	(383)	(1,371)	DISPLTCUS
261		Demand	(42,763)	(24,541)	(9,573)	(852)	(7,797)	DEM
262		Commodity	-	-	-	-	-	
263		Total Stores Equipment	(141,360)	(106,118)	(24,838)	(1,235)	(9,168)	
264	394	Tools						
265		Customer	(694,845)	(574,906)	(107,579)	(2,697)	(9,664)	DISPLTCUS
266		Demand	(301,370)	(172,947)	(67,467)	(6,006)	(54,950)	DEM
267		Commodity	-	-	-	-	-	
268		Total Tools	(996,215)	(747,853)	(175,046)	(8,703)	(64,614)	
269	395	Laboratory Equipment						
270		Customer	-	-	-	-	-	
271		Demand	-	-	-	-	-	
272		Commodity	-	-	-	-	-	
273		Total Laboratory Equipment	-	-	-	-	-	
274	396	Power Operated Equipment						
275		Customer	(209,360)	(173,221)	(32,414)	(813)	(2,912)	DISPLTCUS
276		Demand	(90,804)	(52,110)	(20,328)	(1,810)	(16,557)	DEM
277		Commodity	-	-	-	-	-	
278		Total Power Operated Equipment	(300,164)	(225,331)	(52,742)	(2,622)	(19,468)	
279	397.1	Communication Equipment - AMR						
280		Customer	(17,276,537)	(15,135,240)	(2,130,969)	(10,328)	-	NONLVCUS
281		Demand	-	-	-	-	-	
282		Commodity	-	-	-	-	-	
283		Total Communication Equipment - AMR	(17,276,537)	(15,135,240)	(2,130,969)	(10,328)	-	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
(a)		(b)	(c)	(c)	(d)	(e)	(f)	(l)
284		Depreciation and Amort. Reserve (Continued)						
285	397.0	Communication Equipment						
286		Customer	767,112	634,698	118,767	2,977	10,669	DISPLTCUS
287		Demand	332,714	190,934	74,484	6,631	60,665	DEM
288		Commodity	-	-	-	-	-	
289		Total Communication Equipment	1,099,825	825,632	193,251	9,608	71,334	
290	398	Miscellaneous General Plant						
291		Customer	(225,773)	(186,801)	(34,955)	(876)	(3,140)	DISPLTCUS
292		Demand	(97,923)	(56,195)	(21,922)	(1,952)	(17,855)	DEM
293		Commodity	-	-	-	-	-	
294		Total Miscellaneous General Plant	(323,695)	(242,996)	(56,877)	(2,828)	(20,995)	
295		Corporate						
296		Customer	(319,676)	(264,496)	(49,493)	(1,241)	(4,446)	DISPLTCUS
297		Demand	(56,261)	(32,286)	(12,595)	(1,121)	(10,258)	DEM
298		Commodity	-	-	-	-	-	
299		Total Corporate	(375,937)	(296,782)	(62,088)	(2,362)	(14,704)	
300		Retirement Work in Progress Not Classified						
301		Customer	72,911	60,325	11,288	283	1,014	DISPLTCUS
302		Demand	29,762	17,079	6,663	593	5,427	DEM
303		Commodity	-	-	-	-	-	
304		Total Retirement Work in Progress Not Classified	102,672	77,404	17,951	876	6,441	
305		Total Depreciation and Amortization Reserve						
306		Customer	(263,660,393)	(224,000,840)	(36,426,999)	(737,078)	(2,495,476)	
307		Demand	(88,105,516)	(50,561,047)	(19,723,995)	(1,755,916)	(16,064,558)	
308		Commodity	-	-	-	-	-	
309		Total Depreciation and Amortization Reserve	(351,765,909)	(274,561,887)	(56,150,994)	(2,492,994)	(18,560,034)	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
(a)	(b)	(c)	(c)	(c)	(d)	(e)	(f)	(l)
310		<u>Net Plant in Service</u>						
311	Customer		413,678,006	339,574,002	66,382,740	1,677,421	6,043,843	
312	Demand		180,313,203	103,476,203	40,366,335	3,593,587	32,877,078	
313	Commodity		-	-	-	-	-	
314	<u>Net Plant in Service</u>		593,991,209	443,050,205	106,749,075	5,271,007	38,920,921	
315		<u>Other Rate Base Items</u>						
316	<u>Customer Deposits</u>							
317	Customer		(4,539,511)	(783,188)	(3,625,119)	(140,616)	(10,588)	DEPCUS
318	Demand		-	-	-	-	-	
319	Commodity		-	-	-	-	-	
320	Total Customer Deposits		(4,539,511)	(783,188)	(3,625,119)	(140,616)	(10,588)	
321	<u>Customer Advances</u>							
322	Customer		(8,905,957)	(7,787,658)	(1,096,465)	(6,951)	(14,882)	MNSVCCUS
323	Demand		(4,487,945)	(2,575,494)	(1,004,707)	(89,443)	(818,301)	DEM
324	Commodity		-	-	-	-	-	
325	Total Customer Advances		(13,393,902)	(10,363,152)	(2,101,172)	(96,395)	(833,184)	
326	<u>Accumulated Deferred Income Taxes -SLRP</u>							
327	Customer		(987,129)	(862,619)	(121,453)	(906)	(2,151)	SLRPCUS
328	Demand		(291,638)	(167,362)	(65,288)	(5,812)	(53,175)	DEM
329	Commodity		-	-	-	-	-	
330	Total Accumulated Deferred Income Taxes - SLRP		(1,278,767)	(1,029,982)	(186,741)	(6,718)	(55,326)	
331	<u>Accumulated Deferred Income Taxes - Other</u>							
332	Customer		(64,804,383)	(53,920,050)	(9,836,327)	(231,007)	(817,000)	TPLTCUS
333	Demand		(25,680,974)	(14,737,521)	(5,749,145)	(511,814)	(4,682,493)	DEM
334	Commodity		-	-	-	-	-	
335	Total Accumulated Deferred Income Taxes		(90,485,357)	(68,657,571)	(15,585,472)	(742,821)	(5,499,493)	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General	Large General	Large Volume	Allocation
		(b)	(c)	(c)	(d)	(e)	(f)	Factor
								(l)
		Other Rate Base Items (Continued)						
336		Net Cost of Removal						
337		Customer	395,811	329,332	60,078	1,411	4,990	TPLTCUS
338		Demand	156,854	90,014	35,115	3,126	28,600	DEM
339		Commodity	-	-	-	-	-	
340		Total Net Cost of Removal	552,665	419,346	95,193	4,537	33,590	
341		Gas Inventory						
342		Customer	-	-	-	-	-	
343		Demand	91,535,864	56,829,118	21,480,550	1,861,094	11,365,103	GASINVDEM
344		Commodity	-	-	-	-	-	
345		Total Gas Inventory	91,535,864	56,829,118	21,480,550	1,861,094	11,365,103	
346		Materials and Supplies						
347		Customer	1,575,374	1,310,779	239,118	5,616	19,861	TPLTCUS
348		Demand	624,296	358,264	139,760	12,442	113,830	DEM
349		Commodity	-	-	-	-	-	COM
350		Total Materials and Supplies	2,199,670	1,669,044	378,878	18,058	133,691	
351		Prepayments						
352		Customer	5,071,195	4,144,517	785,471	35,055	106,153	OPEXPCUS
353		Demand	1,207,862	693,155	270,402	24,072	220,233	DEM
354		Commodity	8,765	4,068	1,684	160	2,853	COM
355		Total Prepayments	6,287,823	4,841,740	1,057,557	59,286	329,239	
356		Cash Working Capital						
357		Customer	16,214,962	13,251,943	2,511,515	112,086	339,419	OPEXPCUS
358		Demand	3,862,096	2,216,338	864,599	76,970	704,188	DEM
359		Commodity	28,027	13,008	5,385	510	9,123	COM
360		Total Cash Working Capital	20,105,085	15,481,289	3,381,499	189,566	1,052,731	
361								

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Rate Base

Line	Acct.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
	(a)	(b)	(c)	(c)	(d)	(e)	(f)	(l)
362								
363		Total Rate Base						
364		Customer	357,678,369	295,257,058	55,299,559	1,452,107	5,669,645	
365		Demand	247,239,618	146,182,715	56,337,619	4,964,222	39,755,062	
366		Commodity	36,792	17,077	7,069	670	11,976	
367		Total Rate Base	\$604,954,779	\$441,456,850	\$111,644,247	\$6,416,999	\$45,436,684	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
1	(a)						
2	<u>Distribution Operations Expenses</u>						
3	Supervision and Engineering						
4	Customer	603,081	415,513	153,965	7,184	26,419	871-879CUS
5	Demand	95,701	54,920	21,424	1,907	17,450	DEM
6	Commodity	1,488	691	286	27	484	COM
7	Total Supervision & Engineering	700,270	471,123	175,675	9,119	44,353	
8	Distribution Load Dispatch						
9	Customer	-	-	-	-	-	
10	Demand	-	-	-	-	-	
11	Commodity	28,778	13,357	5,530	524	9,368	COM
12	Total Distribution Load Dispatch	28,778	13,357	5,530	524	9,368	
13	Compressor Station Labor and Expense						
14	Customer	-	-	-	-	-	
15	Demand	-	-	-	-	-	
16	Commodity	-	-	-	-	-	
17	Total Compressor Station Labor and Expense	-	-	-	-	-	
18	Mains and Services						
19	Customer	2,077,829	1,816,921	255,814	1,622	3,472	MNSVCCUS
20	Demand	1,047,073	600,883	234,406	20,868	190,916	DEM
21	Commodity	-	-	-	-	-	
22	Total Mains and Services	3,124,902	2,417,804	490,220	22,490	194,388	
23	Distribution Regulating Station Expense (w/o Odorant)						
24	Customer	-	-	-	-	-	
25	Demand	795,797	456,683	178,153	15,860	145,100	DEM
26	Commodity	-	-	-	-	-	
	Total Distr. Reg. Station Expense (w/o Odorant)	795,797	456,683	178,153	15,860	145,100	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
27	(a)						
28	Distribution Operations Exp. (Continued)						
29	Meas. & Reg. Station Exp. - Industrial	(2,934)	-	-	(1,102)	(1,832)	LGLVCUS
30	Customer	-	-	-	-	-	
31	Demand	-	-	-	-	-	
32	Commodity	-	-	-	-	-	
33	Total Meas. & Reg. Station Expenses - Industrial	(2,934)	-	-	(1,102)	(1,832)	
34	Meas. & Reg. Station Equip. - City Gate						
35	Customer	8,286	4,755	1,855	165	1,511	DEM
36	Demand	-	-	-	-	-	
37	Commodity	-	-	-	-	-	
38	Total Meas. & Reg. Station Equip. - City Gate	8,286	4,755	1,855	165	1,511	
39	Meter & House Regulator Expense						
40	Customer	6,422,302	3,974,857	2,090,017	72,564	284,863	METREGCUS
41	Demand	-	-	-	-	-	
42	Commodity	-	-	-	-	-	
43	Total Meter & House Regulator Expense	6,422,302	3,974,857	2,090,017	72,564	284,863	
44	Customer Installation Expense						
45	Customer	3,168,252	2,245,519	632,317	65,886	224,531	METNSCUS
46	Demand	-	-	-	-	-	
47	Commodity	-	-	-	-	-	
48	Total Customer Installation Expense	3,168,252	2,245,519	632,317	65,886	224,531	
49	Other Expenses (without Odorant)						
50	Customer	6,700	4,616	1,711	80	294	871-879CUS
51	Demand	1,063	610	238	21	194	DEM
52	Commodity	17	8	3	0	5	COM
	Total Other Expenses (w/o Odorant)	7,780	5,234	1,952	101	493	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
53	(a)						
54	881 <u>Distribution Operations Exp. (Continued)</u>						
55	Rents (without Odorant)	156,128	107,569	39,859	1,860	6,840	871-879CUS
56	Customer	24,775	14,218	5,546	494	4,517	DEM
57	Demand	385	179	74	7	125	COM
58	Commodity						
59	Total Rents (without Odorant)	181,288	121,966	45,479	2,361	11,482	
60	<u>Total Distribution Operations Expenses</u>	12,431,359	8,564,996	3,173,682	148,094	544,587	
61	Customer	1,972,695	1,132,069	441,623	39,315	359,688	
62	Demand	30,668	14,234	5,893	558	9,983	
63	Commodity	14,434,722	9,711,300	3,621,197	187,968	914,257	
64	<u>Distribution Maintenance Expenses</u>						
65	Maintenance Super. and Engineering						
66	Customer	559,743	456,784	72,887	10,918	19,153	887-893CUS
67	Demand	708,241	406,438	158,552	14,115	129,136	DEM
68	Commodity	8,603	3,993	1,653	157	2,800	COM
69	Total Maintenance Super. and Engineering	1,276,587	867,215	233,092	25,190	151,089	
70	<u>Maintenance Struct. and Improvements</u>						
71	Customer	49,446	40,351	6,439	964	1,692	887-893CUS
72	Demand	62,564	35,904	14,006	1,247	11,408	DEM
73	Commodity	760	353	146	14	247	COM
74	Total Maintenance Structures and Improvements	112,770	76,608	20,591	2,225	13,347	
75	<u>Mains</u>						
76	Customer	3,696,144	3,234,820	455,447	2,207	3,669	CUS
77	Demand	5,925,909	3,400,697	1,326,621	118,102	1,080,490	DEM
78	Commodity	-	-	-	-	-	
79	Total Mains	9,622,053	6,635,517	1,782,068	120,309	1,084,159	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
80	(a)						
81	<u>Distrib. Maintenance Exp. (Continued)</u>						
82	Meas. & Reg. Sta. Eq.-Gen. (w/o Odorant)	-	-	-	-	-	
83	Customer	656,934	376,995	147,067	13,093	119,781	DEM
84	Demand	-	-	-	-	-	
85	Commodity	656,934	376,995	147,067	13,093	119,781	
86	Total Meas. & Reg. Sta. Eq. - Gen. (w/o Odorant)						
87	Odorant Expense	-	-	-	-	-	
88	Customer	-	-	-	-	-	
89	Demand	-	-	-	-	-	
90	Commodity	80,280	37,262	15,425	1,461	26,132	COM
91	Total Odorization Expense	80,280	37,262	15,425	1,461	26,132	
92	Measuring & Reg. Sta. Equip. - Industrial	252,791	-	-	94,949	157,842	LGLVCUS
93	Customer	-	-	-	-	-	
94	Demand	-	-	-	-	-	
95	Commodity	252,791	-	-	94,949	157,842	
96	Total Measuring & Reg. Sta. Equip. - Industrial						
97	Meas. & Reg. Station Equip.- City Gate	-	-	-	-	-	
98	Customer	26,333	15,111	5,895	525	4,801	DEM
99	Demand	-	-	-	-	-	
100	Commodity	26,333	15,111	5,895	525	4,801	
101	Total Meas. & Reg. Station Equip. - City Gate						
102	Services	938,710	819,992	115,451	938	2,328	SERCUS
103	Customer	-	-	-	-	-	
104	Demand	-	-	-	-	-	
105	Commodity	938,710	819,992	115,451	938	2,328	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
106	(a)						
107	<u>Distr. Maintenance Exp. (Continued)</u>						
893	<u>Meters & House Regulators</u>						
108	Customer	335,773	207,815	109,271	3,794	14,893	METREGCUS
109	Demand	-	-	-	-	-	
110	Commodity	-	-	-	-	-	
111	Total Meters & House Regulators	335,773	207,815	109,271	3,794	14,893	
894	<u>Other Equipment</u>						
113	Customer	75,977	62,863	11,763	295	1,057	DISPLTCUS
114	Demand	96,134	55,168	21,521	1,916	17,528	DEM
115	Commodity	1,168	542	224	21	380	COM
116	Total Other Equipment	173,279	118,573	33,509	2,232	18,965	
117	<u>Total Distribution Maintenance Exp.</u>						
118	Customer	5,908,583	4,822,625	771,258	114,066	200,635	
119	Demand	7,476,116	4,290,313	1,673,662	148,997	1,363,144	
120	Commodity	90,811	42,150	17,448	1,653	29,560	
121	Total Distribution Maintenance Expenses	13,475,509	9,155,087	2,462,369	264,715	1,593,338	
122	<u>Total Operations & Maintenance Exp.</u>						
123	Customer	18,339,942	13,387,621	3,944,940	262,160	745,221	
124	Demand	9,448,811	5,422,382	2,115,285	188,312	1,722,832	
125	Commodity	121,479	56,384	23,341	2,211	39,543	
126	Total Operations & Maintenance Expenses	27,910,231	18,866,387	6,083,566	452,683	2,507,596	
127	<u>Customer Accounts Expense</u>						
901	<u>Supervision</u>						
128	Customer	257,607	229,096	27,999	237	276	902-904CUS
129	Demand	-	-	-	-	-	
130	Commodity	-	-	-	-	-	
131	Total Supervision	257,607	229,096	27,999	237	276	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
133	(a)						
134	902 <u>Customer Accounts Exp. (Continued)</u>						
135	Meter Reading Expenses						
136	Customer	971,886	850,583	119,758	580	965	CUS
137	Demand	-	-	-	-	-	-
138	Commodity	-	-	-	-	-	-
139	Total Meter Reading Expenses	971,886	850,583	119,758	580	965	
140	903 <u>Customer Accounts and Collections</u>						
141	Customer	13,128,223	11,424,139	1,662,306	17,538	24,241	903CUS
142	Demand	-	-	-	-	-	-
143	Commodity	-	-	-	-	-	-
144	Total Customer Accounting	13,128,223	11,424,139	1,662,306	17,538	24,241	
145	904 <u>Uncollectible Accounts</u>						
146	Customer	9,435,379	8,655,889	775,998	3,491	-	904CUS
147	Demand	-	-	-	-	-	-
148	Commodity	-	-	-	-	-	-
149	Total Bad Debt Expense	9,435,379	8,655,889	775,998	3,491	-	
150	905 <u>Miscellaneous Customer Accounts</u>						
151	Customer	(14,289)	(12,708)	(1,553)	(13)	(15)	902-904CUS
152	Demand	-	-	-	-	-	-
153	Commodity	-	-	-	-	-	-
154	Total Other Customer Accounts Exp.	(14,289)	(12,708)	(1,553)	(13)	(15)	
155	906 <u>Total Customer Accounts Expenses</u>						
156	Customer	23,778,807	21,146,999	2,584,509	21,833	25,466	
157	Demand	-	-	-	-	-	-
158	Commodity	-	-	-	-	-	-
	Total Customer Accounts Expenses	23,778,807	21,146,999	2,584,509	21,833	25,466	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
(a)	(b)						
159	<u>Customer Service Expenses</u>						
160	Supervision						
161	Customer	-	-	-	-	-	
162	Demand	-	-	-	-	-	
163	Commodity	-	-	-	-	-	
164	Total Customer Service Exp.,	-	-	-	-	-	
165	Customer Assistance						
166	Customer	1,108,662	970,288	136,612	662	1,101	CUS
167	Demand	-	-	-	-	-	
168	Commodity	-	-	-	-	-	
169	Total Advertising Expenses	1,108,662	970,288	136,612	662	1,101	
170	Informational and Instruc. Advertising						
171	Customer	78,181	68,423	9,634	47	78	CUS
172	Demand	-	-	-	-	-	
173	Commodity	-	-	-	-	-	
174	Total Informational and Instructional Advertising	78,181	68,423	9,634	47	78	
175	Miscellaneous Customer Service Exp.						
176	Customer	-	-	-	-	-	
177	Demand	-	-	-	-	-	
178	Commodity	-	-	-	-	-	
179	Total Miscellaneous Customer Service Expense	-	-	-	-	-	
180	<u>Total Customer Service Expenses</u>						
181	Customer	1,186,843	1,038,711	146,245	709	1,178	
182	Demand	-	-	-	-	-	
183	Commodity	-	-	-	-	-	
184	Total Customer Service Expenses	1,186,843	1,038,711	146,245	709	1,178	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
185	(a)						
186	911 <u>Sales and Advertising Expenses</u>						
187	Supervision						
188	Customer	-	-	-	-	-	
189	Demand	-	-	-	-	-	
190	Commodity	-	-	-	-	-	
191	Total Supervision	-	-	-	-	-	
192	912 <u>Demonstrating and Selling</u>						
193	Customer	1,026,962	308,088	205,392	102,696	410,785	912CUS
194	Demand	-	-	-	-	-	
195	Commodity	-	-	-	-	-	
196	Total Demonstrating and Selling	1,026,962	308,088	205,392	102,696	410,785	
197	913 <u>Advertising Expense</u>						
198	Customer	4,813	4,212	593	3	5	CUS
199	Demand	-	-	-	-	-	
200	Commodity	-	-	-	-	-	
201	Total Advertising Expense	4,813	4,212	593	3	5	
202	915 <u>Miscellaneous Sales</u>						
203	Customer	1,646	498	329	164	655	912-913CUS
204	Demand	-	-	-	-	-	
205	Commodity	-	-	-	-	-	
206	Total Miscellaneous Sales	1,646	498	329	164	655	
207	<u>Total Sales And Advertising</u>						
208	Customer	1,033,421	312,799	206,314	102,863	411,445	
209	Demand	-	-	-	-	-	
210	Commodity	-	-	-	-	-	
	Total Sales And Advertising	1,033,421	312,799	206,314	102,863	411,445	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
211	(a) (b) <u>Administrative and General Expenses</u>						
212	920 <u>Administrative and General Salaries</u>						
213	Customer	5,694,549	4,659,688	872,767	39,213	122,881	NONAGEXPCUS
214	Demand	1,381,760	792,950	309,332	27,338	251,941	DEM
215	Commodity	10,214	4,741	1,962	186	3,325	COM
216	Total Administrative and General Salaries	7,086,523	5,457,378	1,184,061	66,937	378,147	
217	921 <u>Office Supplies and Equipment</u>						
218	Customer	9,385,804	7,680,137	1,438,502	64,631	202,534	NONAGEXPCUS
219	Demand	2,277,428	1,306,946	509,843	45,388	415,251	DEM
220	Commodity	16,834	7,813	3,234	306	5,480	COM
221	Total Office Supplies and Equipment	11,680,066	8,994,897	1,951,580	110,325	623,264	
222	922 <u>Administrative Expenses Transferred</u>						
223	Customer	(422,106)	(345,398)	(64,694)	(2,907)	(9,109)	NONAGEXPCUS
224	Demand	(102,422)	(58,777)	(22,929)	(2,041)	(18,675)	DEM
225	Commodity	(757)	(351)	(145)	(14)	(246)	COM
226	Total Administrative Expenses Transferred	(525,286)	(404,526)	(87,768)	(4,962)	(28,030)	
227	923 <u>Outside Services Employed</u>						
228	Customer	2,588,275	2,117,912	396,688	17,823	55,852	NONAGEXPCUS
229	Demand	628,035	360,410	140,597	12,517	114,512	DEM
230	Commodity	4,642	2,155	892	84	1,511	COM
231	Outside Services Employed	3,220,952	2,480,476	538,177	30,424	171,874	
232	924 <u>Property Insurance</u>						
233	Customer	17,403	14,480	2,642	62	219	TOTPLTCUS
234	Demand	6,897	3,958	1,544	137	1,257	DEM
235	Commodity	-	-	-	-	-	
236	Total Property Insurance	24,300	18,438	4,186	199	1,477	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
237	(a)						
238	Admin. & General Exp. (Continued)						
239	Injuries and Damages						
240	Customer	2,258,489	1,848,058	346,144	15,552	48,735	NONAGEXPCUS
241	Demand	548,014	314,488	122,683	10,922	99,921	DEM
242	Commodity	4,051	1,880	778	74	1,319	COM
243	Total Injuries and Damages	2,810,553	2,164,426	469,605	26,547	149,975	
244	Employee Pensions and Benefits						
245	Customer	17,850,292	14,606,387	2,735,800	122,917	385,187	NONAGEXPCUS
246	Demand	4,331,303	2,485,602	969,640	86,322	789,740	DEM
247	Commodity	32,016	14,860	6,151	583	10,421	COM
248	Total Employee Pensions and Benefits	22,213,611	17,106,849	3,711,591	209,821	1,185,349	
249	Franchise Requirements						
250	Customer	-	-	-	-	-	-
251	Demand	-	-	-	-	-	-
252	Commodity	-	-	-	-	-	-
253	Total Franchise Requirements	-	-	-	-	-	-
254	Regulatory Commission Expense						
255	Customer	2,086,143	1,444,427	542,486	46,961	52,270	TOTREVCUS
256	Demand	-	-	-	-	-	-
257	Commodity	-	-	-	-	-	-
258	Total Regulatory Commission Expense	2,086,143	1,444,427	542,486	46,961	52,270	
259	Miscellaneous General Expense						
260	Customer	1,734,361	1,419,178	265,814	11,943	37,425	NONAGEXPCUS
261	Demand	420,836	241,505	94,212	8,387	76,732	DEM
262	Commodity	3,111	1,444	598	57	1,013	COM
	Total Miscellaneous General Expense	2,158,307	1,662,127	360,624	20,387	115,170	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
263	(a)						
264	Admin. & General Exp. (Continued)						
265	Rents						
266	Customer	530,217	438,695	82,090	2,058	7,374	DISPLTCUS
267	Demand	229,967	131,971	51,482	4,583	41,931	DEM
268	Commodity	-	-	-	-	-	
269	Total Rents	760,184	570,666	133,572	6,641	49,305	
270	Maintenance of General Plant						
271	Customer	1,391,105	1,191,215	189,355	2,685	7,851	GENPLTCUS
272	Demand	244,825	140,497	54,808	4,879	44,640	DEM
273	Commodity	-	-	-	-	-	
274	Total Maintenance of General Plant	1,635,930	1,331,712	244,163	7,564	52,490	
275	Total Administrative & General Expenses						
276	Customer	43,114,532	35,074,779	6,807,595	320,937	911,221	
277	Demand	9,966,641	5,719,549	2,231,211	198,632	1,817,249	
278	Commodity	70,110	32,541	13,471	1,276	22,821	
279	Total Administrative & General Expenses	53,151,283	40,826,869	9,052,277	520,845	2,751,292	
280	Depreciation and Amortization Expense						
281	Organization						
282	Customer	-	-	-	-	-	
283	Demand	-	-	-	-	-	
284	Commodity	-	-	-	-	-	
285	Total Organization	-	-	-	-	-	
286	Franchises and Consents						
287	Customer	-	-	-	-	-	
288	Demand	-	-	-	-	-	
289	Commodity	-	-	-	-	-	
290	Total Franchises and Consents	-	-	-	-	-	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
290	(a)						
291	303 <u>Depr. and Amort. Exp. (Continued)</u>						
292	Miscellaneous Intangible						
293	Customer	-	-	-	-	-	
294	Demand	-	-	-	-	-	
295	Commodity	-	-	-	-	-	
296	Total Miscellaneous Intangible	-	-	-	-	-	
297	374 <u>Land and Land Rights</u>						
298	Customer	16,565	14,497	2,041	10	16	376-379CUS
299	Demand	28,341	16,264	6,345	565	5,168	DEM
300	Commodity	-	-	-	-	-	
301	Total Land and Land Rights	44,906	30,761	8,386	575	5,184	
302	375 <u>Structures</u>						
303	Customer	47,297	41,394	5,828	28	47	376-379CUS
304	Demand	80,921	46,438	18,116	1,613	14,755	DEM
305	Commodity	-	-	-	-	-	
306	Total Structures	128,218	87,832	23,944	1,641	14,802	
307	376 <u>Mains</u>						
308	Customer	3,453,628	3,022,573	425,564	2,063	3,429	CUS
309	Demand	5,537,093	3,177,567	1,239,577	110,353	1,009,596	DEM
310	Commodity	-	-	-	-	-	
311	Total Mains	8,990,721	6,200,141	1,665,141	112,415	1,013,024	
312	378 <u>Meas. & Reg. Station Equip.- General</u>						
313	Customer	-	-	-	-	-	
314	Demand	350,583	201,189	78,484	6,987	63,923	DEM
315	Commodity	-	-	-	-	-	
	Total Meas. & Reg. Station Equip. - General	350,583	201,189	78,484	6,987	63,923	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
316	(a)						
317	Depr. and Amort. Exp. (Continued)						
318	Meas. & Reg. Station Equip.- City Gate	-	-	-	-	-	-
319	Customer	70,262	40,321	15,729	1,400	12,811	DEM
320	Demand	-	-	-	-	-	-
321	Commodity	70,262	40,321	15,729	1,400	12,811	-
322	Total Meas. & Reg. Station Equip. - City Gate	70,262	40,321	15,729	1,400	12,811	-
323	Services	10,655,167	9,307,621	1,310,469	10,648	26,429	SERCUS
324	Customer	-	-	-	-	-	-
325	Demand	-	-	-	-	-	-
326	Commodity	10,655,167	9,307,621	1,310,469	10,648	26,429	-
327	Total Services	940,837	477,238	434,609	3,541	25,450	METCUS
328	Customer	-	-	-	-	-	-
329	Demand	-	-	-	-	-	-
330	Commodity	940,837	477,238	434,609	3,541	25,450	-
331	Total Meters	2,190,649	1,552,636	437,208	45,556	155,249	METTNCUS
332	Meter Installations	-	-	-	-	-	-
333	Customer	-	-	-	-	-	-
334	Demand	-	-	-	-	-	-
335	Commodity	2,190,649	1,552,636	437,208	45,556	155,249	-
336	Total Meter Installations	2,190,649	1,552,636	437,208	45,556	155,249	-
337	House Regulators	307,386	209,841	80,823	3,779	12,943	REGCUS
338	Customer	-	-	-	-	-	-
339	Demand	-	-	-	-	-	-
340	Commodity	307,386	209,841	80,823	3,779	12,943	-
341	House Regulators	307,386	209,841	80,823	3,779	12,943	-

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
342	(a)						
343	Depr. and Amort. Exp. (Continued)						
344	Electronic Gas Measuring						
345	Customer	12,652	-	-	-	12,652	LVCUS
346	Demand	-	-	-	-	-	
347	Commodity	-	-	-	-	-	
348	Total Electronic Gas Measuring	12,652	-	-	-	12,652	
349	Other Property - Customer Premises						
350	Customer	-	-	-	-	-	
351	Demand	-	-	-	-	-	
352	Commodity	-	-	-	-	-	
353	Total Other Property - Customer Premises	-	-	-	-	-	
354	Other Equipment						
355	Customer	-	-	-	-	-	
356	Demand	-	-	-	-	-	
357	Commodity	-	-	-	-	-	
358	Total Other Equipment	-	-	-	-	-	
359	Structures & Improvements						
360	Customer	110,196	91,174	17,061	428	1,533	DISPLTCUS
361	Demand	47,794	27,428	10,700	953	8,714	DEM
362	Commodity	-	-	-	-	-	
363	Total Structures & Improvements	157,990	118,602	27,761	1,380	10,247	
364	Office Furniture & Equipment						
365	Customer	529,722	438,285	82,014	2,056	7,367	DISPLTCUS
366	Demand	229,752	131,848	51,434	4,579	41,891	DEM
367	Commodity	-	-	-	-	-	
	Total Office Furniture & Equipment	759,474	570,133	133,448	6,635	49,259	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
368	(a) (b) <u>Depr. and Amort. Exp. (Continued)</u>						
369	392 Transportation Equipment						
370	Customer	-	-	-	-	-	
371	Demand	-	-	-	-	-	
372	Commodity	-	-	-	-	-	
373	Total Transportation Equipment	-	-	-	-	-	
374	393 Stores Equipment						
375	Customer	12,367	10,232	1,915	48	172	DISPLTCUS
376	Demand	5,364	3,078	1,201	107	978	DEM
377	Commodity	-	-	-	-	-	
378	Total Stores Equipment	17,731	13,311	3,116	155	1,150	
379	394 Tools						
380	Customer	197,961	163,790	30,649	768	2,753	DISPLTCUS
381	Demand	85,860	49,272	19,221	1,711	15,655	DEM
382	Commodity	-	-	-	-	-	
383	Total Tools	283,821	213,063	49,870	2,479	18,408	
384	395 Laboratory Equipment						
385	Customer	-	-	-	-	-	
386	Demand	-	-	-	-	-	
387	Commodity	-	-	-	-	-	
388	Total Laboratory Equipment	-	-	-	-	-	
389	396 Power Operated Equipment						
390	Customer	-	-	-	-	-	
391	Demand	-	-	-	-	-	
392	Commodity	-	-	-	-	-	
393	Total Power Operated Equipment	-	-	-	-	-	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
394	(a)						
395	<u>Depr. and Amort. Exp. (Continued)</u>						
396	<u>Communication Equipment -AMR</u>						
397	Customer	1,913,901	1,676,687	236,070	1,144	-	NONLVCUS
398	Demand	-	-	-	-	-	
399	Commodity	-	-	-	-	-	
400	Total Communication Equipment -AMR	1,913,901	1,676,687	236,070	1,144	-	
401	<u>Communication Equipment</u>						
402	Customer	166,257	137,559	25,741	645	2,312	DISPLTCUS
403	Demand	72,109	41,381	16,143	1,437	13,148	DEM
404	Commodity	-	-	-	-	-	
405	Total Communication Equipment	238,366	178,940	41,883	2,082	15,460	
406	<u>Miscellaneous General Plant</u>						
407	Customer	12,536	10,735	1,706	24	71	GENPLTCUS
408	Demand	5,437	3,120	1,217	108	991	DEM
409	Commodity	-	-	-	-	-	
410	Total Miscellaneous General Plant	17,973	13,855	2,924	133	1,062	
411	<u>Amortization - SLRP</u>						
412	Customer	834,603	729,332	102,686	766	1,819	SLRPCUS
413	Demand	246,575	141,502	55,200	4,914	44,959	DEM
414	Commodity	-	-	-	-	-	
415	Total Amortization - SLRP	1,081,178	870,834	157,887	5,680	46,777	
416	<u>Amortization - Software (Account 303)</u>						
417	Customer	1,725,798	1,432,846	263,997	6,365	22,590	CUS
418	Demand	119,362	68,498	26,721	2,379	21,764	DEM
419	Commodity	-	-	-	-	-	
	Amortization - Software	1,845,160	1,501,345	290,718	8,743	44,353	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
420	(a)						
421	Depr. and Amort. Exp. (Continued)						
422	Amortization - Infinity Software						
423	Customer	142,020	117,913	21,725	524	1,859	NONINTCUS
424	Demand	57,972	33,268	12,978	1,155	10,570	DEM
425	Commodity	-	-	-	-	-	
426	Total Amortization - Infinity Software	199,992	151,181	34,703	1,679	12,429	
427	Amortization - Net Cost of Removal						
428	Customer	121,789	101,334	18,486	434	1,535	TOTPLTCUS
429	Demand	48,263	27,697	10,805	962	8,800	DEM
430	Commodity	-	-	-	-	-	
431	Amortization - Net Cost of Removal	170,052	129,030	29,290	1,396	10,335	
432	Amortization - Cold Weather Rule						
433	Customer	-	-	-	-	-	
434	Demand	-	-	-	-	-	
435	Commodity	-	-	-	-	-	
436	Amortization - Cold Weather Rule						
437	Total Depreciation and Amort. Expense						
438	Customer	23,391,329	19,535,688	3,498,589	78,826	278,227	
439	Demand	6,985,690	4,008,873	1,563,872	139,223	1,273,723	
440	Commodity	-	-	-	-	-	
441	Total Depreciation and Amortization Expense	30,377,019	23,544,560	5,062,461	218,048	1,551,950	
442	Taxes Other Than Income						
443	Payroll						
444	Customer	2,169,450	1,771,194	336,406	15,410	46,440	NTOTIEXPCUS
445	Demand	516,722	296,531	115,677	10,298	94,215	DEM
446	Commodity	3,750	1,740	720	68	1,221	COM
	Total Payroll Taxes	2,689,921	2,069,465	452,804	25,776	141,876	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
447	(a)						
448	<u>Taxes Other Than Income (Continued)</u>						
449	Ad Valorem Taxes						
450	Customer	6,443,337	5,361,135	978,001	22,968	81,232	TPLTCUS
451	Demand	2,553,395	1,465,315	571,623	50,888	465,569	DEM
452	Commodity	-	-	-	-	-	
453	Total Ad Valorem Taxes	8,996,732	6,826,450	1,549,624	73,857	546,801	
454	Gross Receipts						
455	Customer	-	-	-	-	-	
456	Demand	-	-	-	-	-	
457	Commodity	-	-	-	-	-	
458	Total Revenue Related Taxes	-	-	-	-	-	
459	Other						
460	Customer	241,982	197,561	37,523	1,719	5,180	NTOTIEXPCUS
461	Demand	57,636	33,075	12,903	1,149	10,509	DEM
462	Commodity	418	194	80	8	136	COM
463	Total Other	300,036	230,830	50,506	2,875	15,825	
464	<u>Total Taxes Other Than Income</u>						
465	Customer	8,854,769	7,329,890	1,351,931	40,097	132,852	
466	Demand	3,127,752	1,794,921	700,203	62,335	570,293	
467	Commodity	4,168	1,935	801	76	1,357	
468	Total Taxes Other Than Income	11,986,689	9,126,745	2,052,935	102,508	704,501	
469	Interest on Customer Deposits						
470	Customer	146,575	33,285	108,754	4,218	318	INTCUS
471	Demand	-	-	-	-	-	
472	Commodity	-	-	-	-	-	
	Total Interest on Customer Deposits	146,575	33,285	108,754	4,218	318	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocated Cost of Service

LINE ACCT.	DESCRIPTION	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)	Allocation Factor (g)
473	(a) Required Return						
474	Customer	30,166,594	24,901,980	4,663,965	122,471	478,178	RBCUS
475	Demand	20,852,189	12,329,050	4,751,515	418,682	3,352,942	RBDEM
476	Commodity	3,103	1,440	596	56	1,010	COM
477	Total Required Return	51,021,886	37,232,471	9,416,076	541,210	3,832,130	
478	Income Taxes						
479	Customer	12,034,541	9,934,297	1,860,624	48,858	190,762	RBCUS
480	Demand	8,318,689	4,918,502	1,895,550	167,028	1,337,609	RBDEM
481	Commodity	1,238	575	238	23	403	COM
482	Total Income Taxes	20,354,468	14,853,374	3,756,412	215,908	1,528,775	
483	Total Cost of Service Before						
484	Revenue Credits						
485	Customer	162,047,352	132,696,048	25,173,465	1,002,971	3,174,868	
486	Demand	58,699,773	34,193,277	13,257,636	1,174,212	10,074,648	
487	Commodity	200,097	92,875	38,447	3,642	65,134	
488	Total Cost of Service Before Revenue Credits	220,947,223	166,982,200	38,469,548	2,180,825	13,314,650	

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocation Factors

Line	Description (a)	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)
1	Customer Cost Factors					
2						
3	Total Customers	500,527	438,055	61,676	299	497
4	Total Customers Factor (CUS)	1.00000	0.87519	0.12322	0.00060	0.00099
5						
6	Services Weighting		1.00000	1.00000	1.67646	2.50319
7	Weighted Customers	501,476	438,055	61,676	501	1,244
8	Weighted Services Factor (SERCUS)	1.00000	0.87353	0.12299	0.00100	0.00248
9						
10	Meters Weighting		1.00000	6.46809	10.87234	47.01064
11	Weighted Customers	863,591	438,055	398,926	3,250	23,360
12	Weighted Meters Factor (METCUS)	1.00000	0.50725	0.46194	0.00376	0.02705
13						
14	Meter Installations Weighting		1.00000	2.00000	42.99854	88.14634
15	Weighted Customers	618,061	438,055	123,352	12,853	43,801
16	Weighted Meter Installation Factor (METINCUS)	1.00000	0.70876	0.19958	0.02080	0.07087
17						
18	Regulators Weighting		1.00000	2.73562	26.38956	54.37409
19	Weighted Customers	641,685	438,055	168,722	7,888	27,019
20	Weighted Regulators Factor (REGCUS)	1.00000	0.68266	0.26294	0.01229	0.04211
21						
22	Meters and Regulators Weighting		1.00000	3.73457	26.75348	63.17702
23	Weighted Customers	707,779	438,055	230,333	7,997	31,394
24	Weighted Meters & Regulator Factor (METREGCUS)	1.00000	0.61891	0.32543	0.01130	0.04436
25						
26	Non-Large Volume Service Customers	500,030	438,055	61,676	299	0
27	Non-Large Volume Customer Factor (NONLVCUS)	1.00000	0.87606	0.12334	0.00060	0.00000

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocation Factors

Line	Description (a)	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)
28	Customer Cost Factors (Continued)					
29						
30	Large Volume Service Customers	497	-	-	-	497
31	Large Volume Customer Factor (LYCUS)	1.00000	0.00000	0.00000	0.00000	1.00000
32						
33	Large General Service and Large Volume Service Customers	796	-	-	299	497
34	Large Gen. Svc. & Large Vol. Svc. Factor (LGLVCUS)	1.00000	0.00000	0.00000	0.37560	0.62440
35						
36	Nonintangible Plant Customer Cost	650,312,534	539,923,074	99,478,930	2,398,294	8,512,235
37	Nonintangible Plant Factor (NONINTCUS)	1.00000	0.83025	0.15297	0.00369	0.01309
38						
39	Distribution Plant Customer Costs	585,896,077	484,762,729	90,710,685	2,273,964	8,148,699
40	Distribution Plant Factor (DISPLTCUS)	1.00000	0.82739	0.15482	0.00388	0.01391
41						
42	General Plant Customer Costs	64,416,457	55,160,346	8,768,245	124,330	363,536
43	General Plant Factor (GENPLTCUS)	1.00000	0.85631	0.13612	0.00193	0.00564
44						
45	Total Revenue (margin plus the cost of gas)	630,860,620	436,802,196	164,050,470	14,201,198	15,806,756
46	Total Revenue Factor (TOTREVCUS)	1.00000	0.69239	0.26004	0.02251	0.02506
47						
48	Total Residential Revenue	436,802,196	436,802,196	-	-	-
49	Total Residential Revenue Factor (RESREVCUS)	1.00000	1.00000	0.00000	0.00000	0.00000
50						
51	Mains Customer Cost Factor	0.54407	0.47616	0.06704	0.00032	0.00054
52	Services Customer Cost Factor	0.45593	0.39827	0.05607	0.00046	0.00113
53	Mains & Services Factor (MNSVCCUS)	1.00000	0.87443	0.12312	0.00078	0.00167

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocation Factors

Line	Description (a)	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)
54	Customer Cost Factors (Continued)					
55						
56	Customer Deposits	4,559,511	783,188	3,625,119	140,616	10,588
57	Customer Deposit Factor (DEPCUS)	1.00000	0.17177	0.79507	0.03084	0.00232
58						
59	Interest on Customer Deposits	146,575	33,285	108,754	4,218	318
60	Interest on Customer Deposits Factor (INICUS)	1.00000	0.22709	0.74197	0.02878	0.00217
61						
62	Total Plant Customer Costs	677,338,399	563,574,842	102,809,739	2,414,499	8,539,319
63	Total Plant Factor (TPLTCUS)	1.00000	0.83204	0.15178	0.00356	0.01261
64						
65	Net Plant Customer Costs	413,678,006	339,574,002	66,382,740	1,677,421	6,043,843
66	Net Plant Factor (NETPLTCUS)	1.00000	0.82087	0.16047	0.00405	0.01461
67						
68	Account 376-379 Customer Costs	144,503,282	126,467,503	17,806,019	86,298	143,461
69	Account 376-379 Factor (376-379CUS)	1.00000	0.87519	0.12322	0.00060	0.00099
70						
71	Account 871-879 Customer Costs	11,665,449	8,037,298	2,978,148	138,970	511,034
72	Account 871-879 Factor (871-879CUS)	1.00000	0.68898	0.25530	0.01191	0.04381
73						
74	Account 887-893 Customer Costs	5,223,417	4,262,627	680,169	101,888	178,733
75	Account 887-893 Factor (887-893CUS)	1.00000	0.81606	0.13022	0.01951	0.03422
76						
77	Service Orders, Pay Agreements, and Bills	6,469,096	5,629,387	819,122	8,642	11,945
78	Account 903 Factor (903CUS)	1.00000	0.87020	0.12662	0.00134	0.00185
79						
80	Uncollectibles Expense	9,441,955	8,661,922	776,539	3,494	-
81	Account 904 Factor (904CUS)	1.00000	0.91739	0.08224	0.00037	0.00000

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocation Factors

Line	Description (a)	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)
82	Customer Cost Factors (Continued)					
83						
84	Accounts 902-904 Customer Costs	23,535,489	20,930,611	2,558,062	21,610	25,206
85	Accounts 902-904 Factor (902-904CUS)	1.00000	0.88932	0.10869	0.00092	0.00107
86						
87	Account 912 Customer Costs	1,026,962	308,088	205,392	102,696	410,785
88	Account 912 Factor (912CUS)	1.00000	0.30000	0.20000	0.10000	0.40000
89						
90	Accounts 912 and 913 Customer Costs	1,031,775	312,301	205,985	102,699	410,789
91	Accounts 912 and 913 Factor (912-913CUS)	1.00000	0.30268	0.19964	0.09954	0.39814
92						
93	Non-Admin.& Gen. (Non-TOTI) Op. Exp. Customer Costs (1)	67,730,342	55,421,817	10,380,597	466,390	1,461,537
94	Non-A&G Op. Exp. Cost Factor (NONAGEXPCUS)	1.00000	0.81827	0.15326	0.00689	0.02158
95						
96	Operating Expense Customer Costs (1)	119,699,643	97,826,486	18,540,123	827,424	2,505,611
97	Operating Expense Factor (OPEXP)	1.00000	0.81727	0.15489	0.00691	0.02093
98						
99	Operating Expenses (Non-TOTI) Customer Costs (1)	110,844,874	90,496,596	17,188,192	787,327	2,372,759
100	Non-TOTI Operating Exp. Factor (NTOTIEXPCUS)	1.00000	0.81643	0.15507	0.00710	0.02141
101						
102	Customer-Related SLRP Amortization - Mains	169,161	148,048	20,844	101	168
103	Customer-Related SLRP Amortization - Services	665,441	581,283	81,842	665	1,651
104	Total Customer-Related SLRP Amortization	834,602	729,331	102,686	766	1,819
105	SLRP Factor (SLRPPCUS)	1.00000	0.87387	0.12304	0.00092	0.00218
106						
107	Rate Base Customer Costs	357,678,369	295,257,058	55,299,559	1,452,107	5,669,645
108	Rate Base Customer Factor (RBCUS)	1.00000	0.82548	0.15461	0.00406	0.01585

MISSOURI GAS ENERGY
Class Cost of Service Study
Twelve Months Ended December 31, 2008
Allocation Factors

Line	Description (a)	Total (b)	Residential (c)	Small General Service (d)	Large General Service (e)	Large Volume Service (f)
109						
110	Demand Cost Factors					
111						
112	Peak Demand Factor (DEM)	1.00000	0.57387	0.22387	0.01993	0.18233
113						
114	Gas Inventory Factor (GSINVDEM)	1.00000	0.62084	0.23467	0.02033	0.12416
115						
116	Rate Base Demand Costs	247,239,618	146,182,715	56,337,619	4,964,222	39,755,062
117	Rate Base Factor (RBDDEM)	1.00000	0.59126	0.22787	0.02008	0.16080
118						
119	Commodity Cost Factor					
120						
121	Annual Distribution Volumes (Ccf)	761,512,128	353,453,768	146,317,231	13,861,038	247,880,092
122	Commodity Factor (COM)	1.00000	0.46415	0.19214	0.01820	0.32551

(1) "Operating Expenses," as used in this study, are the sum of the following expense categories: Operations and Maintenance, Customer Accounts, Customer Service, Sales and Advertising, Administrative and General, Depreciation and Amortization, and Taxes Other Than Income. As noted, certain "Operating Expense" factors necessarily exclude Taxes Other Than Income to avoid circularity, and others exclude Administrative and General Expenses.